

## SERVIOR – THE MANAGEMENT PROCESS

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**Abstract:** The company SERVIOR it's a residential centre for the elderly based in Luxembourg. We are going to start with the history of the company and the big moments of it. Then we will continue with a SWOT analysis with the strengths, the weaknesses, the opportunities, and the threats of SERVIOR. To finish, we are going to talk about the current strategy and the leadership of this firm. We point out some of the main difficulties faced by this company in the activity.

**Keywords:** Servior; SWOT Analysis, Strategy; Management theory

### 1. SERVIOR

#### 1.1 The Company

It all began when the amended law of 23 December 1998 founded the public establishment "Centers, Homes and Services for the Elderly". This law came into force in 1999 and enabled this establishment to manage ten "Integrated Centers for the Elderly" (CIPA), which until then had been state-run and operated under the supervision of the Ministry for the Family. Secondly, this law creates a second public institution called "Centres de gériatrie" (Geriatric Centers). This is responsible for the State's care homes and is under the supervision of the Ministry of Health. Then, on the recommendation of the government, the law of 22 December 2000 gave responsibility for the "Centres de gériatrie" establishment to the "Centres, Foyers, et Services pour personnes âgées" establishment. In other words, this last manages both the CIPAs and the care homes. (Theisen & Faber, 2021) In 2000, this public establishment had 1,200 customers and 900 employees.

Then, in 2001, the company changed its name to "SERVIOR", from "services aux seniors". Since then, SERVIOR has invested in 8 residential centers, modernized its Meals on Wheels production line, entered into major partnerships and set up external center management. In 2016, SERVIOR also opened its first day center in Wiltz (Theisen & Faber, 2021).

Finally, we can conclude that this public establishment has grown progressively. This growth has had repercussions on the Human Resources department, which also has to adapt regularly and expand in order to manage this increase in staff and meet its needs.

Today, SERVIOR has more than 1,800 customers and 2,400 collaborators. (Theisen & Faber, 2021)

#### 1.2 Current position

Today, SERVIOR has 1,838 customers and 2,400 employees. It manages 15 accommodation centers throughout the Grand Duchy, with two under construction and one in the planning stage. Thanks to this history, SERVIOR is now the largest manager of accommodation for senior citizens in Luxembourg. (Theisen & Faber, 2021)

Also adding, that the establishment offers different services to a diverse clientele. On the one hand, with regard to the elderly, SERVIOR has three types of accommodation which depend on the degree of autonomy of the clientele. On the other hand, the establishment also offers services to non-residents, such as Meals on Wheels,

Vacation Room or Day Home. (Theisen & Faber, 2022)

These multiple services allow SERVIOR to differentiate itself from its competitors. The latter are, like SERVIOR, members of COPAS which is a representative of providers offering support and care services to the elderly, sick, people suffering from mental disorders or those with disabilities. (Theisen & Bock, 2019) In conclusion, SERVIOR is not intended to make a profit, but the main thing is to invest in the well-being of residents. (SERVIOR, 2020)

### 1.3 SWOT Analysis

#### 1.3.1 Strengths

- **Human resources:** SERVIOR is among the twenty largest employers in Luxembourg, so it has a lot of workers (2.400 people) (Theisen & Faber, 2022)
- **Physical resources:** Nowadays, SERVIOR manages 15 accommodation centres that are spread across throughout Luxemburg. In addition, two new centres are under construction. (Theisen & Faber, 2021)
- **Financial resources:** “With the support of partnerships, SERVIOR was able to increase production and meet growing demand.” (Theisen & Faber, 2022)
- **Activities: *Repas sur roues*** “This is a service offering varied and balanced menus to any senior who is no longer able to prepare meals at home or simply wishes to benefit from a comfortable service. ». This service allows to differentiate the company from competitors. (Theisen & Faber, 2022)
- **Past experiences:** Alongside its rivals, SERVIOR is the undisputed **leader** in its field in the Luxemburg market. (Theisen & Faber, 2021)



#### 1.3.2 Weaknesses

- **Human resources:**
  - The gender split at SERVIOR is very uneven. This is explained by the fact that the establishment's main activities are care and management. However, it has been statistically proven that women dominate jobs in the healthcare sector, and so it is much easier to find workers with training in this field on the market than men. Nevertheless, the establishment is faced with a number of maternity and parental leaves, which means that it has to find a replacement during these periods (Gangloff, personal communication, 08/02/2023).
  - The number of employees having more than 50 years is higher than the number of employees having under 35 years. This leads to the fact, that the company needs to start to recruit young people in order to respond to excessive retirements (Gangloff, personal communication, 08/02/2023).
- **Process:** The company is not into digitalization and is still in a “manual” working style with a lot of paper. There are only trying to enter this process now. (Gangloff, personal communication, 08/02/2023).

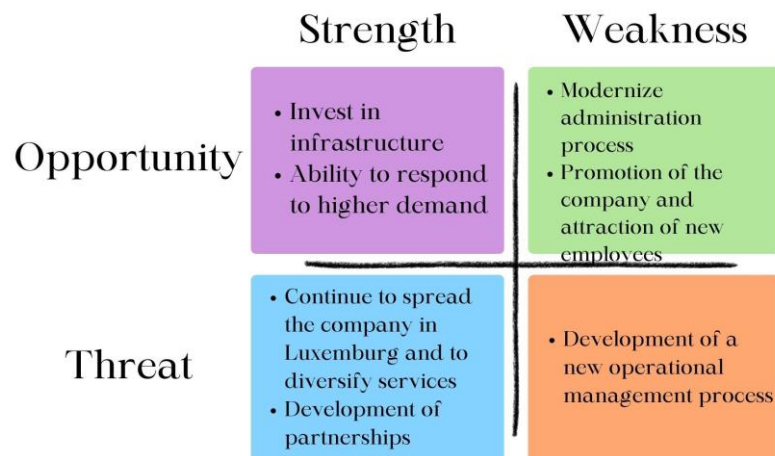
#### 1.3.3 Opportunities

- **Physical resources:** “SERVIOR will continue to modernize and adapt its sites in order to meet the needs of its current and future customers and with a view to offering its residents and employees a comfortable and secure living and working environment”. (Theisen & Faber, 2022)

- **Demography:** “The age structure of the Luxembourg population has changed in recent decades. (...) people aged 40-64 and those aged 80 and over are increasing in relative numbers.” It allows many more customers. (*Évolution de la population*, 2023)
- **Events:** Between the 26<sup>th</sup> of Septembre and the 1<sup>st</sup> of October 2023, SERVIOR hosts a free art workshop for the elderly. (*Ville de differdange | Expo Senior:ART Week*, 2023)

### 1.3.4 Threats

- **Trends:** New competitors have entered the market, which creates an increase in offer (Theisen & Bock, 2019)
- **Economy:** “The year 2021 was marked by significant increases in raw materials and energy costs”. (Theisen & Faber, 2022)
- **Funding sources:** “A major challenge facing the entire support and care sector, and which is likely to become even more acute in the coming years is the shortage of care and supervisory personnel.” (Theisen & Faber, 2022)
- **Legislation:** In 2021, the Minister of Family created a law project to consolidate activities and outsource Servior services. The union feared that the arrival of private providers would have a negative impact on the quality of service. (Marques, s. d.)
- **Events:** Covid-19 had an impact on SERVIOR's revenues in 2020. Following the periods of confinement and the periods during which centres were affected by Covid19, the occupancy rate experienced extreme drops. During these periods, SERVIOR was unable to accept new customers. These losses were only partially offset by financial aid from the State. Finally, in 2020 SERVIOR closed with a loss of €133,137 (€6,804,076 in 2019). (Theisen & Faber, 2021)



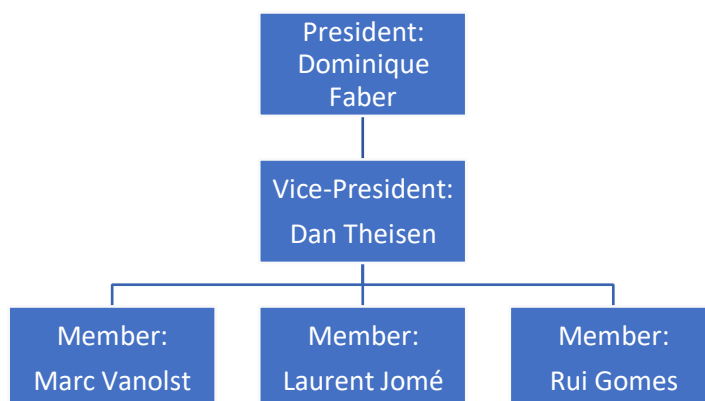
## 2. Current strategy

We can see 5 elements constituting SERVIOR’s strategy:

- **Expansion** on the Grand Ducal territory in order to increase the customer base (Gangloff, personal communication, 02/08/2023)
- **Renovation** of buildings to meet new customer expectations (Theisen & Faber, 2022)
- **Opening services** to non-residents (meals, occasional room, activities) (Theisen & Faber, 2022)
- **Diversification of services** according to the degree of assistance necessary for customers (only care when needed, recurring care, etc.) (Theisen & Faber, 2022)
- **Creation of satisfaction survey** to get the opinion of employees and clients (Theisen & Bock, 2019)

### 2.1 Leadership

SERVIOR is managed by a Board of Director composed by five members (SERVIOR, 2023)



à Board of Director

The General Management team is made up of four people, one of whom is the Managing Director and has greater authority than the other directors. He is responsible for the divisions assigned to them, such as Operations, Infrastructure and Finance, and Human Resources and Customer Services. (Gangloff, personal communication, 08/02/2023)

Each division also has a division manager. His main task is to manage and coordinate his department. (Gangloff, personal communication, 08/02/2023)

Finally, in each establishment, the various departments have a head of department, who ensures that the department runs smoothly by managing the staff. (Gangloff, personal communication, 08/02/2023)

The establishment believes in a long and solid relationship between employer and employee.

As a result, the values that reside in the various homes are:

- Respect
- Empathy
- Care
- Team spirit
- Positive attitude (SERVIOR, 2022)

### 3. Conclusion

In conclusion, SERVIOR is a big company leader in its field in Luxembourg. Its main strategies rely on the modernisation of the infrastructure to attract people and respond to their needs and a diversification of their services to widen their attractive power.

SERVIOR faces some difficulties, particularly because of the shortage of care and supervisory personnel and the COVID crisis that had an impact on their incomes. Some solutions have been found to help them as promoting their company to attract employees, make more partnerships, or create a new operational management process.

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