

A photograph of two care workers, a woman with red hair and a woman with dark hair in a ponytail, both wearing blue short-sleeved patterned shirts and dark trousers. They are walking away from the camera down a brightly lit hallway with a checkered carpet. Large windows on the right side of the hallway let in natural light. A dark purple horizontal band is overlaid across the middle of the image, containing the title and subtitle text.

transforming aged care

Reimagining the aged care workforce of tomorrow

| HESTA |



contents

message from our ceo	3
overview	4
aged care sector reform	6
new care models will require new skills	7
changing nature of care	8
how providers are reacting to the changing landscape	9
taskforce and workforce strategy	10
estimates of future demand and workforce needs	11
impact of the NDIS	12
workload pressures and hours worked	13
potential staff shortfalls	14
worker profile, job security and pay	18
superannuation dilemma	20
employee likes and dislikes about their roles	22
reasons for entering aged care	24
factors behind decisions to leave	25
time pressures	26
home care – attractions and setbacks	27
improvements employees want	28
transformation by providers	30
retaining workers	32
attracting new workers	33
new health, wellbeing and transition to retirement programs	34
improving training quality	35
innovative partnership with the higher education sector	36
equipment and technological transformation	38
transformation of the sectors	40
conclusion	42

message from our ceo

In 2017, HESTA met with a number of leading organisations in the aged care sector to discuss their opportunities and challenges regarding workforce planning. This was followed by two further research projects to stress check some of the findings and insights from our initial discussions.



Given the looming shortage of aged care workers, we are particularly interested in how the aged care industry can attract and retain new employees as well as retain those currently working in aged care.

We share the belief of many in the sector that meeting the expected increase in demand for aged care will require a focus on the people who deliver these critical services.

HESTA manages more than \$43 billion in retirement savings for its members. For more than 30 years we have been dedicated to health and community services (HACS). We're passionate about positively impacting our members' futures and firmly believe our actions today can have a positive impact on the world into which our members retire.

With more than 200,000 of our 840,000 members in aged care, HESTA is committed to working constructively across the aged care sector by providing insights through our research and data capabilities.

We are committed to partnering with the sector to help inform and, through this, facilitate collaborative solutions to address the biggest sector challenges. Not only will this impact the working experience of a significant number of our members but also the quality of life in retirement for so many Australians.

What emerged from our discussions with peak bodies, unions, employers and members was a vivid picture of a dynamically changing industry. This is clearly an industry on the cusp of significant reform which will shape, for years to come, the provision of care to millions of Australia's seniors.

The broader aim of this research is to provide insights that will help inform real and lasting solutions. Specifically, we now are focused on how we can facilitate solutions and practically assist employers with their workforce planning. The research provides insights to help inform the diverse range of initiatives currently underway across the industry in workforce planning.

We look forward to sharing this report with government and our broad range of stakeholders in aged care.

I'd like to thank everyone who participated in the discussions with HESTA and who generously shared their experiences, knowledge and insights. All of these will help inform the ongoing and important conversation about the future of aged care in this country.

Debby Blakey
CEO

overview

Amid rapid transformation of the aged care sector in Australia, HESTA ran a series of research projects to find out how the sector is adapting and what the changes mean to providers and employees. The findings are intended to fuel debate and innovation in the industry and to inform government, providers and employees about the opportunities and challenges now and in the years to come.

HESTA intends to use this research to partner with interested employers and others in the sector to look at potential workforce planning solutions to meet the growing demand for services.

This report covers the findings of three 2017 HESTA research projects, supported by additional HESTA data and insights:

1. A qualitative study

This involved in-depth interviews with representatives of four peak bodies, seven major aged care service providers and three unions to get their perspectives on key issues facing the sector. The interviews covered aspects ranging from adapting to the 'uberisation' of the sector, to meeting changing consumer needs and attracting and retaining employees. The research also looked at innovative solutions some providers are implementing.

2. A quantitative study

This covered more than 2000 HACS employees, including HESTA members. The study explored the reasons employees have for staying or moving out of aged care. It also gives a profile of this predominantly female workforce, their relatively low income and retirement savings and the unpaid care they provide out of working hours. Results from an earlier HESTA survey, undertaken in late 2016, have also been used. This study included questions around the retirement intentions of over 1200 HACS workers.

3. Focus groups

This further explored the workplace experiences and motivations of two groups of Melbourne aged care employees. One group of employees intended to leave aged care and the other wanted to remain in the sector. Using information gleaned from the quantitative study, HESTA wanted to better understand the motivations, needs and barriers to employees participating in the sector. The focus group study also sought ideas from participants as to what could assist the industry to attract and retain a strong and sustainable workforce.

In addition, HESTA has developed a model to measure the preparedness of HESTA members for retirement. It allowed HESTA to better understand the level of financial retirement readiness of its members who work in aged care and compare this to others working in HACS.



aged care sector reform

Established aged care providers are having to adapt to both societal and demographic changes, as well as rapid disruption from a shift towards greater consumer-directed care. With the reform of home care packages, consumers and their loved ones now have far greater choice in accessing the type of aged care they want and selecting providers.

Australia's ageing population and the influx of baby boomers into aged care is quickly reshaping the level of demand and expectations of the quality of service.

Responding to these challenges, the sector has outlined a roadmap of sweeping reform over the next five to seven years.

In its March 2016 Aged Care Roadmap, the Aged Care Sector Committee outlined key landmarks towards a vision of a single aged care and support system, which is consumer-driven, market based, and sustainable¹.

To achieve this, the roadmap will involve removing the distinction between care at home and residential care, to create a single system that is 'agnostic to where care is received.' To create this seamless movement between home-based and residential care and greater consumer choice of care and provider, the Committee forecast the need to uncap supply of aged care services².

new care models will require new skills

In outlining a framework for planning for the aged care workforce of the future, industry peak bodies and service providers predicted meeting future demand for aged care wouldn't involve simply replicating the work patterns of today³.

Instead, they highlighted key factors impacting the future aged care workforce, including:

- new models of care that were increasingly multidisciplinary and likely to involve other service providers, sectors and the integration of unpaid and family care
- changes in workforce scope of practice
- changes in industry structure, including consolidation in the sector and entrance of niche players and service aggregators
- the ageing workforce
- increased acuity of consumers' care needs
- use of technology to complement workers.

Equipping an existing workforce so it is able to have the necessary flexibility and resilience to adapt to the fast rate of change in the sector is a key challenge.

Industry leaders noted this will require a focus on the quality and type of ongoing education and training provided to both new entrants into the sector and established workers.

The development of career structures and pathways within the sector is seen as a crucial underpinning to promoting personal training and development, and vital to attracting new workers required to fulfil a more diverse range of roles.

HESTA heard from providers who had already invested substantially in their in-house training and education capabilities and who saw it as an opportunity to improve quality in an industry where consumer information and choice is increasing. With this backdrop, providers are also seeing their education and training arms as potential business opportunities as the broader sector gears up for change.



1. Aged Care Roadmap, Aged Care Sector Committee, March 2016, Page 4.
2. Aged Care Roadmap, Aged Care Sector Committee, March 2016, Page 7.

3. Aged Care Workforce Strategy Framework, November 2016, page 8.

changing nature of care

The demands and demographics of residential aged care are changing the nature of care.

People are choosing to stay in their own homes much longer. By the time they are admitted to a residential facility, most require high levels of care or palliative care. Many residents have chronic health conditions, including greater levels of dementia, when they enter aged care residential homes.

Many residential care providers now see 'dementia care' as core business. The Aged Care Roadmap noted that ensuring dementia care was core business across the industry was a key aspect of future sector reform.



Providers HESTA interviewed said the average residential stay is now around 11 months, with most residents having complex high-care needs, including pain control and palliative care.

A union spokesperson said:



So what you get in residential care these days are, the oldest, the sickest, the most frail, the most in need, the most complex, at a time when we've got fewer and fewer skilled staff.

The union representative said having registered nurses on duty 24/7 was important because residential aged care had: 'become almost palliative care... And you need a sophisticated skill base to be able to do that properly, so that someone ends their life with dignity.'

A spokesperson for a regional aged care provider that is also a specialist training organisation said:



People want to stay at home, they don't want to be in a residential care centre. The fact is also that, ultimately, [the industry is] going to deregulate and if we don't get ahead of that we're just going to have other people coming in and servicing our customers and we're going to be just accommodation holders.

Many providers are adapting by changing their care offering. They are designing and developing more personalised aged care residential homes centred on the needs of customers. Some see opportunities to meet the increased expectations of baby boomers for high-quality aged care, providing packages of additional lifestyle-related services, while others are seeking to be leaders in the provision of 'end-of-life' care.

how providers are reacting to the changing landscape

For providers, changes to the funding model means less certainty about finances and numbers of residents. As the aged care market opens up, traditional providers are seeing increased competition and a diverse range of provider business models.

Amid stiff competition, established providers are also adapting their business models and switching to more service-oriented approaches to retain and attract consumers.

An aged care provider representative said with funding sitting with the customers:



We need to fight for our clients.

The provider was previously allocated more than 1600 packages, but that does not automatically happen anymore, noting they had to use a 'whole different way of thinking about how we operate.'

The representative said it was very difficult to do workforce planning and retain staff without set funding.

A provider of aged care and disability services described aged care as being consumer driven and increasingly in the retail space. To a large extent they saw it as essentially becoming a deregulated market and had identified 'huge growth opportunities'. But adapting is costly.

A not-for-profit provider said:



The cost of reform for us is significant. It's hundreds of thousands of dollars just to get ready for the NDIS [National Disability Insurance Scheme], let alone any changes to the aged care reform under the community setting.

There was also a range of views on the potential workforce impact of the NDIS. Some providers felt it would increase competition for employees, while others did not see it exacerbating the staff retention/attraction challenges already facing the industry (see page 12).

Typically, those with a predominately capital intensive residential care business model saw greater challenges in adapting nimbly to change. Other providers who were more focused on providing care in the home were positive about their ability to stay ahead of potential competitors and rapidly take advantage of opportunities.



taskforce and workforce strategy

In November 2017, the government set up an aged care taskforce to develop a workforce strategy focused on providing safe, quality care for older Australians.

Announcing the taskforce, Australia's Minister of Aged Care, Ken Wyatt AM said:

“
With Australia's current aged care staffing needs predicted to grow from around 360,000 currently to almost one million by 2050, workforce issues are vital to the quality ongoing care of older Australians.

The taskforce is consulting with the aged care sector and in February launched an online survey seeking the views of the public and those involved in the sector. The taskforce will report back to the Minister by the end of June 2018.

This follows a range of previous studies into the workforce planning challenges facing the sector over the next decade.

In its roadmap for future planning for the sector, the Aged Care Sector Committee outlined a shared vision for the aged care workforce of the 21st Century: 'A well-led, well-trained workforce that is adept at adjusting care to meet the needs of older Australians.'¹

The Aged Care Roadmap noted in order to achieve this:

“
The aged care sector must be considered a desirable and rewarding place to work with providers attracting and maintaining a well-led, flexible and responsive workforce.

Integration of unpaid carers and volunteers is vital to the success of any workforce strategy, and in this regard, the Roadmap called for the development of networks and partnerships with other industries such as education, research and employment.

estimates of future demand and workforce needs

Industry groups have highlighted a lack of accurate, consistent and aggregated national data, including robust modelling for estimating future demand.

2010 forecasts from the Department of Health and Ageing projected 827,000 aged care workers will be needed by 2027, with an annual growth rate of 2.27% required to reach that number². The Productivity Commission projected that up to 980,000 aged care workers will be needed by 2050.³

In 2013, the Australian Workforce and Productivity Agency forecast the aged care workforce may need to grow by as much as 4.40% a year through to 2025.

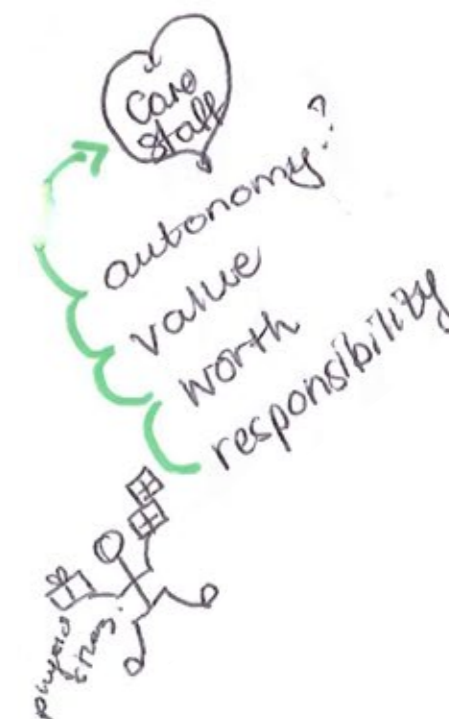
Industry peak body, Aged and Community Services Australia (ACSA), calculated in 2015 that the sector may need an additional 33,000 workers by 2023.

HESTA qualitative research, which explored the job intentions of those working in aged care, revealed a significant potential net outflow for the sector over the next five years (see page 15 for more details). This outflow would make meeting these projections even more challenging.

Discussions with employers indicated, with rising demand, aged care providers are attempting to retain older, experienced workers by exploring a range of initiatives.

These include more flexible working arrangements and innovative in-house wellbeing programs. Many providers saw improved technology and equipment as potentially allowing their ageing workforce to work longer, if they so choose.

At the same time, some providers are looking to create new roles or career paths, which they hope will attract younger workers as well as professionals from industries with complementary skills, such as the hospitality industry. This research also indicated attracting enough staff and the right mix of skills to provide sustainable quality care is often harder in regional areas.



Participants in two focus groups of HESTA members held in Melbourne were asked to participate in a number of interactive activities, including drawing their impressions and experiences of working in the aged care industry.

2. Australian Government Department of Health and Ageing (2010): 'Submission to the Productivity Commission Inquiry into Caring for Older Australians'. Canberra: DoHA.

3. Productivity Commission (2011) Caring for Older Australians Inquiry Final Report.

1. Aged Care Roadmap, Aged Care Sector Committee, March 2016, Page 5.



impact of the NDIS

While some providers are concerned they will be competing with the disability sector for the same pool of care workers, others take a cooperative approach and see the NDIS opening new opportunities for growth.



Some service providers felt disability care was quite different to aged care, noting, for instance, that disability care seems to attract a higher proportion of men, while aged care workforces typically had more women.

The aged care providers HESTA interviewed had mixed views about the National Disability Insurance Scheme (NDIS). Some felt it would result in competition for talent:



We know that we're going to be competing with the NDIS and we need to figure out ways to share resources, share people, so they can work across the industry.

One provider had already overhauled their reward and recognition strategy in order to pay competitively and attract, particularly, nurses to the sector.

Another provider didn't see a problem with the NDIS. Their view was they had a workforce with transferable skills who are happy to work in either aged or disability care.

Unions interviewed flagged wages as a big issue for the aged care sector. One said there were '...systemic problems around poor pay, poor image and really tough work.'

workload pressures and hours worked

One union reported on a study it had commissioned which found, on average, residents received only 2.8 hours of care a day whereas they should be receiving 4.3 hours.

The study recommended the skill mix needed to provide this care was 30% registered nurses (RNs), 20% enrolled nurses (ENs) and 50% assistants in nursing or personal carers.

This union also said, without exception, there should be a registered nurse on duty 24/7 in residential homes. They noted the average stay in residential care is just 11 months and most residents were receiving end-of-life care.

This union reported the shortage of registered nurses meant:



More and more duties that were previously done by registered nurses and other health professionals are being pushed down the line.

One of the issues consistently raised in the HESTA qualitative research was workload pressures i.e. not having enough time or staff. For example, one person reported having five minutes to shower someone with dementia, when they felt it could take anywhere up to an hour to do it properly.

Managing rosters is challenging for employers and employees. Some employers felt flexibility was a key competitive advantage in attracting new entrants to the industry. Others focused on improving customer satisfaction and engagement were concerned about the large variety of work patterns of their workforce and the proportion of casual and/or agency employees. These providers were trying to balance the need to provide flexibility with wanting to provide consistent care to clients so their employees were able to build rapport with the resident and their families.

Employees were also frustrated about changing rosters and the impact on their work/life balance and job satisfaction. In the qualitative research participants working in residential homes expressed concerns about changes to rosters at short notice and feeling pressured to fill in for shifts.

Flexibility and choice in working hours was a key motivation for those who chose to provide care in the home.

Many participants said employers getting rostering right was a key driver to their overall job satisfaction. It is clear that ensuring the type of shift and number of hours worked is sustainable for employees is particularly important for employers retaining experienced staff.

Employees in the qualitative survey who provided home care noted this was, in part, motivated by a desire to ensure their longevity in the workforce, as they needed to save more for retirement.

While participants in the focus groups talked about sometimes working long hours, the quantitative research showed a more complex picture.

Almost three quarters of respondents in aged care said that they worked: 'the right amount of hours.' However, almost one in five said they worked too few hours - in line with most other HACS segments.

potential staff shortfalls

Quantitative research indicates there could be an estimated net outflow of as many as 80,000 employees currently working in aged care over the next five years.

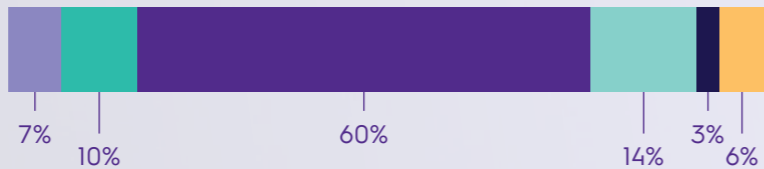
This estimate is based on the results of the quantitative study[^], which showed 23% of aged care workers intend leaving for jobs outside of aged care or resigning within one to five years. Of these, 14% want to move to other parts of HACS, with more than half of this group (56%) intending to transition to the hospital segment.

The online survey covered more than 2000 HACS workers, of whom almost a quarter were in aged care.

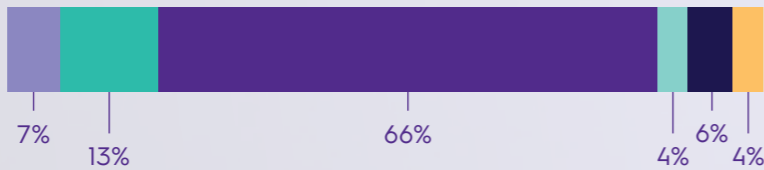
Job intentions

- Move to a new job (in my industry) as soon as possible
- Move to a new job (in my industry) within five years
- Stay at this job for at least another five years
- Move to a new job outside of my industry but within HACS
- Move to a new job outside of HACS
- Resign from this job, and not find another to replace it

aged care



non-aged care (HACS)



Non-aged care comprises of the weighted average of all of the non-aged care segments' results.

17%

of aged care workers intend staying in the sector but changing employers within five years

[^] HESTA Brand Awareness Survey Wave 5, job intention findings, November 2017.

aged care

366,000
estimated workforce¹

23%
intending to leave
aged care within
five years

84,000
estimated
outflow

non-aged care

985,000
estimated workforce²

4%
intending to leave
job but stay in HACS

9%
intending to move
to aged care

4000
estimated inflow
to aged care
from HACS

80,000*

estimated net loss of aged care employees
(see page 16 for more details)

* Estimate assumes that survey respondents' job intentions are an accurate predictor of behaviour and does not account for any movement from outside the HACS industry.

1. The Aged Care Workforce 2016, Australian Government Department of Health, March 2017. This is an estimate of all PAYG aged care workers, including those in residential facilities, home care and home support outlets.

2. 2016 Census, Australian Bureau of Statistics. This is an estimate of Health Care and Social Assistance sector, minus the Aged Care workforce.

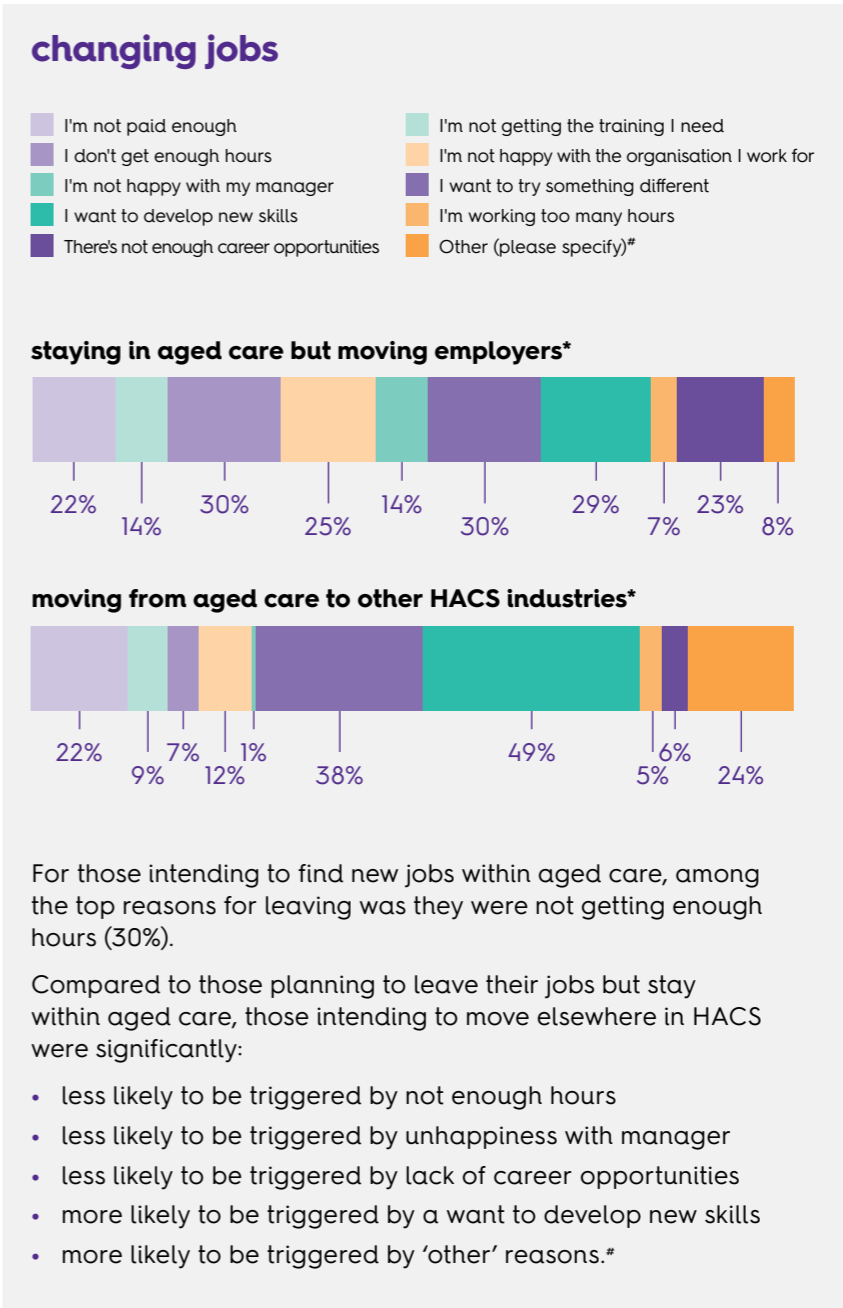
Projecting the 23% expected net flow across 366,000¹ aged care workers nationally, enabled researchers to estimate a net outflow of 80,000 people from aged care jobs in the next five years.

The research also highlighted the difficulty the industry may have in attracting workers from within HACS that may have a background in providing care. Just 4% of those surveyed in the non-aged care HACS sector intend to leave their current jobs but stay within HACS. Only 9% of those (0.36% of the total) want to move into aged care roles. Projecting these figures across the 985,000² workers currently employed in the other parts of HACS, the researchers estimated this could mean an inflow of just 4,000 workers into aged care from within HACS.

While these are only projections based on participant’s stated intentions and not actual behaviour they still give a clear indication of the potential scale of the challenge given the estimated net outflow of 80,000 workers from aged care in the next five years.



**Note: Respondents were able to give multiple reasons. So, results do not sum to 100%.*
#Almost a quarter of the aged care workers who said they intended to move to jobs elsewhere in HACS cited ‘other’ reasons, including finishing studies, unhappiness with the aged care sector or unhappiness with how care workers and clients were treated.



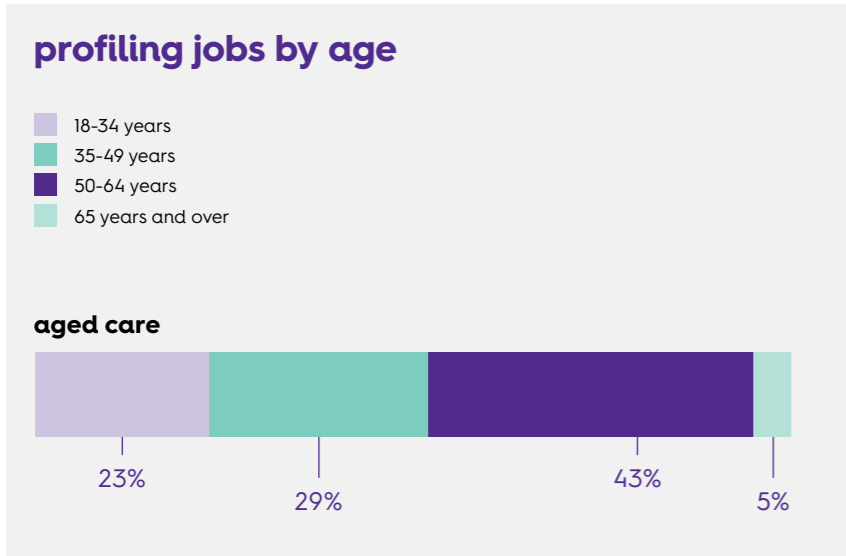
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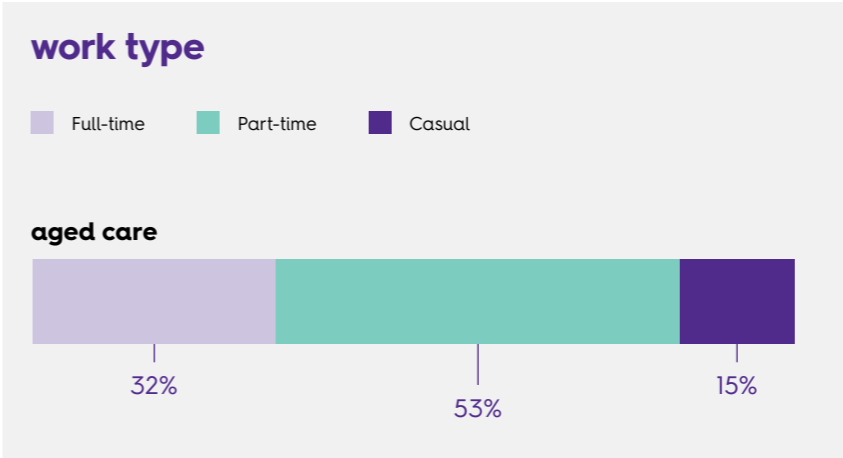
a typical HESTA member working in aged care – job security and pay

Data from HESTA’s quantitative research* shows 82% of members working in aged care are women, with almost half over 50 years of age – the oldest sector within HACS. The gender imbalance is similar in hospitals and primary health care (81% women) and most marked in early childhood education, where 91% of the roles are held by females.



82%	of members working in aged care are women
48%	are over the age of 50
40%	of jobs in aged care are regional-based
60%	of jobs in aged care are urban-based
68%	of aged care jobs are part-time or casual (the highest of any HACS segment)
60%	of aged care employees earn less than \$50,000 a year before tax

The HESTA survey found two thirds of all aged care jobs were part-time or casual. Aged care has the highest cohort of part-time workers – 53% – out of any HACS segment. It also has the highest proportion of workers working part-time and casually – 68%.



Aged care snapshot

- 2/3 of all aged care jobs are part time or casual.
- Aged care has the highest proportion of part-time workers (53%) of any HACS segment.
- 40% of jobs in aged care are regional-based
- This is the greatest proportion of non-urban jobs of any HACS segments.
- Aged care respondents reported working an average of 28 hours a week.
- 74% described their working hours as ‘the right amount’.
- Among those wanting to shift jobs within the aged care, about 30% cited not getting enough hours as a reason.
- Over half of aged care workers provided unpaid voluntary work or care to family members, roughly in line with other parts of HACS.
- Around 60% of aged care employees said they earned less than \$50,000 a year before tax. This compares to 26% in the hospital sector.
- 40% of aged care respondents said they had less than \$50,000 in their superannuation accounts, compared to 25% of hospital employees.

* HESTA Brand Awareness Survey Wave 5, job intention findings, November 2017.

superannuation dilemma

While the typical HESTA member working in aged care is the closest to retirement, she is the least financially prepared, compared to other members in HACs. She typically has about \$18,000 in super¹.

Members working in aged care had the lowest retirement readiness score, according to a calculation developed by HESTA. Just 18% are currently on track to reach a comfortable retirement standard as defined by the Association of Superannuation Funds of Australia (ASFA)¹.

Three quarters of aged care respondents said they could not afford to retire and would work as long as they could. Compared to other members in HACs, they were the least likely to think they'd retire before the age of 70².

Several participants in the qualitative research mentioned they had slowed down in recent years because they had burnt out in previous positions or were approaching retirement.

Aged care providers noted they also needed to gain a better understanding of their employees' career intentions, including when they plan to retire. But they also acknowledged these were often difficult conversations to have. As a result, they were looking at ways of creating open dialogue with experienced employees, as they neared retirement.

In collaboration with employers, HESTA has been piloting innovative transition to retirement programs. Employees attend workshops where retirement is demystified and they can share their dreams and fears as a first step towards planning their futures. Employers have found these pilot programs a useful tool for retaining experienced employees as they can be valuable mentors for those starting out in the industry.



1. HESTA data, March 2018.

2. HESTA Brand Awareness Survey Wave 4, Readiness for Retirement Findings.

employee likes and dislikes about their roles

HESTA undertook additional qualitative research via two focus groups of HESTA members. The aim was to further explore insights gained from interviews with aged care organisations and two rounds of quantitative research.

The two focus groups of HESTA members comprised women working in home care or residential aged care centres in Melbourne. Represented in the groups were a range of roles from management and nursing positions, through to 'lifestyle', administration and personal care attendants.

The two focus groups were split between those intending to leave aged care and those wanting to stay. They came from a variety of ages and cultural backgrounds.

The objective was to explore each group's drivers of satisfaction and concern. The aim being to provide employers with a sense of the areas they could investigate further, which may lead to improvements in employee satisfaction and engagement.

Clearly issues may vary from employer-to-employer and employers may find their own employee satisfaction surveys highlight different areas for focus.

Personal fulfillment and job satisfaction

The employees' comments give vivid insights into what attracted them to aged care and the personal fulfilment they gain caring for clients. But they also described some of the frustrations and uncertainties of their work.

The research found aged care workers, no matter their level, are often highly motivated and vocationally driven by their work. They care deeply for their clients' welfare and physical and emotional state.

The researcher found that these employees invest 'a great deal of time and effort in the job, often going well beyond the minimum required because they believe they are dealing with individuals at such a critical life stage.' There was also a level of concern and sense of responsibility because the elderly are vulnerable and there was potential for things to go wrong.

For this reason, they feel they are particularly worthy of appreciation and need the support of management and co-workers.

There is considerable scope for employers to focus on relatively simple and inexpensive acknowledgement programs. One participant noted an employer had instigated a 'thank you' envelope, where colleagues could acknowledge actions of their co-workers who had gone 'above and beyond'. She said this created a sense of satisfaction and engagement among her team.

reasons for entering aged care

The reasons for getting a job in aged care varied. Some participants were attracted to aged care because they saw it as a growth industry that could provide a secure future.

One participant said she came from the media industry:

“where papers are dying, to something that’s booming.

For registered nursing staff, aged care provided a more stable and predictable job. A participant said that when she had previously worked in the hospital sector she was providing acute care whereas in aged care:

“It’s pretty stable, nothing much changes.

Aged care was the only avenue of employment open to some participants. Participants in the focus groups who were newer migrants said their nursing qualifications were not accepted in Australia. They often saw aged care as a ‘stepping stone’ into the hospital sector. They said they needed to retrain under the Australian system in order to practice their profession, and so took work temporarily in aged care. Quantitative research revealed that almost half of those planning to leave their jobs in aged care but stay in HACS listed ‘an intention to upskill’ as a reason.

Participants in the focus groups who were recent migrants viewed hospital work as ‘higher status’ and more desirable as they could perform a more extensive range of roles as a nurse in the hospital system. A participant said she loved working in aged care but preferred to ‘learn working in hospital’ as that would give her more experience.

Other factors for entering aged care

In both instances this is an illustration that well directed training and development could potentially improve retention.

Other participants saw aged care as suiting their caring disposition. A focus group participant noted: ‘My next placement was in aged care, and I loved every moment of it because I could sit with someone and hold their hand, and they could tell me a story that meant something to them, and I could do something for them that took very little effort on my part but meant so much to them.’

Another factor that attracted people to the field was working close to home because aged care facilities are so widely dispersed.

The qualitative research also showed some participants highly valued salary packaging offered by certain companies and the researchers noted it was ‘an asset other organisations could benefit from offering.’

One person said: ‘You get tax deductions. I was surprised because last year, it came out to be \$31,000... They contract with a company that does the salary sacrifice, and they will sit down with you and work out what it is... it goes straight into your loan for your car, or for rent, as well.’

factors behind decisions to leave

The researchers found consistent themes among focus group participants considering moving outside the aged care industry. Higher wages were a consideration. However, seeking more opportunities and greater career progression were considerations more consistently expressed across these participants.

Participants intending to leave aged care were concerned about:

- time pressure and having to cope with too many residents
- dealing with the death of people
- physical strain
- under or incorrect payment of wages
- poor management decisions
- unsupportive work colleagues or teams
- excess red tape or reporting systems requiring unnecessary paperwork
- lack of childcare options.

“It’s hard because you become so close and then they die.*



* Participants in two focus groups of HESTA members held in Melbourne were asked to participate in a number of interactive activities, including drawing their impressions and experiences of working in the aged care industry.

time pressures

Focus group participants voiced concerns that pressure to look after significant numbers of clients prevented them from providing more personalised care to each individual.

The workload seemed often overwhelming. The research found: 'one of the most stressful aspects of aged care work is the intense time pressure to shower and toilet a number of clients in a short space of time.'

Participants were concerned that the ratios of staff to residents were inadequate. For example one participant said they had four staff on duty in the morning to care for 48 people, about 40 of whom needed assistance with things like showering, doing their hair and making up beds.

Another said:



Being short-staffed affects the care you provide because you're always in a hurry, it becomes task-orientated. I've got to wash seven residents. I've got to feed twelve people. I've got to take seven blood sugar levels. And you stop thinking about the person as a person. You just think of them as Room 52, Room 53, Room 54. Done. Done. Done. Done. Whoo! I can go home now.

Physical demands of care

Personal care assistants in the focus groups told of how they struggled with the physical demands of work, especially heavy lifting. They were concerned that 'lifting machines that are old, malfunctioning, not in sufficient quantity, and that clients don't want to use them.'

Two participants who were promoted to the role of registered nurses were attracted by the seniority of the role, higher pay and the potential to make a real difference. After being promoted to registered nurse, they found it involved significantly more paperwork and working longer hours with no break. One commented:



I'm considering moving into the hospital system to take a break, you don't have to handle 36 people and deal with stubborn staff. In a hospital you only have to look after four to five residents.

Across the board employees indicated they wanted to give the best care possible and along with this, more time with their clients and more holistic, in-depth care. There was also a common view expressed that employees felt happier at work and with their employer if they perceived that their colleagues were well-trained and well-skilled. This again underpins the potential that training and up-skilling programs have to support retention and attraction strategies.

home care – attractions and setbacks

The focus groups showed home carers are attracted by the autonomy, the close contact with individuals and the time they can spend giving one-on-one care.

One carer said:



I am independent. I do not want to go back to a nursing home. The difference is when I shower somebody I don't have anyone breathing down my neck saying, hurry up, hurry up, you've got to shower so and so in room whatever.

But the drawbacks include the unreliability of work if clients die or move to aged care homes. There are no holidays or sick pay. Some work in aged care homes and supplement their income with private client work.



I thought I had quite a lot of love and patience to give the elderly. So that was one of my motivators. I thought it was something I could do.*



* Participants in two focus groups of HESTA members held in Melbourne were asked to participate in a number of interactive activities, including drawing their impressions and experiences of working in the aged care industry.

improvements employees want

Employees want a positive community environment where client care is the number one focus, according to the qualitative research results.

‘Employees feel better able to care for their clients when there are good systems and procedures in place that make their job easier and free up time,’ said one focus group participant.

The focus groups identified a range of improvements employees are seeking:

- better pay and conditions, particularly childcare and flexible hours for mothers, holiday and sick leave pay for in-home carers and more stability of income
- less time pressure and more time to care for the individual through measures such as improved staff to resident ratios, better systems and effective reporting procedures
- less physical demands and new, up-to-date equipment to alleviate lifting
- less pressure to take on extra hours of work, and good work/life balance
- greater recognition of their difficult work and level of care and dedication
- consistent training standards across the organisation’s workforce, with the opportunity to undertake paid training outside of work hours (see more on page 35)
- efficient systems and procedures that give staff confidence they are supported and that motivate and reward positive behaviours
- online and practical training and qualifications, including dementia care and dealing with loss and religion at the end of life
- a strong supportive culture devoted to caring for residents and building a positive team
- cutting red tape, with reporting requirements facilitating improved care not exacerbating time constraints
- better equipment and more current technology that would free up time for more caring, such as apps for time sheets and iPads for reporting
- opportunity for residential employees to do some in-home care
- a cleaner, more hygienic environment, ideally with dedicated cleaners.

Not all employers are regarded in the same way. At one end of the scale are those providers that have a strong corporate culture and commitment to values that guide decision making and positive behaviours throughout the entire organisation.

Inadequacies in management could include, poor decisions that do not facilitate a positive work environment, high turnover of management and senior staff not being in touch with how challenging working conditions can be.

‘There is a big separation between the people on the floor and those looking at the numbers at head office,’ said one focus group participant.

A lack of recognition and simple ways of saying thanks were significant issues for participants. Even small changes such as employee of the month and incentive schemes were welcome.

A strong corporate culture was attributed to a CEO who was closely connected to residents and what happened day-to-day.

‘Our CEO pops in every day checking in on the residents, checking the table cloths and everything – the staff love him. He gives everyone free food and people bake cakes. If residents are upset, he hears it first-hand,’ said a participant.



transformation by providers

Some service providers are restructuring or changing their business models and company culture to meet the changing external environment.

During HESTA's direct engagement with the sector, a peak body representative noted leadership is going to be a key part of future workforce development.

One provider said the company has restructured into three operating divisions: 'To give our business streams the oxygen they need to compete with the market.' They have their own leadership teams and own divisional CEOs, with talent recruited from a major property developer and the banks.

'Our strategic perspective would be that the deregulation that's occurring in the home space, where the money that used to come from the government to us and then we'd dole it out, will pretty quickly occur in the residential care space.'

Empowering frontline employees

This same provider said they had a huge focus on leadership development plus a multi-year learning and development strategy: '...to build customer centric skills across the board.' They also needed to improve accountability, performance and empowerment. 'I mean, if we're going to be customer centric we have to empower our frontline operators to work with our customers in a proactive way rather than waiting to be told what to do or just viewing them from a clinical perspective.'

This same provider is looking to combine its in-home care and residential care workforces. While they note significant cultural challenges in bringing these two groups of employees together, they see significant opportunities in having a workforce providing care across a range of aged care requirements as well as the disability space.

The importance of team leaders

Another provider now has 35 team leaders for home care workers.

For our home care workers, the fundamental thing is having the frontline leader, that one leader, you know, coaching, mentoring, feedback and then from a corporate organisational perspective, giving them the right, proper processes.

Many providers acknowledged the increasing need to create a strong employment brand in order to attract the best people. To do so, some are prioritising employee engagement within their business models. One provider mentioned they are trying to improve customer service and generate further revenue through training as well as increasing employee engagement through holistic wellbeing programs.

Some providers intend to specialise. For example, one provider said they were making decisions around whether they wanted to: 'Become the experts in palliative or dementia care.'

retaining workers

Providers are implementing policies and practices to retain their ageing, experienced, mainly female workforce but are also finding ways to recruit younger workers, especially skilled graduates.

One provider noted around 85% of their workers are over age 55 and most are female. A not-for-profit provider said their workers are mostly 45 plus and that occupation, health and safety had to be carefully managed. The majority of their workforce are from a non-English speaking background.

The areas which impact the desire of ageing workers to remain in the workforce are:

- rosters which allow for more flexibility
- more hours and certainty of employment
- reduced workload pressures
- better training and career pathways e.g. personal carers specialising in dementia or palliative care.

Flexibility and retention

One provider, that had a strong desire to keep the wisdom and knowledge of its older workers while at the same time maintain a diverse workforce has a graduate program with a fast-track component.

Other providers are trying to cut down on the number of working patterns within their businesses. They make the point that having too high a proportion of casual employees reduces the quality of customer care yet there is a need to balance this with maintaining an element of flexibility – which providers saw as one of the advantages the sector has over other industries with which they are competing for new employees.

A not-for-profit provider revealed their oldest worker was aged 83. They have a 'Staying On' program for people nearing retirement and encourages managers to accommodate the number of shifts individual employees need. A representative from this provider noted:

'Staff were really appreciative that an organisation actually had a focus about not being thrown on the scrap heap, which was great encouragement for staff to stay. The result is turnover is only 13%, which is phenomenal,' said a representative from the provider.



Staff acknowledgment.
If we're doing a good job,
let us know. Just a thank you.*



* Participants in two focus groups of HESTA members held in Melbourne were asked to participate in a number of interactive activities, including drawing their impressions and experiences of working in the aged care industry.

attracting new workers

Providers are exploring new ways to attract and recruit younger workers, especially skilled graduates.

Targeting allied industries and millennials

The hospitality and other service industries as well as school leavers and people trying to get back into the workforce are among groups being targeted by employers wanting to attract a more diverse talent pool.

A peak body said getting the right fit and number of workers is important. Their programs bring in up to 35 registered nurses and 200 personal carers a year.

The peak body acknowledged, while this program had been successful, much more was needed: 'But when you look at the projections, we're going to need a whole lot more than that.'

One of the biggest target groups is millennials, who some providers said are interested in the 'human offering' of aged care. A representative of the peak body said: 'Money is important but a lot of them (millennials) are motivated by the importance of making a difference and we see that as our competitive difference.'



Drawing from a wider talent pool

Many providers are seeking a more diverse workforce. A for-profit provider is developing a diversity strategy aimed at attracting more men, more people from the LGBTIQ community and an ethnically diverse workforce that can also serve different migrant communities and the Aboriginal and Torres Strait Islander population.

The provider also wants to tap into a different pool of talent from similar industries that provide 'exceptional customer experience', such as the hospitality and retail industries.

A representative from a well-established registered training organisation said they target youngsters at school as well as supporting people to get back into the workforce: 'We've got some great stories about old BlueScope guys that have been there for 40 years and have been laid off and have come to us and they've been digging holes or smelting iron for years and they come here and do a certificate and now they're helping older people and they love it.'



new health, wellbeing and transition

Increasingly providers are implementing new health, wellbeing and employee assistance programs to help staff through important points in their career, such as transition-to-retirement.

One provider is piloting a wellbeing program including healthier minds, transitions, connections and wallets.

The healthier minds component, aimed at increasing resilience, is being trialled with customers as well as employees and the provider said they had already had some 'amazing results'.

The healthier transitions component supports workers and volunteers as they move from full-time to part-time work or vice versa and into retirement.



I would love to be able to bring my kid to work and do half-days. There are a lot of working mums who can't afford day care because you don't get paid well in aged care. And they struggle because they've got kids and families, and they want to work, and they want to look after their families too.*

* Participants in two focus groups of HESTA members held in Melbourne were asked to participate in a number of interactive activities, including drawing their impressions and experiences of working in the aged care industry.



Award-winning initiatives

This trend towards employers delivering health and wellbeing programs is also seen in finalists and winners of the HESTA Aged Care Awards (HACA).

A 2016 Outstanding Organisation award winner, Southern Cross Care SA&NT, saw significant positive results with both residents and staff after installing Health and Wellness Centres (gyms) in 13 of their residential care homes. Along with a 54% decrease in fractures among its residents in the first year of their operation, the gyms also provided an additional benefit to employees who could also use the facility, which improved their overall fitness.

A 2017 HACA finalist, Victorian-based Lifeview Residential Care, promoted inclusivity and wellbeing among their employees through fostering a flexible, inclusive work culture. Initiatives included giving employees the ability to bring their children to work during school holidays, encouraging intergenerational engagement with residents and relieving the stress of employees having to find care for their children.

improving training quality

A union representative said: 'Even though there's really high levels of qualification in aged care, there's no mandated minimum qualifications in the personal care workforce.'

To solve this, the union proposes a mandated entry point with an appropriate minimal training standard.

There is a high level of formal qualifications, but the problem appears to be quality. Most workers have a Certificate III or IV, but are required to do additional training which often does not lead to further qualifications or increase in wages. According to the union, a bachelor degree in a specialised area like dementia does not result in a job with higher pay.

HESTA's qualitative report showed training is highly valued by employees with some finding online courses ideal because they can easily fit them into a busy schedule. But others felt aspects of training should be more practical because without hands-on training staff could lack confidence and feel out of their depth.



Training increases job satisfaction

Participants in the focus groups said that negative perceptions of the training standards of colleagues also impacted their overall job satisfaction and engagement. There is a significant opportunity for employers to enhance their 'employment brand' and employee retention by providing strong training and personal development programs.

This was borne out again in the quantitative research where career progression and 'doing something different' were key drivers for those intending to leave aged care in the next five years.

There were, however, mixed views among focus group participants about online education done outside work. Some felt if it was paid and relevant to their work, it was an attractive opportunity.

These participants were also strongly supportive of education programs generally, saying they took most or all opportunities provided by their employer to learn more skills.

Other focus group participants said they were concerned training was more 'tick the box' in nature and less relevant to building practical skills that would assist them in providing enhanced standards of care.



innovative partnerships with the higher education sector

The qualitative study showed many employers were seeing training and employee development as a competitive edge in terms of customer care and staff engagement. They have their own in-house training programs and some want to become registered training organisations.

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An employer who runs a registered training organisation said they had government funding for their school-based apprenticeship and trainee program to get younger people qualified with a Certificate III program and into the industry.

‘We actually feel that there’s a real market there for younger people getting into aged care, particularly if you can position it as a pathway into nursing and things like that. So we’re pretty tight with the University of Wollongong on that front.’

They were investing in migrating their classroom-based programs into an online, interactive, multimedia format to target the younger market. This RTO is considering providing high-quality training services to the Australian

industry and sees significant potential revenue opportunities in extending these programs to other overseas aged care industries, particularly in Asia.

In Tasmania, a peak body is running its leadership program around subsidised qualifications people can get in the Vocational Education and Training (VET) system. The University of Tasmania introduced a Bachelor in Dementia Care, which is Vocational Education and Training (HECS) free. But often there are no specific positions or roles in the sector that specifically require these specialist qualifications and subsequently pay more.

Career development and new roles

Sometimes the issue is not giving sufficient autonomy or career pathways to employees. One not-for-profit aged care provider wants to create management pathways for nurses, as well as clinical or practice development pathways. It is trying to reskill employees, allowing them greater autonomy and decision-making.

The provider sees empowering employees to solve issues when and where they occur as vital to improving customer service levels and reducing complaints.

Another provider has created a new role of care companions who are not there to do tasks for residents but to assist them to achieve their goals. For example, instead of serving a resident breakfast, they allow the residents to go over to a breakfast bar and help themselves. The provider said when recruiting for these positions they focus on ‘soft skills’. They target potential job candidates with experience in customer-facing industries like hotel and hospitality and retail. This provider also looked to attract women re-entering full-time work who may have been involved in volunteer work.

equipment and technological transformation

Technological innovation and transformation are becoming increasingly important for employers and employees as well as clients of the aged care industry. This was a consistent theme across HESTA's three pieces of research.

This focus driven by a recognition from employers and employees of the increasing physicality of a career in aged care. Focus group participants' highlighted worries about the impact work is having on their bodies – specifically lifting heavy clients: 'As I age I don't want to be doing the heavy lifting,' said one respondent.

The quality and quantity of assistive technology were highlighted by employees and recognised by employers. Employees complained of lifting machines that are old, malfunctioning, not in sufficient quantity and which clients don't want to use: 'They're using old machines. Sometimes if the resident isn't already hanging up, the machine stops, and then you have to push them back to the bed and put them back. It's very hard.'

Aged care providers recognise these challenges, and see the benefits of using technology to improve care, and attract young workers. While a number of providers highlighted the challenges, they also talked about the opportunity for the sector to innovate in this area.

Technology and workforce planning

A for-profit provider said there's not enough focus in workforce planning around assistive technology: 'In all our surveys the biggest frustration is finding equipment and using equipment.'

A number of employers emphasised, however, that fitting out all buildings with proper equipment is expensive.

Some providers are finding innovative solutions to overcome the financial challenge. One not-for-profit provider has introduced a 'common device and technology platform' with its homecare workforce. Crucially, it is also bundling assistive technologies into service offerings for clients.

Some providers view technology innovation in areas such as robotics and artificial intelligence as key to attracting younger employees to an industry with a strong growth profile. Opportunities to use their own technological skills to improve assistive technologies for residents could be another drawcard for younger workers.

One provider said: 'We think that the technology component could be the attractant to younger people. They might want to assist an elderly person to connect socially with his grandchildren or others, using an iPad or tablet or client portal.'

This is an area of focus for many in the industry.



transformation of the sector

Peak bodies, providers and the union are worried about the 'uberisation' of the home care sector.

'Uberisation' of home care

Agile online providers can dispatch carers to clients at very short notice and profile them so they meet specific needs – such as being able to speak Mandarin. But traditional providers warn unregulated services could put vulnerable elderly people and the reputation of the aged care industry at risk.

A union representative said:



The 'uberisation' of home care is a concern to a number of employers, as it is to us.

They noted there is currently no regulation around the ability for an individual to:

'Put on a website that they'll come and look after your mum for \$20 an hour or \$25 an hour.' These web offerings are currently outside the funded market.

The union had heard of one provider in South Australia paying a worker just \$8 an hour after they took their cut. Existing providers risk losing business as they had higher costs and paid at least award rates.



New providers and quality of care

A not-for-profit aged care provider said:



With players like Ubercare coming into the market, where's the regulations around that... with people just wanting to be making a quick buck? How do we maintain high standards and service levels?

But some providers are confident, by paying higher rates and packaging salaries, they can attract better employees and contract workers than the new online suppliers. At the same time, they see opportunities in more flexible, customer-centred care. They also see the capacity to supplement their workforce by potentially subcontracting workers who have signed on with good online agencies.

A peak body representative said down the track these kind of models would gather momentum, as Uber had. They noted it wasn't necessarily a bad thing but it would result in a change in the workforce.

New models of residential care

With a greater focus on customer care, residential homes have begun offering residents more flexible routines and greater choice. One of the drivers is potential online reviews or ratings by residents and their families.

A for-profit aged care service provider said:



We're coming out of this task-orientated world, to actually being packaged around a more enablement model for our consumers. It needs a different mindset.

Another not-for-profit aged care service provider is working towards improved customer satisfaction and engagement. They want their employees to provide good care and service. They are looking at productivity measures, such as measuring revenue generated per employee. Employees will be asked to identify 'continuous improvement opportunities with customers' and feed them back so the organisation can develop new products.

Improved buildings and design

The changing needs of consumers are reflected in improved building designs. A not-for-profit aged care service provider has invested a significant amount to redesign old residential homes so they are more compact and the workforce spends less time moving residents around.

A spokesperson explained in the old so-called 'octopus facilities', designed 30 to 80 years ago, corridors spread in different directions.

This meant employees spent about three hours a day moving residents to meals and different activities. By infilling and condensing the space, the workforce had a shorter distance to travel and could concentrate on care.

Because residents do not want to live in institutionalised spaces, the provider has built a new apartment model facility at Frankston, where residents have more privacy and the primary care worker has to knock on the front door and ask to be let in.

The provider is also building a new cottage-style dementia facility.

conclusion

HESTA research revealed a strong commitment to working in aged care. Many participants found it personally rewarding to care for Australia's seniors. Nevertheless, almost a quarter of those surveyed intend leaving the sector entirely. The research also showed there were a range of relatively inexpensive ways employers could improve retention and attract new staff.

Many participants spoke of special moments shared, of wanting to make a difference, or simply the power of being there to listen. They spoke of their commitment to the physical and emotional wellbeing of the people for whom they cared.

It is the human connection which lies at the heart of retaining valuable employees and attracting new entrants to the industry to meet the ever-growing demand.

The quantitative research revealed a significant potential future shortfall, of up to 80,000 aged care employees (see page 15). At the same time, the research also showcased the strong commitment of the aged care workforce to their industry.

Approximately 77% of those currently working in aged care are committed to working in the industry for the long term. This is slightly behind the weighted average of all other non-aged care segments, where 86% indicated their intention to stay in their respective HACS sector.

For the aged care industry, there is a strong foundation from which to build as the industry faces the challenge of shaping the workforce necessary to meet future demand. However, the alarming potential staffing shortfall presents a growing challenge for the sector. Failing to address the drivers of this potential outflow from aged care has significant implications for retaining valuable, experienced staff and attracting and keeping new entrants.

More than 14% of those working in aged care were planning to leave the sector but stay within HACS. This was significantly higher than all other HACS sectors. In effect, aged care faces the prospect of losing a significant number of experienced staff who still have the vocational calling to provide care. Meanwhile others in non-aged care sectors of HACS who intend on leaving are not considering work in aged care. Of those intending to leave their (non-aged care) job but stay in HACS, just 9% say they'd consider working in aged care.

Employers HESTA interviewed spoke about the difficulty they had in identifying potential new employees with the 'caring gene'. Many employers have invested considerably over time in their experienced employees, through training and skills development. Experienced employees who are vocationally driven to work in 'caring' roles can also play a significant role in workplace culture and staff retention. They make ideal mentors.

A number of peak bodies and government have talked about the need to 'change the image' of a career in aged care and promote the industry, particularly to younger job seekers. The best champions of working in aged care are those already committed to working in the sector. If employers are rightly looking at the engagement of their employees as a way of building their 'employment brand', the industry itself may consider ways of fostering pride and acknowledgement in its existing workforce.

Almost half of those intending to leave aged care listed an intention to upskill as a reason. The top reasons for leaving were 'wanting to develop new skills' and 'wanting to try something different'. Improving standards of training and development, establishing clear career pathways and celebrating the technical and interpersonal skills of those working in the sector are vitally important.

Participants in the focus groups acknowledged a sense of connection between leadership and the teams delivering care as key drivers of satisfaction. Many of the suggestions put forward by employees around what could improve their working experience were relatively inexpensive for employers to implement.

The opportunity to substantially increase employee engagement via these types of initiatives warrants further exploration with individual employers, and potential measurement and benchmarking. With approximately 17% surveyed saying they intended, in the next five years, to leave their employer but stay in aged care, there is potential significant upside for employers with a strong employer proposition and workplace culture. Competition for the existing pool of good employees is likely to increase as the supply of workers in the industry tightens in future.

Across its discussions with employers, unions and peak bodies there was wide-spread agreement on the need to share knowledge and host open dialogue across the sector.

HESTA wants to help facilitate these critically important workforce conversations across various participants in the industry. And, off the back of this report, HESTA will look to explore further issues raised with a view to partnering with employers to explore solutions and share solution-driven case studies with the industry.



My next placement was in aged care, and I loved every moment of it. I could sit with someone and hold their hand, and they could tell me a story that meant something to them, and I could do something for them that took very little effort on my part but meant so much to them.*

* Participants in two focus groups of HESTA members held in Melbourne were asked to participate in a number of interactive activities, including drawing their impressions and experiences of working in the aged care industry.

A photograph showing a woman from behind, wearing a pink hoodie, being embraced by two healthcare workers in blue patterned scrubs. The workers are smiling and have their arms around her shoulders. The background is a blurred indoor setting with a doorway.

...because your
stories are
our inspiration.