



RHarper Consulting Update

Repositioning on a Budget

In the senior living industry, “repositioning” has become synonymous with large capital projects. Most organizations do not have the luxury of raising and spending huge amounts of money to create built environments, though, and for many of us, finding cost-effective repositioning projects that meet unmet demands in your market is more about allocating available resources for specific projects than lining up massive funding for massive changes and improvements – in other words, figuring out how to do the most with the least. Below are some thoughts on ways of taking careful, focused action to address the challenges you may see in your market:

Planning – Everyone talks about planning, and it’s all that some operators do. They never implement, they never act, they just keep planning for the next decade while this one slips away. This is really not a result of failed efforts, it is simply the failure to move from strategic planning to tactical planning – how do we implement the Plan? Often, the strategic planning takes place at the Board level and implementation is left to a management staff that may not fully grasp or be invested in the strategic plan delivered from “above.” The solution is to approach planning from the top down – determine the big issues, then drive to executable solutions. This requires the implementers to be at the table for all of the planning, consideration of capital and human resources, and establishment of realistic budgets and schedules.

Soft changes first – While new buildings and renovations are exciting and provide tangible proof that the “Plan is working,” unless the operational changes precede or accompany the new construction, chances are the repositioning will not be successful. The cultural changes that are necessary to successfully reposition a senior living community are often much more daunting and expensive than we usually consider during the planning process.

Start Small – Direct your planning process to focus on the smallest project that is most likely to deliver significant results. Perhaps that is as simple as upgrading the program for refurbishing living units as they turn over, or replacing the furnishings in the dining room. Often, these can be incorporated into the community’s ongoing capital budget. As these smaller projects are implemented, residents and staff will begin to embrace the changes and actively seek more. It may make the bigger components that will come later easier to implement and more likely to succeed faster.

Prepare residents and staff early – Inertia and resistance to change is probably the biggest challenge in repositioning. It’s vitally important, though, that staff understand how necessary and important it is to remain competitive and relevant in your market, and for residents to understand your commitment to continually improving their safety and comfort. Embracing change will never be unanimous, and not everyone will be an advocate for the changes – be ready to deal with that situation as it arises.

The repositioning of senior housing is an ongoing process, not an event that is undertaken every other decade. Our market is constantly evolving, and as new models for senior housing emerge, our existing communities have to evolve in anticipation, of those new opportunities, not in response. Overcome the temptation to wait until you can do everything before you do anything. Plan well, start small, and constantly look for incremental ways to improve.

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RHarper Consulting Group provides development consulting, program management, and owner representation services focused on the senior living and mixed use sectors. In addition, Mr. Harper is also a listed mediator and arbitrator providing dispute resolution services for the construction and real estate industries.



Roger Harper, Principal of RHarper Consulting Group, provides development consulting services to the senior housing industry.

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