

# THE NEW WORLD ORDER for Aged Care...



*...Where customer choice & market forces rule*









*A pessimist sees the difficulty in every opportunity;  
an optimist sees the opportunity in every difficulty.*

**Winston Churchill**

# Presentation Contents

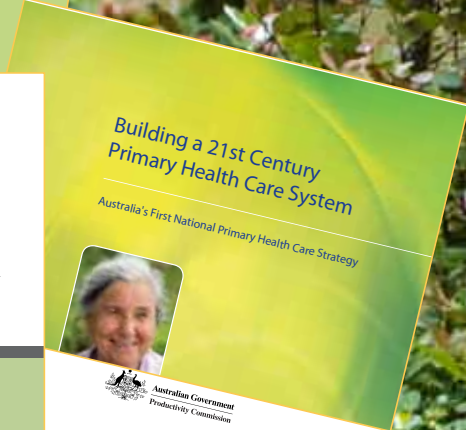
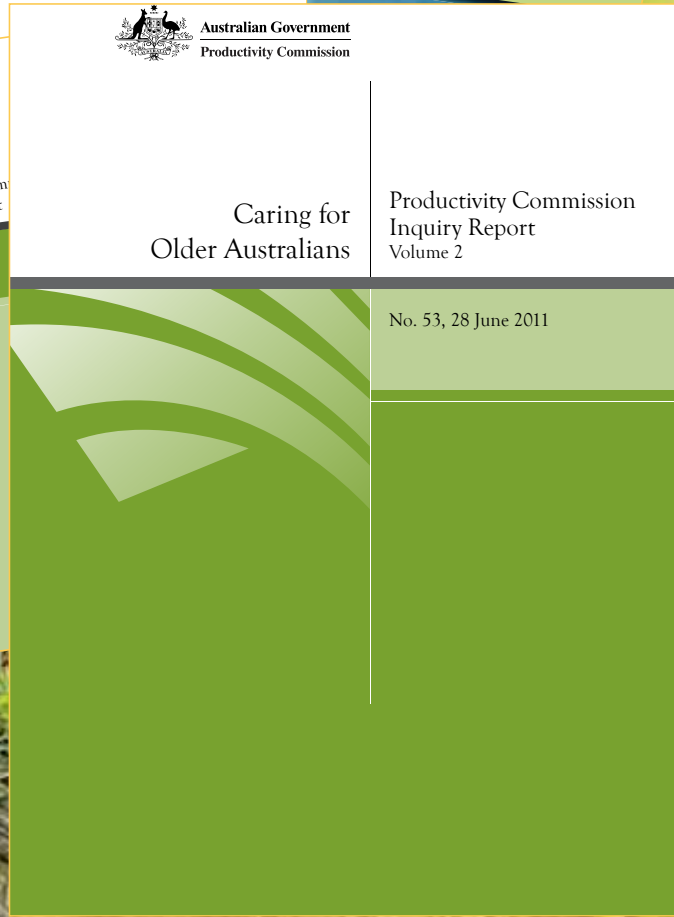
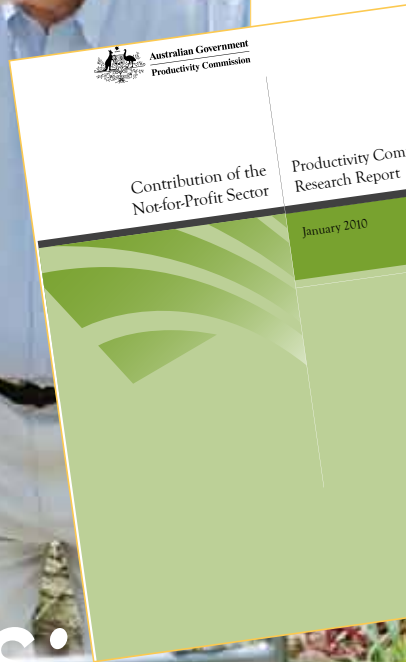
- ◆ Six Reports,  
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A New Environment
- ◆ Aged Care Today  
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- ◆ Key Considerations For Your Board,  
Chief Executive Officer & Senior  
Management Team



# Presentation Contents

- ◆ Industry Scenarios  
Organisational Options
- ◆ Ten Practical Actions for Success
- ◆ My Ideas & Actions
- ◆ Further Information &  
Contact Details





# Six Reports: A New Paradigm A New Environment

# Six Reports...Create a New Paradigm/Environment

- ◆ It is not by coincidence that the six Productivity Commission and Commonwealth Government Reports have all come together at the same time, creating:
  - \* a new paradigm of individualised care
  - \* a new environment in which aged care providers will need to adapt and operate



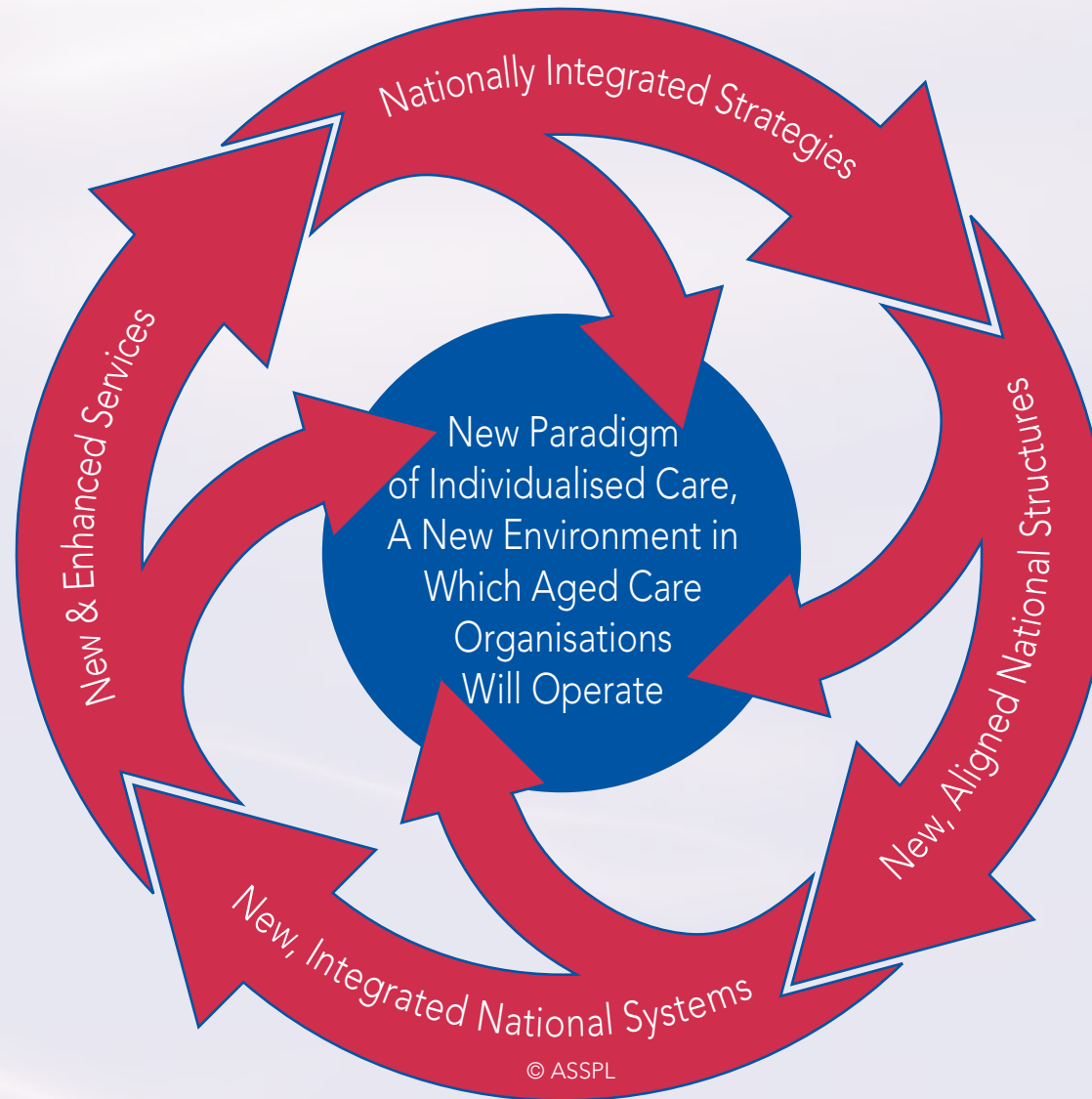
# The Aged Care Report... It's But One Of Six Reports



# The Six Reports In A Nutshell

- ◆ In a nutshell, all six Productivity Commission and Commonwealth Government reports come down to:
  - \* a set of national strategies to reinvent aged care, hospital and health, allied health, disability, mental health and NFPs
  - \* the establishment and use of new structures, eg: Aged Care Funding Authority, Medicare Locals, Local Health Networks
  - \* the development and use of new systems, eg: e-Health system, DoHA Gateway, individualised funding
  - \* an opportunity for your organisation to redevelop its existing services and research and develop new customer focused services eg: an integrated aged and health care precinct, "in resident/ out resident" residential care services

# The Six Reports In A Nutshell...



# Key Assumptions Of The New Paradigm Of Individualised Care...Clients

- ◆ People who require care will be able to make service choices based on:
  - \* the service offerings and their comparison of those service offerings
  - \* the price, and their financial position and entitlements
  - \* the performance of the organisation via National Quality Indicators (QI), eg: "My Aged Care" website
  - \* their perceptions of the organisation and its services
- ◆ Indigenous, disadvantaged, homelessness and associated aged care services in remote, rural or metropolitan areas will be "block/contract funded"



# Key Assumptions Of The New Paradigm Of Individualised Care...Providers

- ◆ People will still require care
- ◆ Services will still need to be delivered by residential care, community care, hospital and health care and associated providers; albeit only by preferred providers in the future
- ◆ Private businesses, public businesses and community businesses will deliver services
- ◆ Residential care, community care, hospital and health care will operate as an integrated model of service pathways



# Key Assumptions Of The New Paradigm Of Individualised Care...Government

- ◆ Aged care expenditure will increase from \$9.4b in 2012 to \$69.4b in 2050
- ◆ Health expenditure for those over 65 is estimated to increase seven fold and for those over 85 a twelve fold increase is estimated
- ◆ Therefore the Commonwealth Government will:
  - \* rigorously monitor initial latent demand for aged care
  - \* reduce pension liability, eg: ACFI Clawback, Medicare Safety Net
  - \* robustly monitor providers' performance, quality and price, eg: national benchmarks, service outputs
  - \* increasingly tighten the operating framework of providers
  - \* strenuously budget and monitor revenue and expenditure
  - \* review the aged care reforms in five years

# National Strategies For Or Aligned To Aged Care

Some of the proposed national strategies for or aligned to aged care are:

- ◆ Clients are assessed and have the power of choice, Consumer Directed Care, but provider will hold the funds... "not be funded"
- ◆ Clients categorised as A, B, C, D for either Home Support Services or Home Care Packages. Low and high care combined for residential care
- ◆ "Block Funding" for specialist services, eg: Indigenous
- ◆ Partnerships and integration with health and hospital and primary health care organisations and Medicare Locals
- ◆ Residential and community care organisations to develop and deliver new and innovative service/business models
- ◆ "Co-payments" where government funding and individuals' financial contribution form the basis of payments

# National Structures For Or Aligned To Aged Care

Some of the national structures for or aligned to aged care are:

- ◆ Aged Care Commissioner (*aged care*)
- ◆ Australian Seniors Gateway Agency (*aged care*)
- ◆ Aged Care Reform Implementation Council (*aged care*)
- ◆ Aged Care Financing Authority (*aged care*)
- ◆ Carers Support Centres (*aged care*)
- ◆ Australian Charities & Not-for-Profits Commission (*aged care*)
- ◆ Medicare Locals (*health & aged care*)
- ◆ Local Health Networks (*health*)
- ◆ e-Health Commissioner's Office (*health & aged care*)
- ◆ Commission for Safety and Quality in Health Care (*health*)
- ◆ National Health Promotion and Prevention Agency (*health*)
- ◆ Health and Hospital Infrastructure Fund (*health*)
- ◆ Denticare Australia (*health*)

# National Systems For Or Aligned To Aged Care

Some of the national systems for or aligned to aged care are:

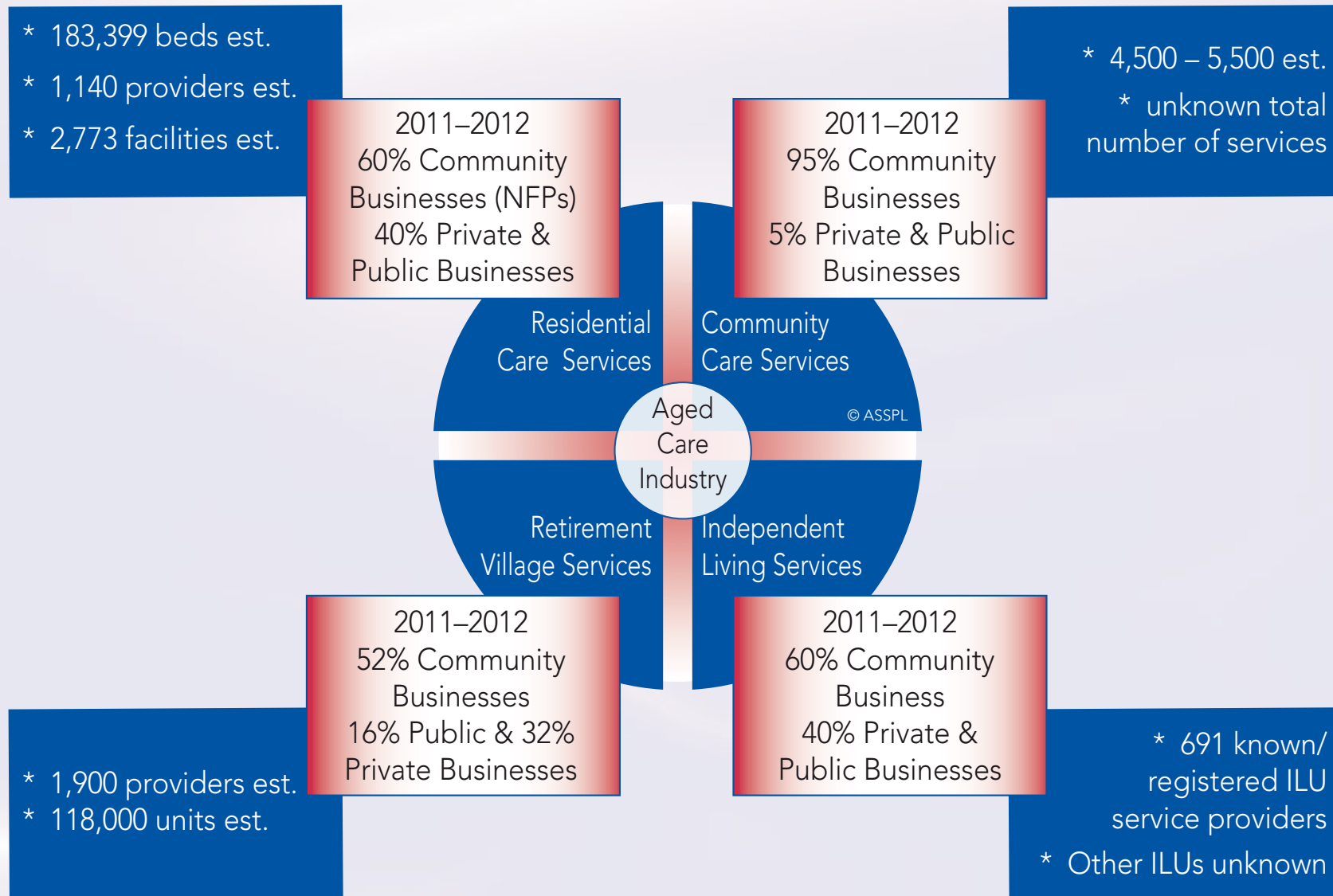
- ◆ Australian Aged Pensioners Savings Account Scheme (*aged care*)
- ◆ Australian Aged Care Home Credit Scheme (*aged care...deferred*)
- ◆ Australian Seniors Gateway (DoHA Gateway) (*aged care & health*)
- ◆ Standard Business Reporting Systems (*aged care*)
- ◆ e-Health System (*aged care & health*)





*Aged Care Today,  
Aged Care Tomorrow*

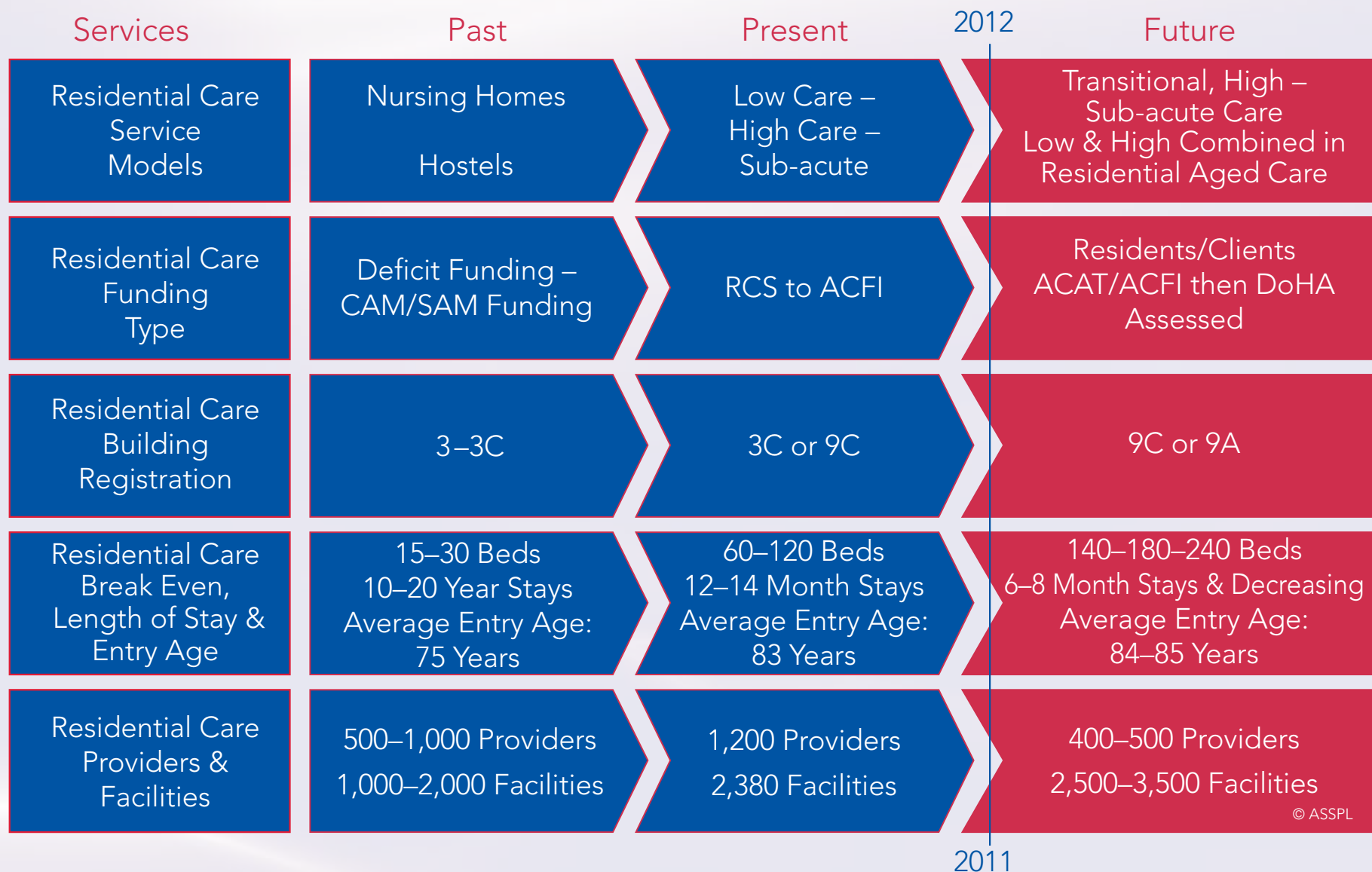
# Aged Care Services Today



# Today & Tomorrow's Aged Care Industry Drivers

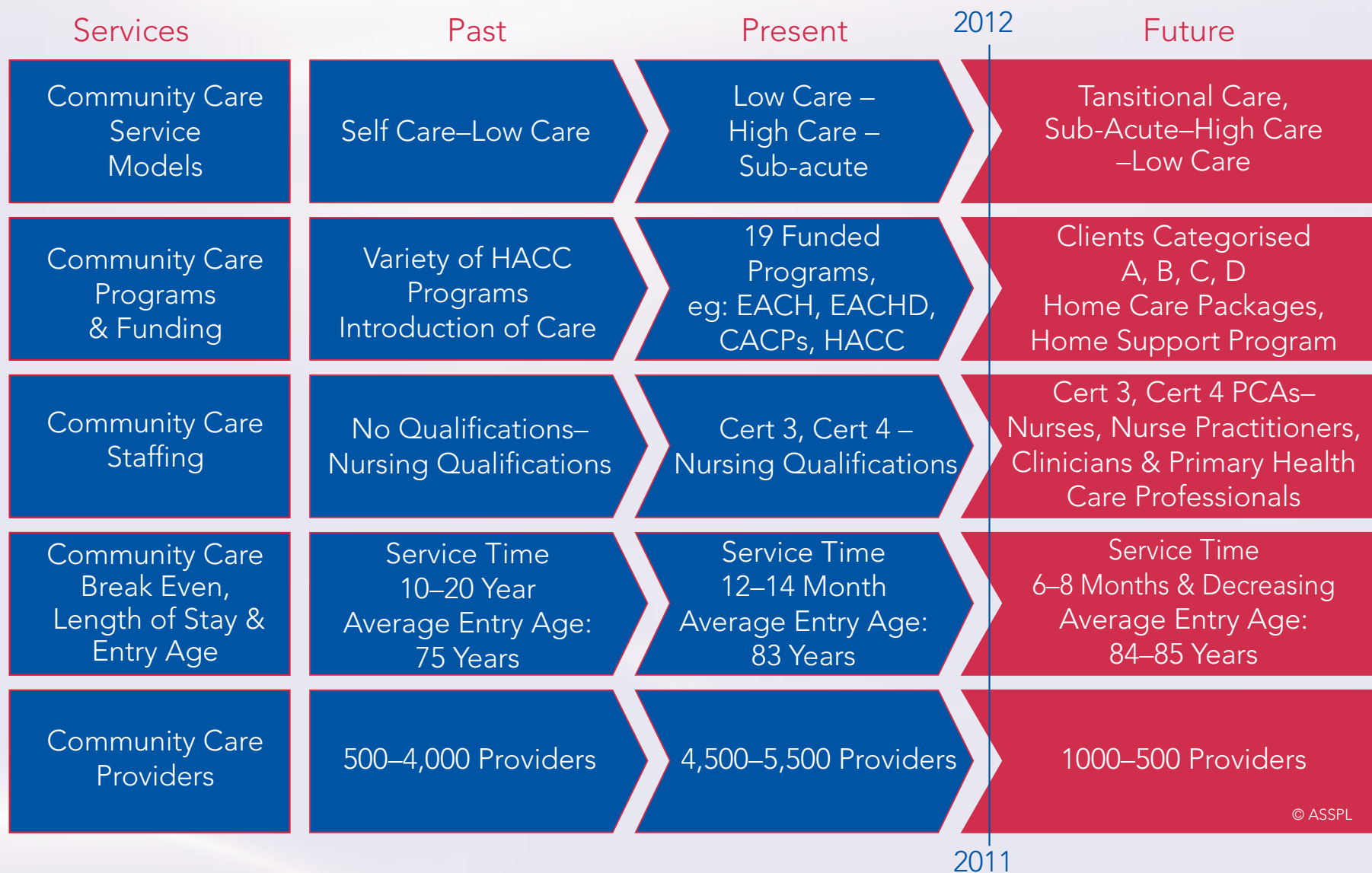


# Residential Care, Past, Present & Future

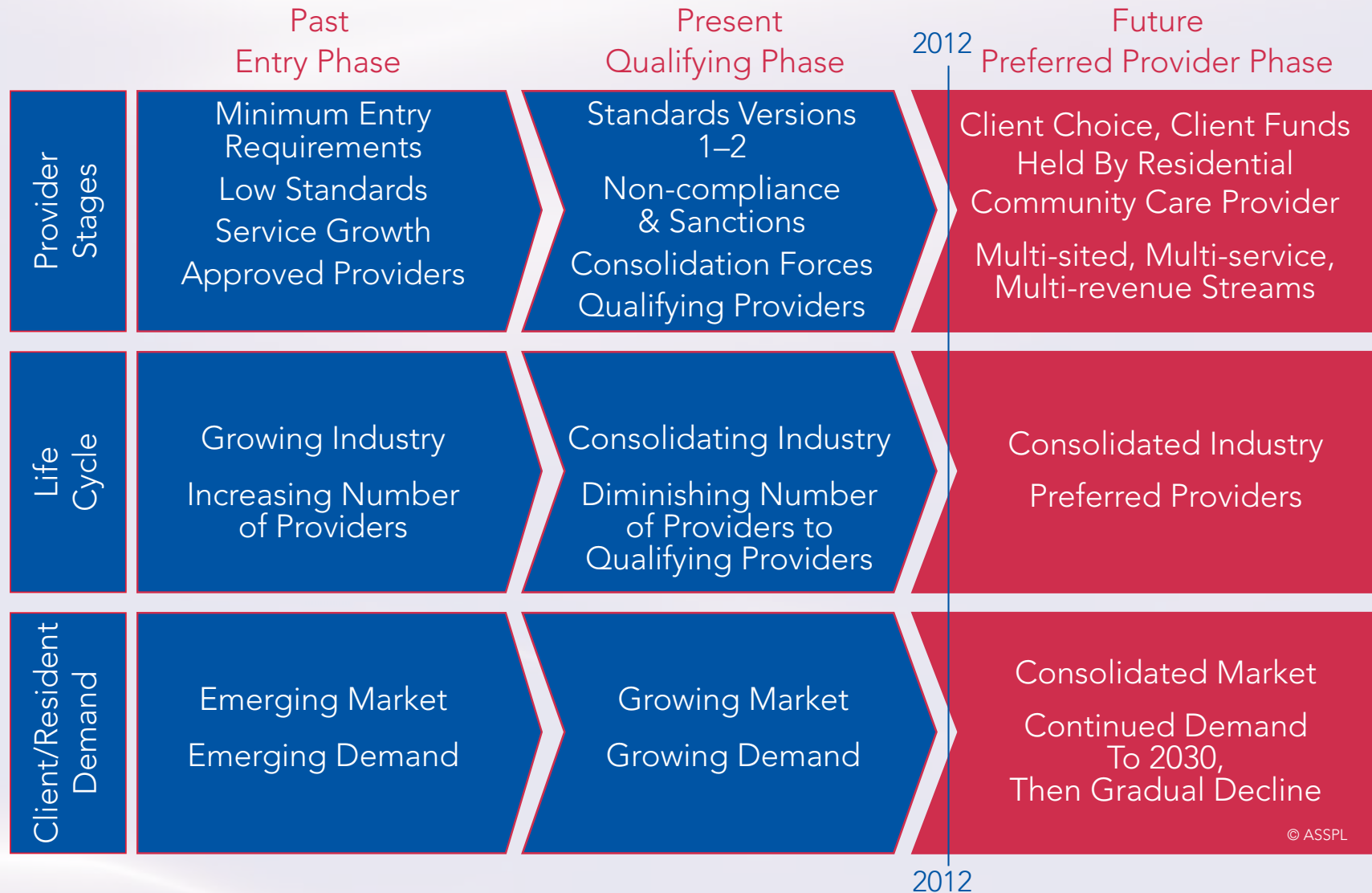


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# Community Care, Past, Present & Future



# Past, Present & Future Aged Care Market Phases



# Residential Aged Care Paradigms

## The Past

- ◆ Hostel & Nursing Homes
- ◆ Emerged from Hospitals
- ◆ Deficit to CAM/SAM
- ◆ Residents Walk & Residents Drive Cars
- ◆ Aged Care & Disability Act
  - ◆ Guidelines & Protocols
- ◆ Mainly Low Care, Limited High Care

## The Present

- ◆ Aged Care Homes/Facilities
- ◆ Separate from Hospitals
- ◆ RCS to ACFI
- ◆ Electric Buggies to Wheelie Walkers
- ◆ Aged Care Act 1997
- ◆ Aged Care Standards & Accreditation 1-2
- ◆ Mainly High Care, Sub-acute

## The Future

- ◆ Aged & Health Care Services
- ◆ Integrated Aged & Health Care Model/s
  - ◆ ACFI to CDC
- ◆ Wheelie Walkers to Electric Beds
- ◆ Amended Aged Care Act?
- ◆ Aged Care Standards-EQUIP Business Excellence?
- ◆ High Care – Sub-acute, Trans. & Pall. Care

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# Community Care Paradigms

## The Past

- ◆ At Home, Little Support
- ◆ Personal Care, Home Support Services
- ◆ Services Funded Clients Allocated
- ◆ Clients Walk & Drive Cars
- ◆ Aged Care, HACC, Disability Acts
- ◆ Guidelines & Standards
- ◆ Mainly Low Care, Limited High Care

## The Present

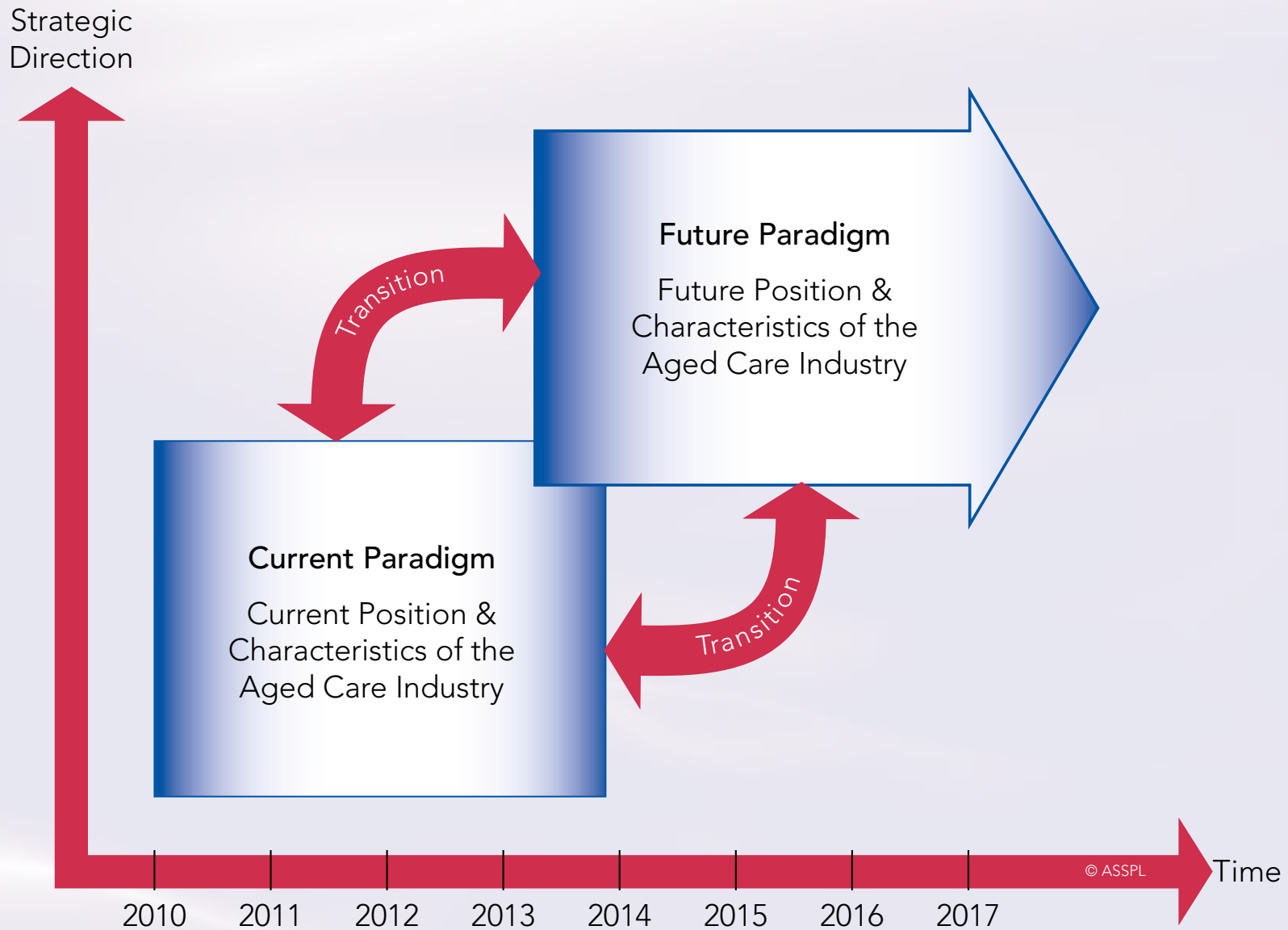
- ◆ At Home, More Support
- ◆ EACH, EACHD, etc
- ◆ Services Funded, Clients' Choice
- ◆ Wheelie Walkers to Electric Buggies
- ◆ Aged Care, HACC, Disability Acts
- ◆ National Community Care Common Standards
- ◆ Low-High Care, Sub-acute

## The Future

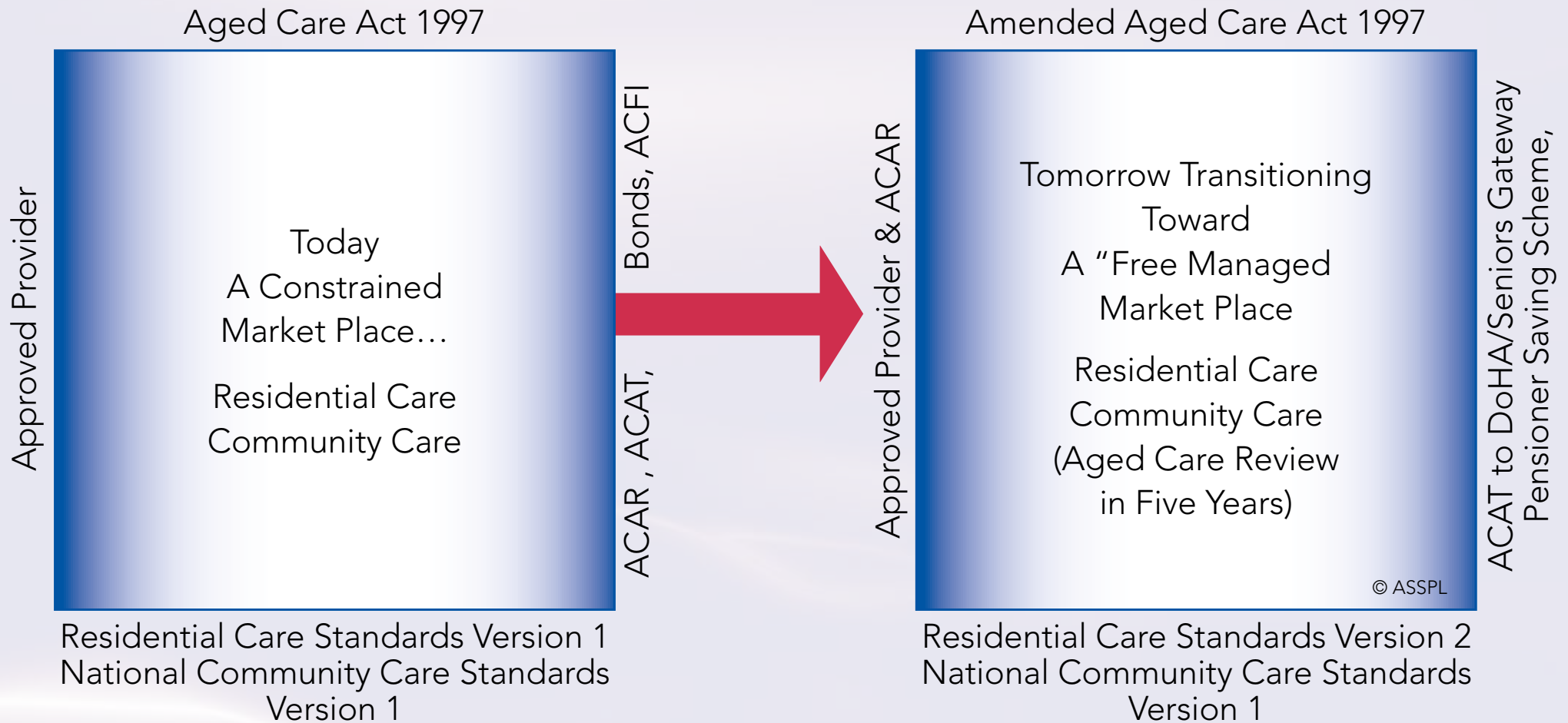
- ◆ At Home, Care & Telecare, etc
- ◆ Home Care, Home Support
- ◆ Clients Funded, Clients' Choice?
- ◆ Wheelie Walkers to Electric Beds
- ◆ Amended Aged Care Act?
- ◆ Aged Care Standards-EQUIP Business Excellence?
- ◆ High Care – Sub-acute Trans. & Pall. Care

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# Aged Care...About To Make A Paradigm Leap



# Aged Care Framework Today, Aged Care Framework Tomorrow



# Residential Aged Care Framework Tomorrow

## Residential Care

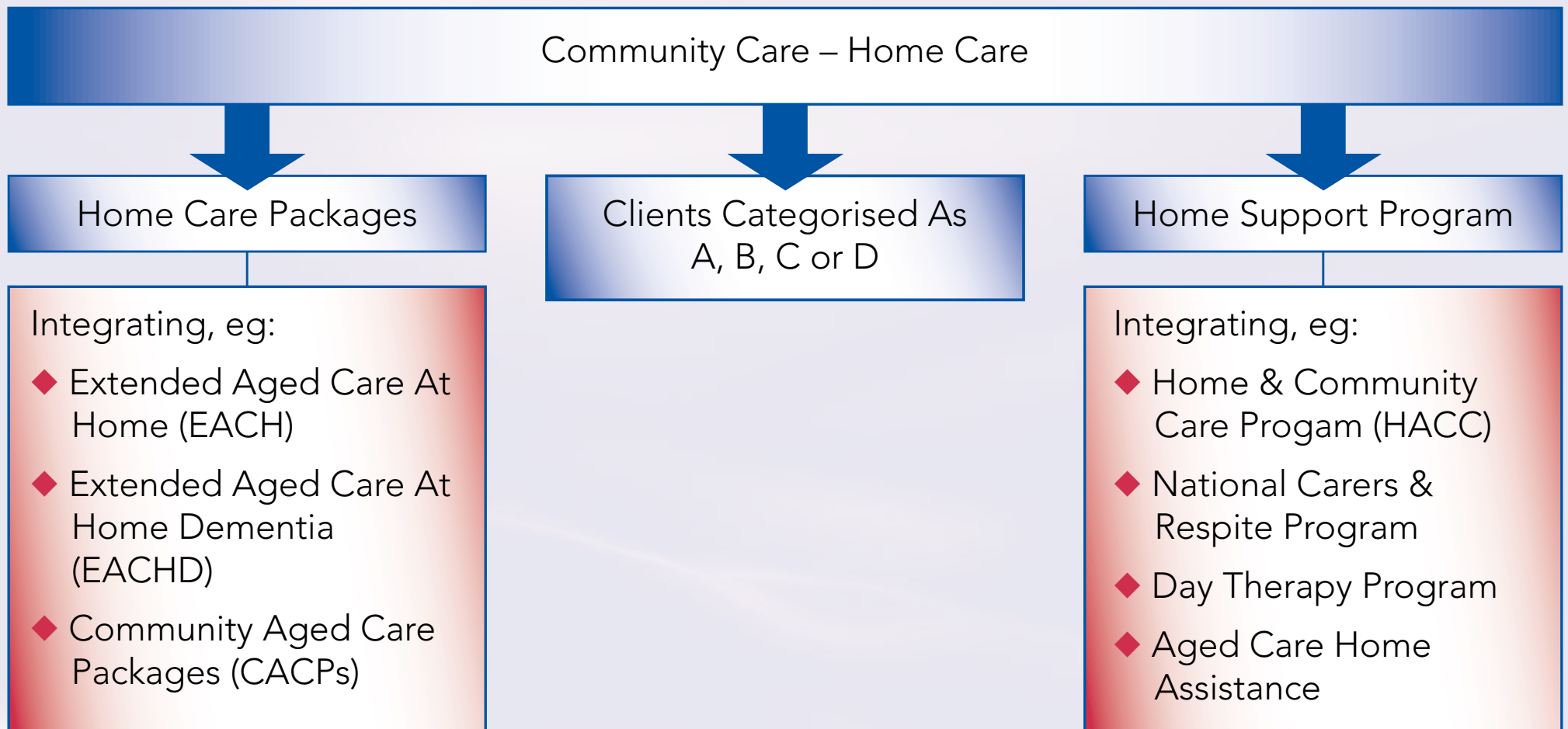
- ◆ Any Approved Provider can establish and operate anywhere, in any town, city, region or state
- ◆ ACAR remains...then aged care review in five years
- ◆ ACAT, then assessment of residents via the DoHA/Seniors Gateway
- ◆ Low and high care combined; no low care, no high care
- ◆ More public and private businesses will deliver residential care
- ◆ DoHA/Commonwealth Government will always be able to “squeeze” the framework, manipulate the demand and control the market...even in a “free/managed marketplace”

# Community Care Framework Tomorrow

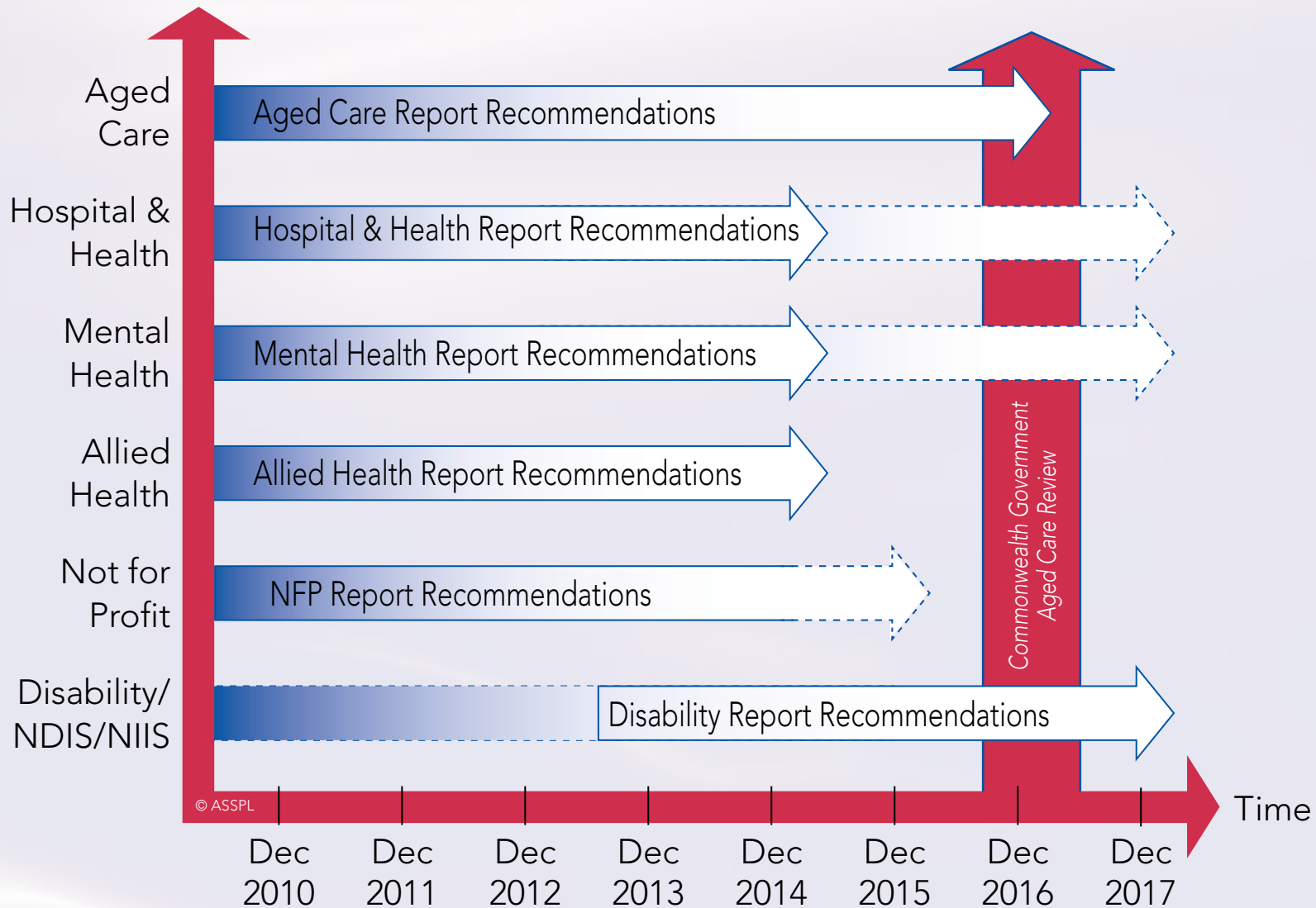
## Community Care

- ◆ Any Approved Provider can establish and operate anywhere, in any town, city, region or state
- ◆ ACAR remains, but for how long...aged care review in five years
- ◆ Assessment of clients via the DoHA/Seniors Gateway
- ◆ Clients categorised as A, B, C or D
- ◆ Approved clients can access Home Care Packages or Home Support Services
- ◆ More public and private businesses will deliver community care
- ◆ DoHA/Commonwealth Government will always be able to "squeeze" the framework, manipulate the demand and control the market...even in a "free/managed marketplace"

# Tomorrow, Community Care to Home Care



# The Big Timetable...The Big Roll Out



# The Big Trends...The Big Roll Out *continued*

- ◆ Within each of the six Productivity Commission and Commonwealth Government reports there are a set of recommendations and their associated project/initiative timeframes
- ◆ Combined, all six reports' recommendations set the scene for hundreds of projects or initiatives...too many to provide in this presentation
- ◆ Refer to [www.yourhealth.gov.au](http://www.yourhealth.gov.au) for detailed and up-to-date report recommendations GANTT charts

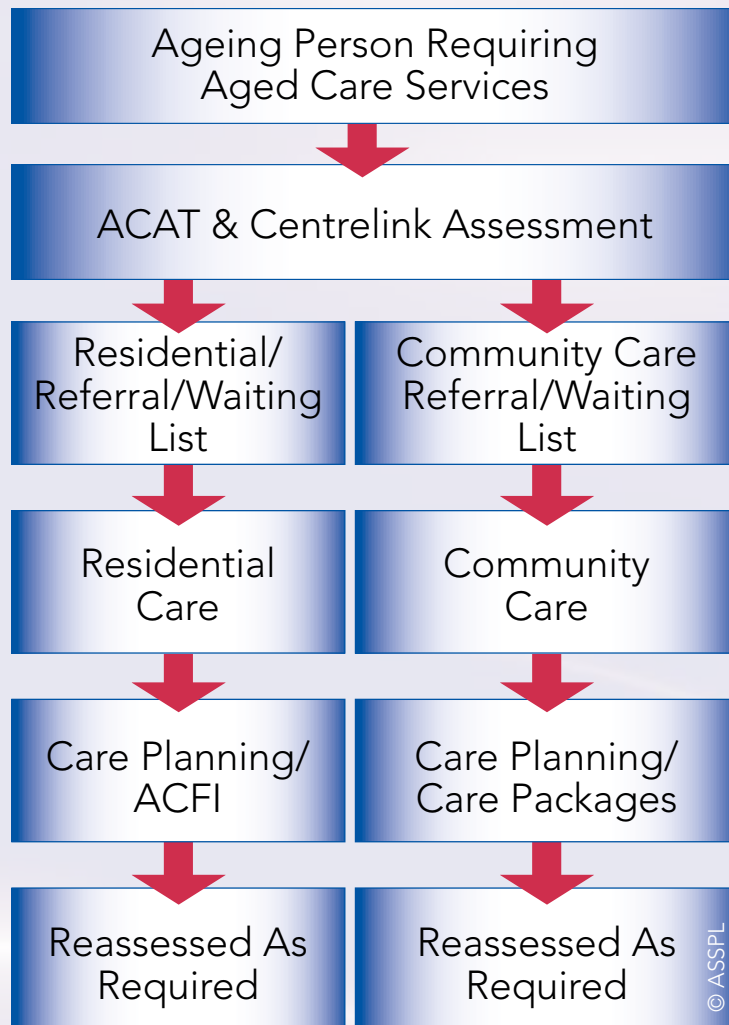


A modern conference room with a long, dark wood conference table surrounded by black leather chairs. The room features large windows with blue blinds and potted plants on the windowsill. The walls are blue and wood-paneled, and the ceiling has recessed lighting.

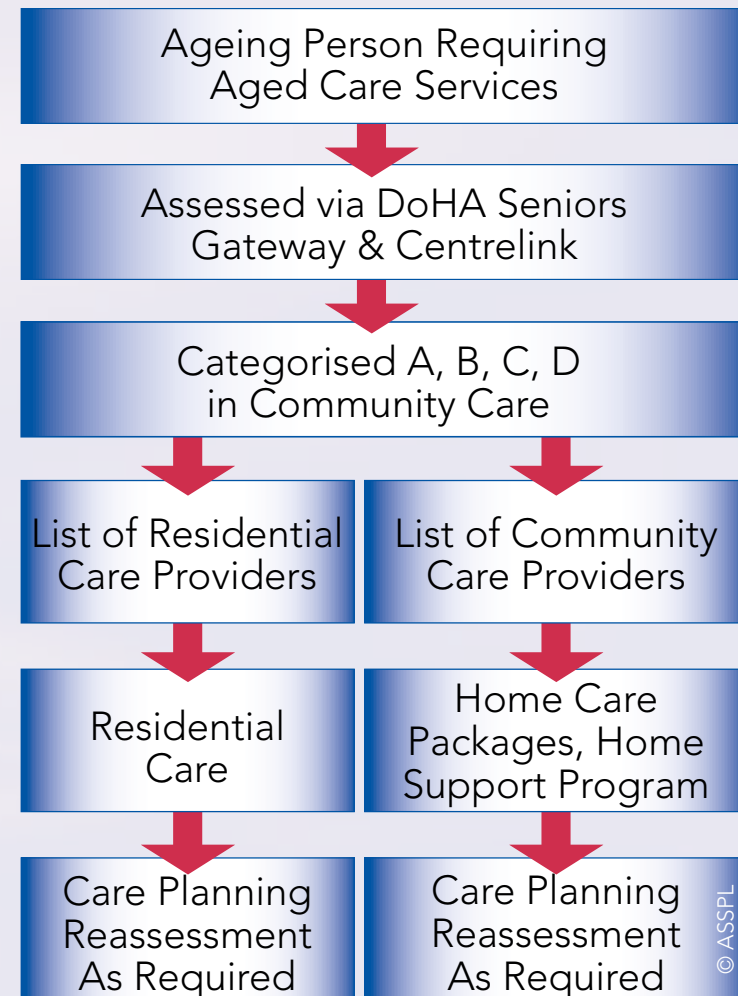
*Key Considerations For Your  
Board, Chief Executive Officer  
& Senior Management Team*

# Consideration 1: Residents/Clients Today, Residents/Clients Tomorrow

## Residents/Clients Today



## Residents/Clients Tomorrow



# Consideration 1: Residents/Clients Today

## Residents/Clients Today

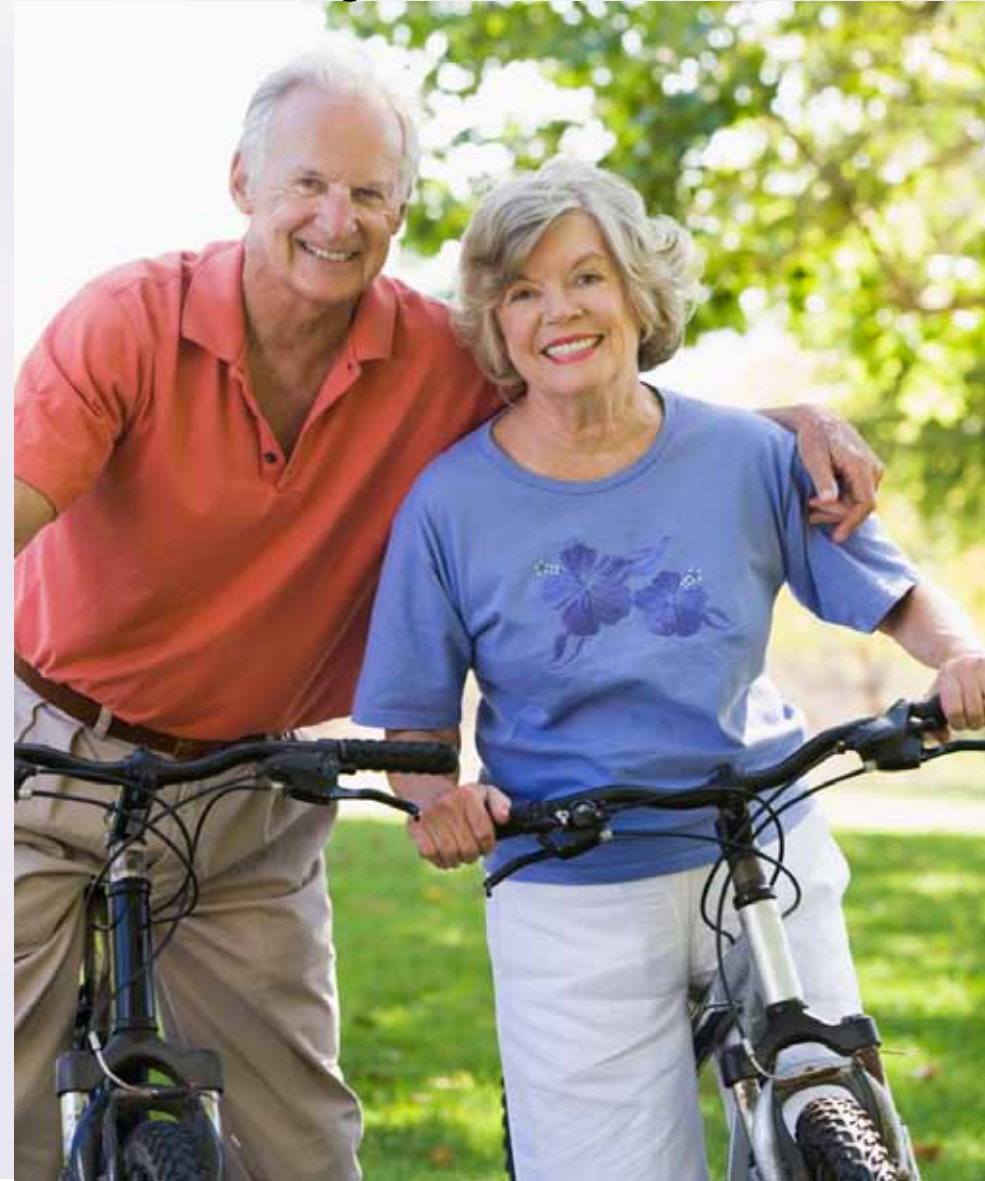
- ◆ Grateful to receive a bed/place
- ◆ War, depression or struggle mentality
- ◆ Low expectations and requirements
- ◆ Old world value sets, eg: thrift, honesty
- ◆ Doctors, specialists, nurses and allied health professionals seen as "having authority"
- ◆ Generally unquestioning, "government pays"
- ◆ Limited number with tertiary qualifications
- ◆ Not as "asset rich" as Baby Boomers



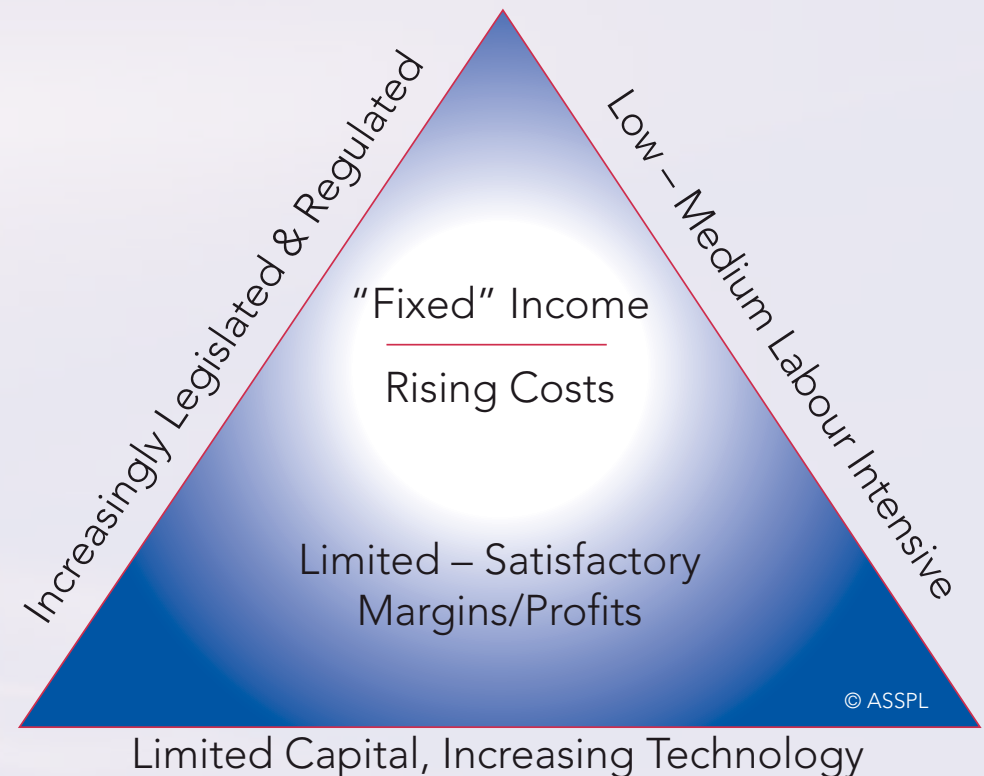
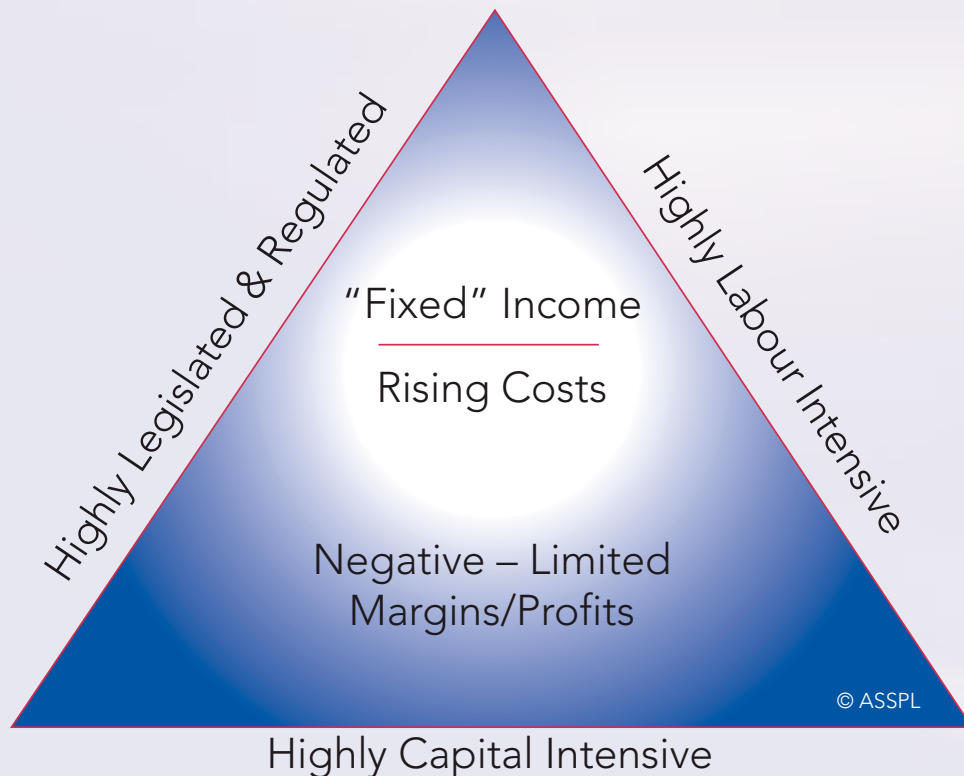
# Consideration 1: Residents/Clients Tomorrow Summary

## Residents/Clients Tomorrow

- ◆ Attuned to choice, options and decision making processes
- ◆ Low–no brand loyalty
- ◆ High expectations and requirements
- ◆ World views, world travel
- ◆ Rights and responsibilities oriented
- ◆ Independent, self managing
- ◆ Accumulating wealth/investments
- ◆ Increasing number of people with tertiary qualifications



# Consideration 2: The Residential Care & Community Care Triangles



# Consideration 2: The Residential Care Triangle Summary

## Residential Care Triangle

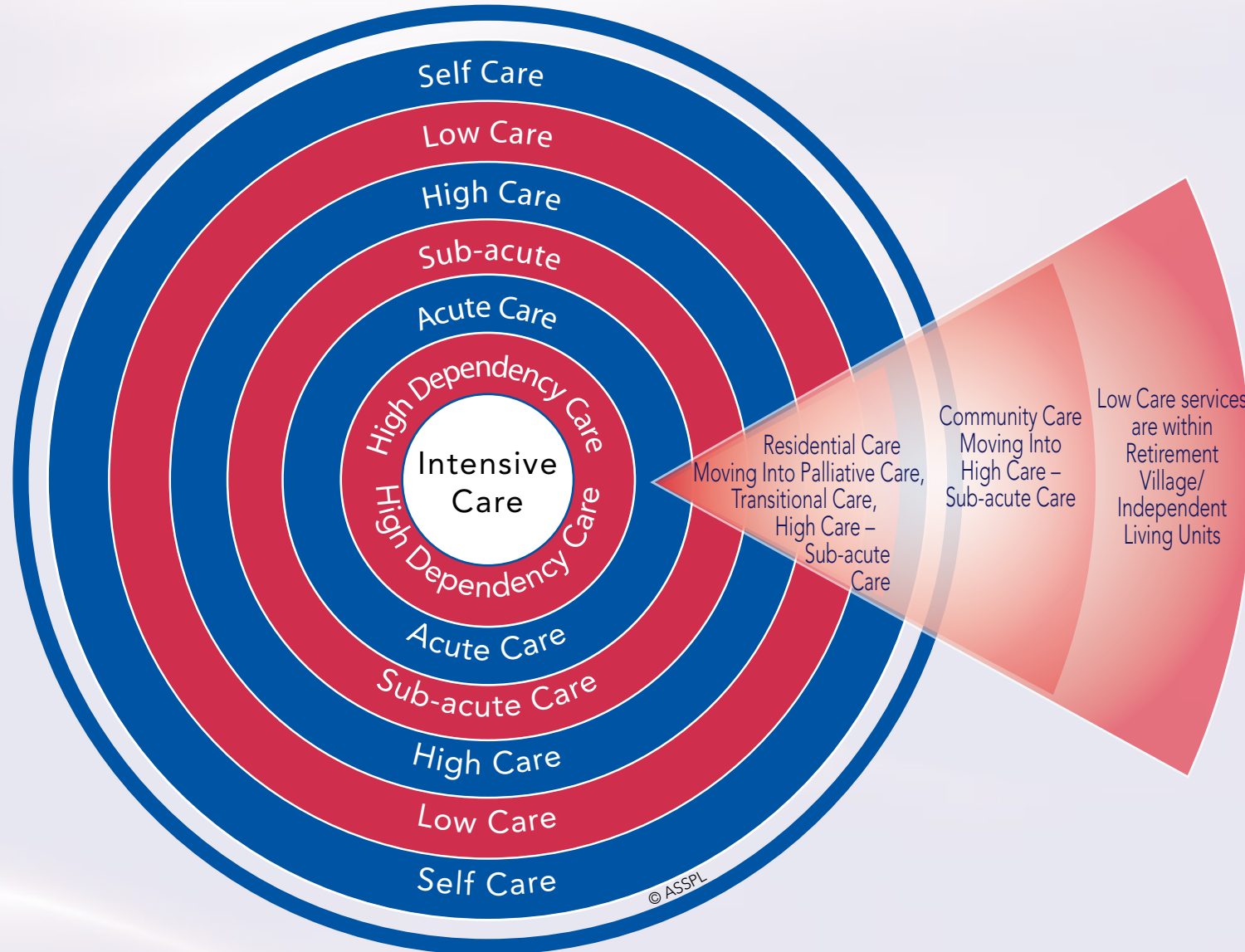
- ◆ Currently and in the future an extremely high cost business models/service models, ie: capital intensive
- ◆ If existing business models/service models are transitioned or developed, any future growth will be dependent on available capital, whether it is the organisation's/DoHA's, financiers or a joint venture partner
- ◆ New residential care business models/service models could be developed in the future, negating the need for capital, eg: "out resident services" ...residential aged care services delivered into people's homes via an "in resident/out resident" model

# Consideration 2: The Community Care Triangle Summary

## Community Care Triangle

- ◆ The community care triangle is currently, and will remain, in the future a relatively medium cost business model/service model
- ◆ Existing business models/service models will not be transitioned into the future. With no programs being funded and because individuals will be assessed/funded as basic, low, medium or high care, new business models/service models will be required
- ◆ Significant cost reduction in the labour component of the community care triangle has been clearly demonstrated in the United Kingdom and by Feros Care, using telehealth, telecare and/or telemedicine technologies

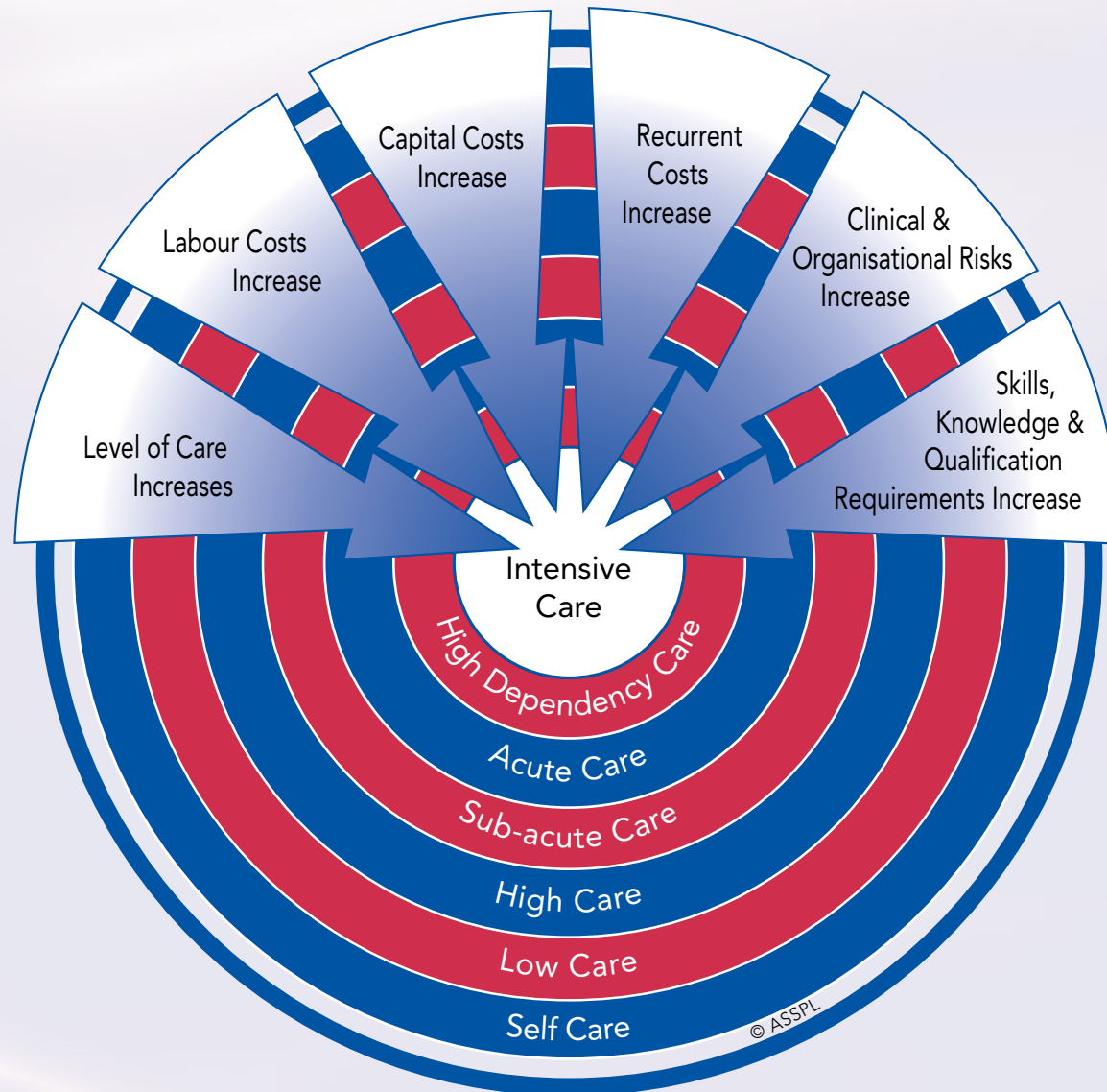
# Consideration 3: Aged Care Is On The Move



# Consideration 3: Aged Care Is On The Move Summary

- ◆ Residential care providers will continue to move into high care – sub-acute and/or a combination of dementia care, palliative care, transitional care, respite care and related services
- ◆ Community care providers will continue to move into high care – sub-acute and/or a range of personal care, home maintenance, home care, meals and related services
- ◆ As care levels increase, costs will increase, therefore the use of telehealth, telecare and/or telemedicine will need to be utilised by both residential and community care providers

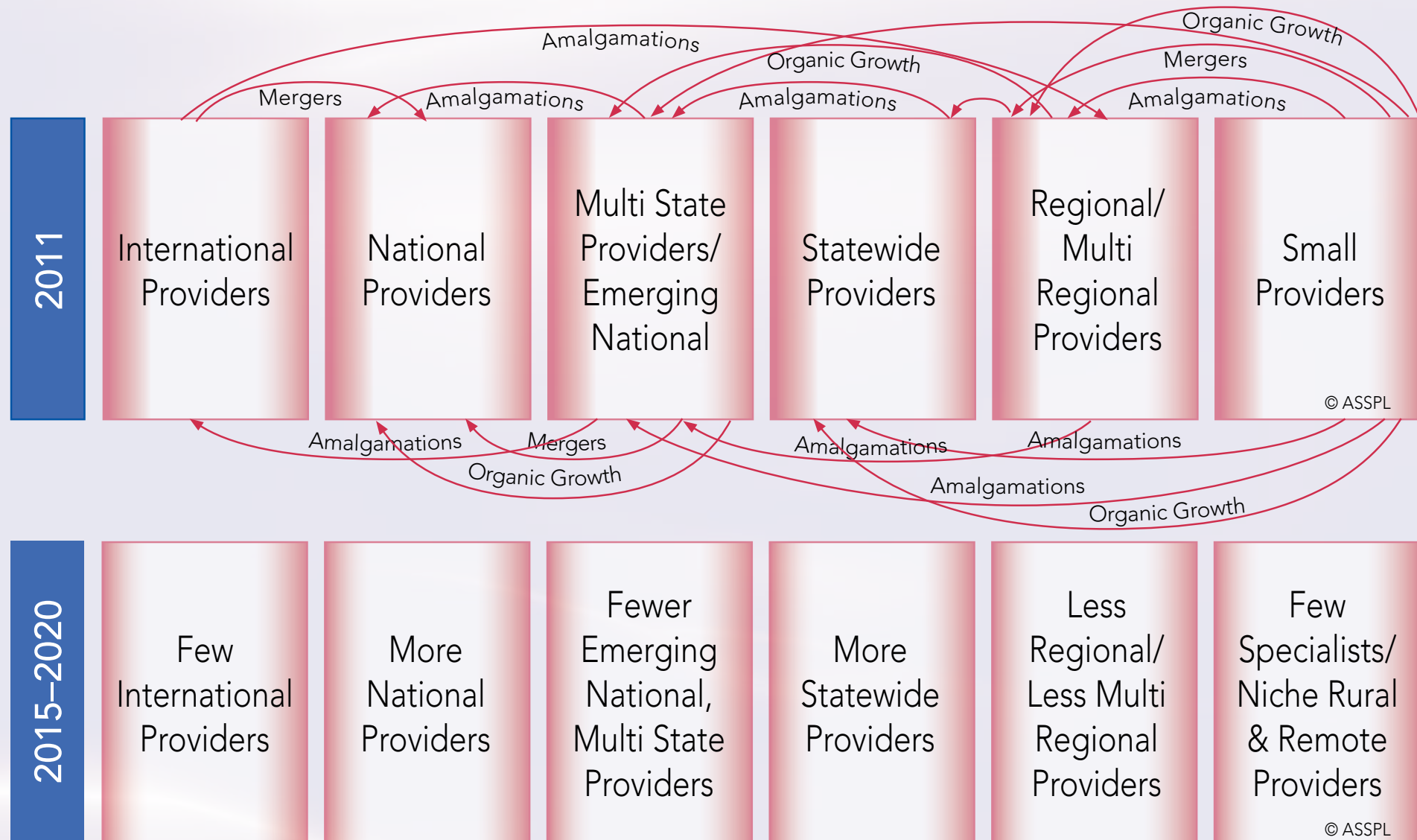
# Consideration 4: As Care Levels Increase...Everything Else Increases



# Consideration 4: As Care Levels Increase...Everything Else Increases Summary

- ◆ Given the significant and increasing move to high care – sub-acute care in residential care and community care, it is important to understand the relationship between increasing care levels and everything else that supports a particular level of care, eg: increased clinical skills/qualifications
- ◆ With the average national cost of an intensive care bed ranging from \$12,000 – \$15,000 a day, an acute care bed at \$1,200 – \$1,500 per day, a high care bed at \$150 – \$180 per day and low care bed at \$50 – \$75 per day, it is vital that all associated processes/elements are understood and addressed

# Consideration 5: The Big Get Bigger, The Small Go Niche/Specialist



# Consideration 5: The Big Get Bigger, The Small Go Niche/Specialist Summary

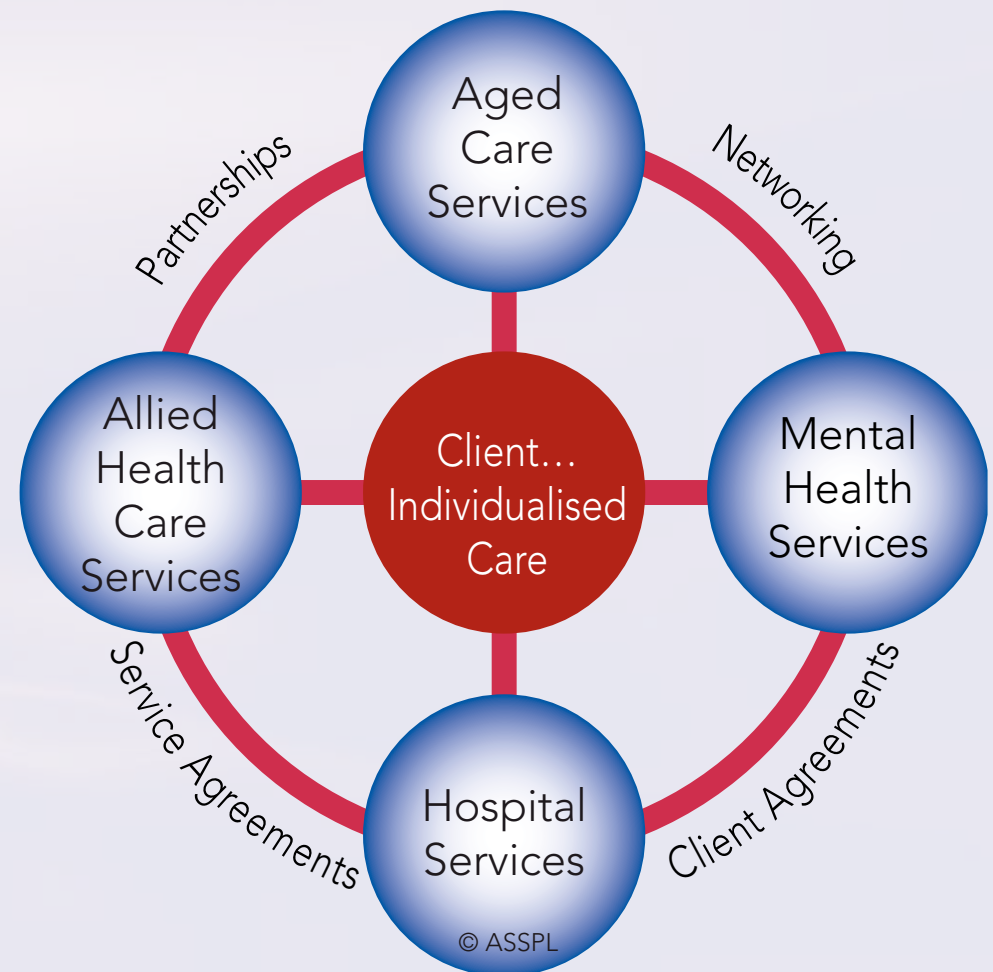
- ◆ Throughout Australia the number of amalgamations, mergers, sales and closures of residential care and community care organisations is increasing, eg: Michael Goldsworthy has just completed his 215th amalgamation/merger project
- ◆ With the establishment of a new paradigm dominated by “customer choice” and market forces, boards, chief executive officers and senior management teams need to discuss and develop serious strategies to enable their organisations to adapt to the new paradigm/new environment
- ◆ Remember, “as big trees grow, there is plenty of room in the forest for medium sized trees, shrubs, bushes and even fungi; it’s a case of survive by adaption...or die”

# Consideration 6: Current Services, Future Services

## Current Aged Care Services



## Future Aged Care Services

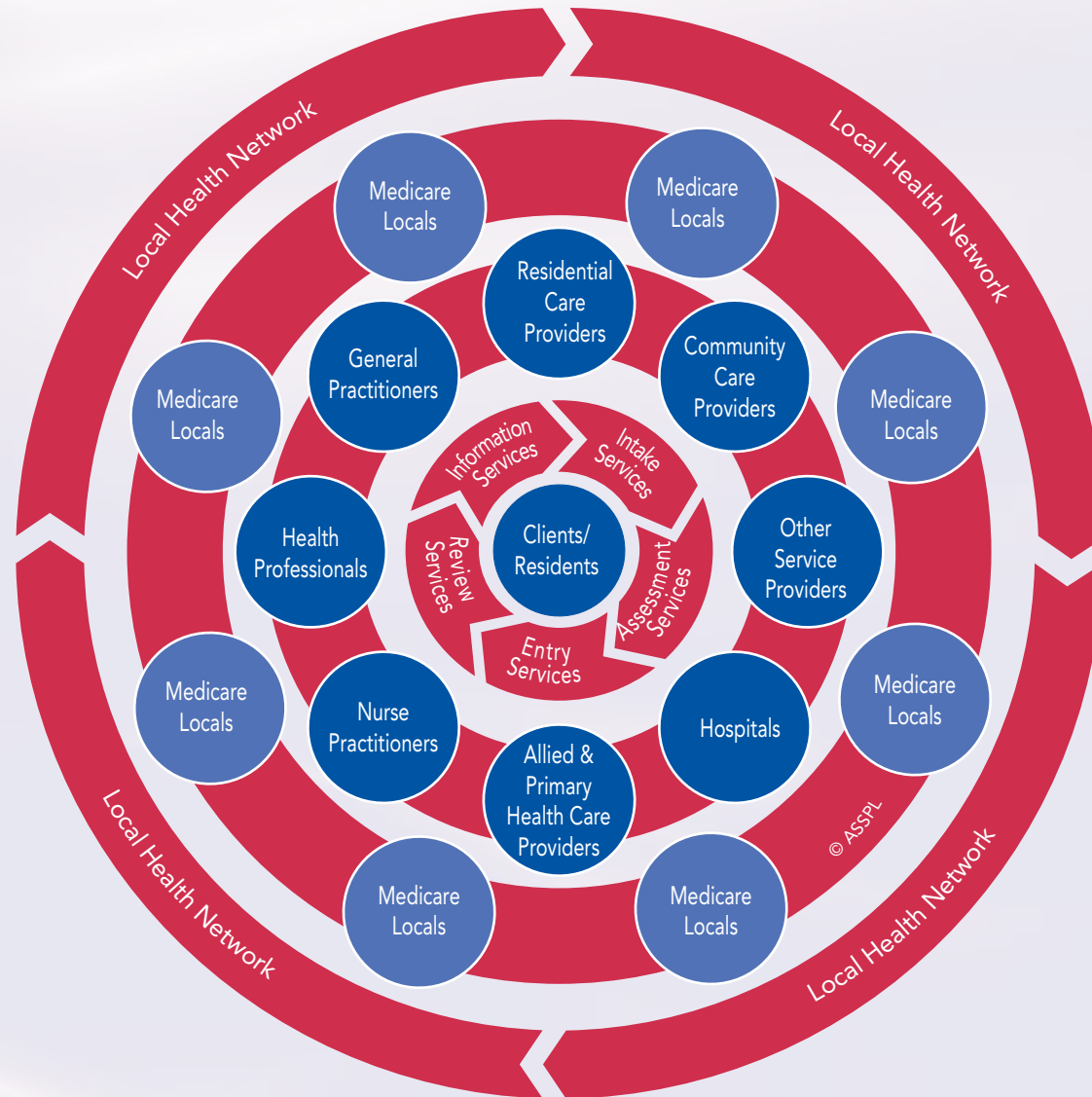


# Consideration 6: Current Services, Future Services Summary

- ◆ Currently aged care services tend to have limited connections to primary health, mental health, hospital and health services
- ◆ The Aged Care Report, Hospital and Health Report and Allied Health Report are focused on achieving major service integration/service pathways, connections and relationships between the various service systems.
- ◆ Residential care and community care providers will need to establish formal networks and partnerships, eg: Medicare Locals



# Consideration 7: New World, New Relationships

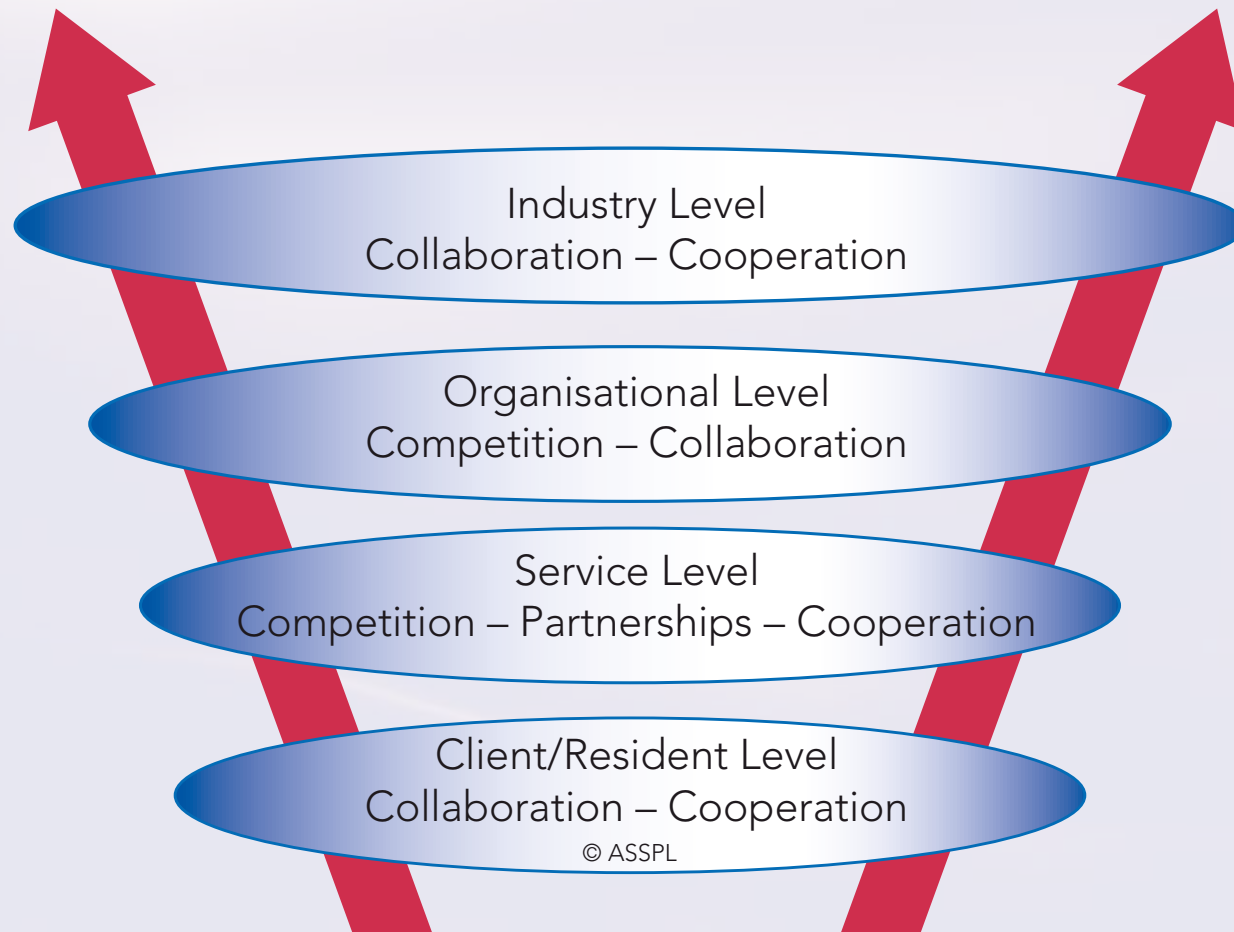


# Consideration 7: New World, New Relationships Summary

- ◆ How the various new aged care and health care structures and systems come together has not yet been specifically documented or articulated
- ◆ One possible model, depicted previously would see Local Health Networks and Medicare Locals aligned geographically and therein the various service providers which would interact with the DoHA/ Seniors Gateway and clients



# Consideration 8: Collaboration – Cooperation – Competition

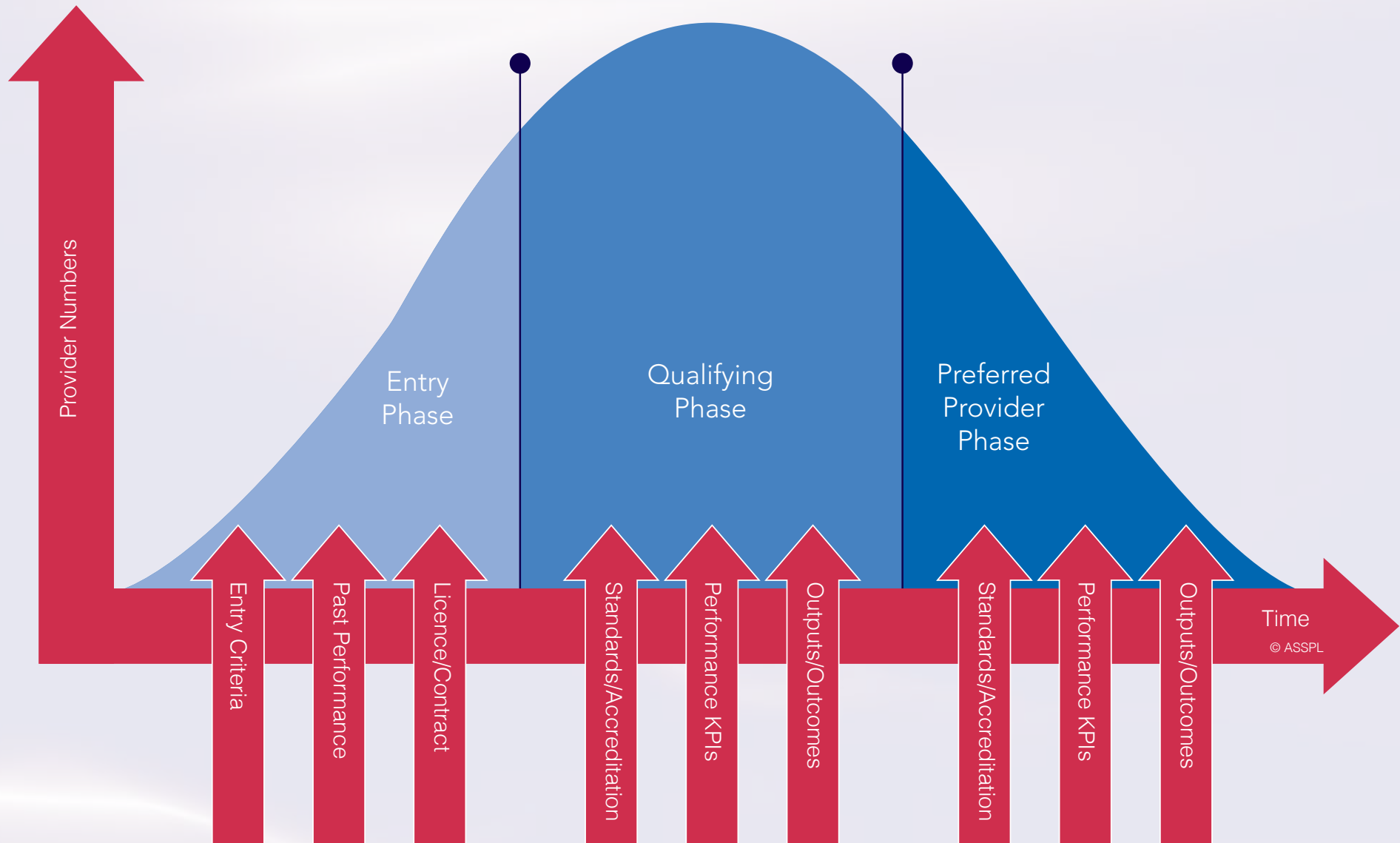


# Consideration 8: Collaboration – Cooperation – Competition

## Summary

- ◆ The Aged Care Report, Hospital and Health Report and Allied Health Report focus on:
  - \* the creation and operation of organisational/service partnerships and partnership agreements
  - \* the regionalisation of service delivery, thus Medicare Locals and Local Health Networks
  - \* the “reinvention and re-use” of the multi purpose/multi service concepts, principles and practices in rural, regional and remote Australia
  - \* the establishment and operation of joint ventures
  - \* enhancing the collaboration and cooperation between human service sectors and systems

# Consideration 9: Preferred Providers Will Rule



# Consideration 9: Preferred Providers Will Rule Summary

- ◆ Where human services have been privatised and private businesses, public businesses and community businesses (NFPs) compete for market share/service delivery/clients, the principles and practices of the "Market Bell Curve" prevails

- ◆ Case Study

Employment  
Services  
Industry



Pre Market Bell Curve.....	700 SkillShares
Entry Phase .....	300 providers
Qualifying Phase .....	200 providers
Preferred Provider Phase .....	100 providers

- ◆ Only 70 of the original 700 SkillShare organisations were part of the 300 Entry Phase providers. Via the Entry Phase, 230 new entrants gained a foothold in the Employment Services Industry

# Consideration 10: Some Preferred Provider Characteristics

- ◆ Integrated/robust technologies enable client interface and the ability for staff to easily use systems, eg: cloud/ipads, automated and integrated care systems
- ◆ Unique and defining brand and position in the market place
- ◆ Demonstrated, measurable value and benefit with partners
- ◆ Strong and demonstrated community engagement and community development projects/initiatives
- ◆ Truly innovative and unique services and models that respond to the needs of both individuals and local communities

# Consideration 10: Some Preferred Provider Characteristics *continued*

- ◆ Exceed governance requirements, eg: e-Boardroom
- ◆ Exceed standards; eg: ABEF, ISO 14000, ISO 9001
- ◆ Unique/defining culture/workforce: eg: employer of choice
- ◆ Really know the true costs, margin and price of services, eg: by hour, by unit, by day, by bed day, by travel time etc
- ◆ Exemplary “client and market” knowledge/information, eg: integrated client management system
- ◆ Diverse income streams, eg: Medicare, Fee-for-Service

# Consideration 11: The Rise Of Preferred Providers...The Evidence

Industry Examples	1980s	1990s	2000s	2012	2015/2020
Employment Services Providers	700+	300 (only 70 of original 700)	200	101	50–100 (est)
Disability Employment Providers	13+	240	260	214	50–100 (est)
Pathology Providers	340	300	120	30	20–25 (est)
Private Health Insurance Companies	N/A	48	44	37	20–30 (est)
Credit Unions	841	350	200	100	67–72 (est)
Bush Nursing Hospitals/ Centres (Victoria)	69 (1935)	30–50	25–30	22	10–15 (est)
Residential Aged Care Providers	2,200	2,900	1,600	1,200	400–500 (est)
Community Care Providers	500–3,000	3,000–4,000	4,000–4,500	4,500–5,500	1,000–500 (est)

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# Consideration 11: The Rise Of Preferred Providers...The Evidence Summary

- ◆ All human service industries/sectors have been consolidating over many years, except for all forms of community care...a late starter in the human services industry
- ◆ The previous table not only provides evidence of consolidation, but also reinforces the “Market Bell Curve” and the power of market forces
- ◆ Amalgamations, mergers, sellouts and closures have been a feature of all human services industry/sector consolidations

# Consideration 12: Where Price Is Constrained...Watch Out

*Service  
Volume*

*Service  
Margin*

*Business  
Risk*

Low Volume

High Margin

Low Risk

Low Volume

Low Margin

High Risk

High Volume

Low Margin

High Risk

High Volume

High Margin

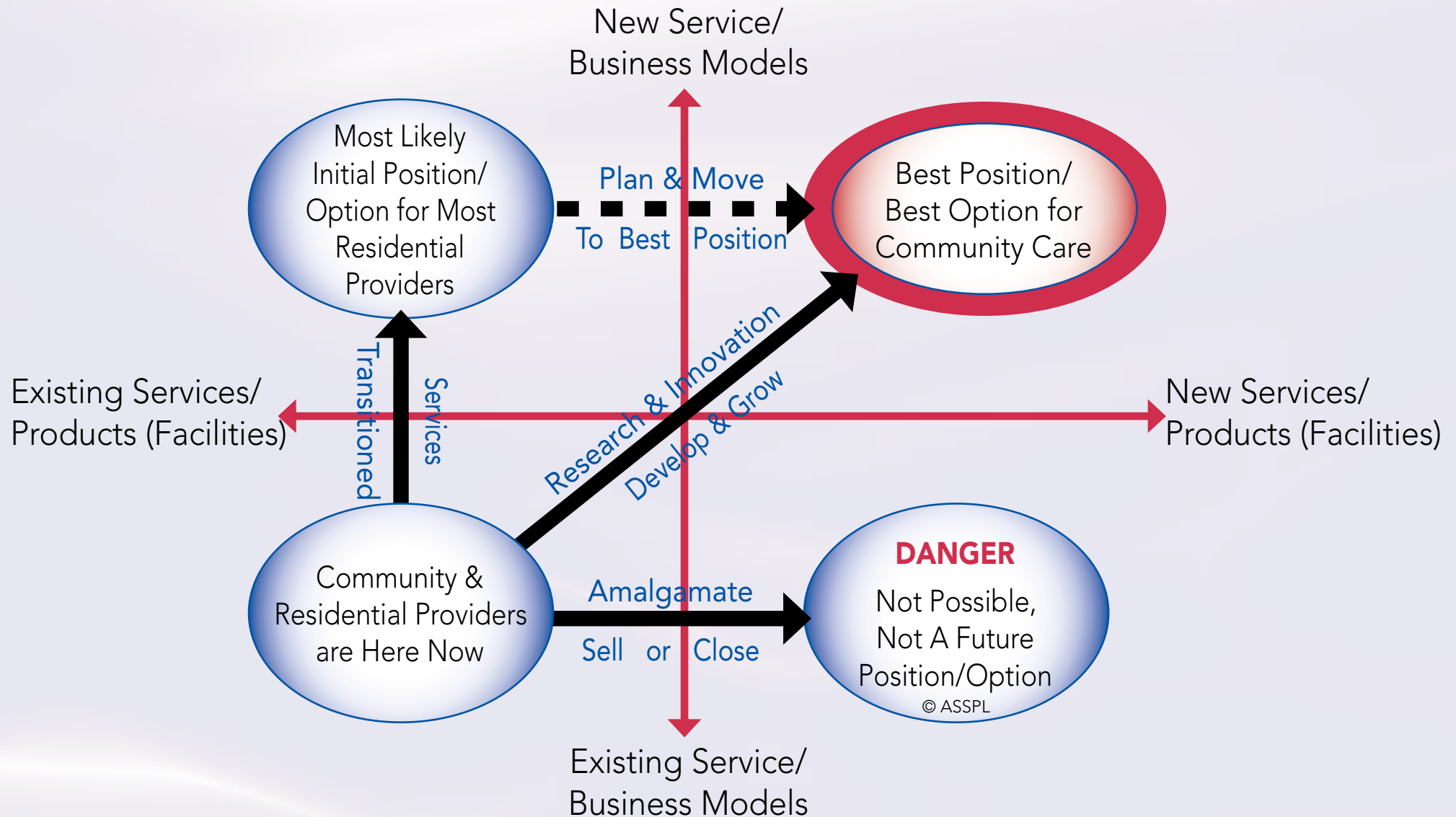
Low Risk

# Consideration 12: Where Price Is Constrained...Watch Out Summary

- ◆ In the new world of residential care and community care:
  - \* Volume ...client/resident numbers
  - \* Margin ...knowing the true cost, margin and price of a unit of service delivery or product
  - \* Business Risk ...that is associated with the two aforementioned elements

Practically, residential care or community care providers which have small client numbers and long distances to travel will struggle to survive financially in the new paradigm/new environment, unless they are "block/contract" funded.

# Consideration 13: A New Paradigm, New Rules, New Positions

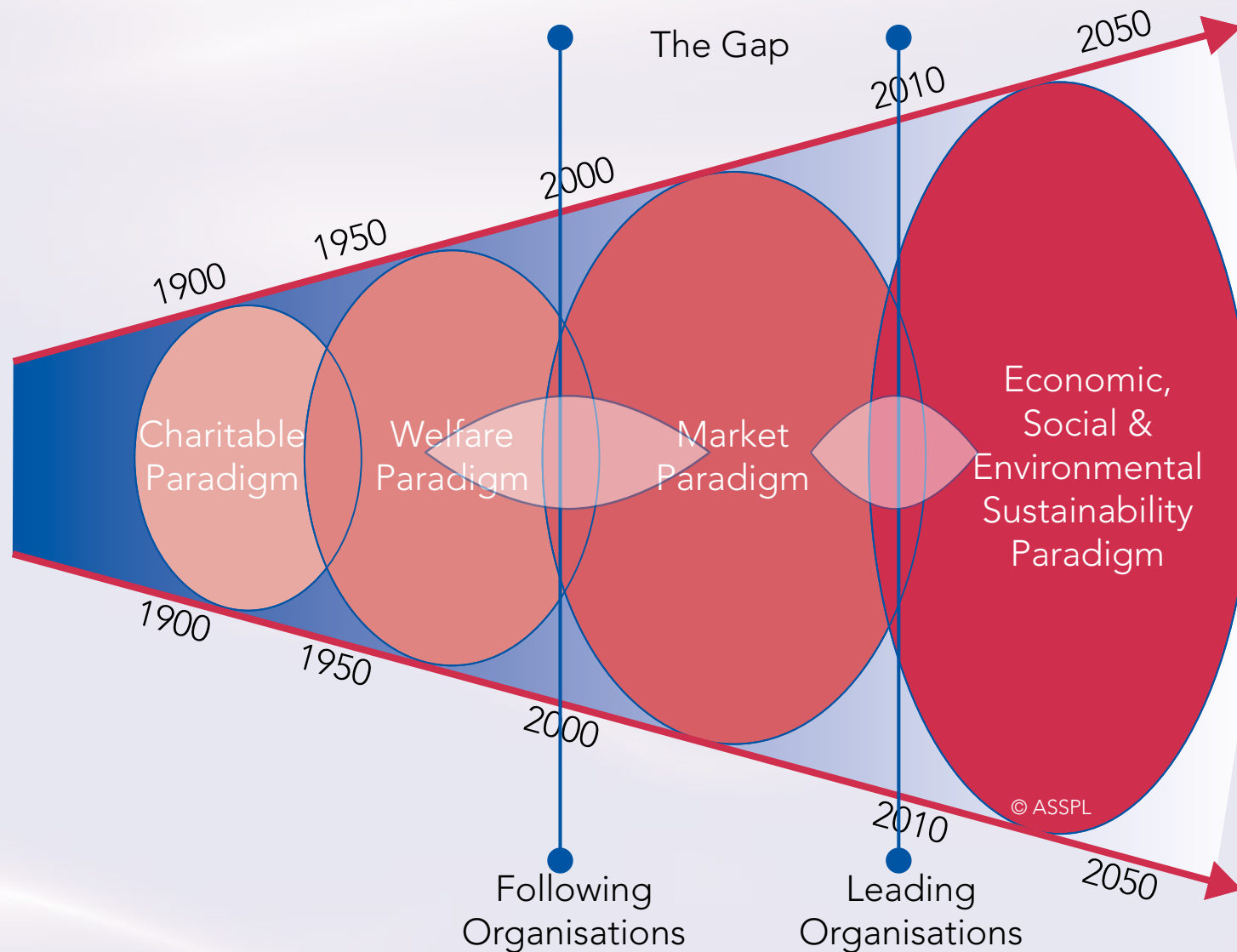


# Consideration 13: A New Paradigm, New Rules, New Positions Summary

- ◆ The previous axis provides four service positions/moves that residential care and community care providers can undertake
- ◆ Before making a decision on any one of these positions/moves, your leadership team (board, chief executive officer, senior management team) will need to undertake a serious and robust scenario planning/strategic planning process



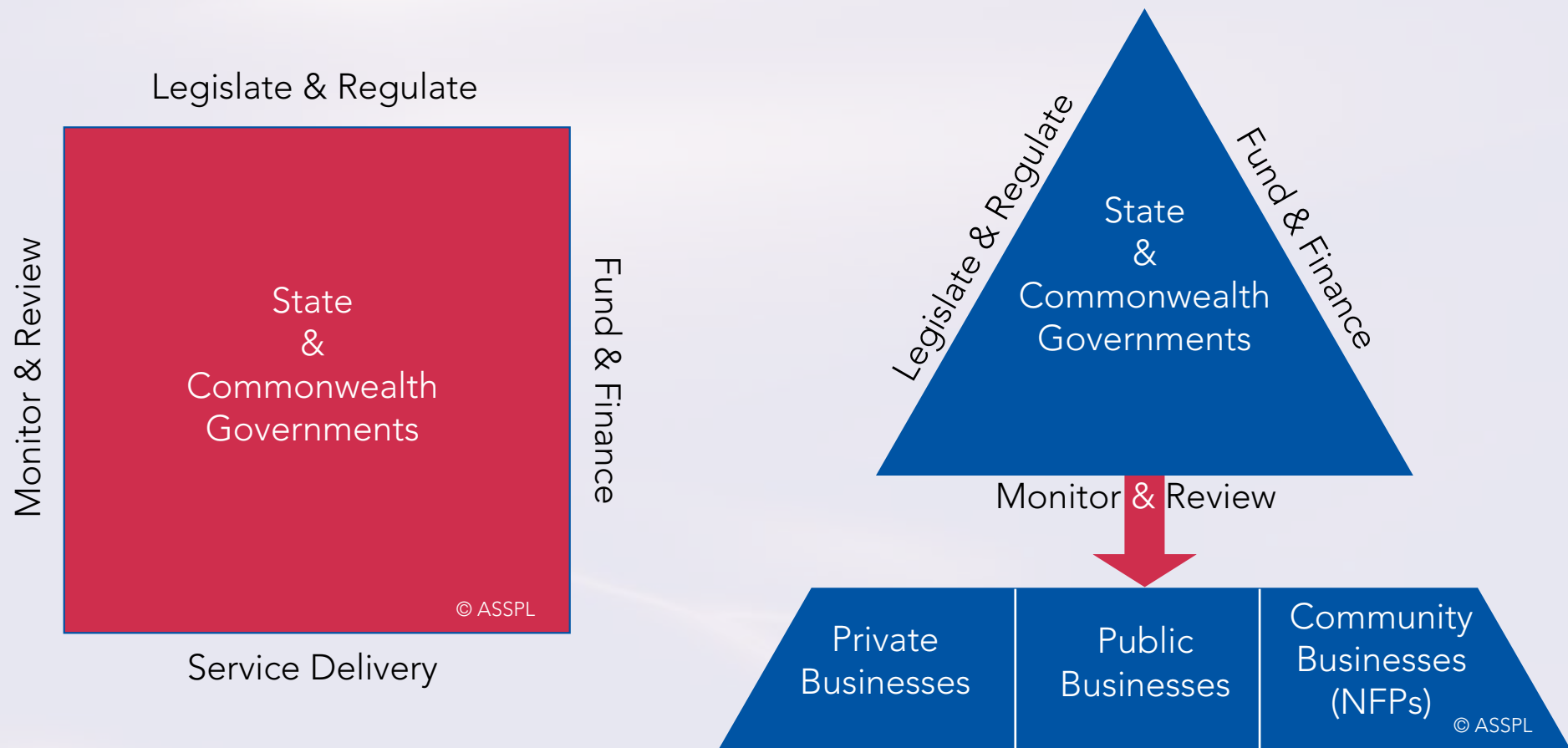
# Consideration 14: Changing Paradigms, Changing Times



# Consideration 14: Changing Paradigms, Changing Times Summary

- ◆ The backdrop to all human services providers' development and growth has been 1–2–3 paradigms; either singly or a combination of charitable paradigm, welfare paradigm, market paradigm or economic, social and environmental sustainability paradigm
- ◆ Each paradigm has a unique set of characteristics, elements and behaviours that provide a framework within which each provider operates
- ◆ The majority of residential care and community care providers were established in the welfare paradigm, many have already moved into the market paradigm
- ◆ “The Gap” between leading organisations and following organisations is what clients/residents will exploit, DoHA will exploit and competitors will exploit

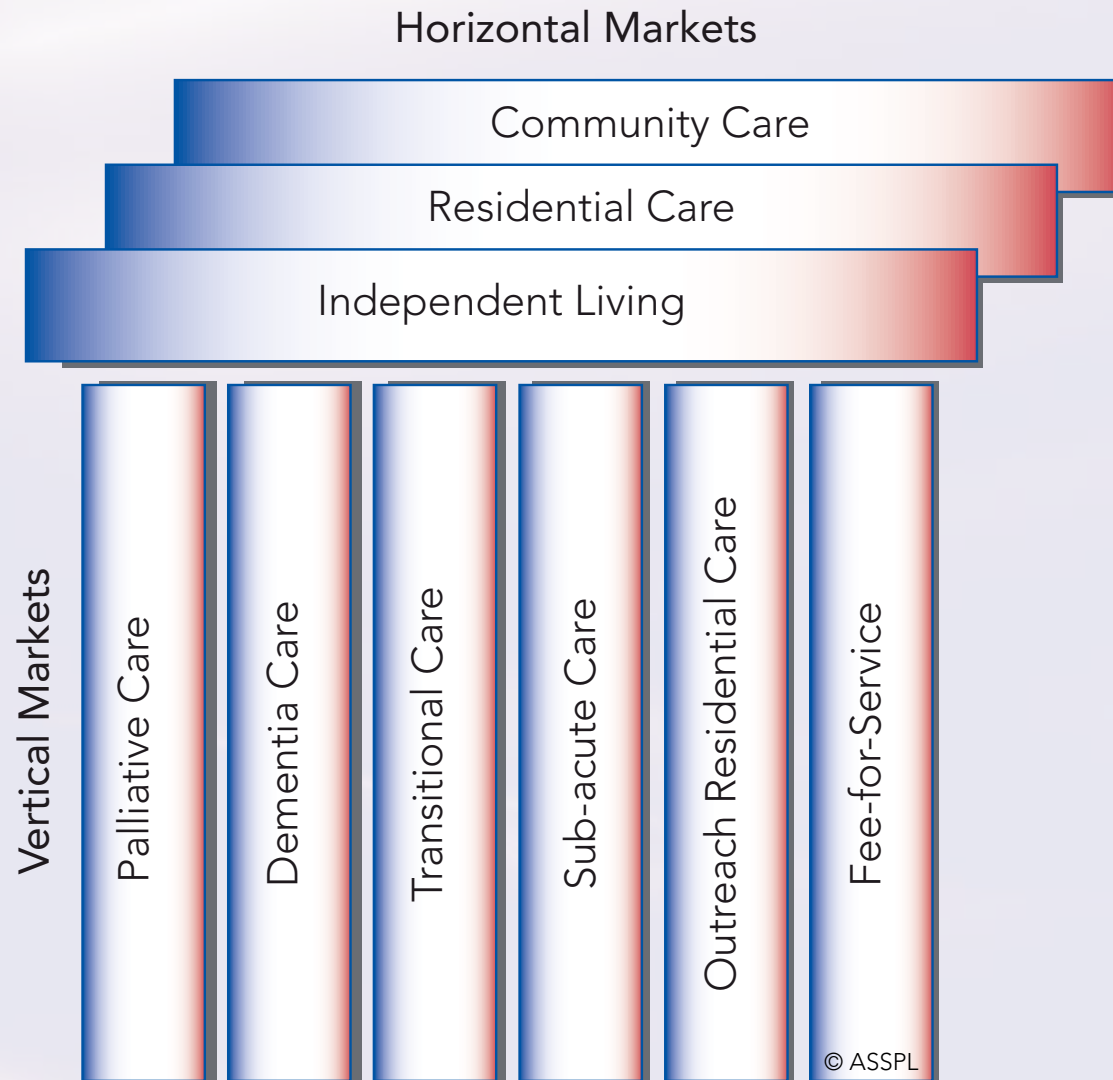
# Consideration 15: The Changing Roles Of Government



# Consideration 15: The Changing Roles Of Government Summary

- ◆ In the past, State and Commonwealth governments, legislated and regulated, funded and financed, monitored and reviewed and undertook service delivery
- ◆ Over recent years, State and Commonwealth governments have moved, or are moving, to legislate and regulate, fund and finance and monitor and review, leaving service delivery to public businesses, private business and community businesses (NFPs)
- ◆ In so doing, State and Commonwealth governments focus on their core roles and responsibilities and aim to reduce their risk, costs, liabilities and political exposure

# Consideration 16: Horizontal Markets Or Vertical Markets



# Consideration 16: Horizontal Markets Or Vertical Markets Summary

- ◆ Many providers, no matter what sector of the care industry they are in, are:
  - \* growing and developing their horizontal market/s and their vertical market/s, organically or via amalgamations or mergers, or
  - \* just gaining depth and breadth in their existing vertical market/s, or horizontal markets, or
  - \* researching and/or developing new horizontal or vertical markets
- ◆ Single service, single site, single revenue stream organisations are facing increasing challenges. The majority of organisations have moved, or are moving, to become multi-service, multi-sited and multi-revenue streamed

# Consideration 17: Beyond Standards, The Quality Journey



# Consideration 17: Beyond Standards, The Quality Journey Summary

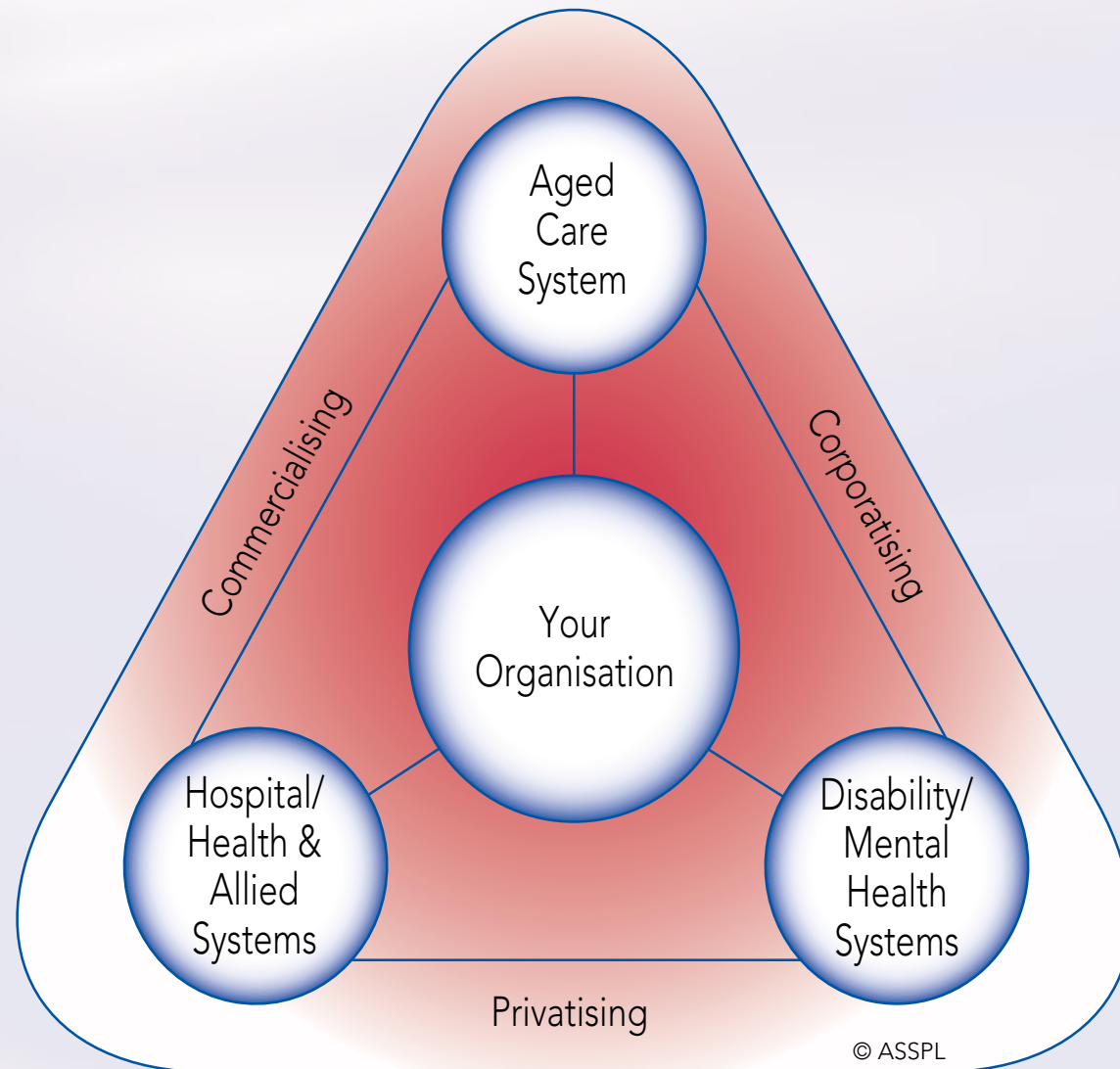
- ◆ All Approved Providers need to meet the existing or future Aged Care Standards and/or National Community Care Standards if they are to operate residential or community care services
- ◆ Current/Future Residential and Community Care Standards and related industry or government standards are minimum standards
- ◆ Because everybody must meet the standards, there is no competitive advantage, standards are a baseline
- ◆ Therefore an increasing number of organisations are going beyond the Aged Care Standards, eg: OH&S Standard AS/NZS 4801:2001, Environmental Standard ISO:14001

# Consideration 17: Beyond Standards, The Quality Journey Summary

- ◆ It was stated previously that standards are minimum, every provider meets them and they are of no competitive advantage
- ◆ Moving beyond a “compliance mentality” is critical
- ◆ The quality journey of continuous improvement and organisational development is critical to the future success of those residential care and community care providers that wish to become a Preferred Provider in the new paradigm/new environment



# Consideration 18: What's Really Happening?

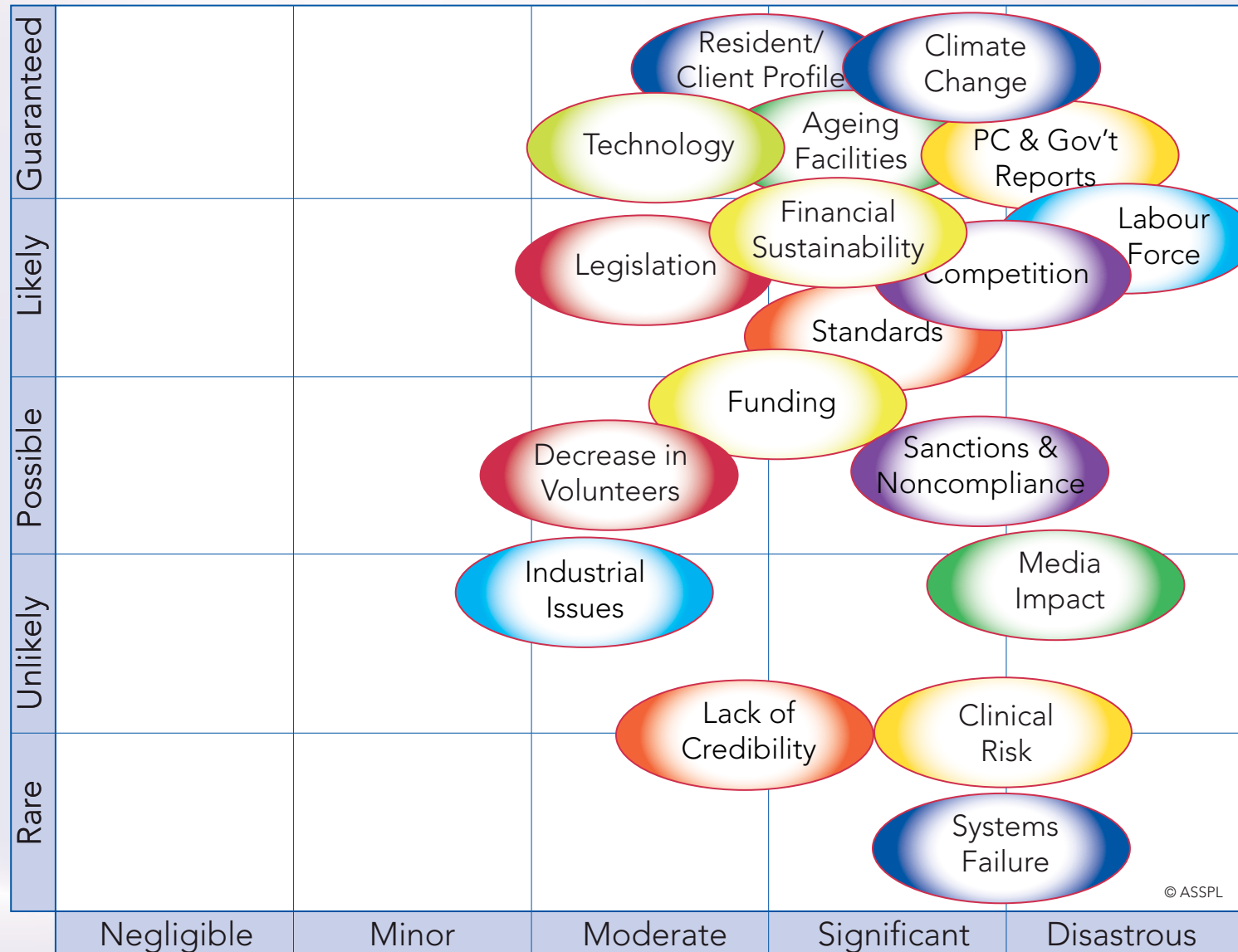


# Consideration 18: What's Really Happening Summary

- ◆ Standing back from the human services industry in all its forms, or just standing back from the aged care industry, it could be strongly argued that residential care and community care are being/have been:
  - \* Commercialised
  - \* Corporatised
  - \* Privatised



# Consideration 19: Aged Care, A Dynamic Industry, A Dynamic Risk Profile

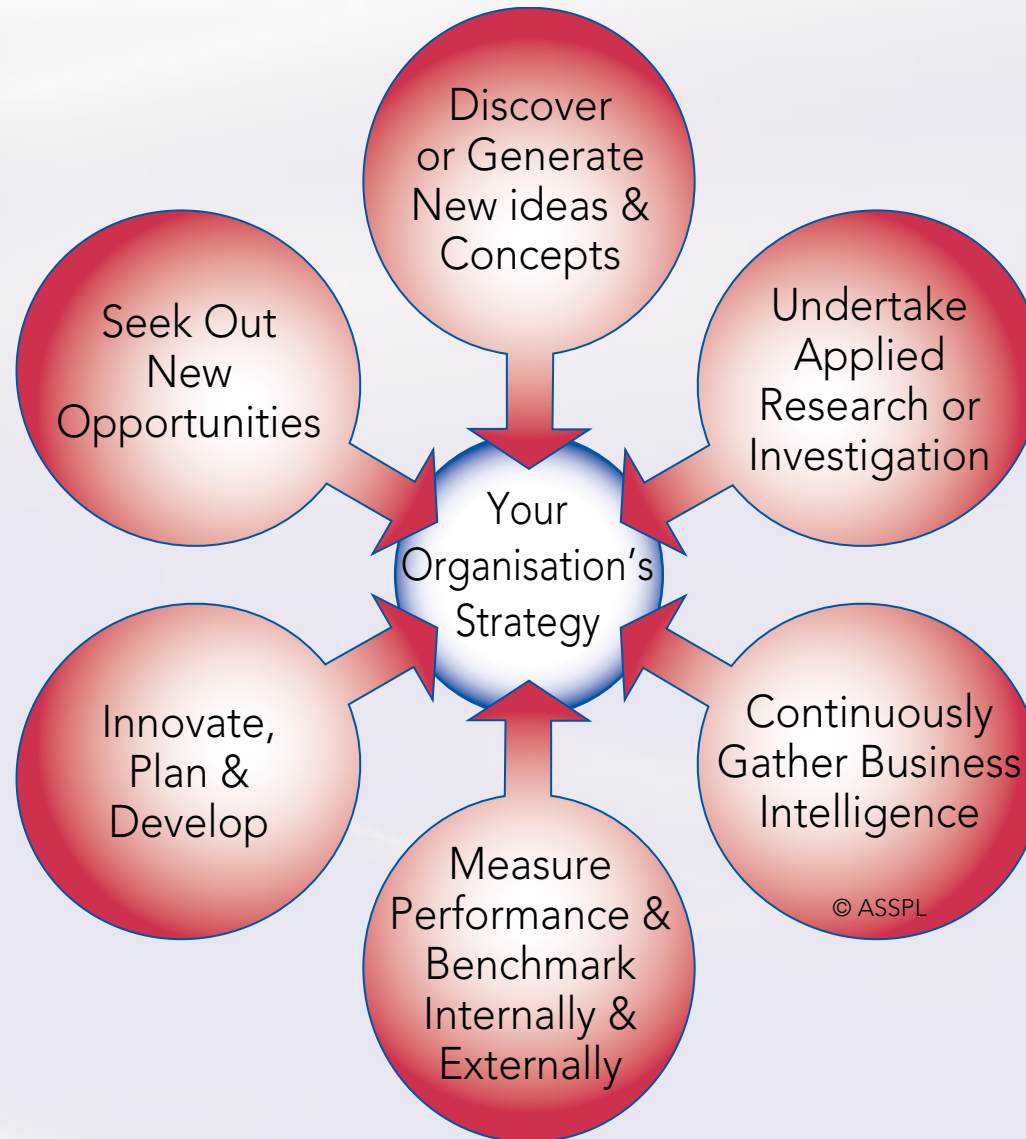


# Consideration 19: Aged Care, A Dynamic Industry, A Dynamic Risk Profile Summary

- ◆ Many Boards of residential care and community care providers have increasingly begun to recognise and understand that they are, and will be in the future, operating in a very dynamic, high risk industry
- ◆ Individual board members'/a board's appetite for risk is but one component of operating in the new paradigm/new environment



# Consideration 20: Get Out Of The Boardroom



# Consideration 20: Get Out Of The Boardroom Summary

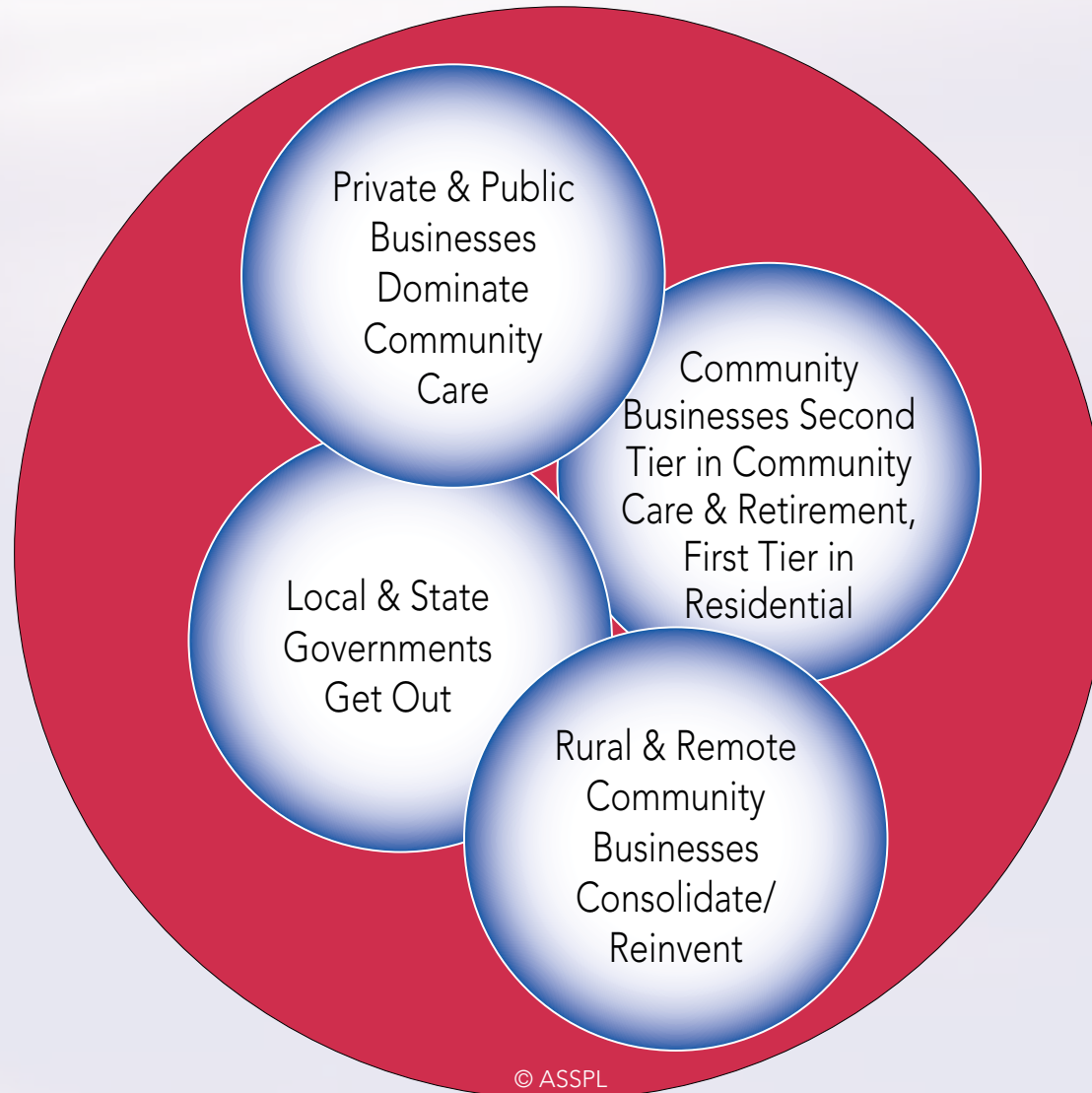
- ◆ Many Boards are beginning to understand the emerging/future big picture of the residential aged care/community care industry or related industry sectors
- ◆ Get out and about to:
  - \* gather new ideas
  - \* seek opportunities
  - \* collect business intelligence
  - \* benchmark/compare



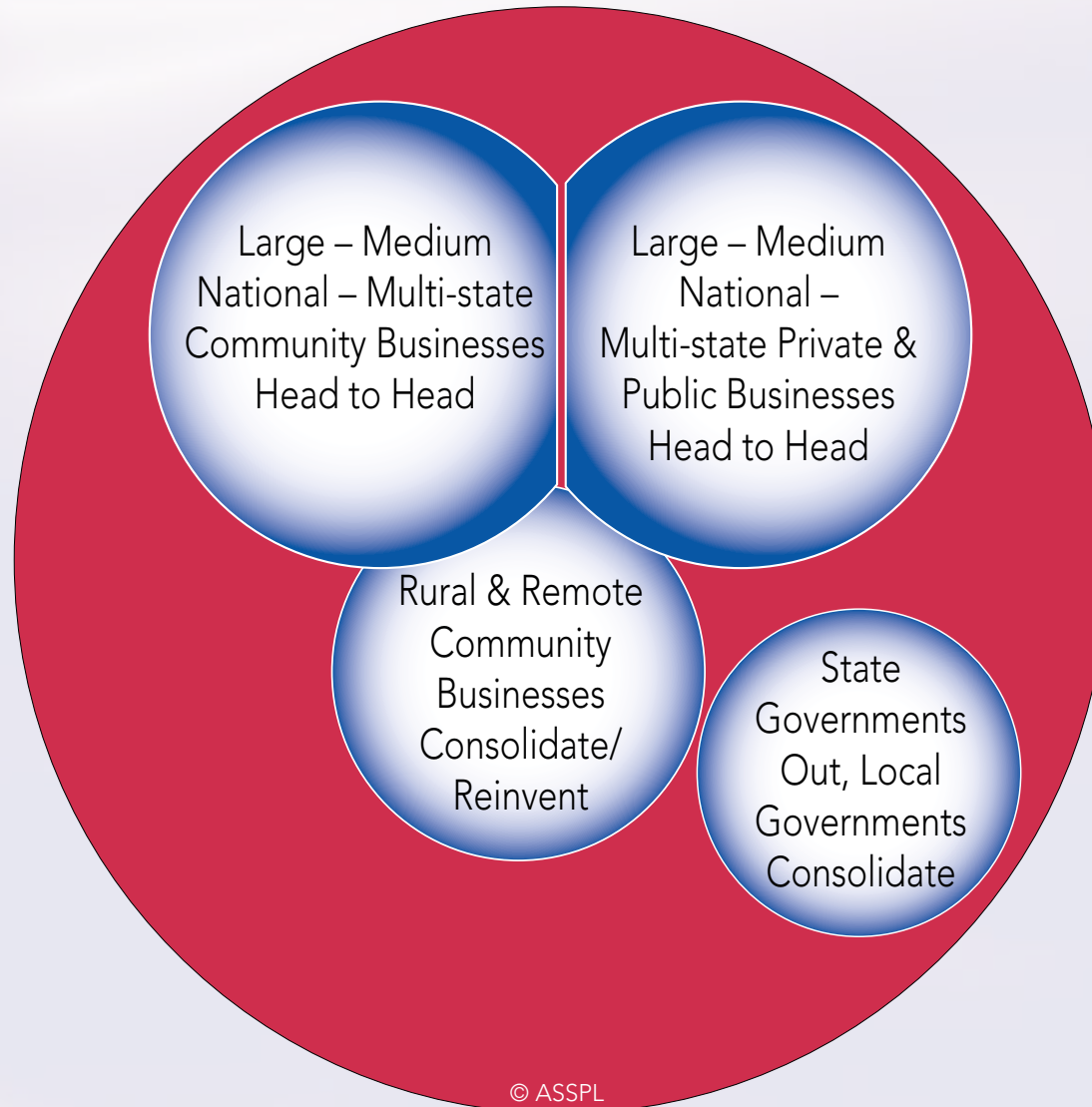


# *Industry Scenarios & Organisational Options*

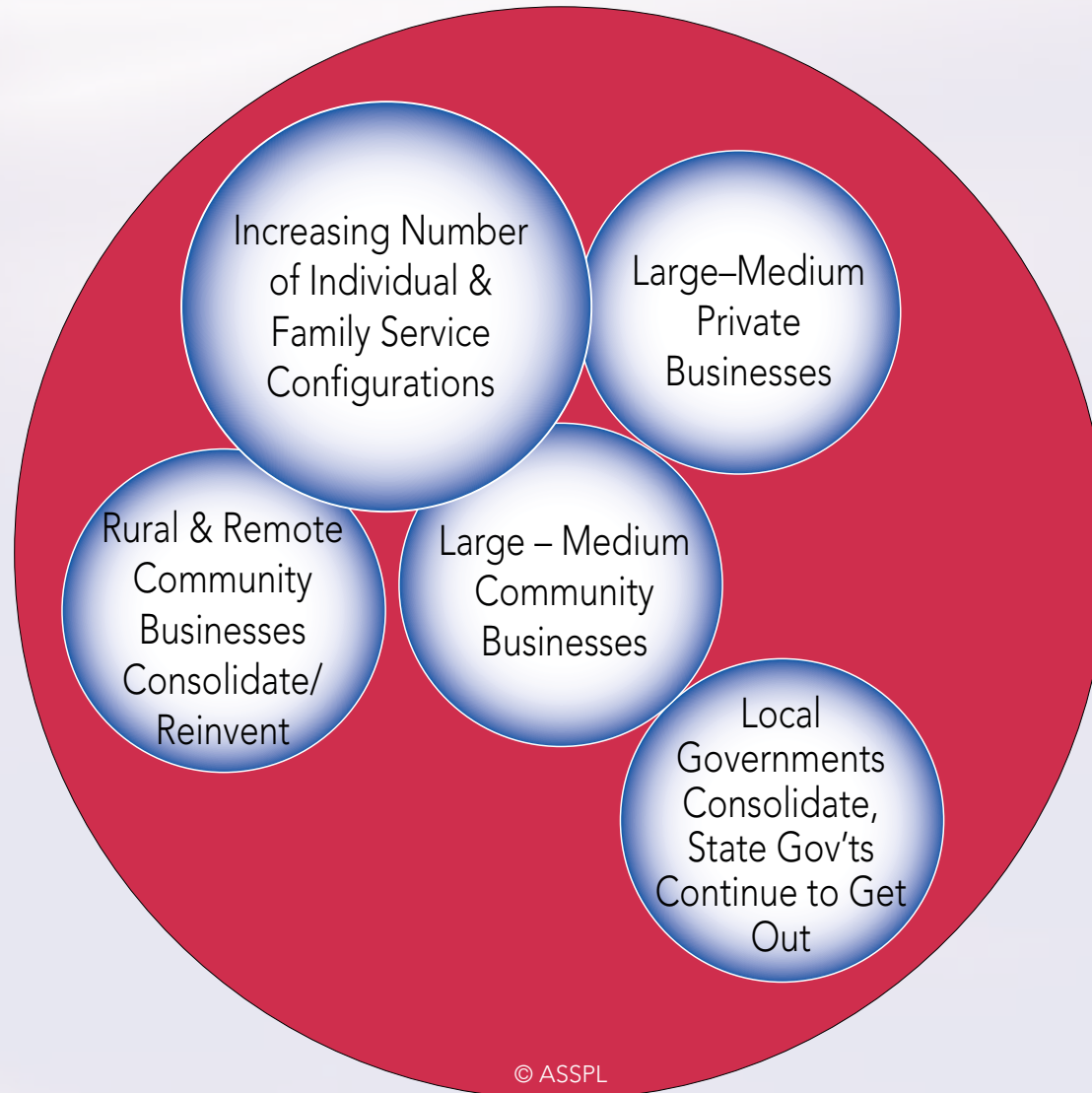
# Scenario 1: Privates Dominate Community Care



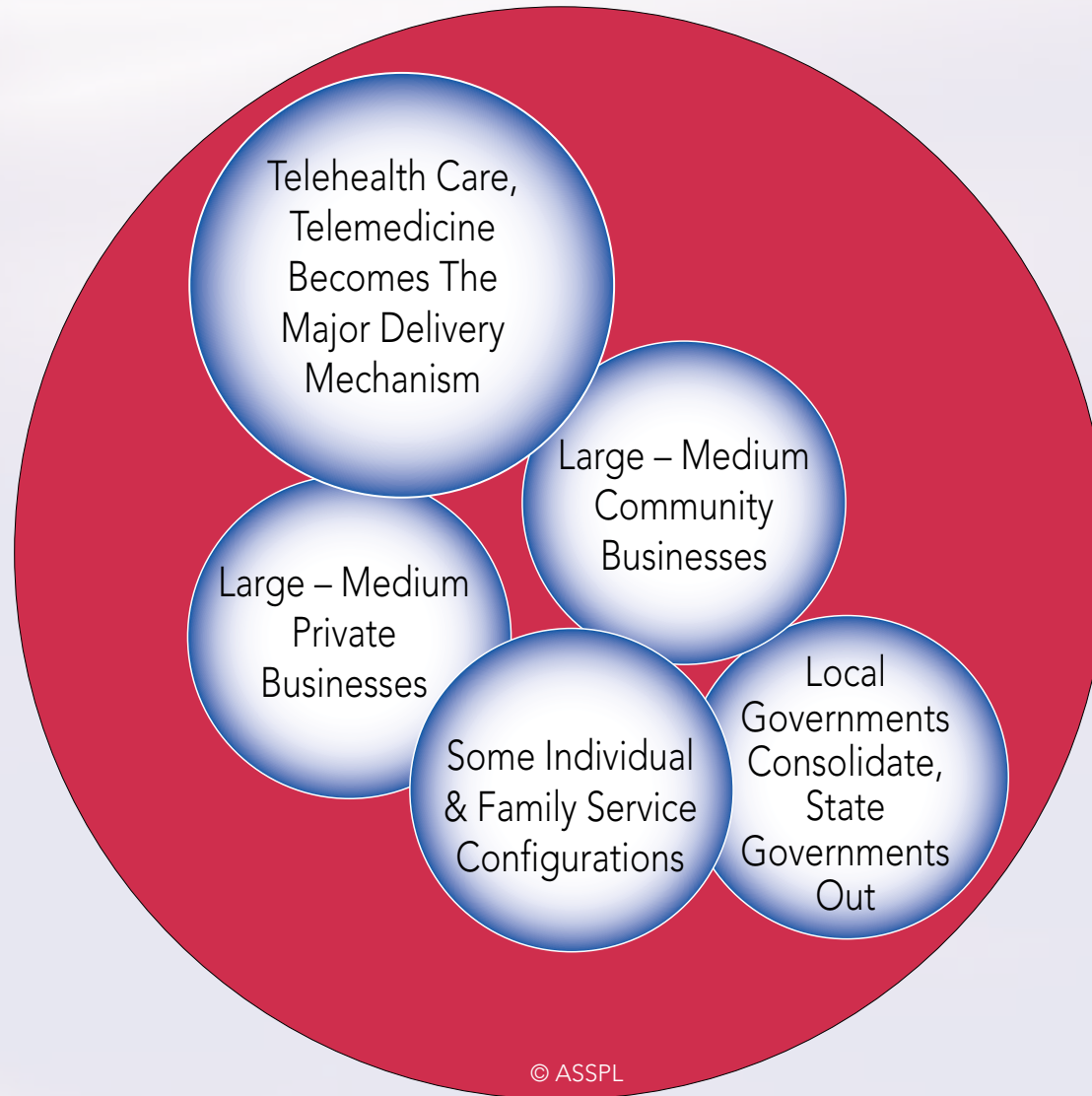
# Scenario 2: A Head to Head Game



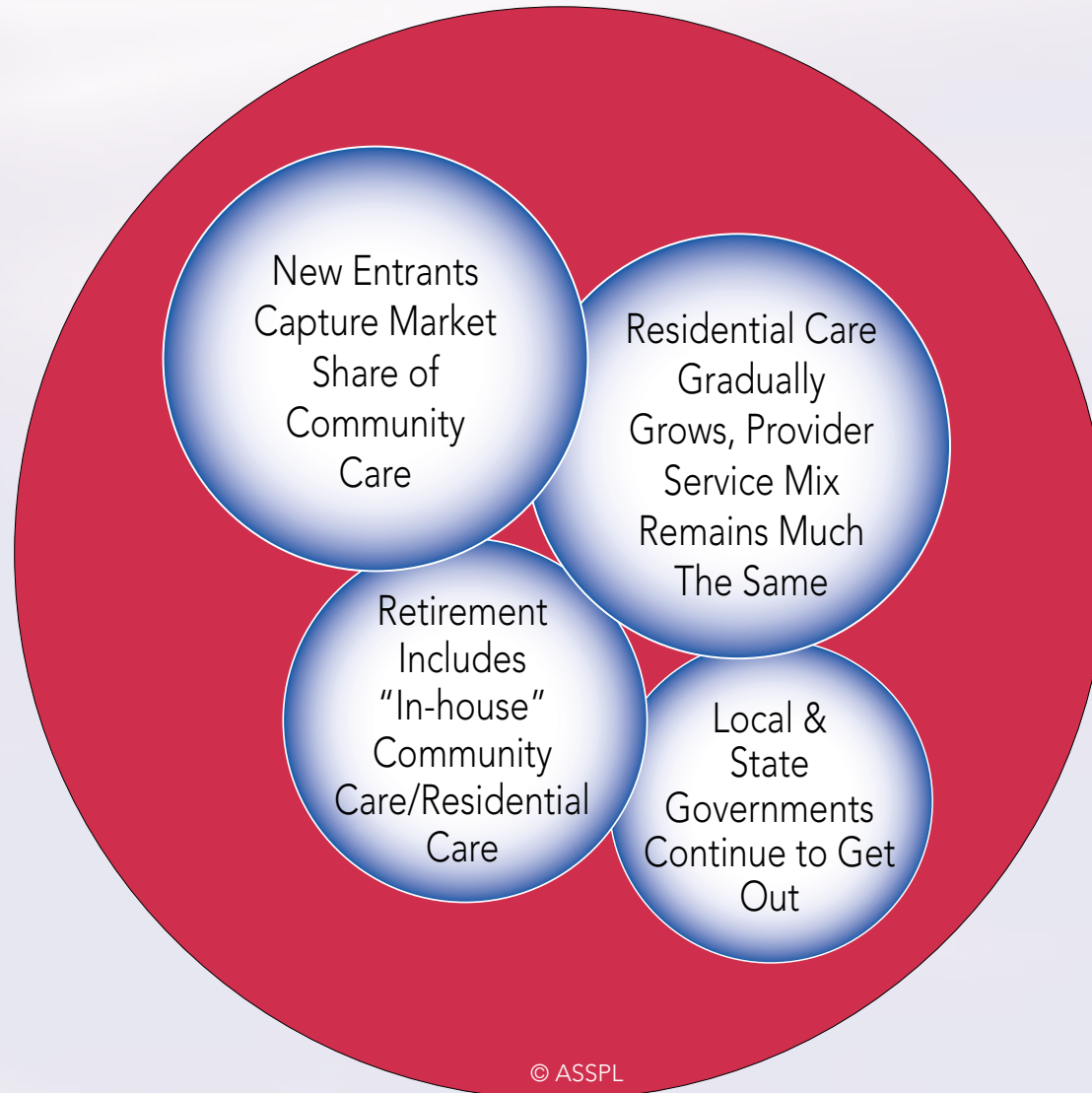
# Scenario 3: Individual/Family Services Increase



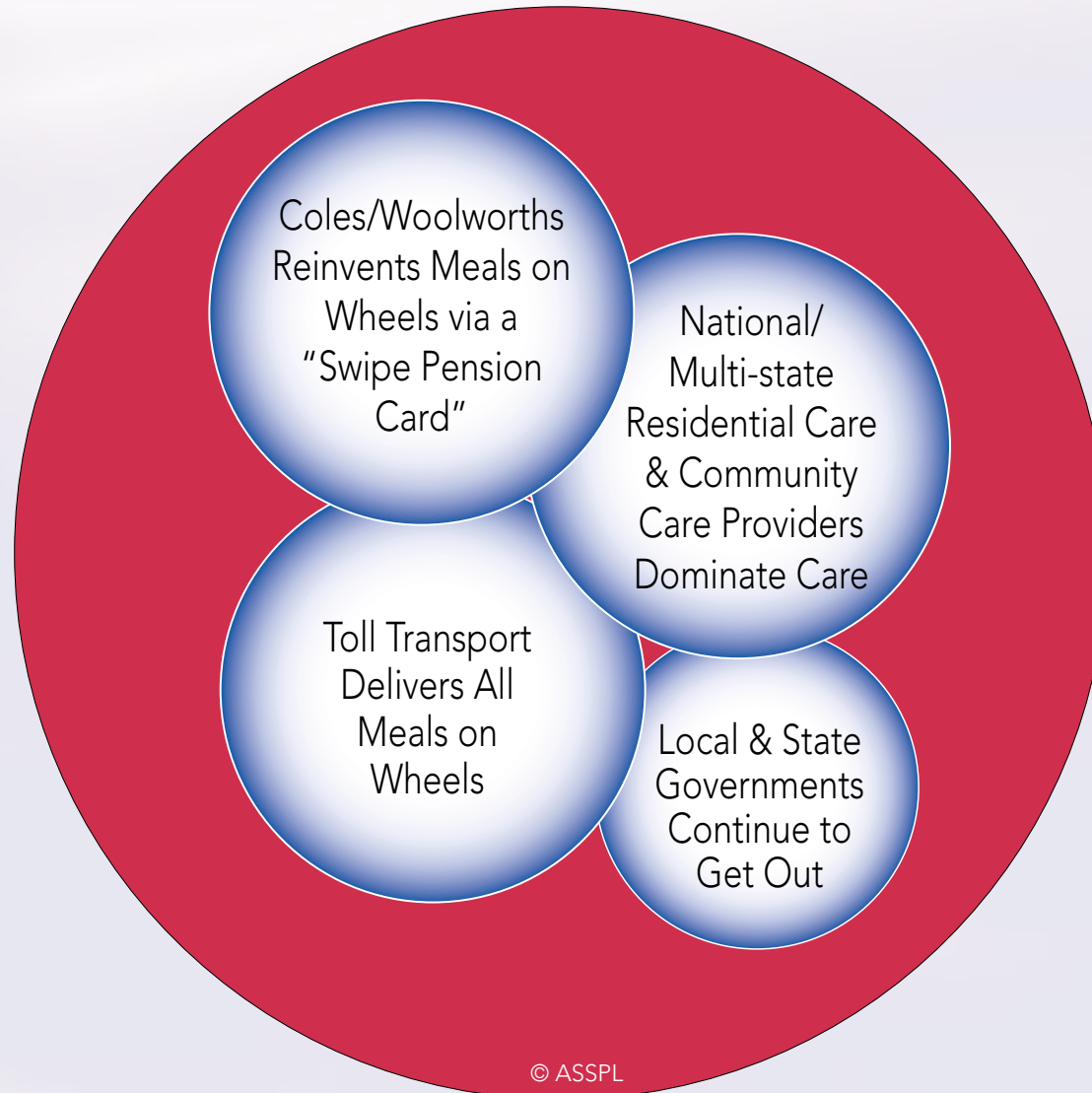
# Scenario 4: Telehealth Care World



# Scenario 5: New Entrants...Plus Any Scenario

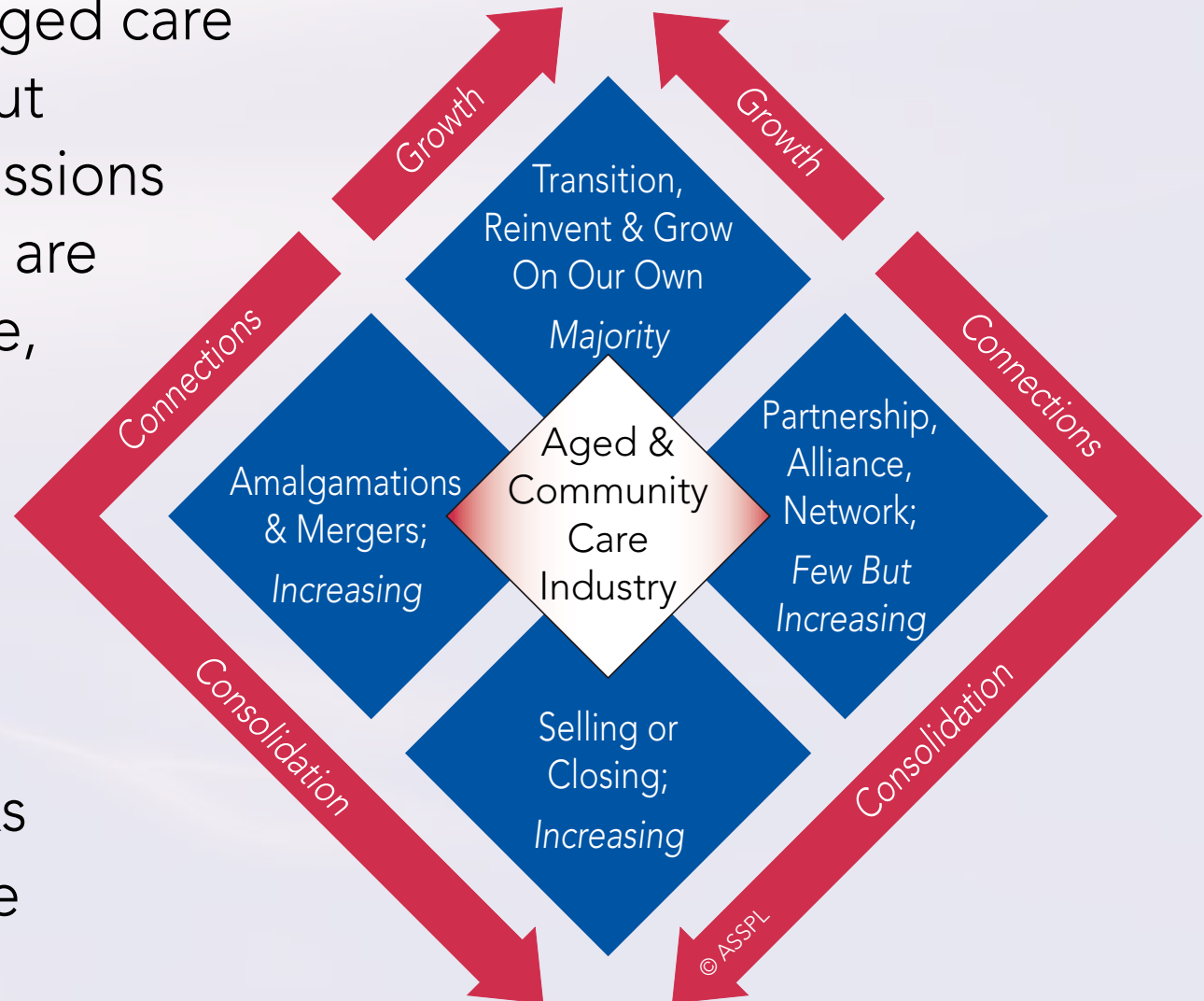


# Scenario 6: A National Approach, A Slicing of Markets

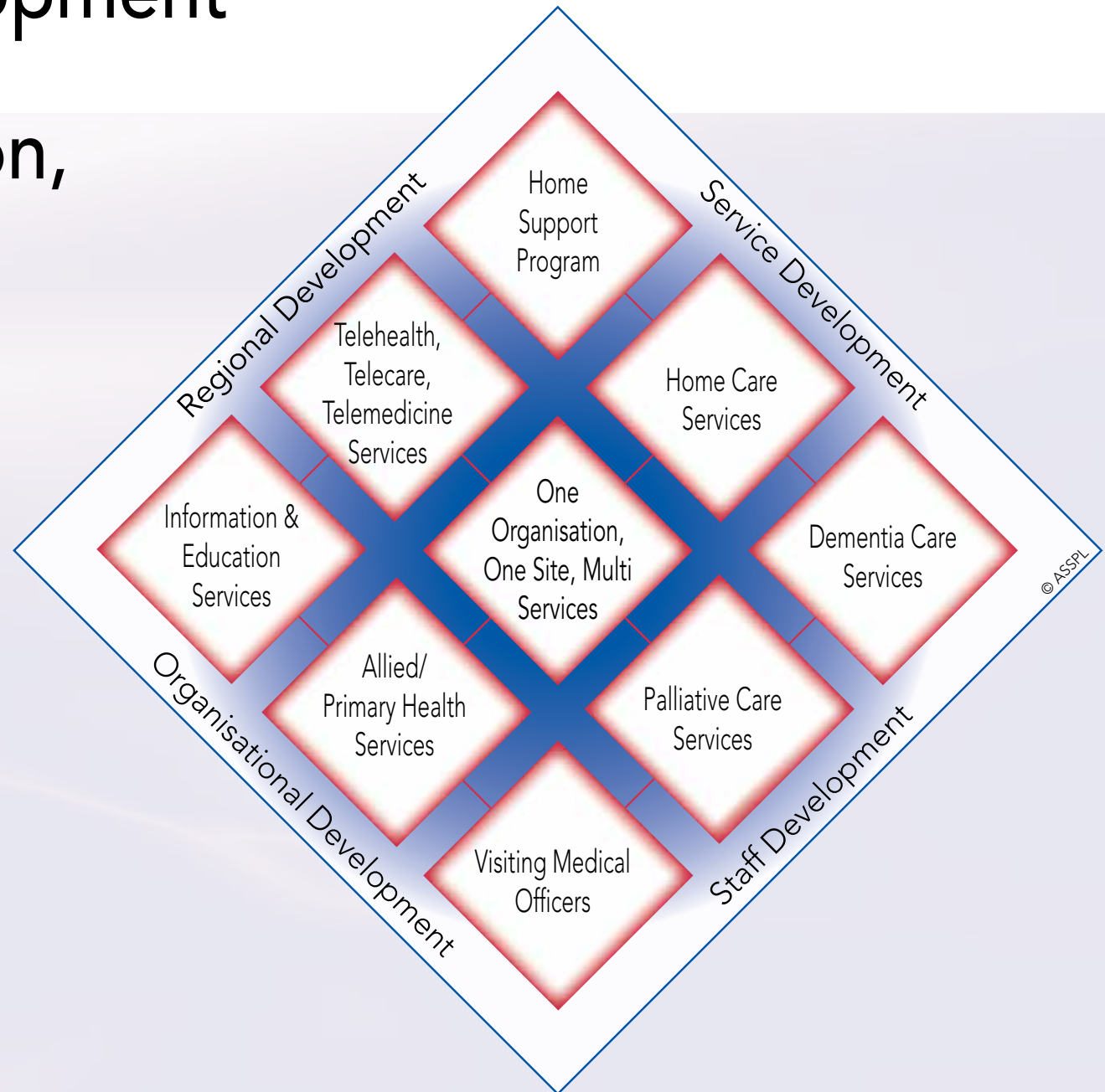


# Boardroom Decisions, Organisational Directions

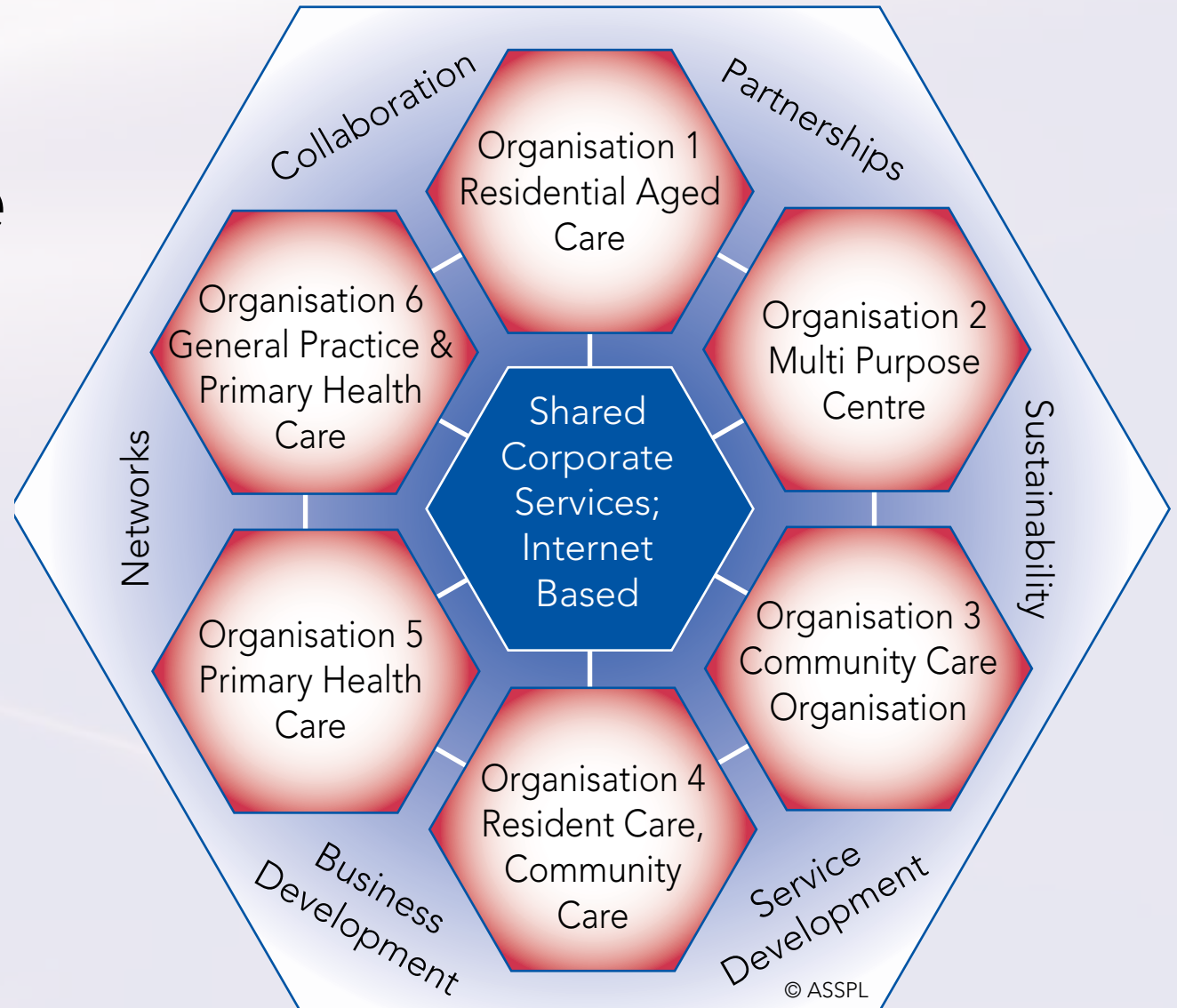
- ◆ In the board rooms of aged care organisations throughout Australia strategic discussions and strategic decisions are increasingly being made, have been made or need to be made now...to either:
  - \* reinvent and grow
  - \* form partnerships, alliances and networks
  - \* amalgamate or merge
  - \* sell or close



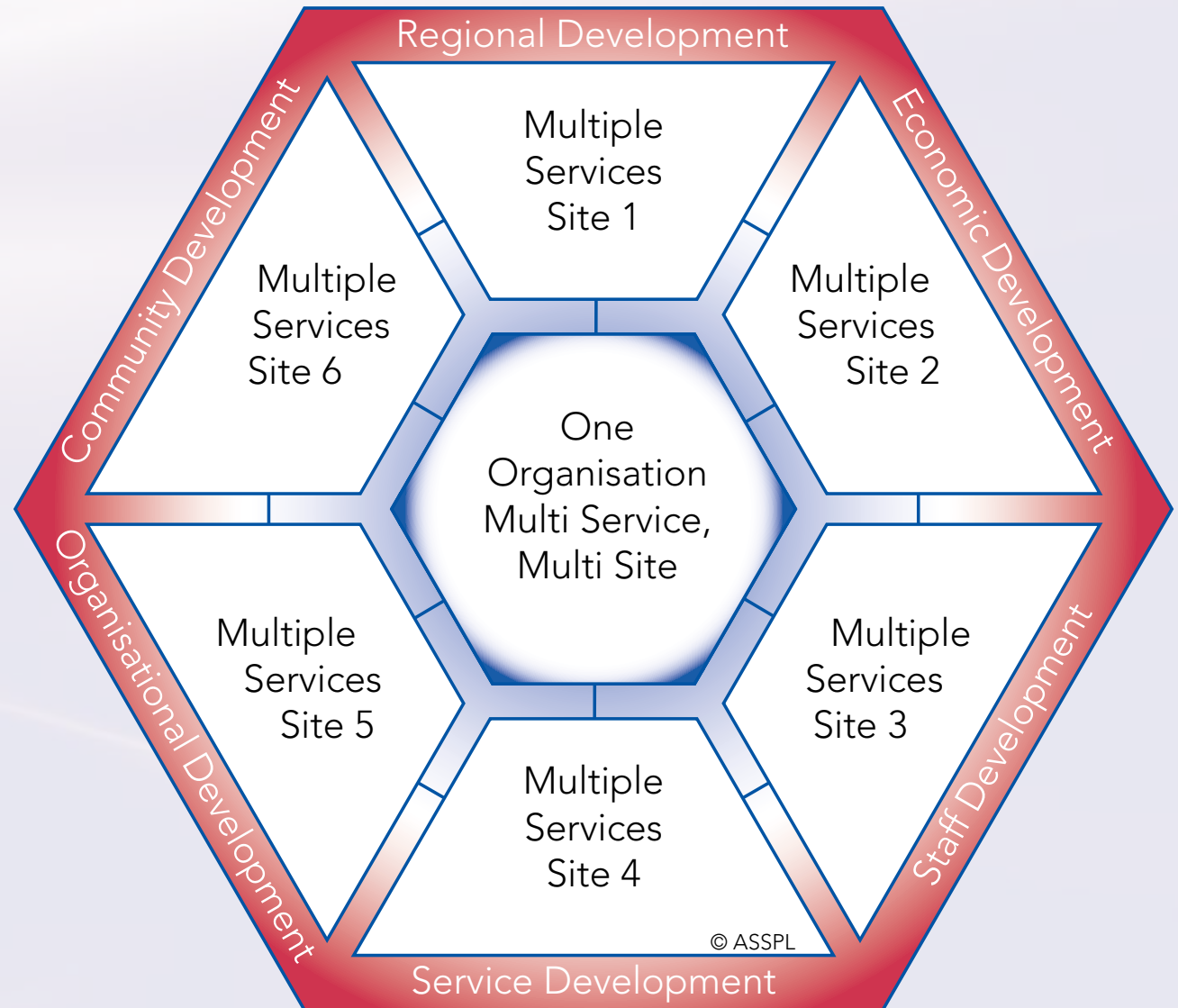
# Strategic Development Option One: One Organisation, One Site, Multi Services



# Strategic Development Option Two: Networked Organisations, Shared Corporate Services



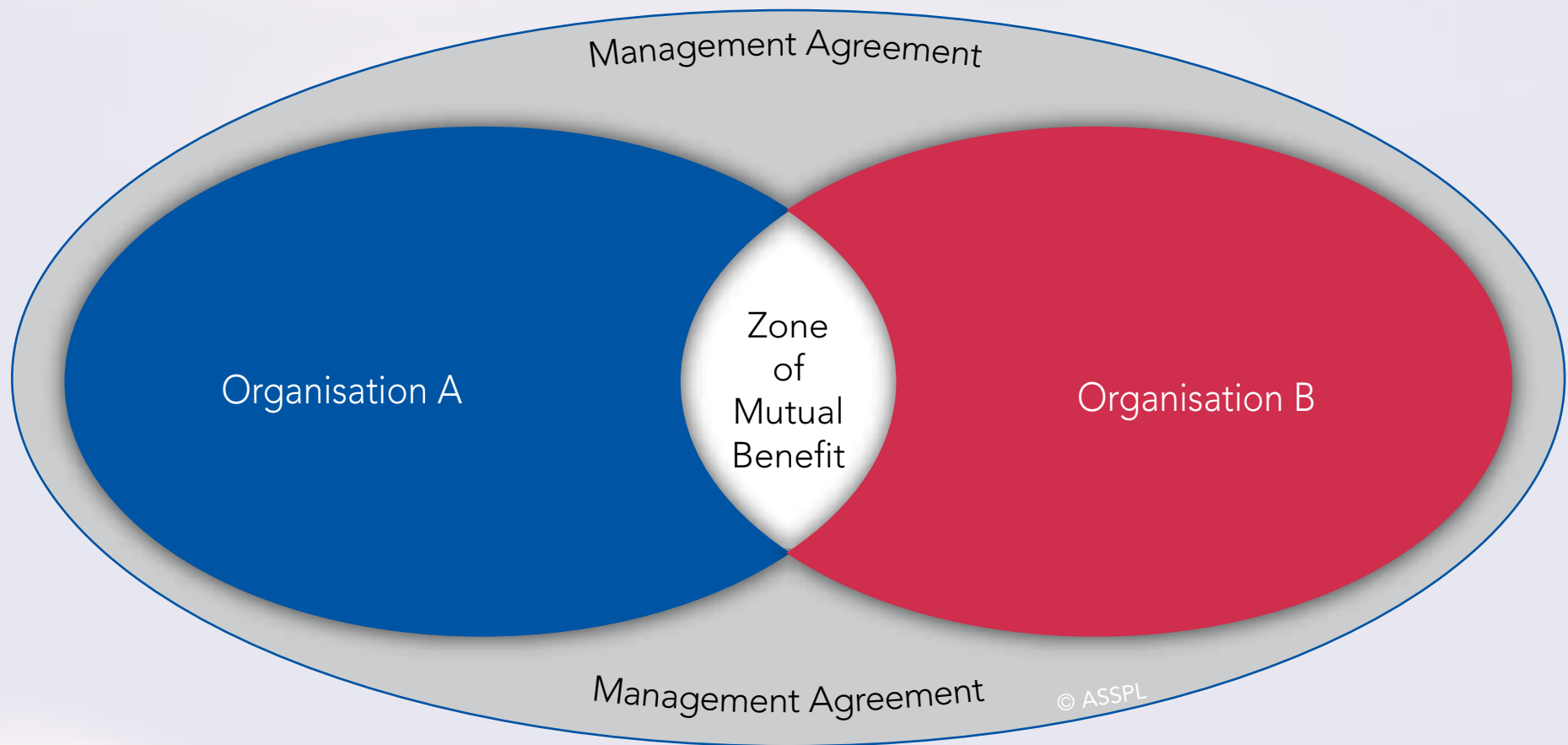
# Strategic Development Option Three: Multi Services, Multi Sites



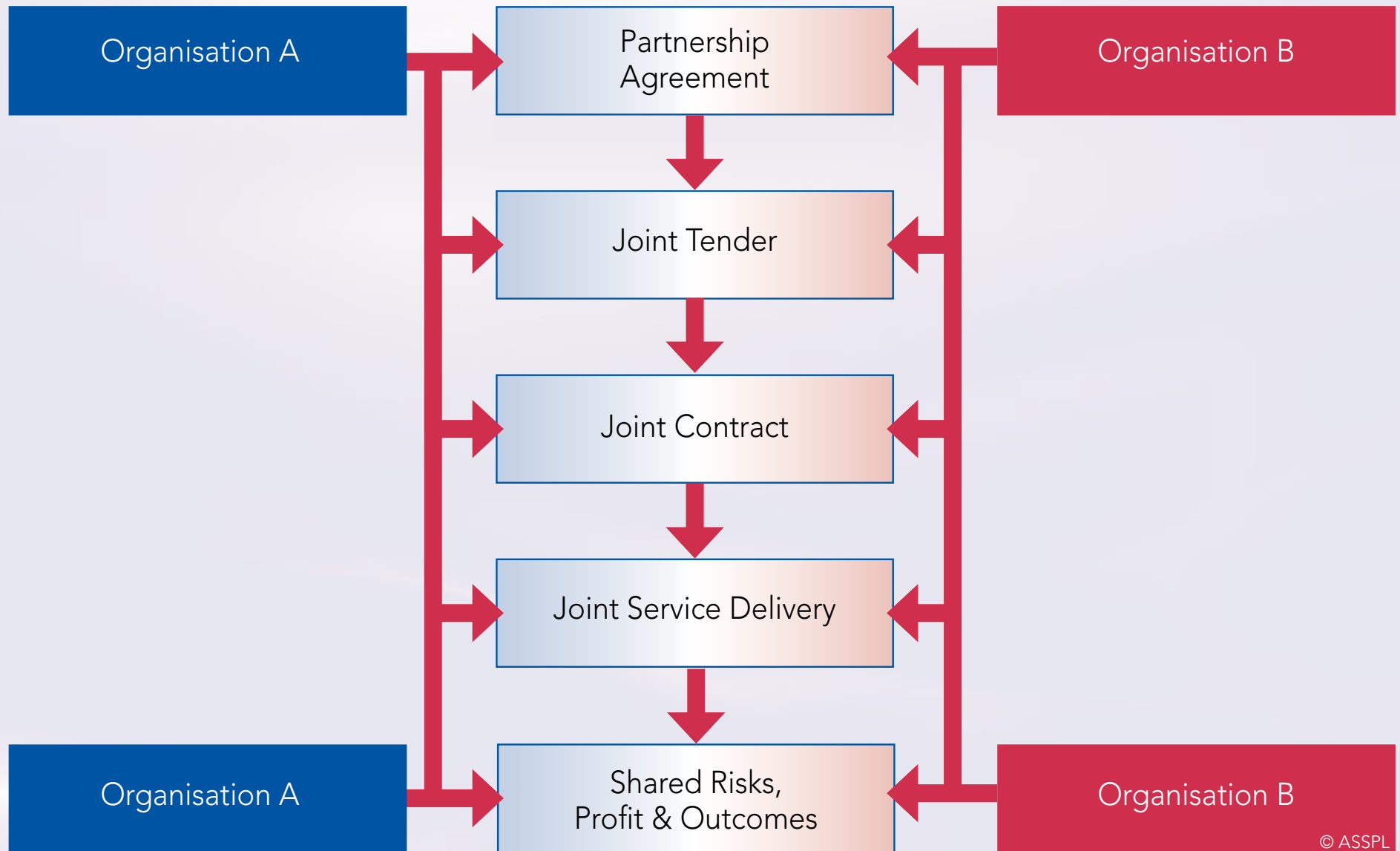
# Strategic Development Option Four: One Partnership, Many Partners, Mutual Value & Benefit



# Strategic Development Option Five: Management Agreement, Zone of Mutual Benefit



# Strategic Development Option Six: Pooled Services

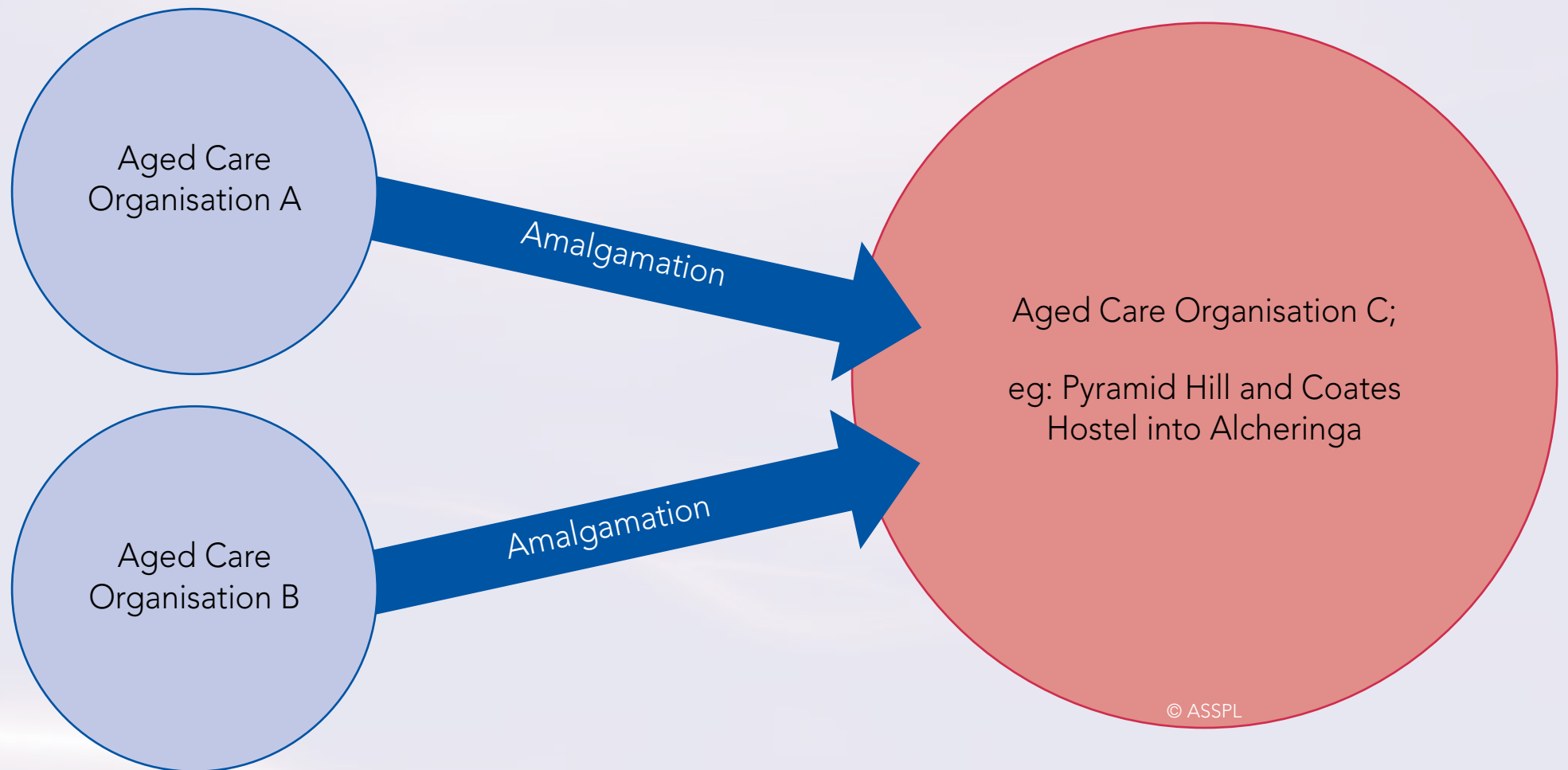


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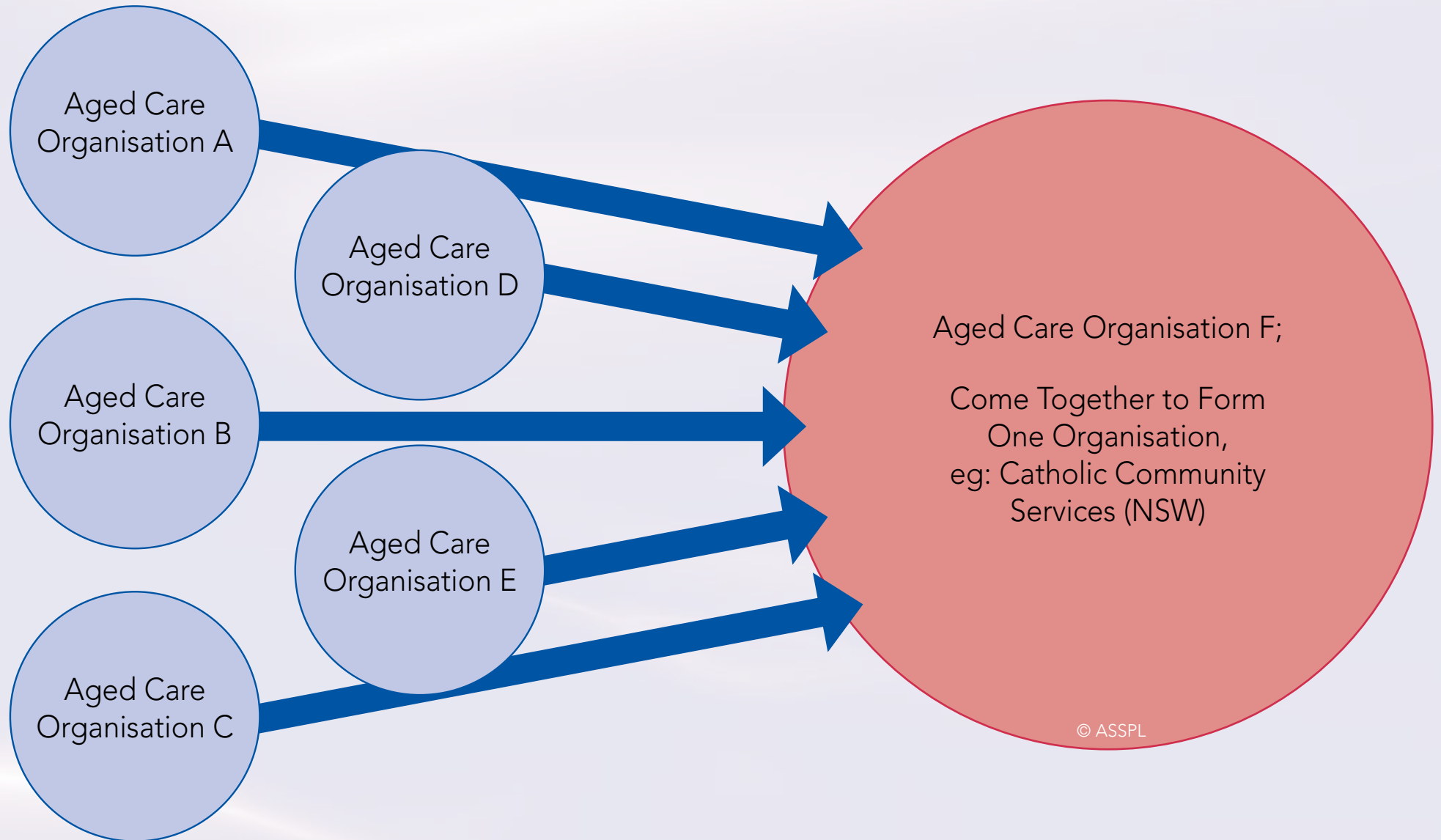
# Strategic Development Option Seven: Aged Care Management Company, Servicing Many Aged Care Organisations



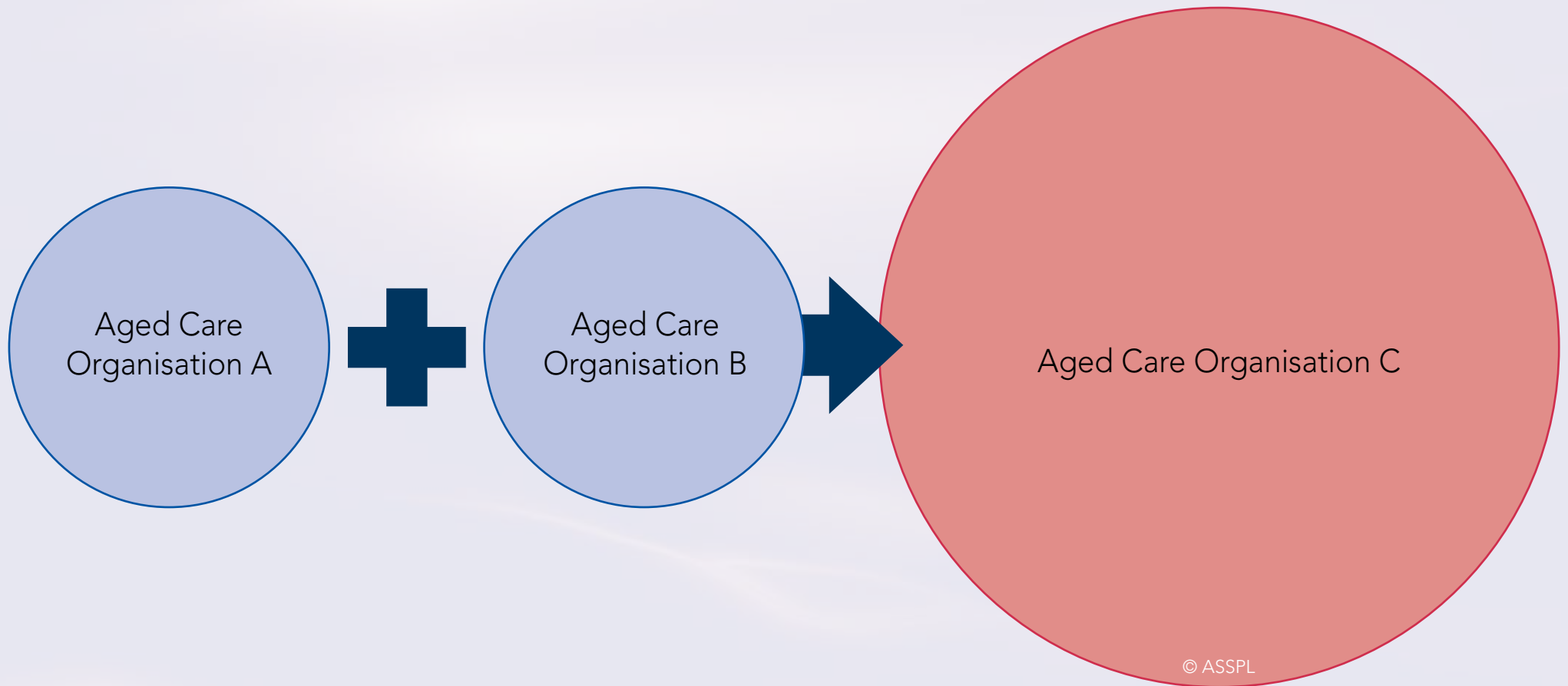
# Strategic Development Option Eight: An Amalgamation of One or More Organisations into an Existing Organisation



# Strategic Development Option Nine: Several Merge Together to Form One



# Strategic Development Option Ten: Two Merge Together, Creating a New Organisation





*Ten Vital Actions For Success*

# Ten Vital Actions For Success

1

Ensure your Board and individual directors determine their appetite for risk and the parameters in which they are prepared to operate

2

Determine the true cost margin and price of each service or service unit to build a robust Strategic Financial Plan, projected profit and loss and cashflows, over three–five years

3

Comprehensively research current/future clients' aspirations, expectations and requirements and what they really want, not what the organisation thinks they need

# Ten Vital Actions For Success

4

Develop two to five scenarios using scenario planning, then determine against which scenario you will develop specific strategies and determine their risks

5

Discuss and determine the philosophy upon which your organisation will operate and its alignment to your organisation's vision, mission, values and core business statements

6

Review your strategic competitive advantage; what will make your organisation different and what will keep your organisation winning in the future

# Ten Vital Actions For Success

7

Ensure the organisation's new strategy forms the basis against which the new structure/positions are developed

8

Establish and operate comprehensive and integrated governance, organisational and operational systems that are founded on the solid IT platform and software, not paper or file based

# Ten Vital Actions For Success

9


Develop and utilise a performance management system therein categories of measurement and key performance indicators that will hold individuals accountable

10

Plan and implement a comprehensive change management strategy that will assist staff transition from the existing paradigm into the new paradigm

# My Ideas & Actions





*Don't underestimate  
this paradigm shift...  
its focus on individual choice  
and its creation of a new operating  
environment/market place.  
So don't be afraid to make decisions,  
take risks and learn from your mistakes...*

An aerial photograph showing a long, straight dirt road that stretches from the foreground into the distance, eventually leading to a city skyline on the horizon. The landscape is flat and covered with green grass and scattered trees. The sky is clear and blue.

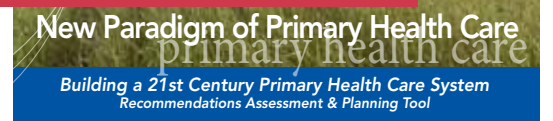
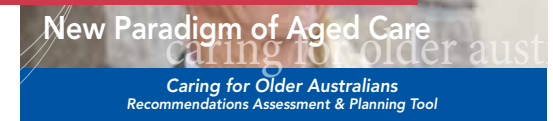
*Metropolitan,  
Rural & Remote Aged Care...  
Your Future Is In Your Hands*

# The Big Picture Toolbox

Review and plan for the recommendations of the *Caring for Older Australians* report and other Productivity Commission and Commonwealth Government reports/recommendations that will bring challenges/opportunities for your organisation.

The Big Picture Toolbox is a quick and easy way to:

- ◆ review the recommendations
- ◆ assess and plan for relevant recommendations.



IDEAS - INNOVATION - INFORMATION

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# The Big Picture Toolbox

The Big Picture Toolbox contains:

- A visual presentation of the recommendations from each of the Productivity Commission and Commonwealth Government reports
- Assessment and planning tools for each report's recommendations to assess and plan for the challenges and opportunities of the recommendations and their possible effect on your organisation
- A CD containing all seven visual presentations (PDF format) and the respective assessment and planning tools (MSWord format for ease of use).



**Cost:**

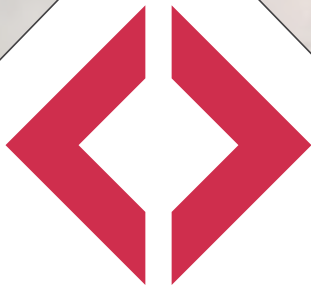
\$1,000 plus express postage & handing & GST

**Enquiries/Orders:**

Australian Strategic Services, T: 03 5429 6331, [office@asspl.com.au](mailto:office@asspl.com.au)

# Further Information & Assistance

For further information and assistance or for a data projector/ cd version of this presentation please contact:



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# Hmmm...What Does This All Mean For Our Organisation?

My Ideas & Actions	Who	Priority