

CONTINUING THE JOURNEY

The Emerging World of NDIS...



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How Are Disability Organisations Responding To The NDIS?.... A National Perspective



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How Are Disability Organisations Responding to The NDIS?...A National Perspective

Disability organisations' response to the NDIS fall clearly into six positions

- ◆ Well advanced in their transition planning and implementation.
- ◆ Just commencing their transition planning, but little to no implementation occurring.
- ◆ Still coming to grips with "the new world order, the new paradigm", what it is and what it means; no Transition Plan.
- ◆ "We are fantastic, we're quality, our people love us" we're just going to do the minimum.
- ◆ "Let's wait and see" we have time, there are no specifics, so we are doing nothing now.
- ◆ "We don't believe there will be any major impacts/implications, the world will remain the same... We've seen it all before".

Strategic Drivers of Industry, Organisational & Service Re-engineering



Continuing The Journey...
Considerations for Boards,
Chief Executive Officers &
Senior Management Teams



Directors... Get Organised, Get Going

Individual Directors and Boards need to

- ◆ Consider their own personal current and future commitment and contribution...step up to the mark or step off the Board.
- ◆ Re-engineer their Boards, 5–7 positions/people maximum.
- ◆ Seriously govern their organisation; strategic thinking, strategic discussion and strategic decisions are the name of the game.
- ◆ Truly understand the current/emerging and future big picture of the Disability/Mental Health Industries/Sectors.
- ◆ Recognise “the paradigm shift”, its strategic and organisational impacts and implications.
- ◆ Develop a Transition Plan, GANTT Chart and tools which account for all transition elements and processes; refer to page 31.

Directors...Form A Leadership Team

- ◆ Establish and operate a Leadership Team...Board, Chief Executive Officer, Senior Management Team.
- ◆ Your Leadership Team represents the primary “intellectual capital” of your organisation; use this resource.
- ◆ The Leadership Team’s role is to “transition the people, transition the organisation, transition the services”.



Leadership Team...Take Your People With You

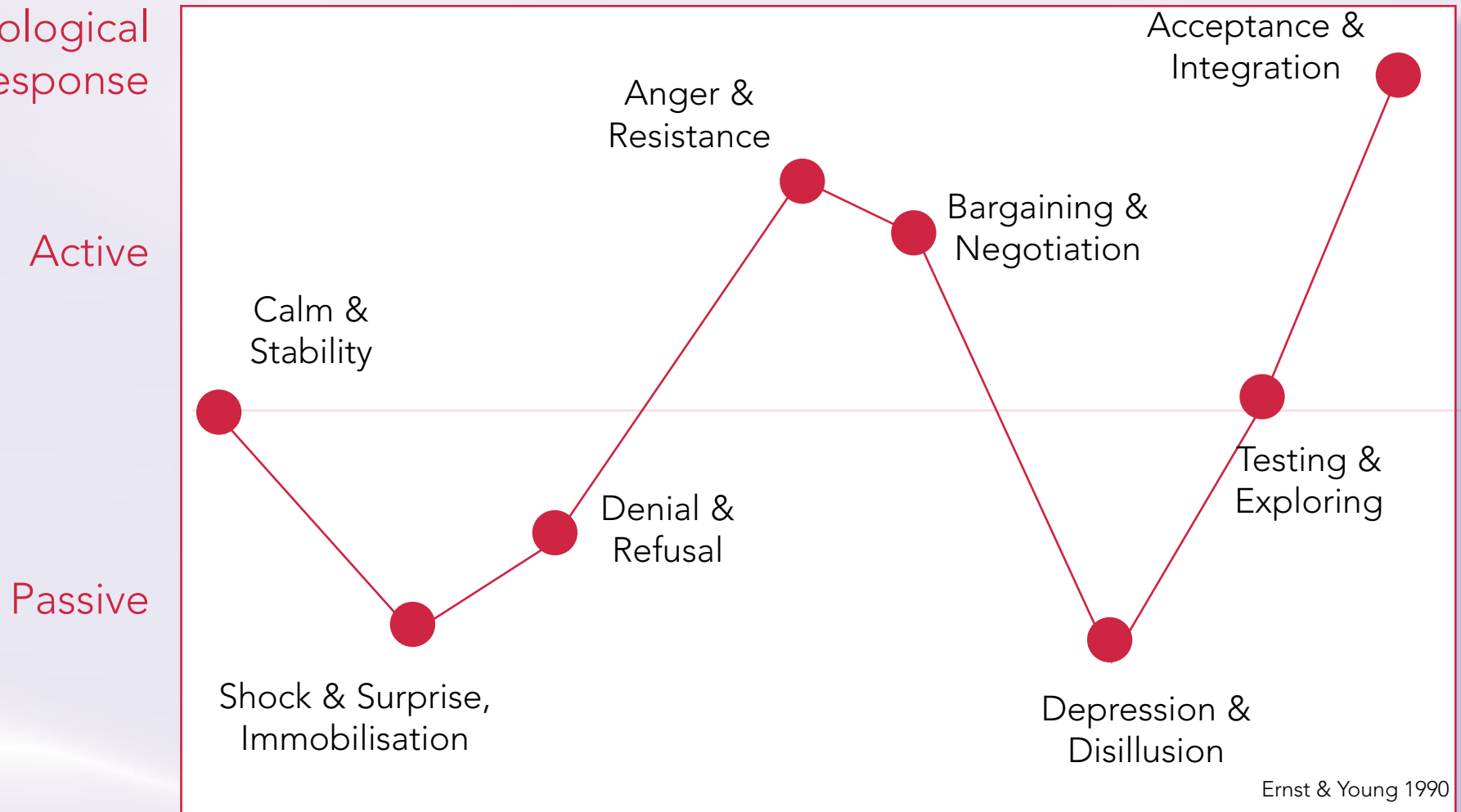
The Leadership Team needs to

- ◆ Recognise where your people are at (refer to pages 10 and 11).
- ◆ Ensure your Transition Plan, in part, accounts for the engagement and education of middle managers, staff and volunteers.
- ◆ Engage and educate clients, carers and families about NDIS, include this strategy in your Transition Plan.
- ◆ Account for people who do not wish to change, adapt to the new ways/the new world of NDIS; restructure or performance manage them out of your organisation.
- ◆ Acknowledge that some key leaders/managers will be poached, leave or resign; develop a Succession Strategy.

Individual's Psychological Response To Change

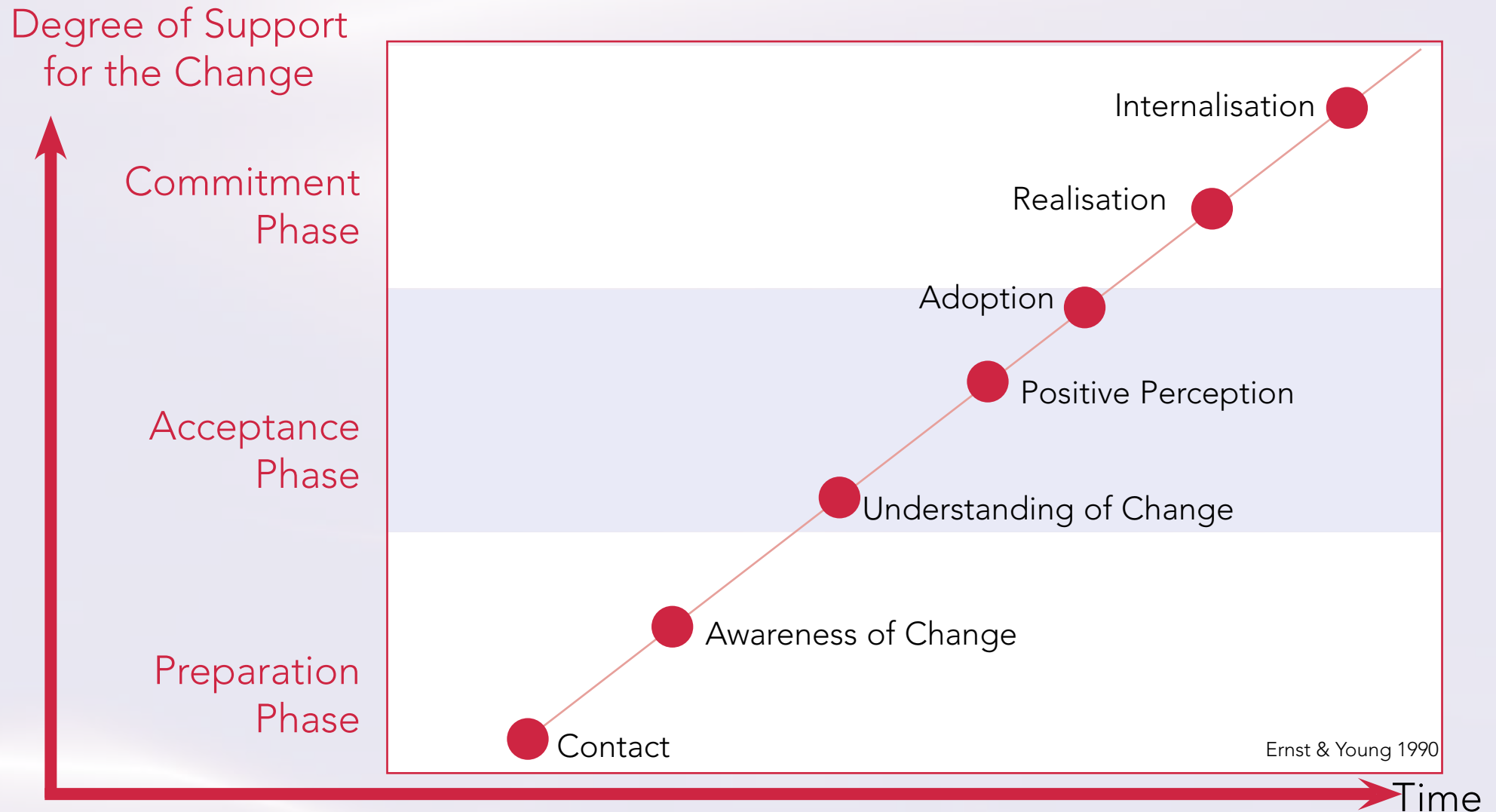
- ◆ Track the response of individuals, managers, staff and/or teams/ organisations to your proposed changes using the following tools.

Psychological Response



Ernst & Young 1990

Individual's Stages Of Commitment To Organisational Change



Leadership Team Develops a Transition Plan/ GANTT Chart

Bring the Leadership Team together with the aim of developing a Transition Plan, GANTT Chart and tools that account for

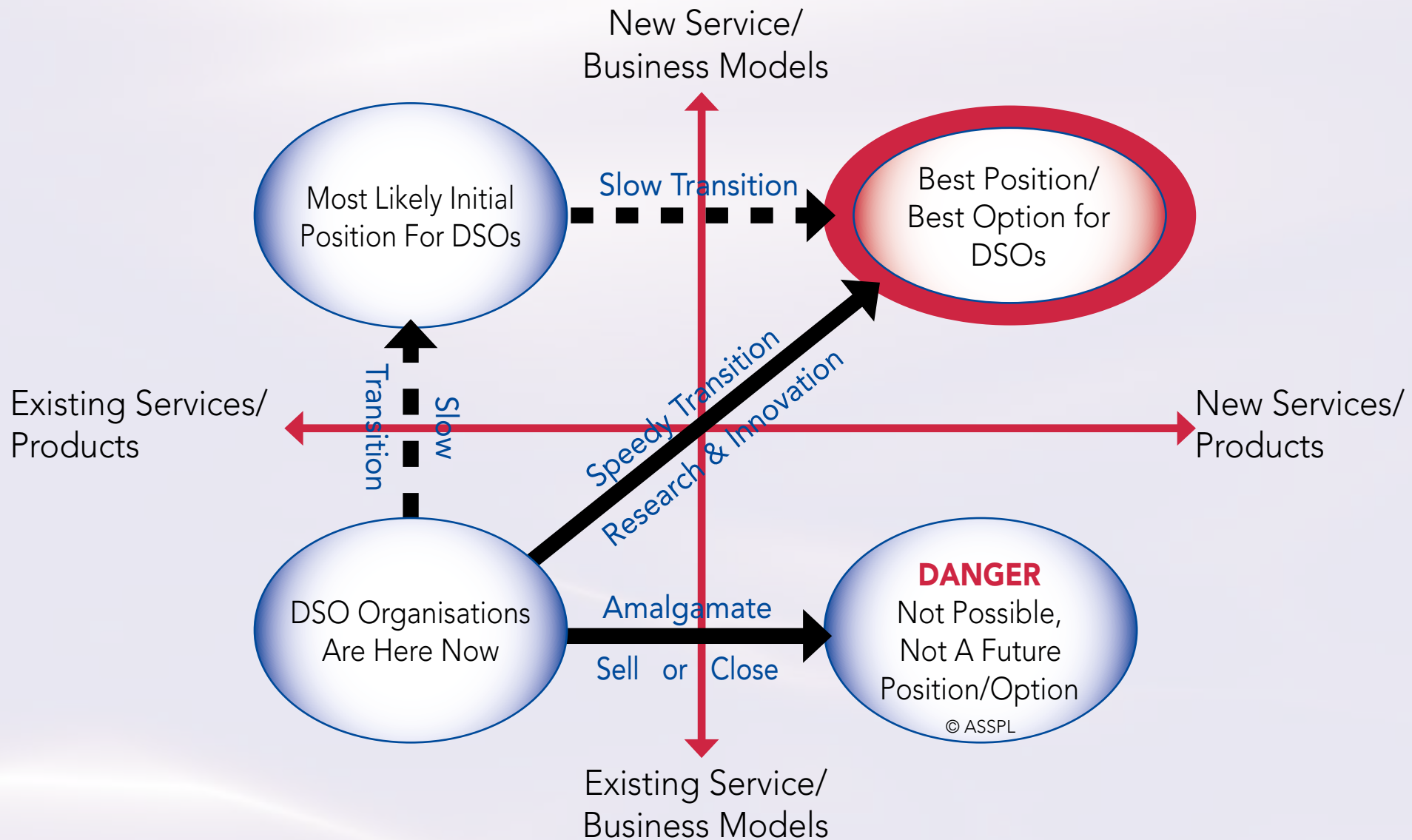
- ◆ A new, innovative and unique “vision” for your organisation.
- ◆ New business/service model/s.
- ◆ The determination of the true cost, margin and price of your new business/service model/s and therein each service type within your organisation.
- ◆ Enough working capital/reserves.
- ◆ The development of an aligned Strategic Financial Management Plan (profit and loss and cashflow).
- ◆ A new structure, key positions.
- ◆ The strategic competitive advantage.
- ◆ The key strategies and projects.
- ◆ The associated strategic risks.

Transition Plan Project GANTT Chart... An Example

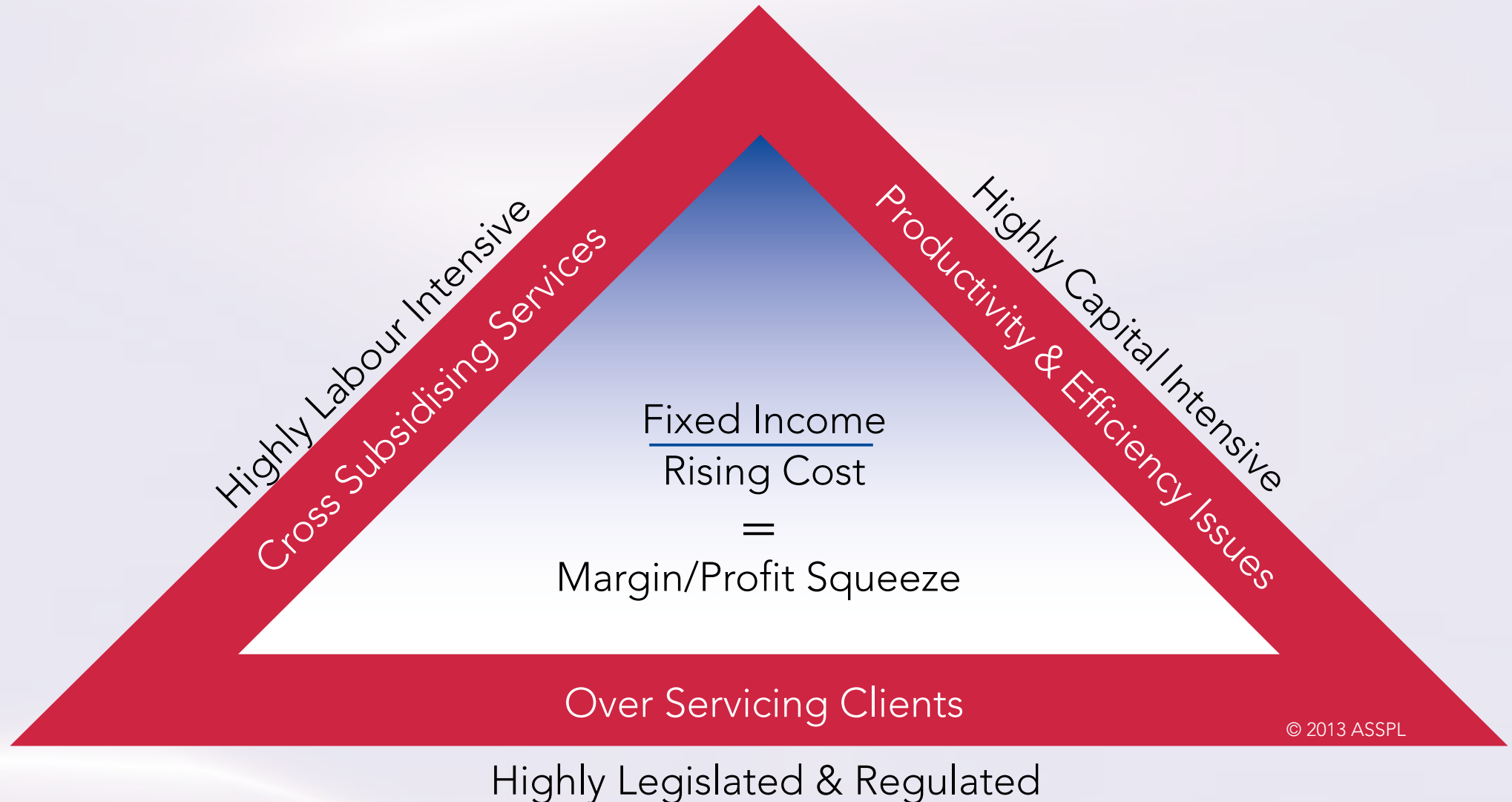
Our Transition Plan...A Merger Project GANTT Chart

Agreed Key Actions/Steps	Who	Planned/Imp Timeframe	Nov 2013				Dec 2013					Jan 2014				Feb 2014			
			w/e Sun 5 th	w/e Sun 12 th	w/e Sun 19 th	w/e Sun 26 th	w/e Sun 2 nd	w/e Sun 9 th	w/e Sun 16 th	w/e Sun 23 rd	w/e Sun 30 th	w/e Sun 7 th	w/e Sun 14 th	w/e Sun 21 st	w/e Sun 28 th	w/e Sun 4 th	w/e Sun 11 th	w/e Sun 18 th	w/e Sun 25 th
1. Initial Discussions: Hold initial discussions; understand strategic direction, vision, values, etc. of each organisation.		Planned																	
		Imp																	
2. MOU & CA: Review, finalise and sign Memorandum of Understanding and Confidentiality Agreement.		Planned																	
		Imp																	
3. Merger Working Group: Establish and operate a Merger Working Group, and undertake agreed actions and meetings.		Planned																	
		Imp																	
4. Cultural Due Diligence: Undertake cultural due diligence and forward information to Auditor.		Planned																	
		Imp																	
5. Organisational Due Diligence: Undertake organisational due diligence and forward information to Auditor.		Planned																	
		Imp																	

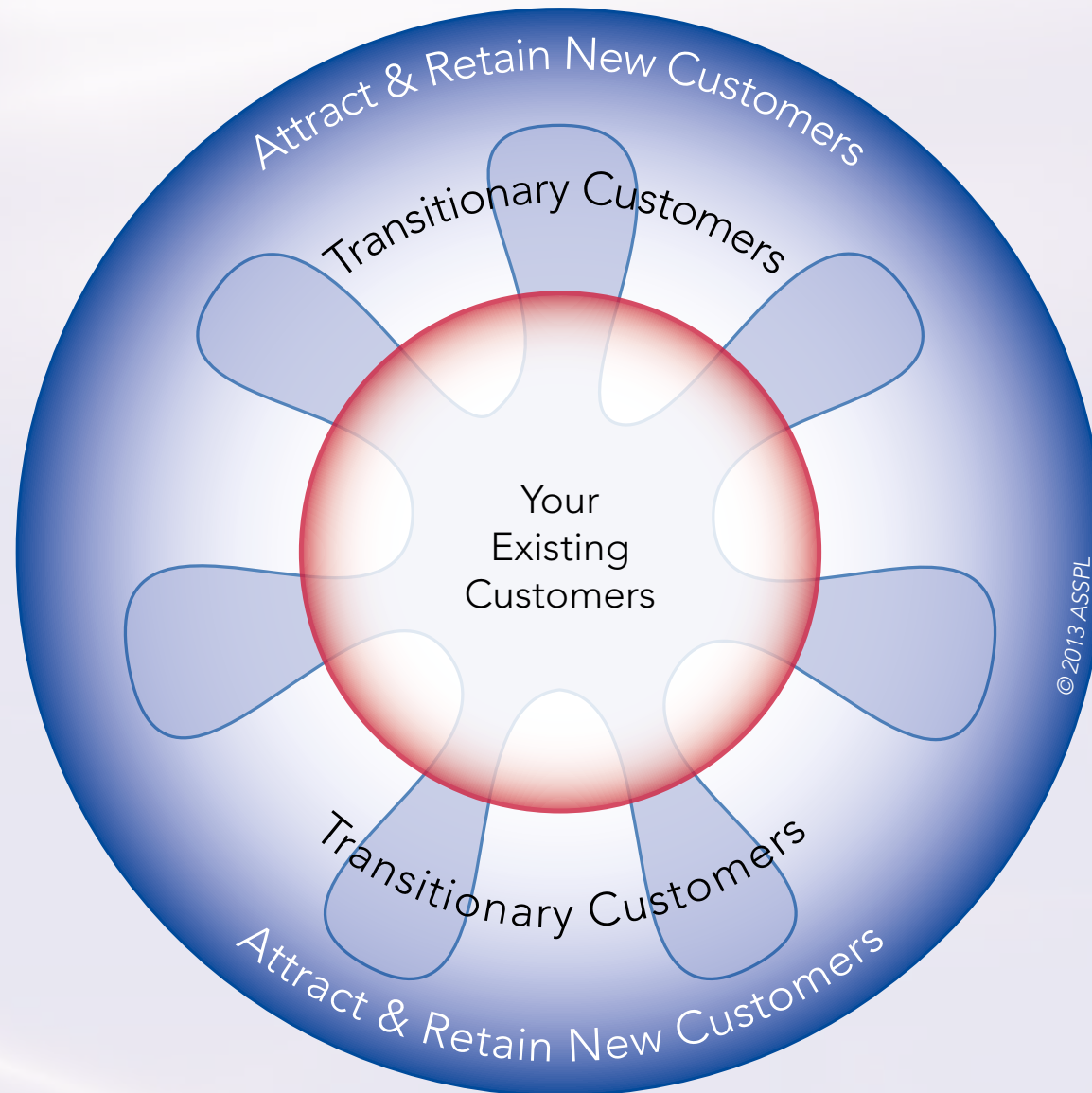
Leadership Team... Recognise The Realities & Practicalities



Leadership Team... Your Challenges In A Nutshell



Current Customers, Transitional Customers, New Customers



Current Customers, Transitional Customers, New Customers

Current Customers...Key Considerations

- ◆ The majority of your current customers will probably stay with your organisation/services.
- ◆ The age, service and funding profile of your current customers will change over time, these changes will impact services, staffing and cashflow.
- ◆ Your current customers will probably be less demanding than the transitional or new customers.
- ◆ Your current customers will eventually go to residential aged care, use palliative care services or die in their own home.

Current Customers, Transitional Customers, New Customers

Transitional Customers...Key Considerations

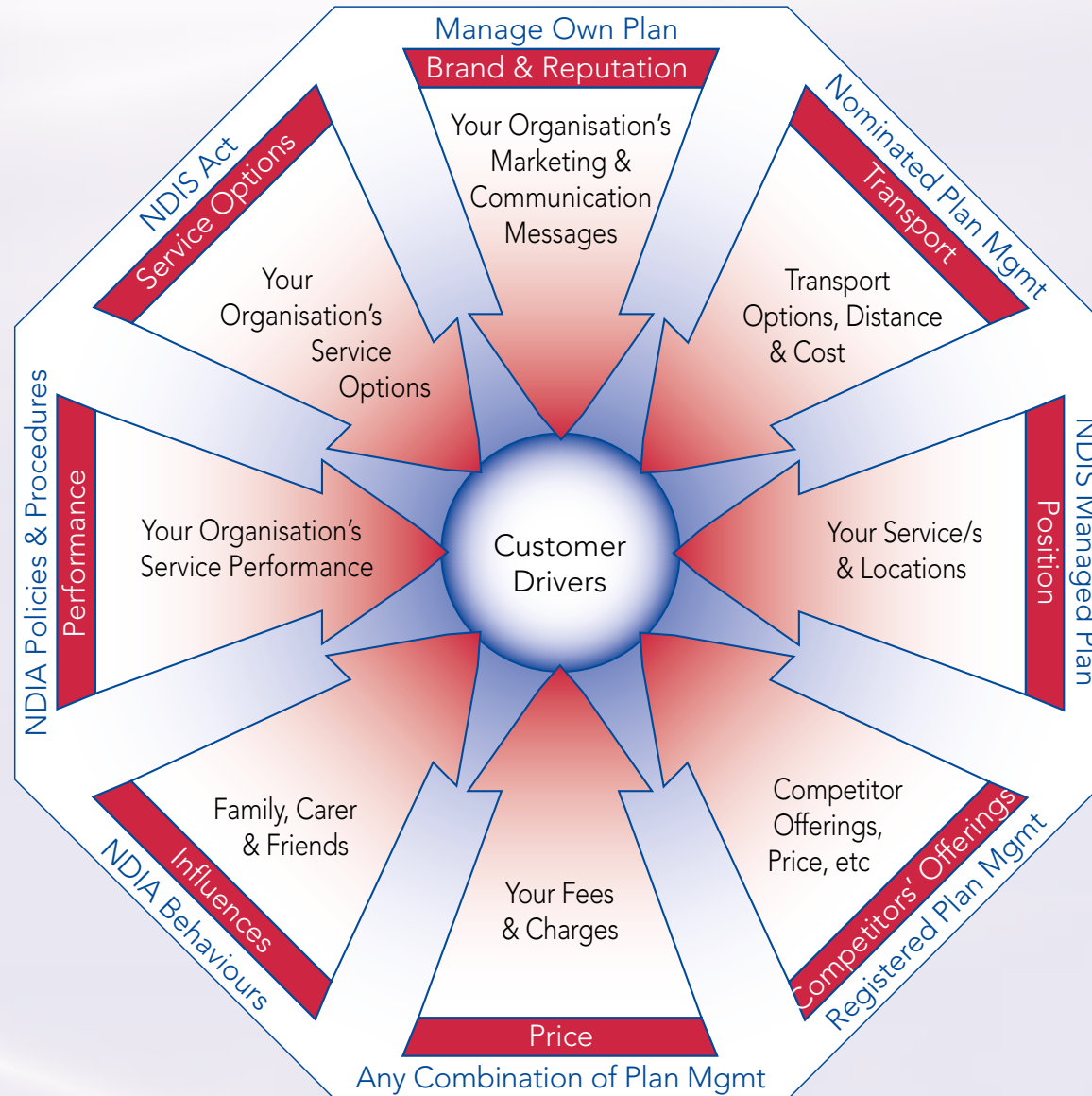
- ◆ Transitional customers will come and go.
- ◆ Your organisation's service offering, pricing, customer approach, incentives, location, etc will be critical determinants of transitional customer flow rates.
- ◆ Ultimately only repeat and/or referral business really counts.
- ◆ Transitional customers will rise and fall over time, they will not be a static number, but a dynamic flow.
- ◆ Transitional customers can be converted to new customers; that is, retaining them to create repeat and/or referral business.

Current Customers, Transitional Customers, New Customers

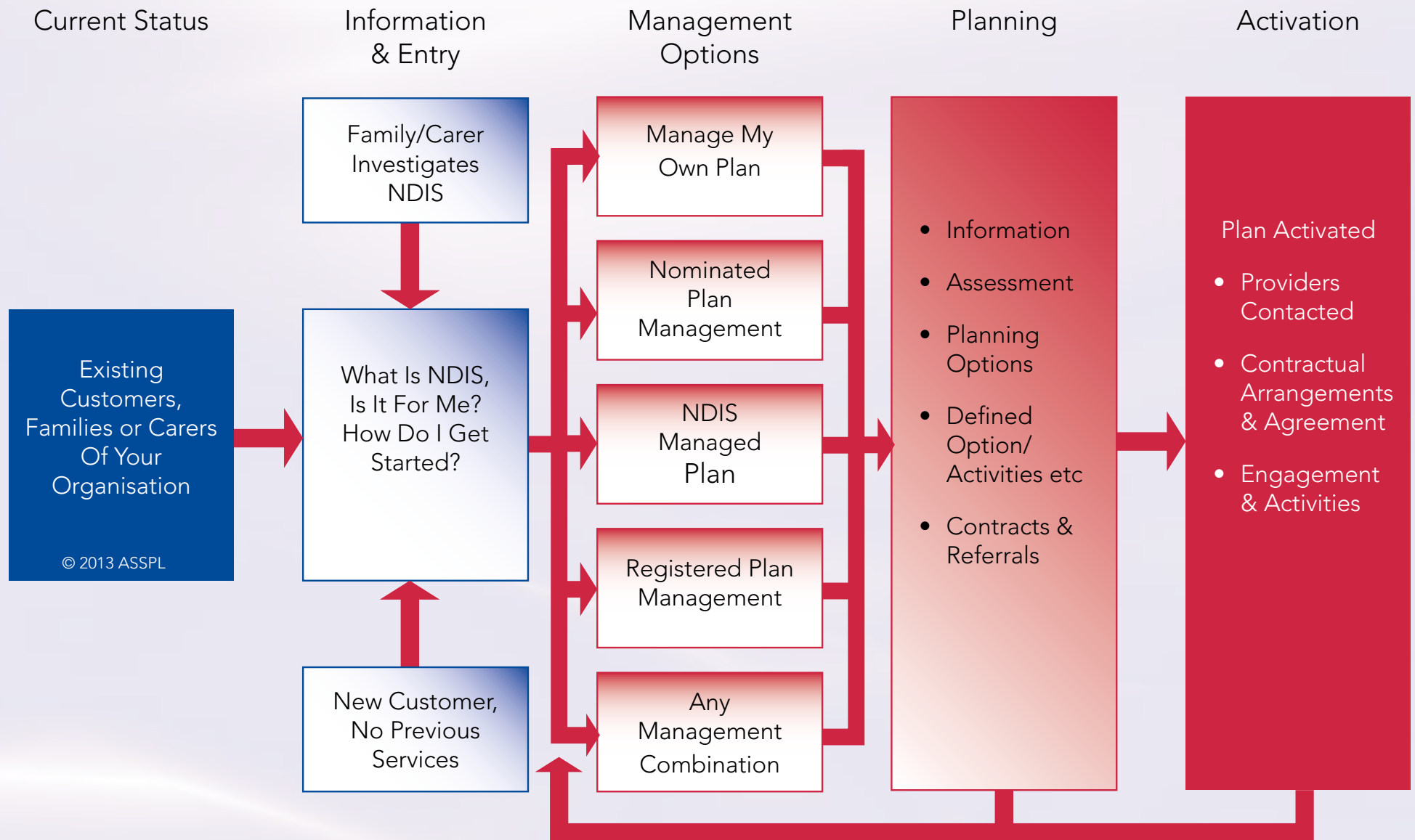
New Customers...Key Considerations

- ◆ Attracting and retaining new customers is critical to the growth and development of your organisation and its service offering.
- ◆ New customers will drive your repeat and referral business patterns.
- ◆ Repeat and/or referral business is the best form of business... ensuring little or no marketing by your organisation; in essence it is “word of mouth”.
- ◆ New customers will be driven by your service offering, price, location, etc.
- ◆ Your future lies in new customers.

NDIS Customer Drivers



NDIS Customer Pathways



From A Service Mentality/Approach To A Systems Mentality/Approach

Service Framework

- ◆ We are a service
- ◆ Allocated places, funding & clients
- ◆ We primarily deliver services
- ◆ We meet service standards
 - ◆ A service framework
- ◆ Primarily 1–2 “bankers”
 - ◆ Welfare paradigm
- ◆ None – few competitors

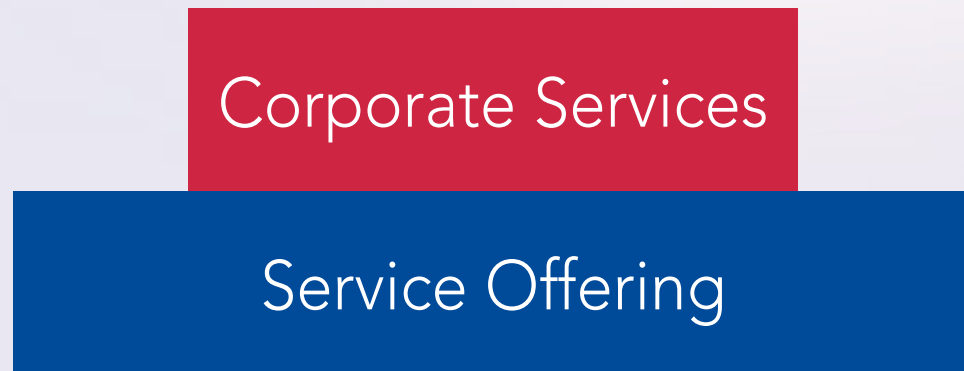
Systems Framework

- ◆ Community business
- ◆ Customer choice determines their own & your organisation’s future
- ◆ We operate within a system
- ◆ We exceed service standards
 - ◆ A systems framework
- ◆ Wide variety of revenue streams
 - ◆ Market paradigm
- ◆ Private, public & community business competitors

Corporate Services to Services Ratio

- ◆ The ratio/percentage of your organisation's corporate services costs to service offering...raises the question of economies of scale and critical mass.

Model One



- ◆ Limited corporate services to services, eg: no Business Development Unit, no full time Quality Manager.

Model Two



- ◆ Full suite of corporate services, eg: Business Development Unit, Marketing Team, etc.

NDIA, A New Way... But Old Bureaucratic Behaviours Are Emerging

- ◆ Those Directors and Chief Executive Officers who have been part of the Disability Industry/Sector for a significant time will:
 - * remember past bureaucratic behaviours
 - * recognise existing NDIA behaviours.



NDIA, A New Way... But Old Bureaucratic Behaviours Are Emerging

Remember Past Behaviours

- ◆ Shut down organisations, eg: sheltered workshops '86-'91
- ◆ Anti provider, all for PWDs
 - ◆ Disability providers locked out
- ◆ "Disability War", '86-'91/92
- ◆ Rights greater than rights & responsibilities
- ◆ Dictatorial approaches

Recognise NDIA Behaviours

- ◆ NDIA & PWD, not NDIA, PWD & providers
- ◆ Price/margin squeeze on providers
- ◆ Long standing relationships broken
- ◆ "Rules on the run, existing policies & processes in the gun"
- ◆ Little or no recognition of existing service pathways & partnerships
- ◆ Blow out of NDIA costs, time & specifications = bureaucracy

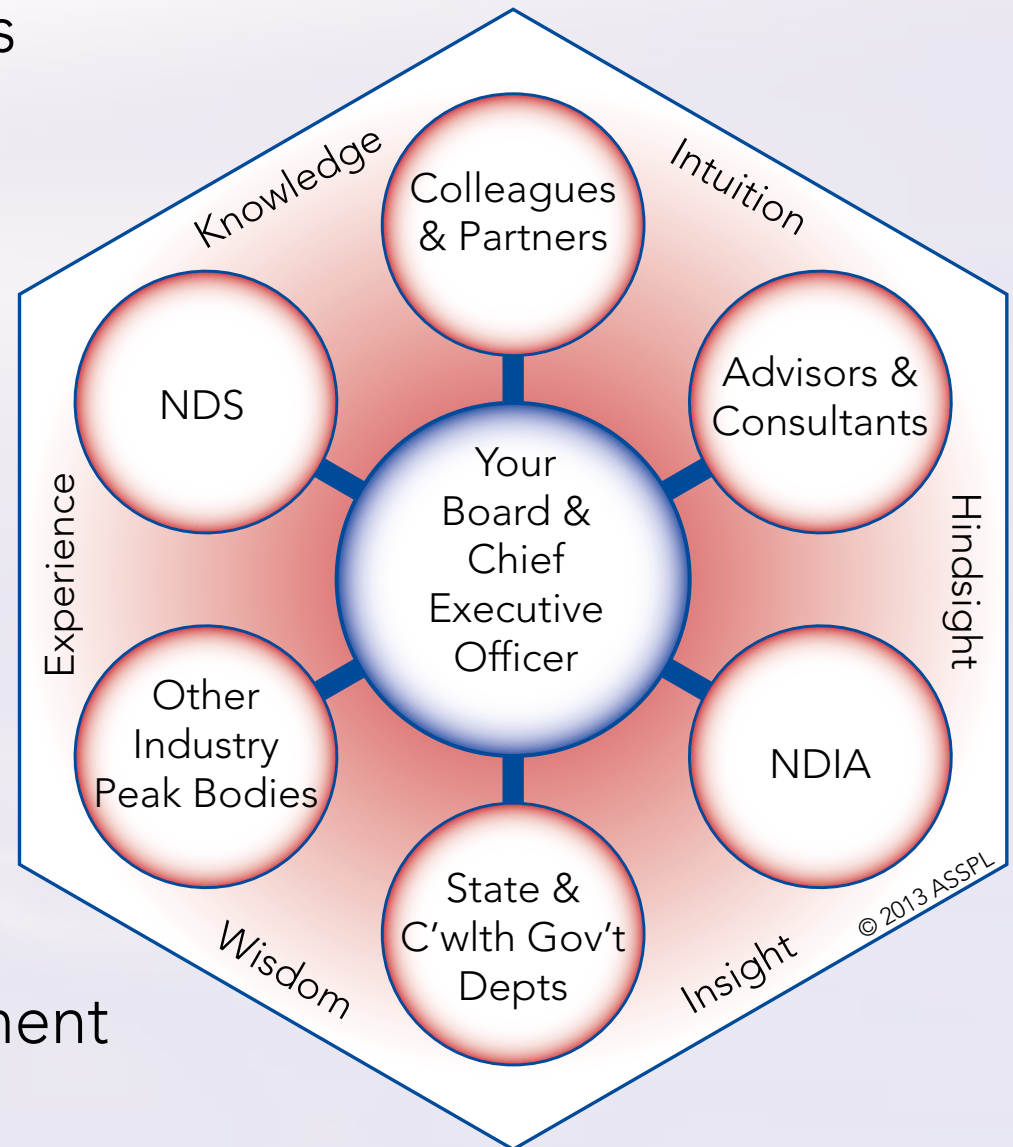
Stakeholder Engagement, Stakeholder Contribution

- ◆ The Disability Industry/ Sector and therein the various disability organisations have clearly demonstrated that comprehensive stakeholder engagement delivers significant stakeholder contributions.
- ◆ In the rush to the new world order, it is wise to “recognise the past, understand the present, as we create the future”.

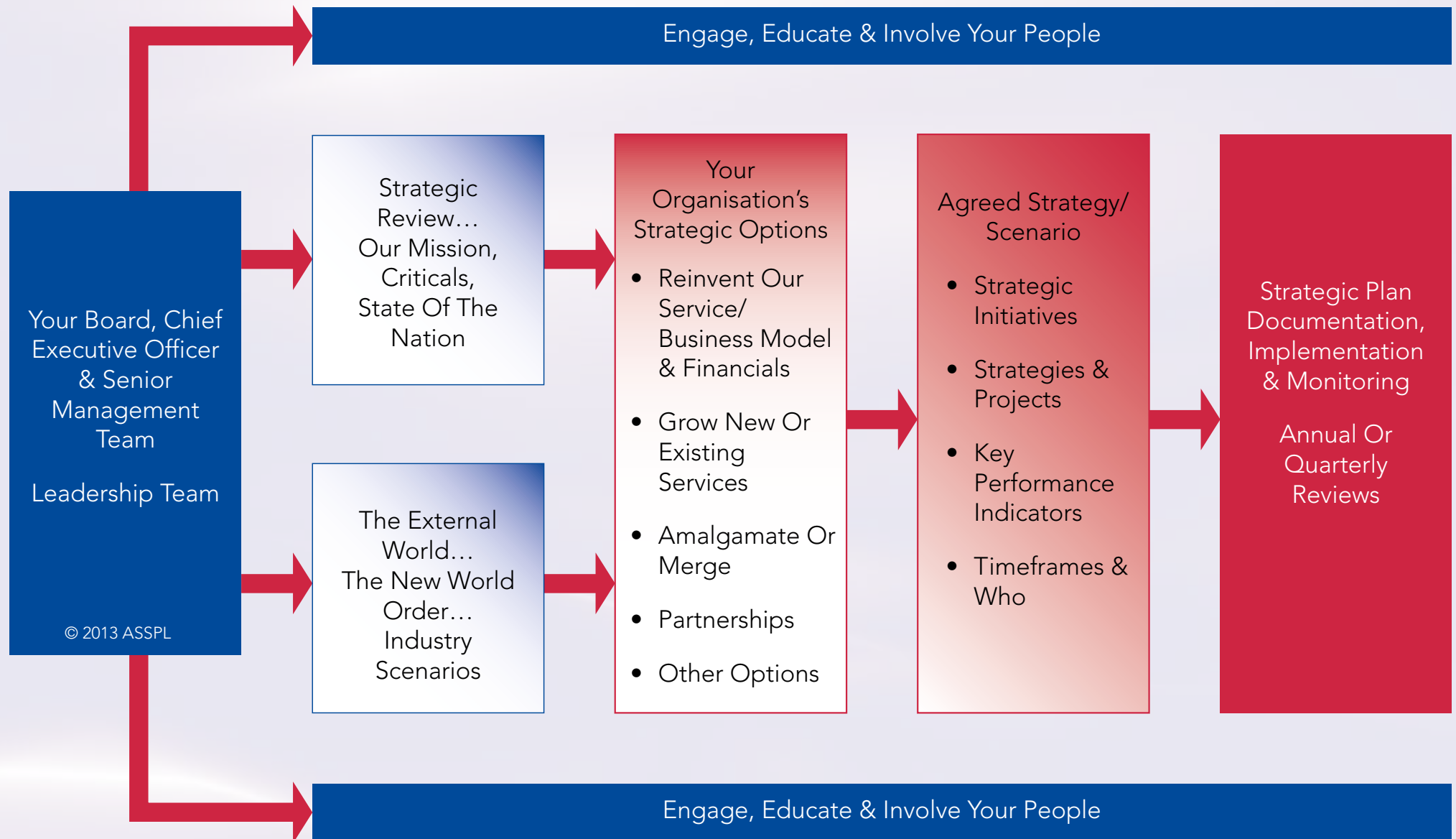


Seek External Advice & Support

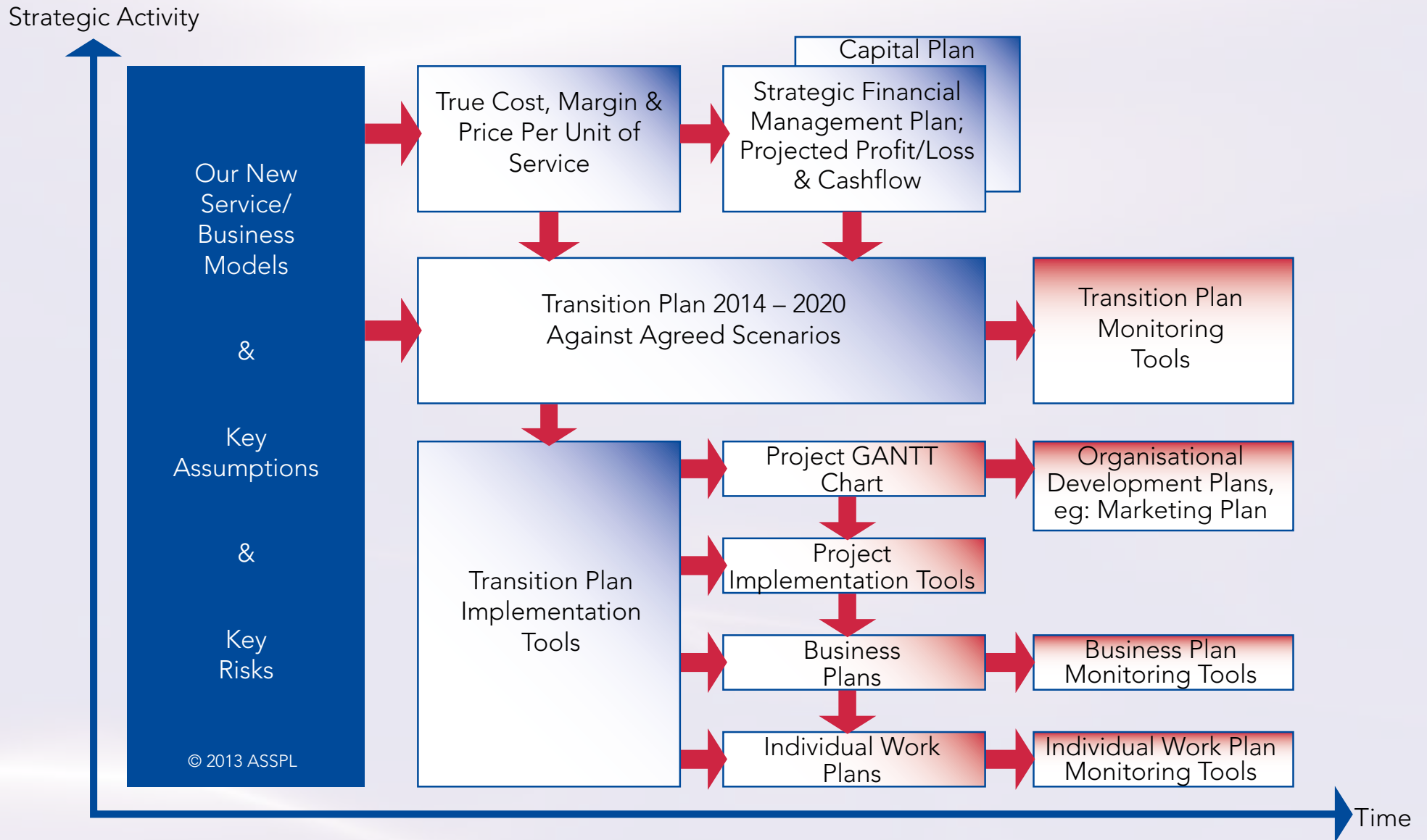
- ◆ Your Leadership Team represents one source of ideas, information and knowledge.
- ◆ Consider seeking external advice and support; it's not about the cost but the benefit and value.
- ◆ Experience, wisdom, intuition, hindsight, insight and knowledge are fundamental elements/processes to the strategic planning and development process of your Transition Plan.



Your Leadership Team Should Lead Your Transition

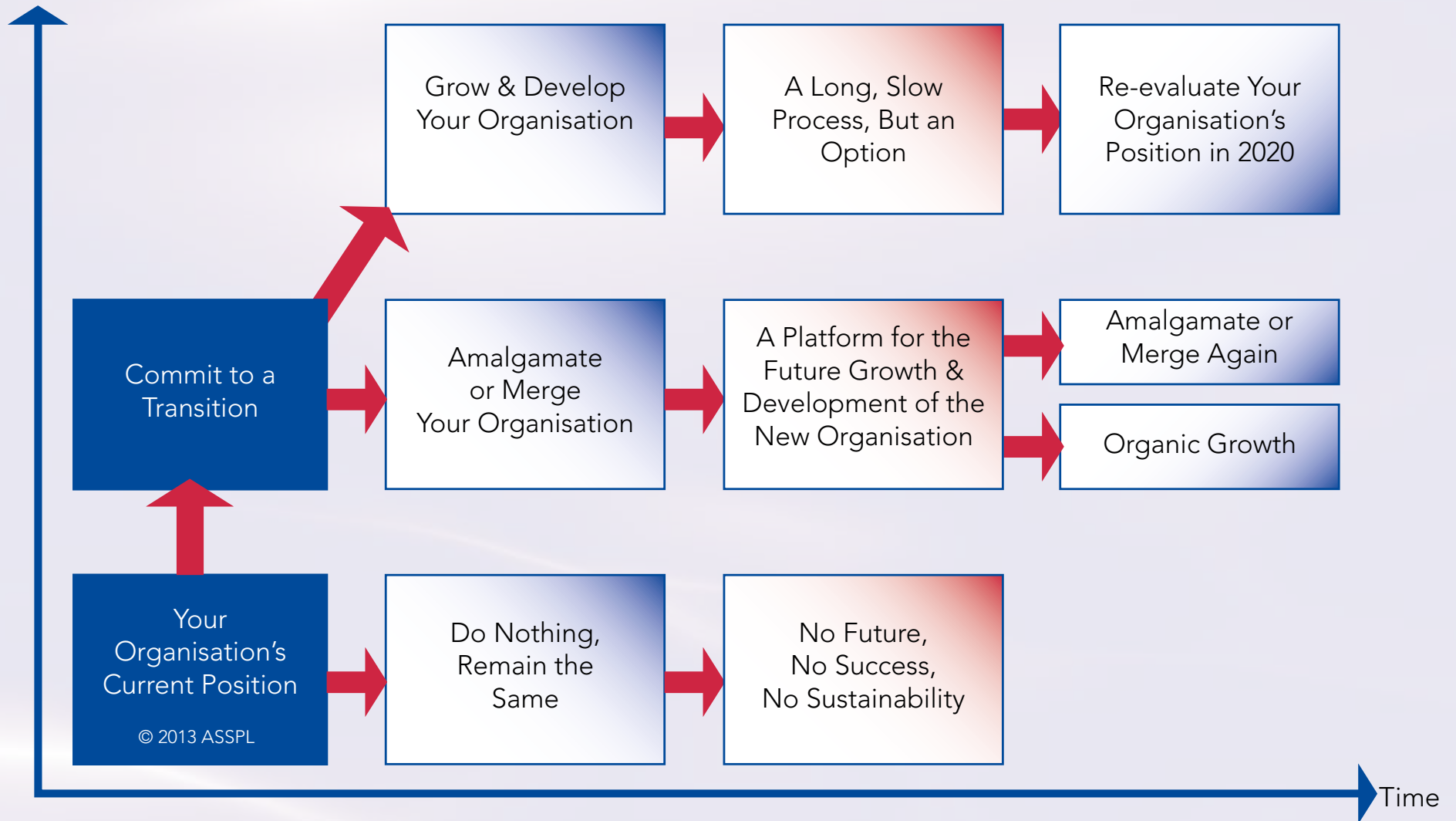


Your Transition Planning Framework



Your Transition Plan... A Journey Into The Future

Your Organisation's
Strategic Options



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Tools For Transition

- ◆ Transition Planning Package
- ◆ Transition Plan Project GANTT Chart
- ◆ Transition Plan Implementation Tool
- ◆ Transition Plan Status Reporting Tool



Further Information

For further information, a copy of this presentation, other presentations, or to discuss your Board, Chief Executive Officer or Senior Managers' requirements contact:

Michael Goldsworthy
Principal Consultant
Australian Strategic Services

03 5429 6331
0418 130 581

office@asspl.com.au
www.asspl.com.au

