

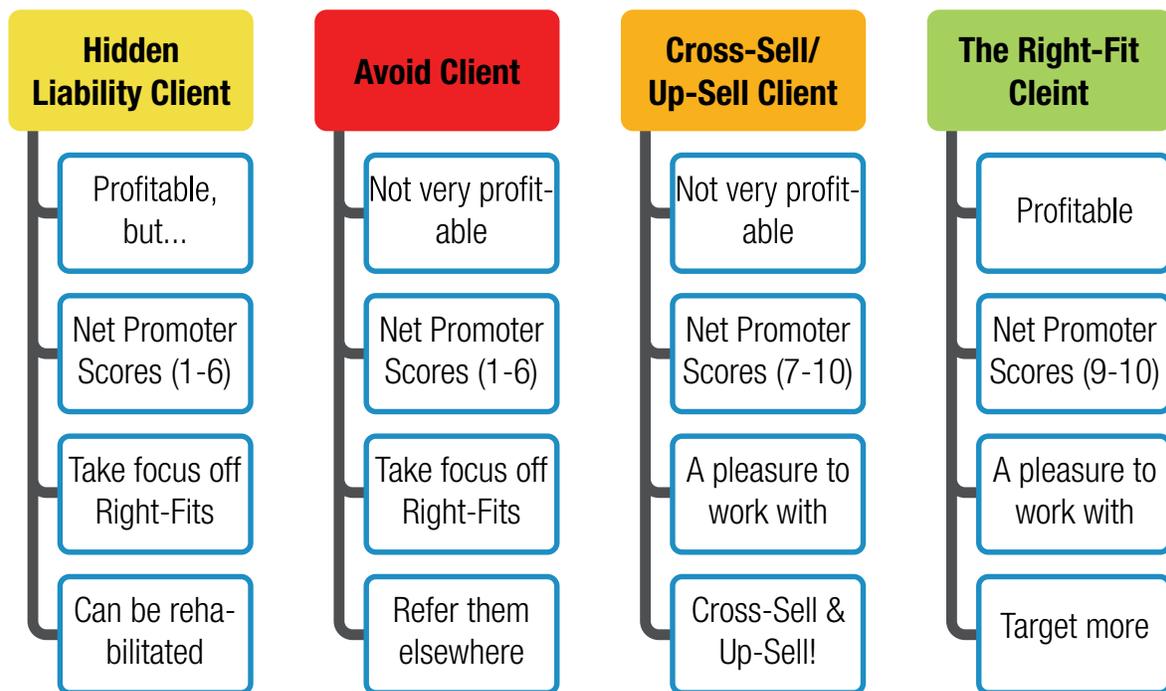
# Executive Workshop Action Plan – February 2014

## Show Me the Money – Maximizing Your Financial Opportunities



### KEY ACTIONS

- Review the handouts from the February Executive Workshop Webinar. Make sure you understand the how the Three Circles of Profitability and how they each work together.
- Identify the true value of every client - In an Excel, or similar, spreadsheet, categorize each of your active clients as one of the client types as identified in the Executive Webinar. The 2 graphs below should help you through this process:



Hidden Liability	Avoid	Cross-Sell/Up-Sell	The Right-Fit
Sample Client	Sample Client	Sample Client	Sample Client
Sample Client	Sample Client	Sample Client	Sample Client
Sample Client	Sample Client	Sample Client	Sample Client



Pie graph the % of total clients you have under each client type by taking each type and dividing it by the total number of clients. See graph below as an example:

## Percent of My Clients for Each Type



Establish your own Right-Fit Client success criteria – In order to make sure you are targeting more clients that are the right-fit, establish your specific criteria for what the Right-Fit Client looks like. Here are a few possible considerations/examples (yours might be vastly different):

### Marketing Considerations (Criteria that helps you target your message and marketing mediums)

1. Length of shift minimums (Our research shows that 1-2 hour shifts are often less profitable and in general makeup the highest percentage of your Avoid clients because they demand the same attention as a more profitable client. However, there are some exceptions and therefore you must decide if putting shift minimums is the right direction for you).
2. Cognitive ability of Right-Fit Clients.
3. Type of living communities that attract more of your Right-Fit Clients.
4. What percentages of your Right-Fit Clients' are referred by other clients (current and former)?
5. Are the family members of your Right-Fit Clients typically local or out-of-state? This will help you know where to focus your marketing efforts and how to best reach the family members of Right-Fit Clients.
6. Financially can they afford to pay for your services?
7. Other – come up with your own criteria.

### Inquiry and Assessment Considerations

8. How receptive are they to the care?
9. How supportive are the family members to the care?
10. Do they seem grateful and friendly during the assessment?
11. Do they seem like they will be realistic and reasonable about their requests?
12. Other – come up with your own criteria based on your situation and what you're looking for in your clients.

**Special note:** *This exercise is meant to help you focus on The Right-Fit Client more but does not necessarily advocate not taking on other types of clients unless you choose to do so.*

Targeting The Right-Fit Client More –

1. Train your team on what the Right-Fit Client is like so they can help you in your efforts to find them.
2. Based on your success criteria above, brainstorm with your team ways you can find more of these types of clients. Do you need to create a client referral campaign, start working more with financial fiduciaries, build more of an online presence for out-of-state families, etc.?

Leverage The Client Experience

1. What does your “Client Experience” look like today? What do you want it to be three years from now? Write down your thoughts and the things you need to start changing now to make this happen.
2. Home Care Pulse Quality Satisfaction Management Reports –
  - o Carefully review the last several months of client and caregiver feedback and benchmarks. Are there certain things being said over and over again that need improvement? Are there downward trends that need to be corrected?
  - o Quality Satisfaction Management Agenda – Download this agenda in the Resource Center of your Home Care Pulse portal. Sit down with your team, using this agenda and review what needs to be improved and take action on those items.
3. Develop your communication strategy – Don’t leave communication between your team and clients to chance and guess work. Create a communication system that everyone can follow that includes how often they reach out to clients, how quickly they need to respond to complaints, and how they respond to certain situations, etc.
4. Carefully review your current systems and processes that touch your clients at some point. Does each of them create a positive experience for your clients? What needs fixing? Develop an action plan to tackle these items over the coming year. Warning – Make your time lines realistic on this action plan.

Focus on Operational Efficiency

1. Operational Efficiency Definition: The capability of a business to deliver products or services to its customers in the most cost-effective manner possible while still ensuring the high quality of its products, service and support.
2. List the areas of your business that are currently a drain on your net profit and cash flow. Examples are:
  - o Too much overhead.
  - o Ambiguous job position expectations.
  - o Lack of sales systems and strategies.
  - o Unprofessional phone etiquette.
  - o Dissatisfied clients (Avoids and Hidden Liabilities).
  - o Dissatisfied caregivers.
  - o Rapid growth with a poor accounts receivable strategy.
  - o Under-utilized technology (e.g., scheduling software, etc.).

- o Poorly executed expansion strategy.
  - o Investments that yield very little return (e.g., new product).
3. Prioritize each of these areas based upon the importance of getting each one fixed.
  4. Team brainstorm – Review each with your team and begin putting together steps to eliminate them systematically.
  5. Brainstorm with your team on areas that will help boost net profit and cash flow without even having to grow revenue. Here are some examples:
    - o In-bound inquiry strategy (How are the phones answered?).
    - o Friday check-up calls.
    - o Utilizing the full capability of technology.
    - o Detailed position agreements.
    - o Monthly sales trainings on your proven sales strategy.
    - o Pre-employment assessments (e.g., Caregiver Quality Assurance).
    - o Online training programs (e.g., IPC-Ed)
    - o New product/service investment rules. I will only invest if...
    - o Tap into the “unique-abilities” of your team...allows for less overhead.
  6. Prioritize each of these areas based upon the importance of taking advantage of.
  7. Team brainstorm – Review each with your team and begin putting together steps to systematically adopt/create each item.

Overhead Efficiency – Are you tapping into the full unique-ability of your team? Are you overstaff or understaffed?

1. Calculate your Sales per Full-Time Employee by taking the number of your current support personnel (Include active owners but do not include anyone who is providing the care to your clients) and dividing into your last 12 months total revenue. This should give you a \$ figure, call Sales per Full-Time Employee.
2. Purpose and how to interpret this indicator:
  - o Indicates whether you might be over or understaffed.
  - o Emphasizes the importance of getting the most out of each team member.
  - o If the figure far exceeds the benchmark, you might be sacrificing quality by not having enough staff.
  - o If the figure is far less than the benchmark, you might be overstaffed and inefficient with certain positions.
3. Compare with the industry (Data from the 2013 Private Duty Benchmarking Study) chart below based upon your last 12 months trailing revenue. For example, if you billed \$1,500,000 in the last 12 months, you would compare yourself with the \$1-1.999 million group.

*If you would like to join us for future VANTAGE Executive Workshop Webinars, you need to sign-up for the VANTAGE Executive program if you haven't already done so. Details of this program can be found at [www.HomeCarePulse.com](http://www.HomeCarePulse.com) and then clicking on VANTAGE at the top.*