Senior Living Communities: Operations Management and Marketing for Assisted Living, Congregate, and Continuing-Care Retirement Communities

Benjamin W. Pearce
Johns Hopkins University Press, Baltimore, 1998, 353 pp., $60.00 (paperback)

Ben Pearce’s book lives up to its billing as a complete guide for senior living communities. Any organization contemplating entering the senior living market should read this book to fully understand all the specifics and issues of delivering senior housing. The book is especially strong on assisted living, undoubtedly reflecting Pearce’s own professional commitment and background. The book is well organized into sections on administration, resident services, marketing and sales, other services, and appendices.

Chapter 1 in the section on administration offers a realistic review of the development process. This would be especially helpful to a Catholic organization that lacked extensive development experience and may alert organizations contemplating development to the value of outside expertise. This chapter includes pitfalls that projects have encountered, including undercapitalization and unrealistic market assumptions.

In the segment that describes the primary market area, Pearce recommends that assisted living facilities focus marketing efforts on the private-paying nursing-home market. This advice may seem counterproductive to an organization that currently offers a piece of the eldercare continuum and is adding elderly housing. What is key advice is the necessity of understanding how any project fits in with the services currently offered by a sponsor, as well as the market perception of the proposed project. Important financial information in Chapter 2 reviews crucial financial ratios and provides step-by-step information on how to calculate these ratios. Organizations, believing that the development of a project is what the market wants and is consistent with the mission of the sponsors, frequently fail to conduct the analyses necessary to show if the facility will achieve scheduled fill-up and have long-range financial viability. Financial officers will find this chapter extremely helpful.

Organizations that currently provide senior housing, continuing care, and/or assisted living will also find this book beneficial, as it offers detailed suggestions for improving current performance. The chapter on management and human resources offers a smorgasbord of suggestions for recruiting employees and covers how to conduct an interview, approach performance reviews, address workers’ compensation issues, and reduce risk to employees. The segment on shared risk by residents is particularly cogent. It provides an overview of the issues associated with allowing residents to remain as independent as possible.

Senior living is particularly dependent on the concepts of hospitality and service, and Pearce outlines these issues in his chapter “Concierge and Reception.” He clearly and helpfully points out the tenets of hospitality and explains how first impressions may have an effect on...
the facility and its marketing and client satisfaction for years to come.

Pearce outlines the issues of resident relations and offers suggestions for resolving complaints and conducting satisfaction surveys. One area he does not cover, and which may be of concern to Catholic health systems contemplating developing senior living services, is coordination with corporate compliance programs. Many states consider assisted living to be a healthcare-related enterprise, and in those states it would be wise to consider how corporate compliance programs might affect assisted living and other related services such as home care.

The chapter on home health appears to have been written before the advent of the Balanced Budget Act (BBA) and may not reflect some of the current issues that affect the home care industry. Another salient section addresses common health issues among older adults, such as incontinence, Alzheimer’s disease, and substance abuse. Facilities under development or in operation that fail to address these issues generally develop significant quality and resident satisfaction problems.

Chapters six through 12 cover transportation, resident care, dining services, activities, housekeeping, laundry, and maintenance and provide operations outlines, plans, schedules, and tips for facilities that are developing senior living programs. These detailed chapters would also be helpful to up-and-running facilities that might want to undertake an operational review, improve quality, or simply understand how other facilities approach service delivery.

Overall, this is a comprehensive guide which will provide nearly anyone involved with senior living, including trustees, planners, and managers, with clear, practical advice on how to develop and successfully manage a quality senior living residence. Pearce’s guide is readable, well organized, and filled with relevant information.

Susan McDonough
Vice President, Elder Services
Covenant Health Systems
Lexington, MA