#AFNC17

Tuesday, 18 July

8:45am
How to Navigate Through Disruptive Policy & Funding Change
Kathryn Stonestreet, Branch Out Consulting

9:25am
Change Management
Marcus Duhon, Aptify

11:00am
The Future of Digital Events & What It Means for Your Association
Sara Gonzalez, Redback Conferencing

11:40am
Finding Your Why? Exploring Your Membership Purpose
Margot Smith, Australian Institute of Management

1:30pm
Findings from the Associations Forum Financial Benchmarking Project
Ron Switzer, Associations Forum

2:10pm
Don't Be a Bad News Story - Governance Lessons for Associations
Denys Correll & Kathy Nguyen, Associations Forum

Aptify®

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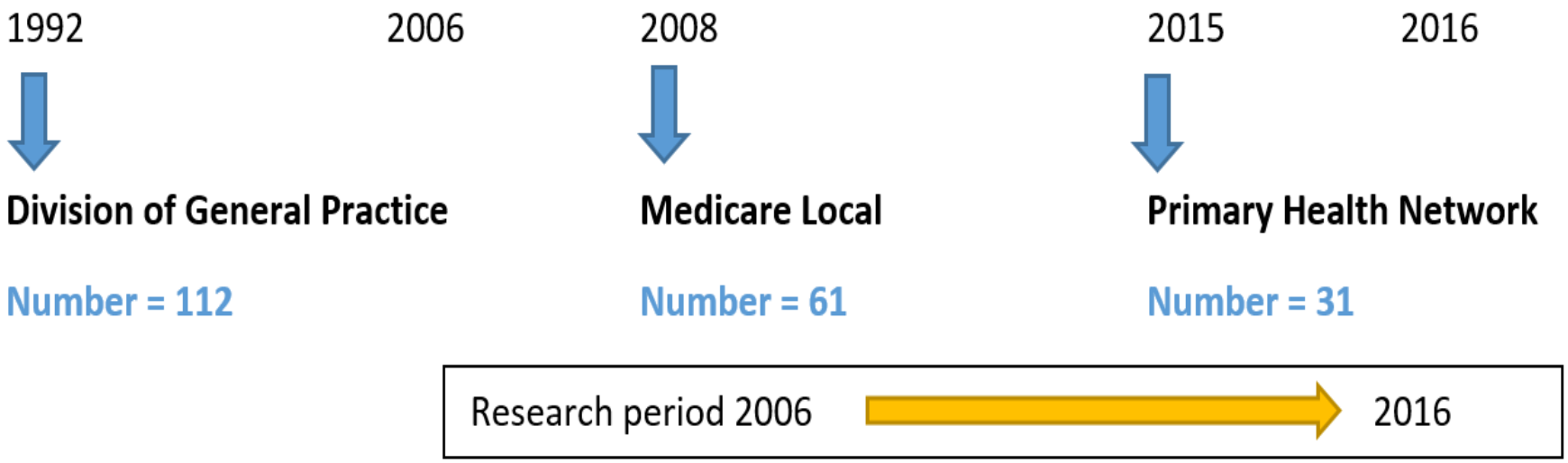
DISRUPTIVE CHANGE IN PRIMARY HEALTH ORGANISATIONS 2006-2016

Kathryn Stonestreet

RESEARCH PERIOD



Division of General Practice

Objectives

➔ Access (enhancing community access to services)

➔ Prevention and early intervention

➔ Supporting integration and multidisciplinary care

➔ Population health and the better management of chronic disease.

Governance Model

GP members

GP Board Directors

Medicare Local

Objectives

➔ Improving the patient journey through developing integrated and coordinated services

➔ Providing support to clinicians and service providers to improve patient care

➔ Identifying regional health needs and development of locally focused and responsive services

➔ Facilitating the implementation of primary health care initiatives and programs

➔ Efficient and accountable with strong government and management

Governance Model

Primary health clinicians (GPs, allied health) members and/ or Primary Health Organisations as members

Skills based Board Directors

Primary Health Network

Objectives

➔ Increasing the efficiency and effectiveness of medical services for patients, particularly those at risk of poor health outcomes

➔ Improving coordination of care to ensure patients receive the right care in the right place at the right time

Governance Model

No restriction on company membership. For-profit, non-profit, private organisations, state and territory governments

Skills Based Board Directors

Clinical Councils and Community Advisory Groups

RESEARCH FOCUS – FROM A CEO PERSPECTIVE

Impact of these reforms on:

- Organisational performance
- Employee engagement
- Stakeholder engagement
  - GPs
  - Allied health
  - Local Health Networks


EXTRA! EXTRA!
READ ALL ABOUT IT!
CHANGES
COMING!!


POLICY
CHANGES

WHICH REFORM WAS EASIER AND WHY?

DoGP to ML

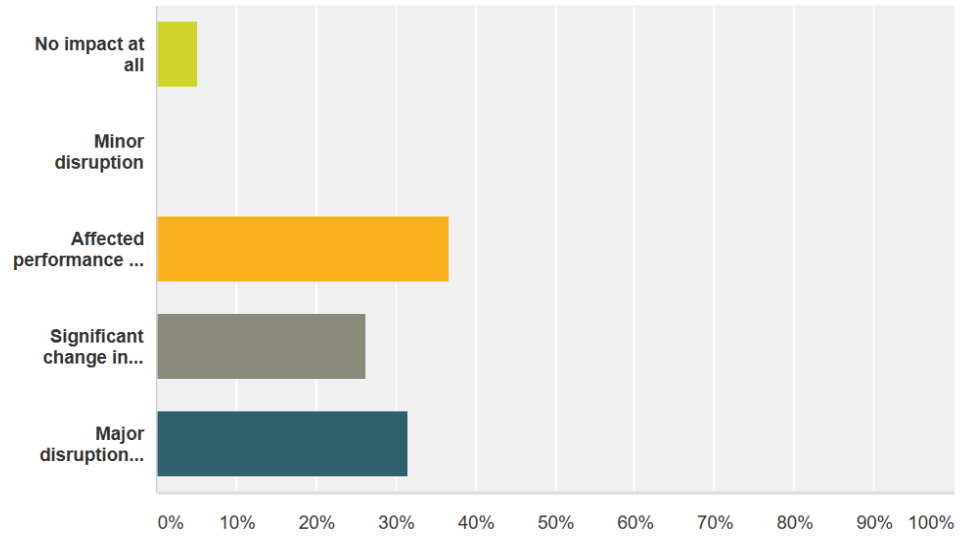
Factors	Number
Continued purpose and expansion of activity	7
Retained boundaries, no organisational mergers	4
Continued management team	3
Less negative media than ML to PHN	2
Certainty of future	2
Transfer of employees easier	1
Non-competitive tender	1
Less 'bureaucratic' than the PHN	1

ML to PHN

Factors	Number
Retained boundaries, no organisational mergers	5
Change in function less dramatic, continued purpose	3
Role of PHN clearer than role of ML	2
Hard mergers had already occurred	2
Tender not contested	2
Less GP trauma	1

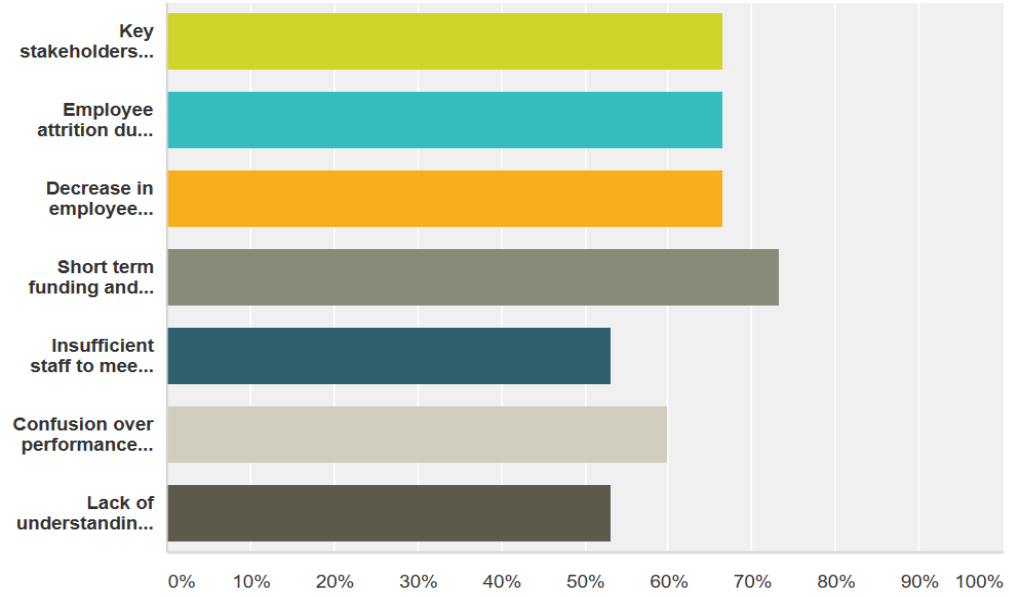
WHAT IMPACT DID THE REFORMS HAVE ON ORGANISATIONAL PERFORMANCE

Answered: 19 Skipped: 1



Answer Choices	Responses	
No impact at all	5.26%	1
Minor disruption	0.00%	0
Affected performance in some areas	36.84%	7
Significant change in performance	26.32%	5
Major disruption severely affecting organisations performance	31.58%	6
Total		19

IMPACT ON PERFORMANCE TARGETS

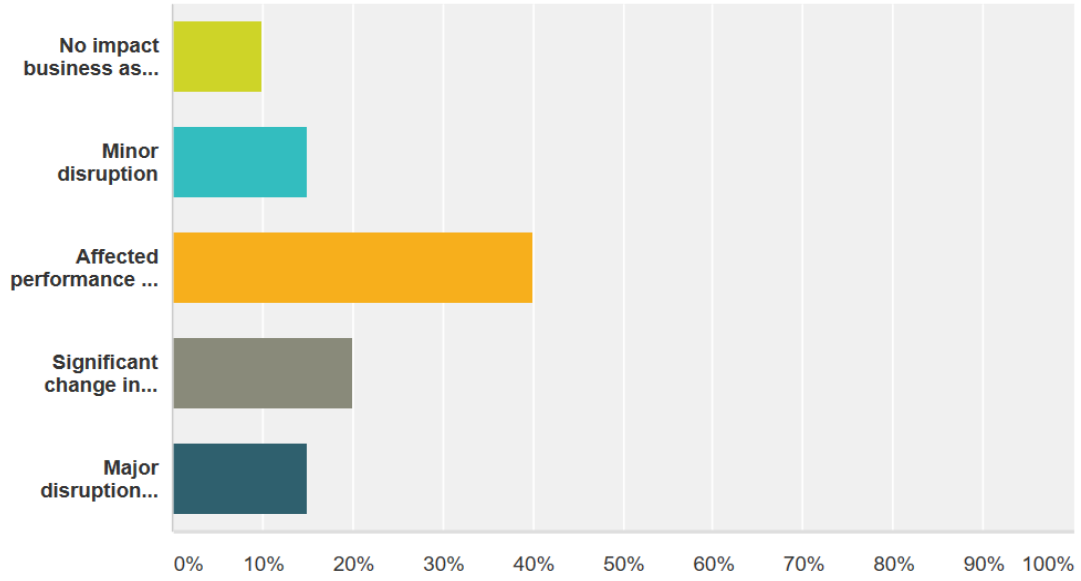


Answer Choices	Responses	
Key stakeholders disengaged from collaborative projects because they were unsure of service continuity	66.67%	10
Employee attrition due to funding uncertainty	66.67%	10
Decrease in employee engagement and motivation	66.67%	10
Short term funding and limited future to complete projects	73.33%	11
Insufficient staff to meet performance targets	53.33%	8
Confusion over performance targets	60.00%	9
Lack of understanding about what constituted high or low performance	53.33%	8
Total Respondents: 15		

"We are in the business of perpetual reform and to that there is a cost. Unfortunately both the investment and cost in dollars and time means that internal resources are shifted away from organisational performance. A significant proportion of our time, more than we would have wanted, was spent on managing the reform as opposed to managing the performance…we have had a five year transition period, and so within that there is uncertainty of dollar and contacts".

"Realistically you cannot cease an organisation, and stop funding and policy streams in a way that the government has done, over those two iterations, without severely impacting the confidence of consumer and stakeholder community. That has severely impacted our ability to actually really cement some of the things that in both DoGP and ML we had hoped to pursue. Effectively it means we have to start from scratch each time".

Overall Impact of both reforms on employee engagement



Answer Choices	Responses	
No impact business as usual	10.00%	2
Minor disruption	15.00%	3
Affected performance in some areas	40.00%	8
Significant change in performance and motivation	20.00%	4
Major disruption affecting employees ability to perform	15.00%	3
Total		20

Comments (20)

WHAT IMPACTED EMPLOYEE ENGAGEMENT

1. Change Fatigue

"When the [ML] boundary was finally announced it was exciting...and we built this up for two years and then we get the nod that we are now part of this big PHN, which was profoundly more damaging to staff. A number of my staff behaved in a way that I have never seen them behave. They didn't adjust to the change well. Good high functioning clinicians, people that had been quite effective in their role, lost a lot of their mojo and some were even referred under EAP and having mental health reviews, had anxiety and anger at what was going on and that is still lingering today in the first year of the PHN"

WHAT IMPACTED EMPLOYEE ENGAGEMENT?

2. Change in purpose – move away from being a service provider

"Our clinical staff have been operating for a year with this hanging over their heads."

3. Downsizing

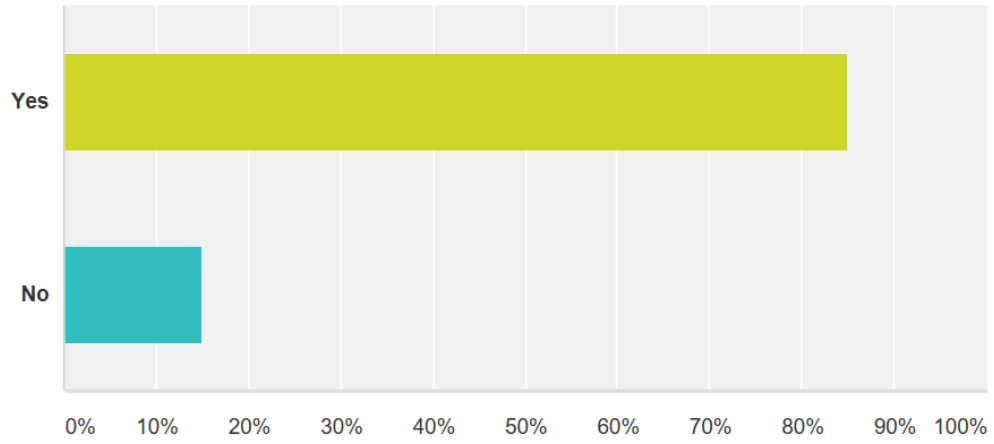
4. Mergers and culture clash

5. No certainty of the future

"There was still no certainty that the government was going to renew contracts. We could only tell them that to the best of our knowledge you will have a job but not able to give them the same degree of certainty with ML to PHN because we didn't know ourselves."

IMPACT OF MEDIA AND POLITICAL COMMENTARY ON EMPLOYEES

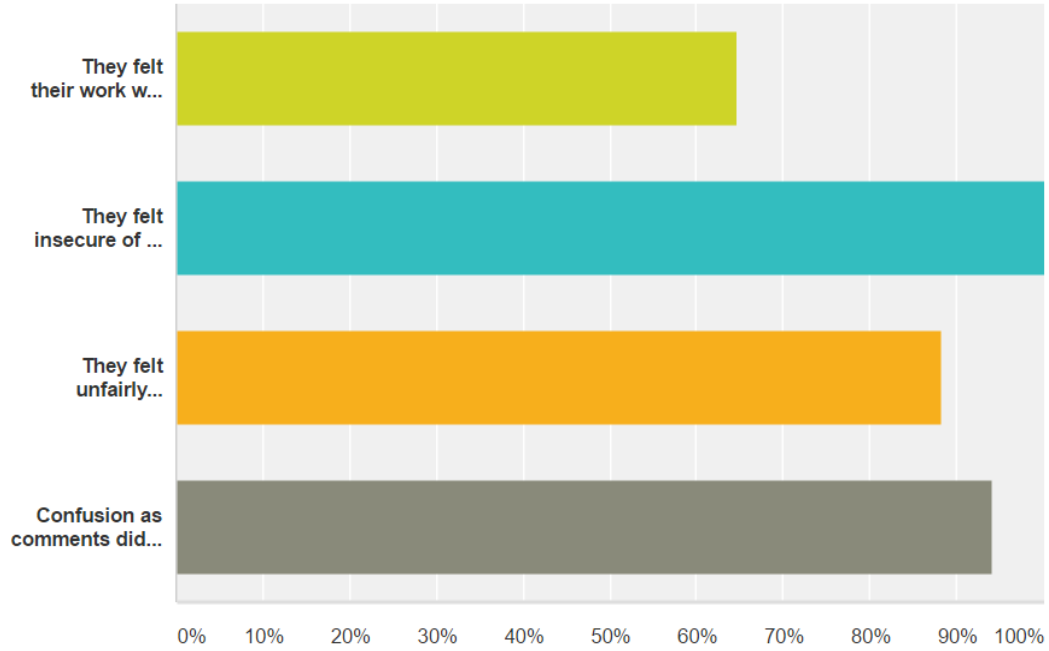
Answered: 20 Skipped: 0



Answer Choices	Responses	
Yes	**85.00%**	17
No	**15.00%**	3
Total		20

If Yes, how were employees impacted negatively by public commentary about their organisations role?

Answered: 17 Skipped: 3



Answer Choices	Responses	
They felt their work was unsupported	64.71%	11
They felt insecure of the future	100.00%	17
They felt unfairly criticised for doing their job	88.24%	15
Confusion as comments didn't reflect their experience day to day	94.12%	16
Total Respondents: 17		

Comments (19)

“There was anger and resentment that their value was being eroded by ministerial statements and political statements. They all thought they were doing a good job and because of a change in policy they were told that they weren’t. They felt that their work was undervalued. An alternative reality was being presented to them, that the organisations they were working for, and they themselves, weren’t doing a good job. Whereas the feedback they were getting in their day to day interactions was that they were doing a great job, a very good job”

HOW CEOS MAINTAINED ENGAGEMENT

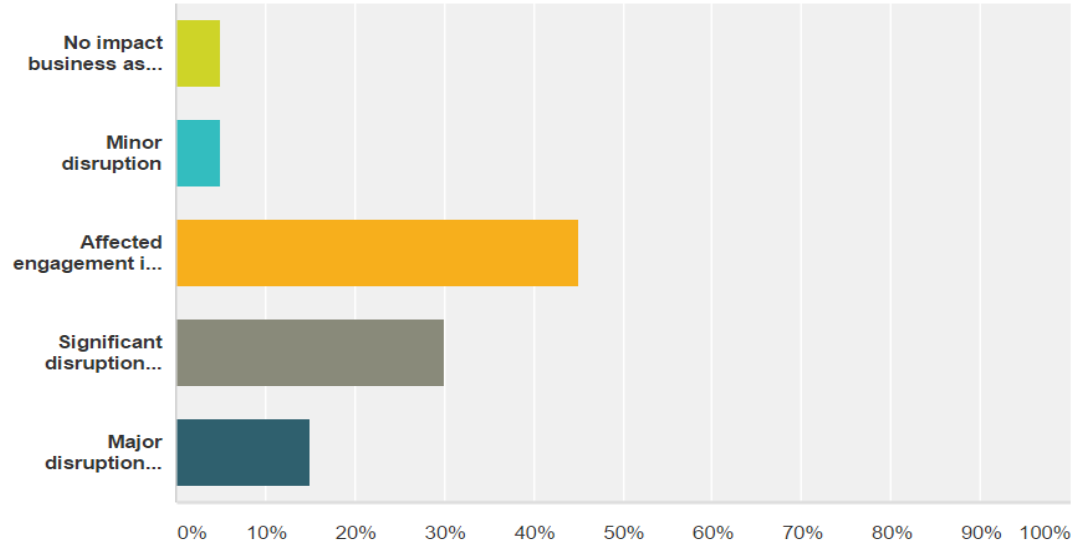
- Develop a shared narrative – Board, Senior Exec, CEO all singing to the same song sheet
- Robust transition planning
- Communication Strategy

"Communicate, communicate, communicate"

- Involving employees in the new vision
- Being transparent and encouraging the workforce look beyond the "white noise" arising from negative media reports and Ministerial comments.

STAKEHOLDER ENGAGEMENT

Answered: 20 Skipped: 0



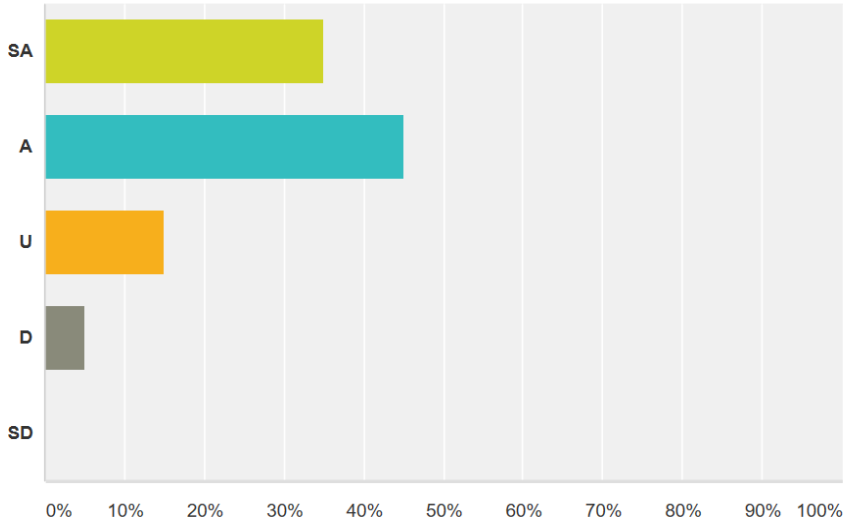
Answer Choices	Responses	
No impact business as usual	5.00%	1
Minor disruption	5.00%	1
Affected engagement in some areas	45.00%	9
Significant disruption affecting multiple projects	30.00%	6
Major disruption affecting engagement with all stakeholders	15.00%	3
Total		20

Comments (17)

IMPACT OF NAME CHANGES ON STAKEHOLDER ENGAGEMENT

PHO organisational name changes undermined GP and stakeholder confidence

Answered: 20 Skipped: 0



Answer Choices	Responses	
SA	35.00%	7
A	45.00%	9
U	15.00%	3
D	5.00%	1
SD	0.00%	0
Total		20

Comments (18)

- Brand confusion
- Loss of credibility
- Perceived as a waste of Money
- Poor name choice

IMPACT ON CEO MOTIVATION

- 37% felt the reforms had a positive effect
- 37% negative
- 26% adopted a more non-aligned position, where participants noted that while they work in primary health and identify reform positives, they also see that managing the process has dampened their enthusiasm to a degree.

Comments focused primarily on the negative impact and participants discussed being disillusioned, demoralised and worn-out after such an extended period of reform.

IMPACT ON CEO MENTAL HEALTH

The majority of respondents (90%) said the process had negatively impacted their **mental or physical health**.

"I can tell you I have no colour left in the hair at all. It has been a huge drain on the degree of commitment and energy. For myself personally I feel it has been the hardest work I have ever done in my life. And I don't think that if another change happened - well I know, I have told my Board this the day we signed the PHN contract, if government does this again I won't be part of it. The reality is that you only go through these sorts of things so many times. From a management perspective I have learnt a massive amount about organisational change management, human resource management in a highly constrained and shrinking environment. I have learnt some fantastic skills but they are not skills you want to have to apply continuously…the government has to settle on this, agree and build on this. I don't know what would happen if they try to reform again, they would totally loose the sector, they will lose me and lose control over the agenda that they are very much seeking."

“Mentally it was not such an issue, but physically I was just exhausted. Couldn’t work anymore, I couldn’t have worked any harder for any longer. It was just too much work. Way too much work.”

RECOMMENDATIONS

1. Want to reform?

Building on success, consult and partnering with the sector

2. When you reform

Maintain a position for an adequate period of time

3. When you reform

There may be a leakage of skills and it will take time to rebuild

4. Establish a national health commission

5. Training for Departmental officers to understand responsibilities under the Corporations Act

6. Utilise the current model to full capacity

7. Ensure governance structures and commissioning processes are independent, rigorous and able to weather scrutiny

10 RECOMMENDATIONS

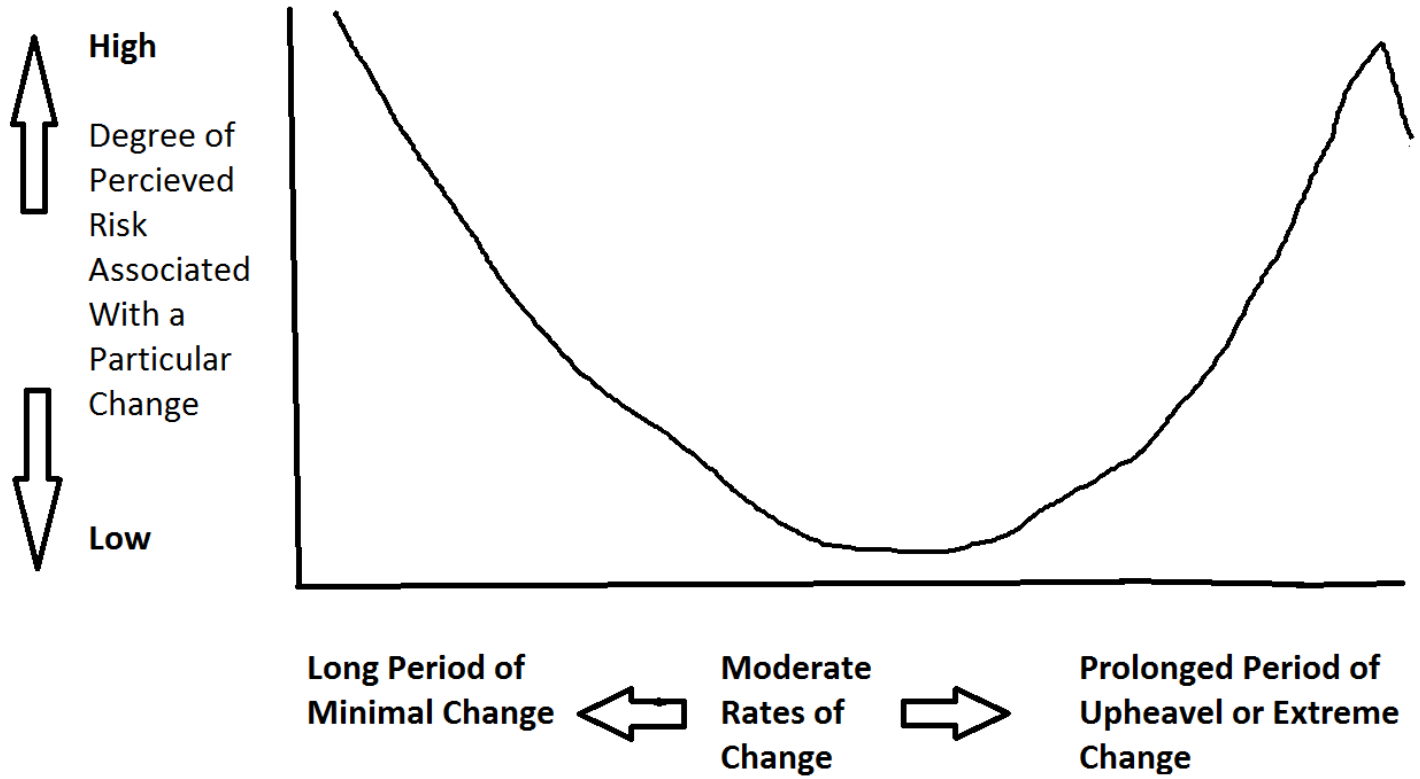
8. This volatile electoral environment and inevitable policy shifts may continue so…..be prepared!

Invest in:

- leadership support and mentoring
- learn about change management and communication strategies to cope
- recruit employees with high change resilience

Before the Change	During the Change	After the Change
Anticipation and anxiety phase	Shock, denial and retreat phase	Acceptance phase
Issues: Coping with uncertainty and rumours about what may or may not happen	Issues: Coping with the change announcement and associated fallout: coping with rumours: reacting to the new reality	Issues: putting residual traumatic effects of the change behind you, acknowledging the change, moving on to new beginning, adaption and change
1. Pre-change anxiety, worrying about what might happen, confusion, and perhaps denial over what change is needed or likely	2. Shock – perceived threat, immobilization, no risk taking 3. Defensive retreat – anger, rejection 4. Bargaining 5. Depression and guilt, alienation	6. Acknowledgement – resignation, mourning letting go 7. Adaptation and change – comfort with change, greater openness and readiness, growing potential for risk taking

Learning about change cont.



Cawsey et al (2016, p232)

RECOMMENDATIONS

9. Develop a transparent PHN performance framework that allows for reasonable measurement of activity, fully understood and supported by the Minister/Department.

10. Strong regional strategy to re-engage will key stakeholders – GPs.