

## **Building a Rock Star Team? First Get One of These on Your Side**

By Susan Saldibar

Most of us would agree that it's possible to achieve more with a partner than by going it alone. But "partner" is a loaded word. What kind of partner? And how much is "more"?

### Is the guy who changes lightbulbs a "partner"?

Senior living communities have been using partners for years, primarily in these areas:

- Food services
- Cleaning services
- Maintenance
- Transportation services
- Landscaping

But, is this really partnering? For example, is the company that sends in the guy to change the lightbulbs really a "partner"? As far as I can see, these are folks who come in, do their work and leave. Call it what you like, they are contracted out through a basic service agreement, containing language revolving around "we will do this and this, for this amount of money". Period.

### Are you partnering? Or outsourcing? Or both?

While many would call this basic "outsourcing", <u>Sodexo</u> (a Senior Housing Forum partner), refers to these arrangements as "traditional" partnerships, a term often used interchangeably with "outsourced services". Sodexo recently released a white paper on the topic of partnerships. What I found helpful is the clarification of three levels of partnerships. As you read these, ask yourself which, if any, you are using.

- Traditional partnerships are primarily entered into by a community to reduce costs. So, instead of paying a salary and benefits to the guy who changes the lightbulbs, you simply pay a flat monthly fee to the partner. The community is basically out to save money. Why pay the overhead of an employee when you can outsource it? These relationships are typically cost-based, giving the community little to no control over the workers.
- Transactional partnerships deepen the relationship a bit, allowing the community to retain some degree of control over the service offerings. However, these are still limited partnerships, with little to no shared objectives between parties. The relationship is activity-based, rather than solution based. So, the company that dispatches the guy to change the lightbulbs, might have him do a few other things, as the company carefully logs his time and actions to be billed accordingly.
- Strategic partnerships seek to build an "outcome, or solution, versus a "transactional" relationship with the community leadership. A strategic partner will work closely with the community towards solutions in which everybody wins. So, in this case, the company with the guy that changes lightbulbs will collaborate with the community, by looking into ambient lighting and ways of saving dollars by deploying new types of lighting. They may also mutually explore other areas in the maintenance arena that might be better fit for the community in terms of energy efficiency and environmental awareness. Collaboration, value, shared goals and risks, are attributes of a truly strategic partner.

# The strategic partnership model packs the most power. But can skeptical communities be convinced?

Few question the cost savings benefit of using traditional and transactional partnerships. They will continue to be a great way for communities to cover non-core services. The strategic model appears to pack the most power, however, in terms of its potential to provide a forklift upgrade in quality and value to the community. But, according to Sodexo, there is still reluctance, among communities, to open the doors for third party providers for fear of losing control, increasing risk and diluting their brand. Yet, studies referenced by Sodexo don't bear this out. In fact, in many cases, the opposite is true.

So, what is the future of strategic partnerships? Will new communities, seeking to get a "leg up" on existing communities, be more open to developing strategic partnerships? And will that enable them to concentrate more of their efforts building a rockstar team and capitalizing on innovation?

#### Moving beyond the status quo.

While we're busy trying to answer those questions, organizations such as Sodexo continue to identify critical quality gaps, educating the industry, while developing strategic partnerships with forward thinking communities. They are focusing on helping communities who understand the value they offer and are ready to let in partners who can help them set the quality bar higher.

I'm just scratching the surface here. There is much more. And you can draw your own conclusions by downloading and reading the full Sodexo white paper "Moving Beyond the Status Quo in Senior Living" here.



