Becoming an Employer of Choice in the Aged Care Sector

How leadership, talent development, cultural competence, technology, processes & growth help aged care organisations attract and retain quality talent.

MCCSA

Multicultural Communities Council of South Australia

Introduction

Challenges in Australia's Aged Care Workforce

The aged care sector is a critical component of Australia's healthcare system, providing essential support and services to older individuals. However, the sector is grappling with significant workforce challenges, including high staff turnover rates, skill shortages, and difficulty attracting new talent. As the demand for aged care services continues to grow, it is imperative for providers to adopt strategies that position them as employers of choice.

Skills Shortages and Employee Satisfaction in Aged Care

According to the ADP Research Institute's People at Work 2024 report, 48% of HR leaders see skills shortages as a top threat to their business this year. This concern is particularly relevant to the aged care sector, where specialised skills are crucial for providing high-quality care. At the same time, 42% of employees say that their employer is not meeting their needs, a significant increase from 19% in 2022. This statistic emphasises the urgency for aged care organisations to improve their employee value proposition.

The Purpose of this Guidebook

This Guidebook aims to provide aged care organisations, including those in the CHSP, with a comprehensive guide to attracting and retaining skilled workers. By examining the key elements of leadership, talent development, technology, processes, and growth, this report offers practical insights and recommendations to help providers create a supportive and engaging work environment.

Australia's Aged Care Workforce

The aged care sector in Australia is experiencing a significant demographic shift, both in terms of its clients and workforce. This transformation requires a thorough understanding of the changing landscape to develop culturally competent working environments as well as care provision.

Cultural Diversity Among Older Australians

The 2021 Census revealed a milestone in Australian demographics: over 50% of the total population now comprises first- or second-generation migrants. This trend is reflected in the aged care sector, with 33% of Australians aged 65 and over born overseas, including 23% from non-English speaking countries. Projections indicate that by 2031, 30% of the population aged 65 and over will be from culturally and linguistically diverse backgrounds. This increasing diversity introduces new complexities to the sector, particularly in managing what at MCCSA refer to as the **'cultural triangle' - the interaction between managers, clients, and workers, each potentially from different cultural backgrounds.**

Workforce Demographics and Challenges

The aged care workforce mirrors this diversity, with approximately **35% of workers coming from culturally and linguistically diverse backgrounds. This figure rises to 72% for personal care workers.** While this diversity can lead to challenges such as language barriers and cultural misunderstandings, it also presents an opportunity to provide culturally rich and responsive care, provided that appropriate cultural competence is developed within the sector.

First Generation
29.3%

Third+ Generation
48.5%

Second Generation
22.2%
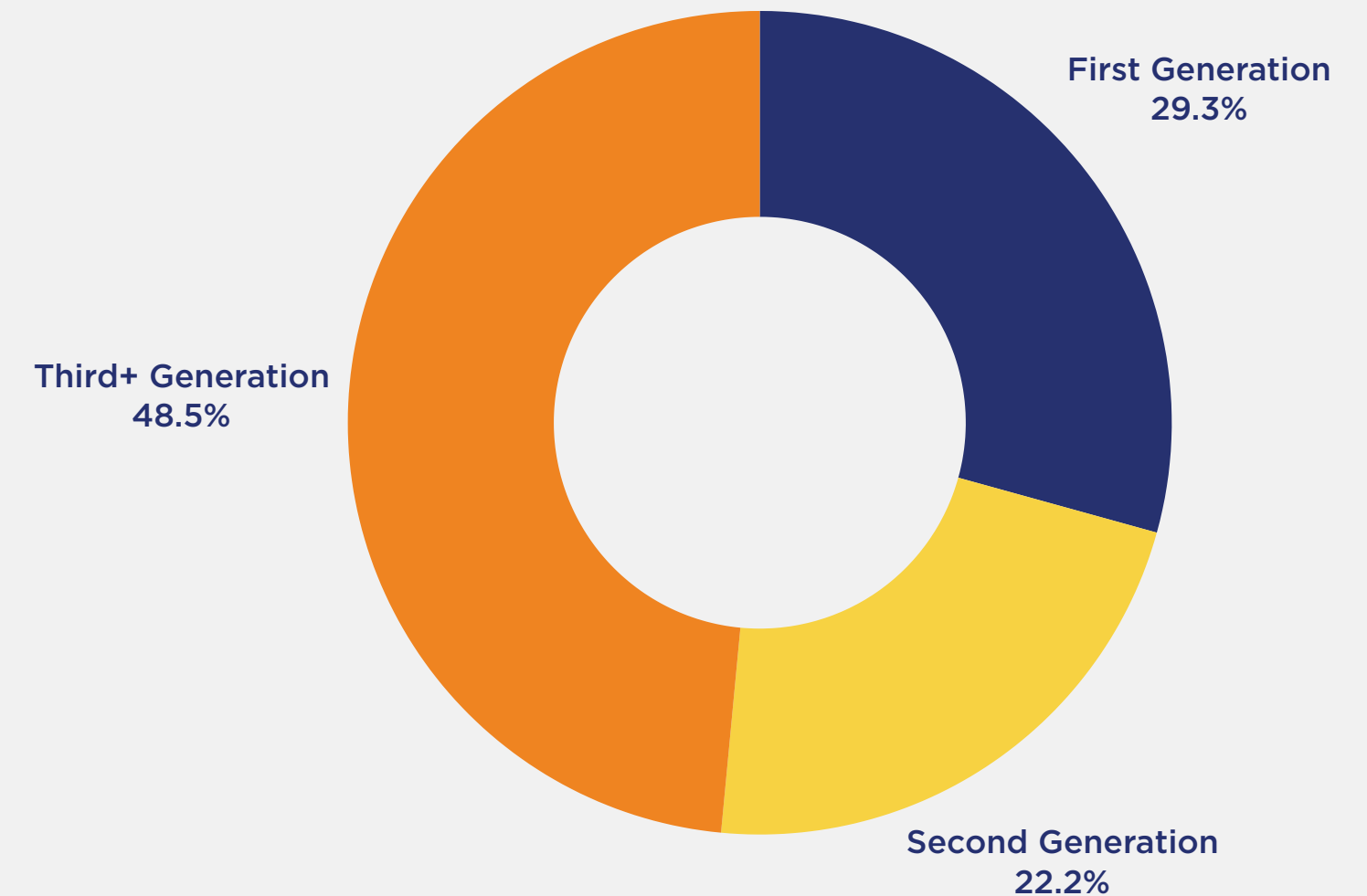
However, our sector faces significant workforce challenges. We're dealing with shortages and high turnover rates due to a range of factors: low salaries, challenging working conditions, limited opportunities for training and career growth, and an industry reputation that doesn't always appeal to individuals already established in the Australian workforce.

Addressing these challenges is crucial for the sector to meet the growing demand for culturally competent aged care services. Providers must develop strategies to attract, retain, and develop a skilled workforce capable of delivering high-quality, culturally responsive care to an increasingly diverse older population.

The Importance of Being an Employer of Choice

Achieving status as an employer of choice offers numerous benefits to aged care providers. Firstly, it enables organisations to attract high-quality talent in a competitive labour market. When an organisation is known for its positive work culture, professional development opportunities, and employee support, it becomes an attractive destination for job seekers.

Research highlights that 55% of respondents worldwide included salary in their top three job attributes. However, for aged care providers, becoming an employer of choice means going beyond competitive pay. Job security (46%), career progression (34%), and training (20%) are also highly valued by employees.

Secondly, being an employer of choice contributes to higher employee retention rates. When employees feel valued, supported, and engaged in their work, they are more likely to remain with the organisation long-term. This is particularly important in the aged care sector, where continuity of care is essential for building trust and rapport with clients.

Furthermore, a stable and satisfied workforce translates into improved quality of care. When employees are motivated and equipped with the necessary skills and resources, they are better able to provide high-quality, person-centred care to older individuals. This, in turn, enhances client satisfaction and organisational reputation.

What Employees Need From Employers (selected attributes)

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55% Salary	**46%** Job Security
34% Career Progression	**20%** Training and Development

The Roadmap to Becoming an Employer of Choice

To become an employer of choice, aged care providers must focus on six key areas: leadership, talent development, technology, processes, and growth. By addressing each of these elements, organisations can create a work environment that attracts, supports, and retains skilled workers.

01 Leadership

02 Talent Development

03 Cultural Competence

04 Technology

05 Processes

06 Growth
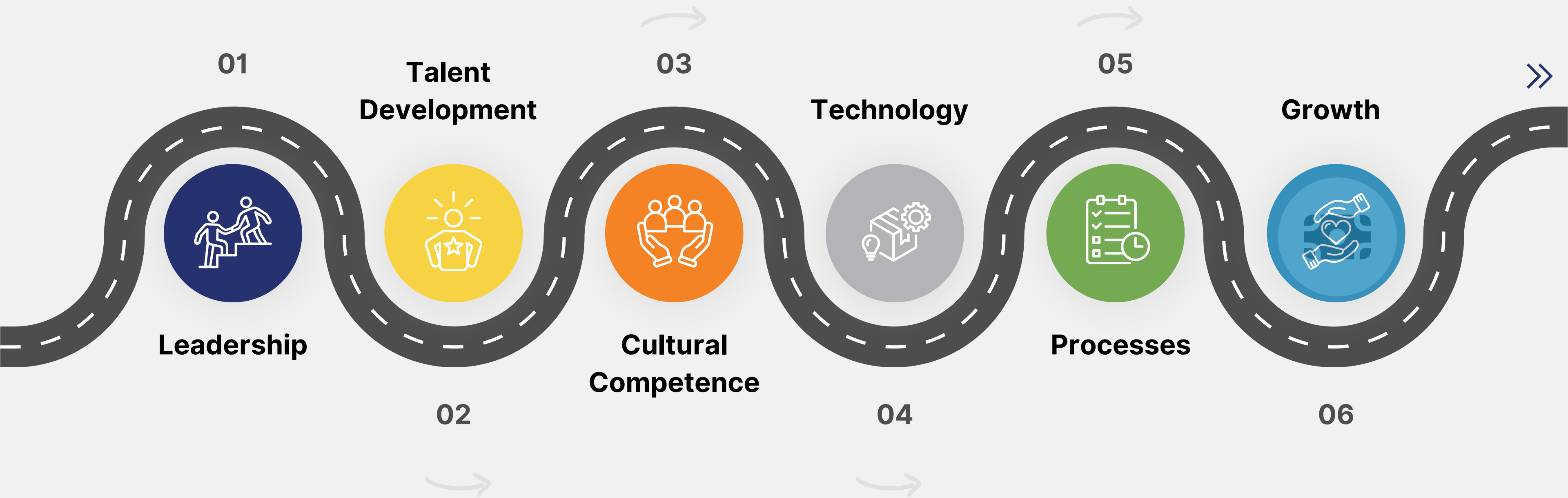
Leadership

Leadership is the foundation for becoming an employer of choice in the aged care sector. Its role cannot be overstated, as it directly impacts all aspects of operational excellence and workforce satisfaction. To become an employer of choice, the leadership of aged care providers should consider:

Communicating a Compelling Vision

Aged care providers should develop a compelling vision and consistently communicate it to employees. A clear and inspiring vision provides a sense of purpose and direction, motivating staff to work towards a common goal. Research emphasises this point, noting that 45% of employees rank "working for an organisation with a purpose I am proud of" as the top factor that helps them thrive at work.

Fostering Transparency and Inclusion

Leadership needs to foster a culture of transparency, open communication, and inclusion. Leaders should regularly engage with employees, share information, and seek feedback to create a trusting and collaborative work environment.

Leading by Example

Leadership should demonstrate the values and behaviours they expect from their staff. When leaders model desired behaviours, such as empathy, respect, and accountability, they set the tone for the entire organisation.

Talent Development

Investing in talent development is essential for attracting and retaining skilled workers in the aged care sector. Aged care providers could focus on offering opportunities for professional growth, skill acquisition, and career progression to keep employees engaged. Key strategies include:

Clear Career Pathways and Performance Evaluations
Employees should have a clear understanding of the career opportunities available within the organisation and receive regular feedback on their performance and development.

Diverse Training and Development Programs
Aged care providers should invest in training initiatives that equip employees with the necessary skills and knowledge to deliver high-quality care. This may include on-the-job training, mentoring, and access to external courses and certifications.

Lifelong Learning and Continuous Improvement
Organisations should foster a culture of learning, where employees are encouraged to seek out new knowledge and skills throughout their careers. This can be achieved through initiatives such as learning and development allowances, study leave, and internal knowledge-sharing sessions. Consider digital learning as well, as research shows that 82% of employees see technology positively allowing them to learn anytime, anywhere.

Recognising and Rewarding High-Performance Employees
 Aged care providers should implement recognition programs that acknowledge and celebrate the achievements and contributions of their staff. This can include both formal awards and informal gestures of appreciation.

Case Study: Cultivating the *BEST* Workplace Culture

Uniting AgeWell, a not-for-profit aged care provider in Victoria and Tasmania, has cultivated a workplace culture centered on their BEST philosophy: Believe, Excel, Support, and Trust. This philosophy guides their approach to becoming an employer of choice. The organisation offers a package to attract and retain talent, including flexible working hours, and career development opportunities. Uniting AgeWell places a strong emphasis on continuous learning, providing support and encouragement for staff to develop both professionally and personally through various education and training initiatives. Additionally, the organisation has implemented the AgeWell Awards program, which recognises and celebrates staff members who exemplify leadership, inspire others through their commitment to supporting people to live and age well, and consistently demonstrate Uniting AgeWell's values and BEST principles in their work and actions.

Kelina Tokunai (pictured above) from Uniting AgeWell was awarded Employee of the Year at the 2023 AgeWell Awards.

Source: Uniting AgeWell (2024)

Cultural Intelligence and Competence

Diversity is the new reality in the aged care sector, and providers that embrace and manage it effectively will be best positioned to deliver culturally sensitive care and attract top talent in a competitive market.

The Mercer Global Talent Trends 2024 report underscores the importance of diversity initiatives. It reveals that 98% of HR leaders report their company's diversity initiatives have produced concrete results over the last few years. However, only 36% of employees believe that their workplace diversity reflects the diversity of their customers and the communities in which they operate.

Definitions: Cultural Intelligence and Cultural Competence
Cultural intelligence (CQ) pertains to an individual's capacity to navigate situations influenced by cultural diversity fairly, efficiently, and with confidence. **Cultural competence**, on the other hand, refers to an organisation's ability to ensure that services and products are provided inclusively and effectively by culturally intelligent managers and staff.

To become an employer of choice, aged care providers can focus on:

Enhancing Staff Cultural Intelligence (CQ)
Developing individual CQ allows employees to work and communicate more effectively and inclusively with clients and colleagues from diverse cultural backgrounds. The benefits of enhanced CQ include more effective professional communication, improved interpersonal and team relationships, and better service quality and organisational reputation.

Building Organisational Cultural Competence
Build organisational competence by providing targeted training for managers and leaders. A culturally competent aged care provider ensures that services are provided inclusively and effectively, and that all employees are respected and included, with equal opportunities to grow and contribute to organisational success. The advantages of a culturally competent organisation include increased employee engagement, expanded market opportunities, regulatory compliance, and enhanced innovation and creativity.

Increased Employee Engagement	Expanded Market Opportunities
Regulatory Compliance	Innovation and Creativity

Fostering an Inclusive and Supportive Work Culture
Foster a culture of respect, empathy, and open-mindedness, where employees feel valued and supported regardless of their cultural background. This can be achieved through regular team-building activities, employee resource groups, celebrations of cultural diversity and interculturalism. By creating an inclusive and supportive work environment, aged care providers can improve employee satisfaction, retention, and productivity, ultimately leading to better outcomes for clients.

Case Study: SA Providers Lead the Way

Resthaven, **Lutheran Care** and **Southern Cross Care,** leading aged care providers in South Australia, have demonstrated a commitment to fostering cultural intelligence and inclusivity within their organisations.

These providers partnered with **culturalQ** to implement comprehensive Cultural Intelligence and Competence training programs. By investing in this specialised training, these organisations are not only improving their ability to attract and retain a diverse workforce but are also enhancing the quality of care provided to their clients. This proactive approach to cultural competence reflects these providers' commitment to excellence in aged care and their recognition of the increasingly diverse needs of both their staff and the communities they serve.

Ukash Ahmed (l) and Hanaa Grave (r) from the culturaQ team together with their mentor, Interculturalist Robert Bean.

Source: culturalQ (2024)

Technology

Technology plays an increasingly important role in the aged care sector, enabling providers to streamline processes, enhance communication, and improve the quality of care delivered. To become an employer of choice, aged care organisations should leverage technology to support their workforce and create a more efficient and effective work environment. The Mercer Global Talent Trends 2024 report highlights that 65% of executives say their organisation needs to be more digital than it is today. This underscores the urgency for aged care providers to embrace technological advancements. Key considerations include:

Adopting Digital HR Solutions
This may include online recruitment and onboarding, digital learning and development platforms, and electronic performance management systems that automate and streamline HR processes.

Investing in Communication Tools
Aged care providers should implement technologies such as secure messaging platforms, video conferencing, and cloud-based document storage to enable effective communication and collaboration among staff.

**Implementing AI and Automation Solutions**
Research shows that 53% of executives project that AI and automation will bring a 10-30% productivity boost to their organisation over the next three years. For aged care providers, this could involve using AI for tasks like scheduling, documentation, and even more advanced technologies that may already be in production, such as fall risk assessments.

Case Study: CHSP Embraces AI

Numerous CHSP providers in South Australia have demonstrated their commitment to innovation and digital transformation by participating in hands-on Generative AI workshops organised by the **Multicultural Communities Council of SA**. These tailored sessions offered a unique opportunity for aged care organisations to explore the potential of AI in enhancing their services and operations.

The workshops, conducted in small groups with expert guidance, allowed participants to experiment with AI solutions, analyse practical problems, and develop skills to streamline their operational workflows. This proactive approach to embracing AI technology reflects these providers' dedication to continuous improvement and their recognition of the transformative potential of AI in meeting the evolving needs of both their workforce and the older Australians they serve.
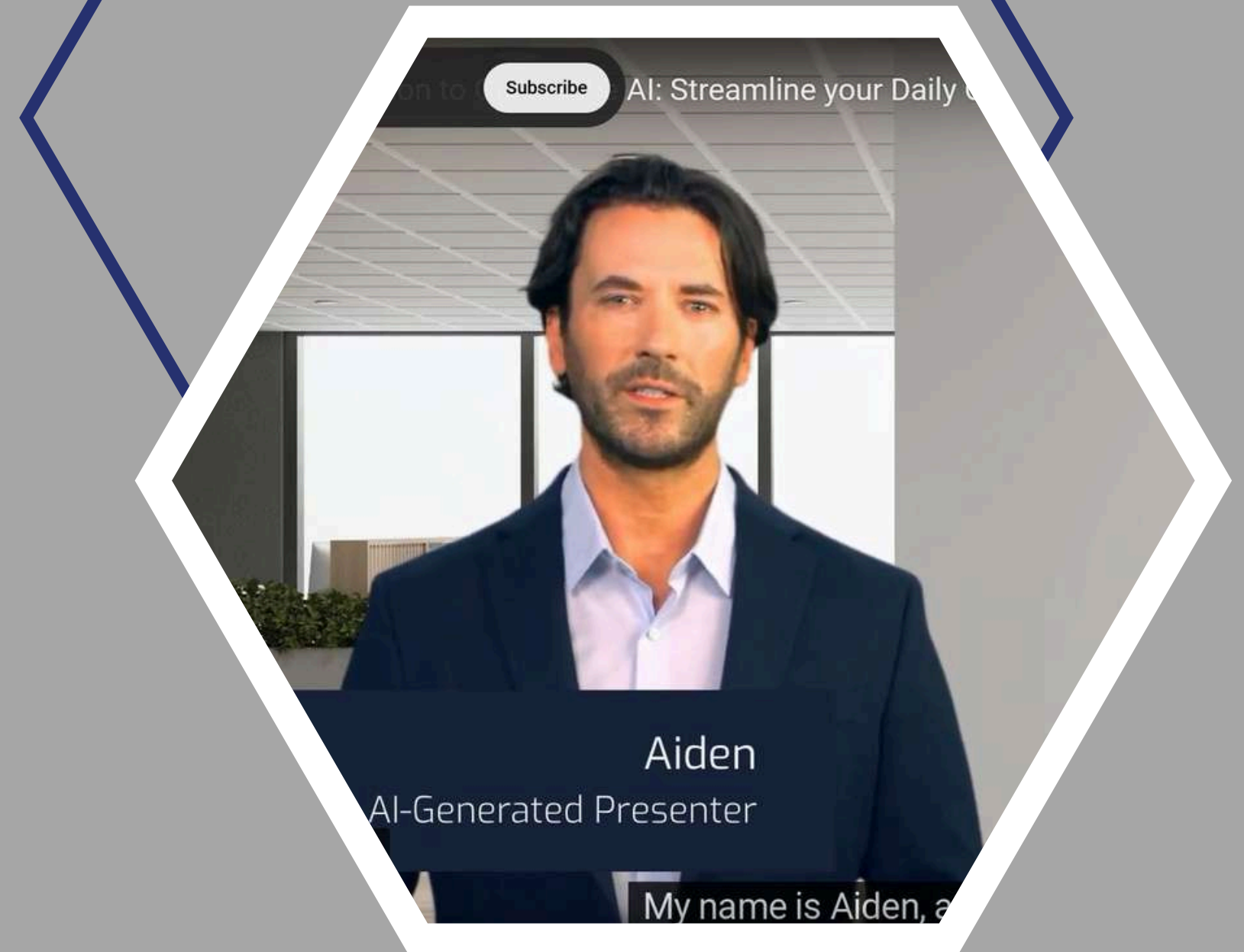
Aiden (pictured above) is an AI-generated presenter created by the Multicultural Communities Council of SA to assist CHSP Providers with adopting AI in their daily operations.

Source: CALD.NET.AU (2024)

Processes

Efficient and effective processes are essential for creating a positive work environment and delivering high-quality care. Aged care providers should review and optimise their processes to reduce inefficiencies, minimise waste, and support their workforce. Key strategies include:

Adopting Standardised Processes and Lean Principles
Providers should engage employees in identifying and eliminating waste, such as unnecessary paperwork, duplication of effort, or excessive waiting times. Interestingly, data reveals that 42% of employees cite "too much 'busy work' (tasks that don't add value)" as the biggest drain on their productivity, underscoring the importance of this strategy.

Fostering a Culture of Continuous Improvement
Organisations should create channels for employees to share their ideas and suggestions for improvement, and provide resources and support to implement viable solutions.

Reviewing and Updating Processes
Regularly reviewing and updating processes ensures they remain relevant and effective. Aged care providers should conduct periodic process audits and seek feedback from employees and clients to identify areas for improvement and ensure that processes align with best practices and regulatory requirements.

Growth

Providing opportunities for growth and development is crucial for attracting and retaining talented employees in the aged care sector. Aged care providers should create an environment that fosters personal and professional growth, and aligns individual aspirations with organisational goals. Key strategies include:

Offering Career Pathways and Opportunities
Organisations should provide employees with a range of career options, including specialisation in specific areas of care, leadership roles, and cross-functional experiences, to cater to different interests and aspirations. Research shows that 34% of employees rank career progression among their top job priorities.

Investing in Leadership Development Programs
Aged care providers should identify and nurture high-potential employees, providing them with targeted training, mentoring, and exposure to leadership responsibilities.

Encouraging Innovation and Intrapreneurship*
Organisations should create platforms for employees to share their ideas, and provide resources and support to implement innovative solutions that enhance care quality, efficiency, or client experience.

*Intrapreneurship is a portmanteau of "internal" and "entrepreneur," referring to employees within an organisation who apply entrepreneurial skills like creativity, initiative and risk-taking to their roles. Intrapreneurs are often the catalysts of innovation, tasked with developing new ideas or services, or new ways of doing things from within the existing organisational framework.

Case Study: A Holistic Approach to Benefits and Wellbeing

BaptistCare NSW/ACT has implemented a comprehensive employee benefits program designed to enhance work-life balance and support staff wellbeing. The organisation offers a range of financial incentives, including novated leasing, as well as flexible working arrangements and the ability to purchase additional annual leave. BaptistCare demonstrates their commitment to employee growth through training and career development opportunities, including sponsorship for visa holders. The company has also introduced 'Flourish', a holistic support program providing confidential services such as counselling, chaplaincy support, financial coaching, and legal assistance to employees and their families. This multi-faceted approach to employee care, combined with their reward and recognition program, reflects BaptistCare's dedication to creating a supportive and attractive work environment.

Source: Baptist Care (2024)

The Roadmap to Becoming an Employer of Choice

To assist aged care providers the following roadmap outlines practical actions and initiatives across the six key areas in their journey towards becoming an employer of choice.

01   Leadership

- Develop a clear and compelling vision for the organisation, and communicate it consistently to all employees.
- Establish regular communication channels to foster open dialogue.
- Implement leadership training programs that focus on emotional intelligence and effective communication.

02   Talent Development

- Create a competency framework that outlines the skills, knowledge, and behaviours required for each role, and use it to guide recruitment, training, and performance management.
- Develop a learning and development program that includes on-the-job training, e-learning modules, mentoring, and access to external courses and certifications.
- Implement a performance management system that provides regular feedback, and development opportunities for employees.
- Introduce recognition programs that celebrate employee achievements, such as peer-nominated awards.

03   Cultural Competence

- Conduct a diversity and inclusion audit to assess the organisation's current policies, practices, and workforce composition, and identify areas for improvement.
- Offer **Cultural Intelligence (CQ) training** to all staff to develop their ability to work and communicate effectively and inclusively with clients and colleagues from diverse backgrounds.
- Provide Cultural Competence training for managers and leaders in order to ensure services and products are provided inclusively and effectively.
- Develop partnerships with CALD community organisations such as MCCSA to reach out to diverse workforce and to gain insights into the needs and preferences of diverse communities.

The Roadmap to Becoming an Employer of Choice

To assist aged care providers the following roadmap outlines practical actions and initiatives across the six key areas in their journey towards becoming an employer of choice.

04   Technology

- Conduct a technology audit to identify gaps and opportunities for improvement in HR processes, communication, and collaboration and apply solution.
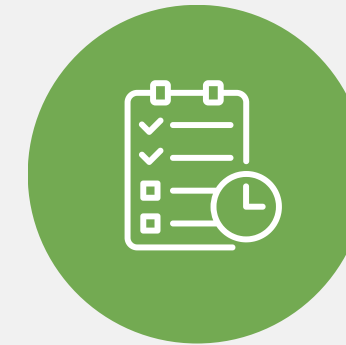
05   Processes

- Conduct process mapping exercises to identify inefficiencies and non-value-added activities in key care processes.
- Engage employees in lean improvement initiatives, providing training and resources to support their participation.
- Develop standardised operational protocols and guidelines.
- Establish a continuous improvement framework that encourages employee participation, and recognises and rewards successful initiatives.

06   Growth

- Develop a career pathways framework that outlines the various career options available.
- Implement a leadership development program that identifies and nurtures high-potential employees, providing them with targeted training, mentoring, and exposure to leadership responsibilities.
- Create an innovation program that encourages employees to contribute their ideas for improving care quality, efficiency, and client experience, and provides resources and support for implementation.

Conclusion

Becoming an employer of choice in the aged care sector requires a strategic and holistic approach. By implementing the practical actions and initiatives outlined in this Guidebook, aged care providers can create a supportive and engaging work environment that attracts and retains high-quality talent.

Investing in the workforce not only benefits the organisation and its employees but also translates into improved quality of care for older individuals and their families. As the demand for aged care services continues to grow, providers that prioritise their people will be well-positioned to meet the challenges of the future and deliver exceptional care to those they serve.

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About MCCSA

The Multicultural Communities Council of South Australia (MCCSA) is the peak organisation dedicated to serving, empowering, and advocating for the culturally and linguistically diverse communities in South Australia. As part of its mission, MCCSA aims to support and strengthen the home support service system, enabling Commonwealth Home Support Programme (CHSP) service providers to operate effectively and align with the objectives of the CHSP within the broader aged care system.

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Acknowledgements