

Trends, Issues, and Opportunities

Planning for Kendal at Oberlin, 2027-31

Looking ahead at Kendal's prospects into the next decade, there are several key topics that deserve consideration. Most of these are not unexpected, but some – particularly those affecting senior living generally – have been around for a while without being addressed successfully. Kendal at Oberlin enters this phase of planning with impressive credentials and considerable momentum. The solution will involve choosing which items to pursue and the way it will pursue them.

Demographic Trends

The data here are well known: the number of seniors in the US populations will continue to increase as a share of total population, with disproportionate increases in the share of seniors at the high- and middle-income levels. At the same time, the number of people seeking jobs in fields that will support this aging population will not grow at the same rate, leading to increased difficulty in recruiting, retaining, and compensating qualified staff. Technology offers some opportunities to address this mismatch, but the costs of this approach will be considerable. A move to address a middle-income population as a part of Kendal's portfolio, with an appropriately reduced set of services, may offer a pathway to a solution.

Economic Trends

Recent turmoil in economic projections aside suggest some longstanding factors affecting senior living are under considerable pressure. Among these are public sector support for health care (Medicare and Medicaid), retirement income (Social Security), and social services generally. At the same time, rising housing costs will continue to offer senior homeowners significant equity to be used for entrance fees for senior living communities, but fewer seniors are entering retirement with traditional pension income streams, requiring them to depend on income from investments. The impact on Kendal's recruitment efforts appears uncertain.

Market Strength of Kendal at Oberlin

The positives here are impressive: a waiting list of 230 (as of this date) drawn from 41 states, and an occupancy rate that approaches 99%. The unusually low entry rate in 2025 reflected a similarly low number of available units during the year as people are living longer. Discussions about adding 16 new cottages to the campus have attracted strong interest among the 90 or so prospects on the "ready" portion of the waiting list. At the same time, there is growing competition from new entries into the senior living market, often for-profits, including some communities backed by private equity funds or other investment sources able to load impressive features into their offerings. Marketing and sales will continue to require sustained effort – including continuing investments in Kendal's campus and services – to maintain current performance levels. In addition, Kendal's close ties to Oberlin College are key to its attractiveness, and the continuing health of the College and Kendal's relationships with it is crucial to our success.

Health and Wellness

The essence of health care in a community like Kendal at Oberlin is a set of services and support across the “continuum of care,” the term used to describe moving from independent living to assisted living and on to memory care or nursing care, as needed. To overcome the reluctance on the part of some Kendal residents to move beyond their initial accommodations in cottages or apartments, we should seek to lessen the sharp differences between independent and assisted living, using technology and facilities modifications and introducing staffing changes. Improving the attractiveness of rooms in the Care Center will help as well. Kendal should also continue to pursue relationships with high quality local health care providers as well as strengthening the presence of on-campus providers. In addition, Kendal should review the lessons learned from the Covid pandemic and should continue efforts to improve the interoperability of electronic medical records.

Workforce

Kendal’s goal here is to be a caring and competitive employer, and it has largely been successful in doing that. Two developments have complicated the picture, however. First, Kendal is now 33 years old, and we have some staff who have been here that long, as well as others with many years of service. It is crucial to plan for successors to these veterans, reflecting changes in roles and responsibilities matching the other changes noted in this plan. Second, it is already clear that more recently hired staff have arrived with expectations and preferences that differ from their predecessors regarding benefits, work styles, and compensation. Efforts are already under way to address these factors, and they must continue.

DEIB

Diversity, equity, inclusion, and belonging are goals that resonate with the Quaker values and practices that underlie Kendal’s very existence. There is broad support for them among residents and staff and among much of the nation’s population. Kendal has achieved leadership stature in DEIB practices as judged by independent agencies, and they have been integrated into the organization’s training programs for staff as well as communications with residents. At the same time, the current federal government has been trying to eliminate all DEI references and practices from organizations over which it has any influence, and there is political support for this among some US citizens. Despite our efforts and Kendal’s continuing commitment to DEIB, we have not yet achieved our long-term goal of a more diverse resident population.

Technology

Rather than being a freestanding goal, the consideration of technology has evolved to affect virtually every aspect of Kendal at Oberlin’s operation in the coming years. Trends and emerging developments in technology are important to residents, to staff who interact regularly with residents to provide care and support, and to other staff whose responsibilities engage them less directly with residents. The following categories of technology are relevant to Kendal’s future operations: tech support for wearables for residents and staff, such as monitoring devices; RFID (radio frequency identification

chips) that link with monitoring systems; administrative data systems (portals, POS equipment, scheduling, analytics, budgeting, emergency alerts); Internet of Things (IOT, such as phones, activity trackers, lighting systems, and smart sensors); telemedicine (video systems for medical care and education); chatbots (for sales and marketing); security and privacy (spam filtering, security); and applications to support education, entertainment, and hospitality functions of interest to all of Kendal's constituencies. Looming above all these tech categories is artificial intelligence, a resource that will gradually pervade most aspects of Kendal's operations, and that will require considerable staff training to derive its full benefit.

Conservation & Sustainability

Kendal has already begun to take action to address this area, in keeping with the initiatives put in place over the past decade by the city of Oberlin and Oberlin College. But more remains to be done. Carbon neutrality, an audacious goal but one that remains a priority for the Oberlin community, includes the intermediate step of significantly reducing carbon emissions in the next five years. Progress toward this goal will take the form of modifying purchasing practices, designs for buildings, and the profiles of staff members tending to these systems. More generally, Kendal should introduce more smart systems into the campus, further modify groundskeeping to contribute to the overall effort, seek ways to use artificial intelligence to support relevant decision making, and take steps to avoid travel when possible. The community's senior leadership will need to be engaged in these efforts.

Growth & Evolution

Two opportunities present themselves in this area: the rapidly growing population of middle-income seniors seeking affordable communities in which to grow old, and the potential to spread Kendal's fixed operating costs over a larger base of residents, thus achieving important efficiencies. Important challenges to the addition of a middle-income component of Kendal include pricing, determination of services and facilities to be offered, and determining the extent to which and the manner in which any middle-income addition would be integrated into the existing Kendal community. In addition, Kendal can carefully add living units similar to its existing units, though space on the campus is limited and current residents are concerned about overcrowding in several key functional areas. The plan for 2027-31 should include guidance on these issues.

Financial Resources

Kendal is in an enviable financial position as it looks to the future. It has been given a credit rating of A+ with a stable outlook by the ratings agency Fitch, one of only three senior living communities nationally to have received this evaluation. The community's budget is closely linked to both its strategic and capital plans, with close guidance from senior administrators and Kendal's Board of Directors. Residents receive quarterly briefings on the community's financial status. The community has the capacity to borrow additional funds if necessary to finance strategic initiatives.