

Dining Strategies of Successful Senior Communities

A White Paper



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Executive Summary

Communities that serve the growing senior population recognize that high quality food and dining programs are critical as they strive to meet or exceed resident satisfaction and facility occupancy goals in a competitive marketplace. Senior dining programs facilitate social interaction, support medical care as well as health and wellness objectives and provide a critical link to the lives and communities of residents. A variety of progressive strategies are being used to elevate the dining experience in senior communities and improve resident satisfaction scores. This is particularly important at a time when enhanced transparency makes such information widely available for comparison by prospective residents and their families.

In June of 2010, Unidine presented a webinar that looked at the top trends in senior dining programs and featured two senior services executives who described their approach to the use of dining strategies to create “communities of choice.” Subsequently, Unidine invited top executives from senior facilities across the country to participate in a survey and report on their approach to dining services, as well as their satisfaction with the results they have achieved.

The survey was completed by 65 senior services executives from independent living and assisted living communities, skilled nursing facilities and CCRCs across the country and revealed several important points:

- *Old-style tray passing programs were associated with the lowest levels of satisfaction among respondents.*
- *A combination of strategies that includes the use of freshly prepared foods, increased choice and elevation of service and hospitality is strongly correlated with the top level of satisfaction among respondents.*
- *Significant changes are anticipated in dining strategies over the coming year, and the top areas of interest include improvements to service and hospitality, increased use of freshly prepared foods and increased use of interactive events.*
- *There is both a need and a desire for better metrics to measure the success of food and dining strategies in senior services.*



Busy senior services executives are balancing more tasks and priorities than ever before. Increased transparency and reporting requirements, projections for a slow economic recovery and anticipated changes in Medicare and Medicaid reimbursements will place additional pressure on performance in coming years. As you carefully consider your options for the future, it is critical that you understand the resources and expertise required to implement any new dining strategy, and ensure that you have the appropriate resources aligned to guarantee success.

This white paper will explore the survey results in detail, and suggest some specific actions that can be taken to improve your odds of success as you strive to create a community of choice.

Dining Strategies of Successful Senior Communities

In the rush of daily activity, it is easy to become insulated and lose track of important trends that offer a competitive edge. In recent years, dining strategies in senior services have clearly emerged as a differentiator for senior communities in a competitive marketplace. But what is really happening beyond the headlines? What strategies are being used, and what results are being achieved? How are these results measured? What trends are important for the future?

In June and July of 2010, Unidine surveyed senior services executives to answer these questions. This white paper, **“Dining Strategies of Successful Senior Communities,”** offers a revealing look at the dining strategies that are making a difference in senior facilities, and offers tips that will help you get started on your journey towards becoming a top performer.

Characteristics of Top Performers

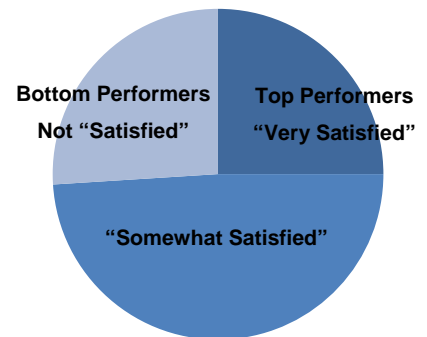
Top performers in our study are defined as senior services executives who indicated they were “Very Satisfied” with food and dining services in their senior community, and represent 25% of all survey participants. By contrast, the bottom performers in our study indicated that they were “Neutral,” “Somewhat Dissatisfied” or “Very Dissatisfied” with their dining programs. This group represented 26% of all participants.

The survey results clearly identified the characteristics of top performers. It really comes down to three issues, which we have labeled the “Circle of Success.” These three issues are: fresh food, choice and service.

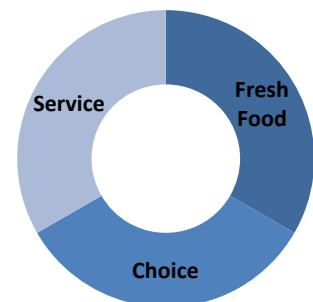
Mapping Your Success

To get started with a fresh food strategy, or any dining strategy, it is important to have a clear understanding of your current food service program costs and resident satisfaction. This data will establish the baseline against which your success will be measured.

Satisfaction of Respondents with Food & Dining Services



Circle of Success

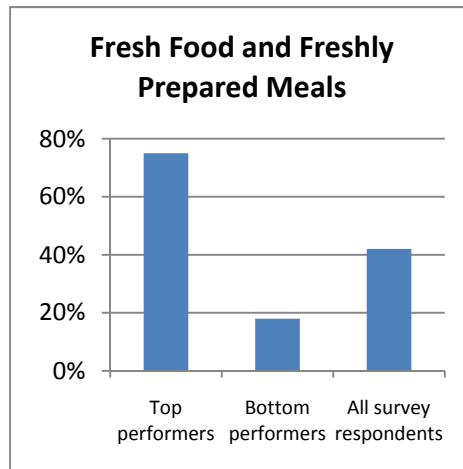


Fresh Food

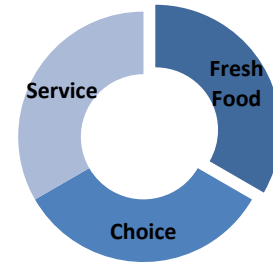
Fresh food is more than just a catchy phrase; it is a philosophical approach to nutrition, flavor, sustainability and the treatment of residents with dignity that is spreading across senior services and long term care. While it may be simple to open a can and heat the contents, or to heat frozen prepared food, such an approach compromises nutrition and flavor, and resident satisfaction suffers as a result. This is clear in our research, which showed that **82% of bottom performers do not use fresh food as a dining strategy**. No other strategy in our survey so clearly delineated top from bottom performers!

The switch to fresh food requires some fundamental changes in an organization. More sophisticated planning and procurement is required to ensure that perishable ingredients arrive on time for use while fresh to maximize flavor and nutrition, and minimize waste. Seasonal menus adapt to the availability of fresh meats and produce throughout the year. A trained chef and experienced dining services director with extensive knowledge of food preparation, menu planning, food safety and nutrition are critical.

Although such changes can result in increased expense, there are ways to balance cost increases in one area with strategies that reduce costs in others. For example, local sourcing of



Circle of Success



Benefits of Fresh Food

- Improved flavor
- Improved nutrition
- Reduced use of supplements
- Improved health and wellness
- Higher resident satisfaction
- Increased marketability and occupancy
- Promotes sustainable practices

fresh produce reduces or eliminates transportation to lower your overall food cost. Residents eat more at mealtime because the food is better, requiring fewer supplements and reducing associated costs. Food service management companies and group purchasing organizations have the ability to aggregate purchasing volume, participate in sophisticated networks of local producers, and leverage management systems across their portfolios of clients to further drive down cost.

A fresh food dining strategy adds complexity to a senior dining program; however, the benefits are significant. Of the survey participants who reported using a fresh food strategy and specified increased resident satisfaction as a goal, 92% reported that their strategies contributed to their success. Similarly, 95% of respondents who used fresh food and specified improved marketability and occupancy as a goal reported that their strategies contributed to their success.

Mapping Your Success

Answering the following questions will help you map out your fresh food strategy:

- *Does your staff have the knowledge, skills and experience to handle the complex procurement, food preparation and planning required?*
- *Do you or your HR department have the connections and expertise to recruit, onboard and train the required resources?*
- *Will your internal systems handle the complex planning and procurement processes required to manage on-time delivery and preparation of perishable fresh ingredients?*
- *Are you familiar with sources for local fresh meats and produce?*
- *Do you have adequate kitchen facilities to prepare fresh food, or will you require upgrades?*

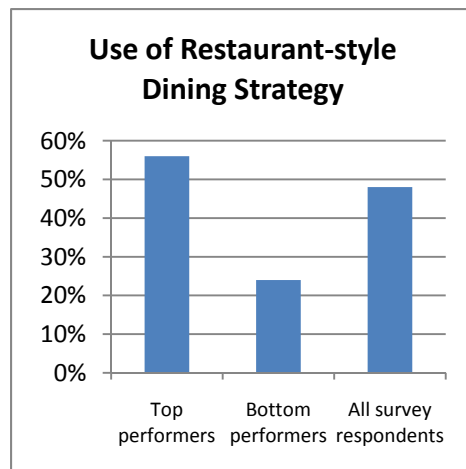
Choice

Restaurant-style dining and decentralized dining are both strategies that increase choice for residents. **Dining strategies that involved choice were clear characteristics of top performers, 63% of which used one or both in their communities.** Restaurant-style dining was more prevalent than decentralized dining in this group. In fact, 56% of top performers report offering restaurant-style dining, while only 24% from the bottom quartile used the strategy.

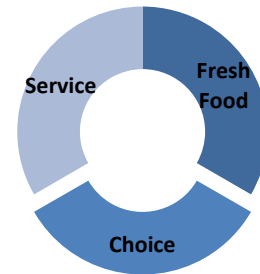
“Choice” often has two components, and implies not only increased menu options, but increased flexibility with meal schedules to accommodate active senior lifestyles.

Implementation of either restaurant-style dining or decentralized dining programs usually requires investments in infrastructure, equipment and personnel. The dining room may require upgrades to tables and chairs, place settings and table cloths. Offering menu options means more sophisticated planning, procurement and food preparation to avoid waste and keep expenses under control. Mobile steam carts or satellite stations are needed to implement a decentralized dining strategy. And in either case, staff must deliver a higher level of hospitality and service, requiring increased investment in personnel and training.

However, these strategies also



Circle of Success



Benefits of Choice

- More menu options and a more flexible dining schedule for residents
- Higher levels of service and more impressive presentations during facility tours
- Promotes increased social interaction
- Higher resident satisfaction
- Increased marketability and occupancy

demonstrated significant benefits. Of the respondents who reported using restaurant-style dining and specified increased resident satisfaction as a goal, 86% reported that their strategies contributed to their success. Similarly, 84% of respondents who offered restaurant-style dining and specified improved marketability and occupancy as a goal reported that their strategies contributed to their success.

Restaurant-style dining also offers opportunities to generate additional revenue from families and friends who choose the dining room rather than a nearby restaurant when visiting loved ones. Resident health improves as more food is consumed and weight stabilizes. At the same time, use of supplements and the costs associated with them decreases.

Mapping Your Success

Answering the following questions will help you map out a strategy that increases resident choice:

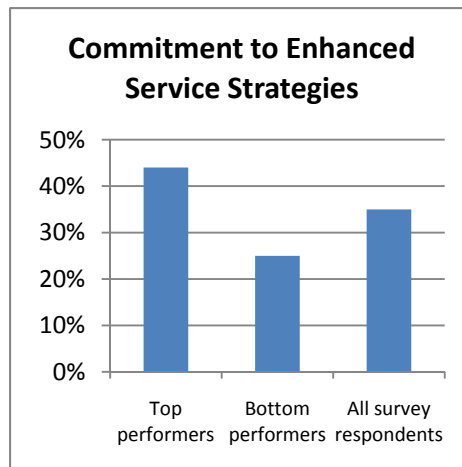
- *Do you have the dining area required to offer restaurant-style dining? How much are you willing to invest to create or upgrade your dining area?*
- *Do you have the mobile steam carts or satellite stations required for a decentralized dining program, or the willingness to invest in them?*
- *Do you have adequate kitchen facilities to offer the menu and scheduling options?*
- *How will you either train or recruit the experienced hospitality and wait staff required?*
- *Does your existing staff have the culinary expertise or management experience required for the restaurant-style dining you envision?*
- *How difficult is the local labor market?*

Service

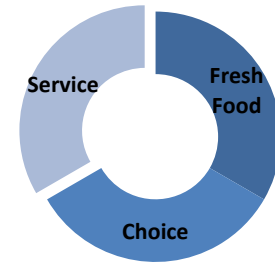
The Culture Change movement has stressed the need to treat seniors with increased respect and dignity. In food and dining services, this trend is evident in strategies like restaurant-style dining and decentralized dining that elevate the dining experience, as well as in programs that improve recruitment and training for hospitality and service staff. Again, these strategies correlate strongly with the top performers in our research. In fact, **44% of the top performers demonstrated a commitment to higher levels of service** by using at least two of these strategies in their dining program. In contrast, only 25% of respondents in the bottom quartile of performance used at least two of these service-enhancement strategies.

Issues related to human resources, like recruitment and training programs, can be particularly tricky and costly. High employee turnover rates bring high costs and disruptions in service that negatively impact resident satisfaction. Labor markets vary widely, and depending on your location, competition for talent can be fierce.

Food service management companies are uniquely positioned to attract and retain a higher quality talent pool. Career opportunities exist within food service management companies that are often more attractive for food service professionals, and a full



Circle of Success



Benefits of Enhanced Service

- Higher resident satisfaction scores
- More impressive site tours for prospective residents
- Increased employee satisfaction and decreased turnover
- Reduced service disruptions
- Improved marketability and occupancy

time, devoted HR staff is constantly recruiting and training top candidates to fulfill client needs. As a result, the bench strength of a food service management company can help protect against service disruptions.

It is probably no surprise that the dining strategy that correlates most strongly with the bottom performers in our research is traditional tray passing. Tray passing is not associated with a high level of service or freshly prepared meals; nor is it associated with choice, placing the practice clearly outside of the “Circle of Success.” **Within the group of bottom performers, 58% reported using tray passing as a dining strategy**, compared with just 23% of top performers – all of whom combined tray passing with at least one of the more progressive dining strategies.

Mapping Your Success

Answering the following questions will help you map out a strategy that improves service levels:

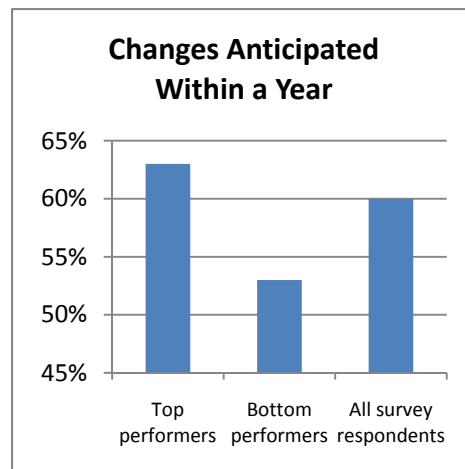
- *Is your primary dining strategy traditional tray passing?*
- *Does your training focus on service and hospitality in addition to food preparation and safety?*
- *Do you need a program to identify a pool of qualified candidates?*
- *What can you do to distinguish your facility as an employer of choice in your community?*
- *Do you foster a culture that rewards service excellence?*

Satisfied, but not complacent

The top performers in our study may have expressed satisfaction with their food service program, but they are clearly not complacent. Nearly 63% of top performers plan to implement changes to their programs within the next year, compared to 53% of the bottom performers. Across the entire survey population, 60% anticipate making changes within a year.

The most frequently anticipated change – by a wide margin – was improvement to service and hospitality levels, reported by 65% of survey respondents. At 34%, implementation or expansion of fresh food programs was second, followed by architectural or design upgrades at 32%.

A sense of urgency is evident in industry publications, conference presentations and other traditional and social media outlets that buzz with reports of industry consolidation, shrinking Medicare reimbursements and a slow economic recovery that will continue to confound efforts to improve occupancy rates. Dining services clearly represents an opportunity for senior communities to raise their level of performance and stand out from the crowd; and our research shows that senior services executives are making plans to make improvements.



Mapping Your Success

Top dining strategies:

Fresh Food: Fresh ingredients are used to create meals from scratch, rather than heating pre-packaged canned or frozen foods, to enhance flavor, texture, presentation and nutrition.

Restaurant-style Dining: Residents sit at tables in the dining room where they are presented with menus and served by trained wait-staff. Options typically include multiple menu items and seating times, and table-settings are upgraded to enhance the dining experience.

Decentralized Dining: Multiple meal options are prepared in the kitchen and are distributed to satellite stations or via mobile steam carts where trained staff serve meals to order, providing enhanced service, choice and flexibility with meal location and timing.

Interactive Events: Carving stations, themed or ethnic meals, cooking demonstrations or farmers markets enhance anticipation, excitement and social interaction, and improve resident satisfaction.

How do you measure success?

Metrics used to measure the success of food service programs continue to be limited. Of all survey respondents, 86% reported use of resident satisfaction surveys, and 54% indicated that total food service program cost was an important metric. A few respondents used a tours-to-occupancy ratio or post-tour survey to measure the impact of their food service program on marketing efforts. Beyond these metrics, most survey comments indicated that anecdotal evidence from conversations with residents, dining committee meetings and other subjective measures were most often used to evaluate the success of their programs. There was an undercurrent of frustration in comments that suggested that resident satisfaction surveys were too vague to provide the data and guidance required to effectively develop dining strategy, but few alternatives were offered.

Conclusion

This report offers clear guidance for senior services executives who want to improve their food and dining service programs. Top performers are focused on freshly prepared meals, greater choice in menu options and meal times, and elevated levels of service and hospitality in all aspects of dining services.

Significant changes are anticipated in the coming year, indicating that the competition for market share, as well as for talent, will increase substantially. The top target for improvement is increased levels of service and hospitality, while implementation of fresh food strategies, new interactive food-related events and dining room upgrades are also

Mapping Your Success

The Unidine Way

“The Unidine Way” is our approach to customer service and team interaction. It is the foundation for everything we do and accomplish on behalf of our clients.

Unidine is exclusively focused on food and dining services management. All of our people, training, systems and processes support this vision. The result is better service, better resident satisfaction, better food, and better financial results for our clients.

Unidine maintains a low account-to-management ratio resulting in better access to senior management, improved resource deployment and superior problem resolution. We care and serve with a personal touch, from our Founder and CEO, Richard B. Schenkel, down to our front line team members.

Since its inception, Unidine has focused on food and dining services for the healthcare marketplace. We specialize in serving seniors and our commitment to seamless integration into your community sets us apart.



priorities. Resident satisfaction will continue to be the metric used to measure the success of these initiatives, but clearly more informative and useful metrics are needed.

What will you do to remain competitive? More than ever before, you have options when it comes to development and implementation of new dining strategies. You can implement these strategies internally if you have the resources to do so.

Increasingly, however, senior services executives must focus on the core issues of providing high quality healthcare services for the seniors they serve while navigating a complex economic and business landscape. That is why so many are turning to food service management companies like Unidine for help.

We hope that you have enjoyed this report and find it useful. If you are considering changes to your dining program, we invite you to speak with a Unidine representative who will gladly answer any questions you have about the information offered in this report or about the programs we offer to deliver senior dining programs that will set your facility apart.

About Unidine

Unidine Corporation was founded in 2001 by Richard B. Schenkel, an industry visionary whose background in food and service management in the healthcare industry spans nearly three decades. Unidine focuses exclusively on providing customized food and dining solutions that incorporate fresh food, superior service and hospitality, and efficient management to improve patient satisfaction, optimize operations and control costs.

Unidine Corporation currently serves over 130 clients across the United States. We have earned a reputation for culinary excellence, customer service and innovation that extends from our dining programs to our management systems. Our low account-to-management ratio ensures quick access to senior executives and responsiveness to client needs. In 2010, Richard Schenkel was recognized for the innovative, customer-centric organization he has built when he was named a finalist in the Ernst & Young Entrepreneur of the Year 2010 program in New England.

Call Unidine today to see how our custom programs and passionate commitment to delicious food and customer service can help you to elevate the dining experience in your independent or assisted living facility, skilled nursing facility, or CCRC.



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