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Enhancing Service Provider Governance and Management in the National Disability Insurance Scheme

Toolkit for developing strategic service provider leadership in the NDIS environment

Acknowledgment of Funding for this Project

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Introduction and Welcome

The Parkinson's NSW Purpose is to connect people living with Parkinson's with life-enhancing support and services.

In line with this Purpose, Parkinson's NSW is pleased to have secured grant funding from the Australian Government under the NDIS Quality and Safeguards Commission Support for NDIS Providers Program to create this Toolkit.

This Kit is intended to assist disability sector leadership bodies understand the implications and complexities of the NDIS business environment. It will also inform decision making about possible ways forward in seeking and maintaining NDIS Approved Provider registration.

In 2017 Parkinson's NSW embarked on a journey to transform from being a not-for-profit enterprise to a 'for-purpose' business model in order to better respond to the needs and expectations of the 218,000 Australians who are living with Parkinson's.

Becoming an approved NDIS Provider became an important step in achieving this goal.

We began our NDIS Provider registration journey in 2019 so that our organisation could continue to develop and deliver high quality, Parkinson's-focused supports to people who are living with this disease – and their caregivers and families.

We found the NDIS journey challenging at the time as we came to understand the registration process, the increased quality and compliance requirements and how this fundamental change would forever change existing models for Disability Support in Australia to a new 'customer' driven paradigm.

We were particularly interested in understanding the impact on our governance and operational leadership and management processes as we transitioned to the NDIS environment.

The purpose of this Enhancing Service Provider Governance and Management in the NDIS Toolkit is to connect governance and executive management teams with resources and targeted information that will assist them succeed in NDIS business environment or in making their decision to become an approved NDIS Provider.

J. Reeves

Jo-Anne Reeves
Chief Executive Officer
Parkinson's NSW

The primary purpose of the **Enhancing Service Provider Governance and Management in the NDIS Toolkit** *is to support existing Disability Service Providers and businesses that want to operate in the NDIS environment understand the implications of the NDIS (National Disability Insurance Scheme) – and where necessary to re-vision, innovate and transform how they do business in the NDIS market driven consumer focussed environment.*

It is about ensuring that Boards and executives are well prepared to lead their organisations and businesses decisively through significant changes to the new NDIS paradigm.

This Toolkit is not an instructional guide about the essential fundamentals of governance or management. Instead, it is a resource for looking at governance and management through the lens of operating successfully in the different NDIS business environment.

The Kit contains resources (tools) that can assist Boards and executive management teams navigate the huge internal and external challenges ahead arising from the introduction of the NDIS.

The external NDIS environment requires disability organisations to transform from being mission-driven charities to high functioning customer-centric businesses that are market (customer) driven.

Internal challenges that disability sector leaders may need to face may include up-skilling and re-tooling their practices and thinking about business processes, branding, marketing, IT, working collaboratively with other market players and creating long term financial sustainability in a market where NDIS service price caps are regulated.

The Toolkit can assist service provider leaders re-imagine and possibly shift their mission, core purpose and business systems to operate in the NDIS environment and thrive.

The introduction of the NDIS will create new and completely different service models and opportunities. The challenge for leaders is in recognising what has to be thought through, what has to be done and how is it done.

Such considered action will ensure that NDIS participants with an approved NDIS Plan will be able to access the quality individualised services of their choice from the providers they have chosen.

Go here to access a PowerPoint Overview of the Toolkit Introduction

The resourcing to develop this Toolkit was provided by grant funding from the Australian Government through the NDIS Quality and Safeguards Commission Support for NDIS Providers Program.

The methodology used to research and create this Toolkit included:

● Conducting an extensive literature review to identify and quality assure existing resources that could be referenced. Also, to identify academic literature relating to the implementation of the NDIS in Australia.

● Researching current NDIS approved providers in NSW – both not-for-profit and for-profit organisations – and selectively approaching leadership representatives of those stakeholders to contribute to Focus Group work and interviews.

● Analysing data collected about what challenges, concerns, interests, or technical enquiries the stakeholder group has in terms of supporting them to transition in an informed way into the NDIS (or not).

● Convening a stakeholder working group to create the framework for the Toolkit.

● Developing and trialing the Toolkit.

● Continuously improving the Toolkit to ensure it is relevant and market ready.

● Releasing the Toolkit to the sector upon grant completion.

Who will benefit from using this Toolkit?

The target audience for this Toolkit includes governing bodies, leaders, and executive managers.

Board members and executive level managers have an obligation to understand the implications of the NDIS reforms and ensure that their organisations are well prepared if they seek registration as an approved NDIS provider.

The NDIS introduces new responsibilities and additional demands on the skills, knowledge and capabilities of Boards and senior managers and executives – the organisational leaders.

The introduction of the NDIS has triggered a total reinvention of the Australian Disability Sector, creating an increased need for NDIS knowledge and skill development for those who are responsible for governance and executive management.

This Kit has been designed as a resource to empower, inform, and guide those who are responsible for all aspects of governance and management irrespective of whether they are leading large non-profit organisations, for-profit organisations or operating large and small businesses enterprises. It aims to enhance governance and operational knowledge and practice.

The Toolkit can assist provider leadership bodies to lead and position their organisations in the new NDIS market-driven consumer demand business environment and to meet the rigorous standards of practice that are required by the NDIS Quality and Safeguards Commission ('the Commission') – the regulatory body that administers service provision by approved NDIS providers under the National Disability Insurance Scheme Act of 2013.

The Kit provides links to resources and information that can trigger new ideas and up-skill NDIS Providers so they can robustly meet the conditions of NDIS registration and develop their unique NDIS business models.

Leaders at executive and strategic levels will benefit from this Kit in that it can develop their understanding of the new or different governance and operational strategies and systems that may need to be designed and implemented in their organisations in order to meet NDIS compliance standards.

The Toolkit and each of the separate tools contained within the Kit are located on the Parkinson's NSW web page for the Support for NDIS Providers Program.

Go to the Toolkit on the Parkinson's NSW webpage

Why is such a Toolkit Important?

The introduction of the National Disability Insurance Scheme is a major outcome of a paradigm shift in Australia's response to guaranteeing the human rights of all people with disability.

The shift triggered a transition from the 1980s pre-NDIS National Disability Agreement (NDA) system of thinking and doing, to the new 2013 NDIS system of thinking and doing arising out of the National Disability Insurance Scheme Act 2013.

The NDIS is a fundamentally different market-driven system compared with the way Disability Services were provided in Australia before the enactment of the Disability Insurance Scheme Act 2013.

Facilitating this transition will be achieved by Boards and management teams that are well placed to lead and implement change at all levels. The required changes are significant.

Some of the major challenges for boards and leadership teams to understand and succeed under the NDIS reforms are likely to include:

- Understanding the NDIS system and the regulatory and compliance requirements that will ensure that the increased NDIS requirements for risk, quality and safeguarding management are met.

- Understanding and working with the financial implications of the NDIS which in the case of not-for-profit organisations will likely create interruptions to income flow and possibly have an impact on financial sustainability. Effectively managing the transition in financial arrangements and mechanisms will be critical for some organisations to survive.

- Recognising the new and different business approaches and systems that will need to be put in place to support working cost effectively and efficiently under the NDIS where there is price capping on payment for services.

- Understanding that transitioning to the NDIS paradigm will require significant cultural and behavioural changes in the organisation. These are fundamental elements of the NDIS reforms as we move to a truly person-centred reality for people impacted by disability.

- Significantly developing the capacity, skills, knowledge and understanding of boards and executive teams to lead their organisations through the transformational changes that will be required to succeed in the NDIS.

The Toolkit may also provide insights into what thinking, strategic planning and implementation may need to be planned and undertaken to support your organisation succeed in the NDIS.

Just a few of the areas for reflection and analysis in the context of the NDIS include but are not limited to:

- Getting to grips with the NDIS system.

- Being accountable in the NDIS.

- Understanding the NDIS market.

- Re-visiting what your organisation is all about.

- Building your NDIS brand and your unique market.

- Creating strategic partnerships and collaborations.

- Customising/adapting your systems.

- Planning for the future.

What does this Toolkit contain?

This Toolkit is in the form of a digital document that includes general information and links to a toolbox of resources or 'tools'. The contents of this Kit are specifically aimed at extending the capacity and confidence of leaders of disability service providers to:

- Gain an understanding of the NDIS and identify what it may mean for their future business operations as the transition to the NDIS rolls out.

- Make informed decisions about whether seeking approved provider registration is the way to go for them.

- Confidently lead their organisation or business as they enter or continue to operate in the NDIS environment.

Rather than separating resources for governance bodies such as Boards from resources for executive management, the resources are integrated and can be selected individually for the purposes of providing training or information given that the focus of this Toolkit is about developing leadership talent in the NDIS context.

This Kit contains tools that you can adapt to meet the needs of your organisation and achieve its mission.

The Toolkit is divided into four parts:

- **Introduction to the Toolkit**

  Overview of how and why this Toolkit was developed.

- **Section 1 – Overview of the National Disability Insurance Scheme system**

  The difference between the NDIS and NDA Strategic thinking to drive success

  The big question

- **Section 2 – Key Leadership Focus Areas for informing Transition to the NDIS**

  Explores seven key focus areas for transitioning to or maintaining NDIS registration

- **Section 3 – NDIS Registration**

  Comprehensive and practical guide about how to register for the NDIS

  Within each part is a comprehensive number of resources, links, tools, templates, checklists, presentations and videos.

  In most cases the resources can be downloaded for multiple uses.

Note – at the time of publication all links, references, resources and other web tools were accurate, up to date and relevant at the time of publishing however, Parkinson's NSW cannot take responsibility for pages maintained by external providers.

How to use this Toolkit

This Governance and Executive Management NDIS Resource Toolkit will navigate you through information and connect you with resources and information that may be useful and include:

- Information.
- Fact sheets, guides and handbooks.
- Education resources.
- Links to generic documents, templates and checklists that can be customised and adapted to meet your needs.
- Hyperlinks to websites.
- Hyperlinks to reputable YouTube clips.

The Kit also contains:

- A glossary of NDIS related terms.
- A reference list.
- Links to useful websites.

This Toolkit is divided into sections. Within each section, there are links to either external resources or to a checklist or a range of other resources. In some cases, the same resource is used in multiple locations where it is relevant to that topic.

A note about terminology

The intended audience for this Toolkit is Boards of governance or governance agents such as board directors who lead an enterprise at a strategic level – and executive management teams who lead and manage enterprises at a more operational level.

This Kit has not differentiated its approach to separately address the issues and concerns of both these groups.

Rather, the approach that has been taken by consensus from Focus Group input is to address this Toolkit to 'leadership teams' or 'leadership bodies' – being an inclusive group of both Board representatives and management executives. The term will be used interchangeably throughout this Toolkit.

For other terms that may be used in the context of the NDIS, consult the Toolkit Glossary of Terms at the end of this document.

Glossary of Terms

Look for the following icons to direct you

This icon will take you to an external website

This icon is a shortcut to a resource within this guide

This icon will take you to an external resource

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What is the NDIS? – A snapshot

The National Disability Insurance Scheme (NDIS) is a new national approach to providing support to people with disability, their families, and caregivers. It funds costs associated with reasonable and necessary disability supports. It is jointly governed and funded by the Commonwealth, State and Territory Governments. (Parliament of Australia updated March 2017).

The scheme was legislated in 2013 and was fully implemented across Australia by December 2020. It is administered by the National Disability Insurance Agency (NDIA) and overseen by the NDIS Quality and Safeguards Commission (NDIS Commission).

The NDIS provides life-long support to all Australians who are born with or acquire a permanent and significant disability before the age of 65 – and which substantially impacts on how they manage everyday activities. The NDIS provides support to not only to people with a permanent and significant disability but also to their families and caregivers.

One of the main objectives of the NDIS is to increase the choice and control that people with disability have over the support they receive. This is a fundamental break from the previous welfare approach under the National Disability Agreement.

The NDIS aims to empower eligible participants with a disability to use funds given to them in their NDIS Plan to purchase services that reflect their lifestyle and aspirations.

Under the NDIS, people with disability receive individual funding packages which they can use to pay their chosen providers for the support they need, instead of being referred to services that are deemed appropriate for their needs. This is a fundamental change to the nature of disability support.

Before the NDIS, people with disability were moved around the system according to decisions made by government or other organisations providing disability support.

"Under the NDIS, the funding will move around the system based on the choices people with disability make. The development of the new market for NDIS disability services is expected to take up to ten years because the changes to the system are so extensive".

Audit Office of NSW. 23 February 2017

The NDIS reform ensures a shift in how disability support is delivered. Under the NDIS, participants are assessed to determine what supports they require to live an 'ordinary life' within the framework of what is considered under NDIS legislation as 'reasonable and necessary'.

Participants engage in a planning process where these needs are articulated by the participant themselves. They are then provided with an NDIS plan.

Each plan developed with the participant and their family or other informal support networks has funding attached to it for that participant – this is what is meant by 'individualised funding'.

Based on what is listed in that plan, participants then 'purchase' their supports directly from service providers and those providers will invoice back to the person's plan after the support has been delivered.

Participants therefore have a much greater variety of options for where they can purchase these supports – thereby 'exercising choice and control' over their life.

The introduction of the NDIS Act 2013 was definitely a history making reform and introduces new and increased responsibilities for boards, management teams and leaders of organisations and individual business owners who want to register for approved NDIS Provider status.

What is the NDIS
https://www.ndis.gov.au/understanding/what-ndis

Parliament of Australia: 'A brief official history of the NDIS - The National Disability Insurance Scheme: a chronology'
https://www.aph.gov.au/About_Parliament/ Parliamentary_Departments/Parliamentary_Library pubs/rp/rp1819/ChronologiesNDIS

What system is the NDIS replacing?

The NDIS largely replaces the previous system of disability care and support provided under the COAG (Council of Australian Governments) endorsed National Disability Agreement (NDA) 2009.

Under the NDA, the Australian Government had responsibility for providing employment services for people with disability and providing funding for States and Territories to assist with meeting the objectives of the NDA.

Under the NDA, State and Territory Governments were responsible for specialist disability services – such as accommodation support, respite care, community support, community access, day activities, advocacy, and information for people with disability.

The NDIS essentially disrupts the way that disability services have been traditionally funded in the past as it re-directs funding away from organisations and to individual people with disabilities.

What are the major differences between the NDA and the NDIS?

"The National Disability Insurance Scheme (NDIS) represents a fundamental change to how supports for people with disability are funded and delivered across Australia.

"In the past, the majority of supports were delivered through government agencies, and providers were 'block funded' by government agencies to deliver particular supports to a certain number of people with disability.

"In the NDIS, people with disability are at the centre of the system. People with a permanent and significant disability that affects their ability to take part in everyday activities and those who would benefit from early intervention receive individualised funding to access reasonable and necessary supports".

NDIS Quality and Safeguarding Framework, 2016, page 5

A snapshot of how the NDIS changes the way people with disability access services and support, before the NDIS and now with the NDIS can be seen at:

What does 'insurance' mean in the NDIS vernacular?

The move to an insurance-based model as the basis for the NDIS is a major change to the previous fixed term funding contracts, agreements, and schemes. This shift can be described as a move away from a welfare-based model with no long-term plan to minimise costs to government.

The word 'insurance' in the National Disability Insurance Scheme refers to the scheme's use of proactive insurance principles to manage long-term financial sustainability. It aims to ensure any Australian citizen will have costs covered in the event they are born with or acquire a disability.

The insurance model takes a long-term view of the total cost of disability and operates on a system of reducing the lifetime costs for a person and funding what is necessary for each eligible person's life. The funding provided under the NDIS is aimed at improving life outcomes, and to meet the future costs of the scheme.

Legislative and regulatory frameworks of the NDIS

NDIS Legislation

National Disability Insurance Scheme Act 2013.

The National Disability Insurance Scheme Act 2013 (NDIS Act) is the legislation that established The National Disability Insurance Scheme and the National Disability Insurance Scheme Launch Transition Agency (known as the National Disability Insurance Agency or NDIA).

The NDIS Act sets out:

1. The objects and principles under which the NDIS will operate.

2. How a person can become a participant in the NDIS.

3. How a participant's individual, goal-based plan is prepared and reviewed – including how the NDIA approves the funding of reasonable and necessary supports.

4. How a provider can become a registered provider of supports.

5. The governance arrangements for the NDIA – including its CEO, Board, Independent Advisory Council, and Actuaries.

6. A process for internal and external review of certain decisions made under the NDIS Act.

Australian Government. Federal Register of Legislation:
'The National Disability Insurance Scheme Act 2013
https://www.legislation.gov.au/Details/C2019C00332)

NDIS Legislation: The NDIS Act
https://www.ndis.gov.au/about-us/governance/legislation

Tool 1.4 - NDIS Act 2013

NDIS Commission: Your Guide to legislation, rules and policies
https://www.ndiscommission.gov.au/sites/default/files/documents/2021-02/legislation-rules-and-policies-ov-january-20212.pdf

Tool 1.5 - Your guide to NDIS legislation

NDIS Agencies

National Disability Insurance Agency (NDIA).

The National Disability Insurance Agency (NDIA) is an independent Australian government organisation that administers the NDIS. The role of the NDIA is to implement the NDIS.

NDIS Commission webpage: About us - National Disability Insurance Agency
https://www.ndis.gov.au/about-us

NDIS Quality and Safeguards Commission (The 'NDIS Commission').

The NDIS Quality and Safeguards Commission is an independent agency established in 2018 to improve the quality and safety of NDIS supports and services.

The NDIS Commission regulates NDIS providers, provides national consistency, promotes safety and quality services, resolves problems, and identifies areas for improvement.

The Commission regulates all aspects of Provider registrations and their responsibilities – and is responsible for improving the quality and safety of services in the NDIS, enabling participants to access services and supports that promote choice, control, and dignity.

The NDIS Commission oversees:	
What?	**Information location:**
Registration and regulation of providers	*https://www.ndiscommission.gov.au/providers/registered-provider-requirements*
Compliance with the NDIS Practice Standards and NDIS Code of Conduct	*https://www.ndiscommission.gov.au/providers/ndis-code-conduct and https://www.ndiscommission.gov.au/sites/default/files/documents/2020-12/ndis-code-conduct-summary-workers-ov.pdf*
Complaints about NDIS services and supports	*https://www.ndiscommission.gov.au/providers/complaints-management*
Reportable incidents, including abuse and neglect of a participant	*https://www.ndiscommission.gov.au/providers/incident-management-and-reportable-incidents*
Use of restrictive practices	*https://www.ndiscommission.gov.au/providers/behaviour-support*
Nationally consistent NDIS worker screening	*https://www.ndiscommission.gov.au/providers/worker-screening*

NDIS Commission: Welcome to the NDIS Quality and Safeguards Commission – start your journey here
https://www.ndiscommission.gov.au/sites/default/files/documents/2021-01/welcome-ndis-commission-jan2021.pdf

Tool 1.6 - Welcome to the NDIS commission

NDIS Commission web site:
https://www.ndiscommission.gov.au/

(Note: There are home page menu options including links for NDIS Participants, NDIS Providers, Resources and other).

NDIS Commission web page: List of Fact sheets and Resources
https://www.ndiscommission.gov.au/resources/fact-sheets

NDIS Commission Fact sheet: About the NDIS Quality and Safeguards Commission
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-11/about-ndis-quality-and-safeguards-commission-dl-ov.pdf

Tool 1.7 - About the NDIS Commission

NDIS Commission Fact sheet: NDIS Commission – what does this mean for providers
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-01/ndis-commission-what-does-mean-providers-v3.pdf

Tool 1.8 - NDIS Commission: what does it mean

NDIS: The role of the NDIS Quality and Safeguards Commission
https://www.ndis.gov.au/providers/becoming-ndis-provider/how-register/role-ndis-quality-and-safeguards-commission

NDIS Commission: Welcome to the NDIS Commission (standard and Auslan videos)
https://www.ndiscommission.gov.au/welcome-ndis-quality-safeguard-commission-graeme-head

What strategic thinking will help drive success for NDIS Providers?

The Boards and management teams of many organisations and businesses evaluating whether to transition to NDIS approved status may need to implement new or different business processes, systems, and technology – and possibly change or redevelop their existing approaches to function in different market driven business practices.

To succeed and thrive in the NDIS environment it will be essential to develop a consumer-driven strategic plan based on stakeholder consultation that aligns the mission of the enterprise with the NDIS Quality and Safeguarding Commission requirements.

Focus Group feedback collected from interviewing a range of sector leaders indicates that some enterprises that have successfully transitioned to the NDIS have:

1. *Revisited and consulted with all stakeholders about their mission, values, and philosophies before making an informed decision about whether registration as an NDIS Provider aligns with their goals or not.*

2. *Accounted and planned for the financial implications of sustainably moving from advance block funding to invoicing approved NDIS Participants' plans in arrears.*

3. *Implemented effective evidence-based change management strategies to guide the transition process.*

4. *Created positive employee and client cultures while managing change and transitioning to a new way of working in the new market-driven business environment.*

5. *Implemented or upgraded integrated business systems such as IT, Data Management, Risk mitigation, Quality and Compliance management, Workforce Planning and Training.*

6. *Created their point of difference or unique brand – and marketed and communicated their unique service offerings effectively to attract NDIS participants in the competitive NDIS market.*

7. *Ensured rights-based and person-centred approaches to engagement of and with all stakeholders in every interaction.*

   Use these Focus Group observations to think through the implications for your particular business model.

High performing leadership teams know that change is inevitable and realise that coming change needs to be embraced. Change will most probably mean that things will need to be thought of differently and be done differently in order to ensure that their organisation is ready to meet the challenges ahead.

This may require:

- Strategic thinking rather than thinking about only now or the short term. This means being aware of the environment outside of the organisation and understanding what the organisation needs to do to remain relevant and viable and delivering on its mission.

- Aligning and re-aligning people and practices for how things are done – putting thought into how the organisation can be made ready and able to deal with the dynamic challenges, opportunities, rises and falls of society.

- Creating a culture of engagement and connectedness by building the capacity of the organisation to really engage with clients, agencies, communities, funders, government, competitors, and other stakeholders.

Note: Refer to Section 2 of this Toolkit for more detailed information to support strategic thinking.

Board and management team considerations for achieving or maintaining approved NDIS Provider registration

Good governance and executive management are critical for good business. Leaders need to understand the impact of NDIS changes to ensure that organisations, Boards, and executives are compliant with legal and regulatory obligations – and able to achieve financial and business objectives.

By providing consumer choice, the NDIS has presented disability service providers with new and often different governance, managerial and operational challenges.

These include focussing on organisational mission and values, strategy, corporate governance, client services, marketing, financial management and sustainability, workforce planning, information technology, knowledge management, quality management and continuous improvement.

Focus Group feedback from organisations that transitioned (or were contemplating it) to the NDIS also revealed that some key factors that can underpin the success of organisations and businesses include:

- Understanding the legislative and policy frameworks that are built in to regulate the NDIS market. This includes the NDIS Quality and Safeguarding Framework and understanding increased accountability under the NDIS Quality and Safeguarding Commission in terms of mitigating risk and managing compliance.

- Understanding the key government agencies that administer the NDIS and connecting to them.

- Recognising and planning for the financial implications of transitioning from the pre-NDIS block funding paid quarterly in advance to providers, to individualised funding for each NDIS participant paid in arrears and where invoicing after service has been delivered. This shift can impact financial stability.

- Coming to grips with the implications of developing the service to better compete with other service providers in the consumer driven business environment. This is a new way of thinking for not-for-profits – re-imagining competitors as potential business partners for example.

- Revisiting and possibly adjusting one's approaches to marketing targeting niche participant markets and workforce skill development including developing the competencies of managers and boards and implementing new systems and technology.

- Recognising that new behaviours will be required to operate successfully in the business model environment.

- Driving, facilitating, and sustaining positive change and new and different behaviours in what is considered a turbulent environment.

NDIS Commission: Provider registration process
https://www.ndiscommission.gov.au/providers/provider-registration

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Disability Sector guidance for assessing business readiness to transition to the NDIS

National Disability Services (NDS) – the Peak Body for non-government Disability Service Providers – invested significant NSW Government development funding through the Industry Development Funding (IDF) in sector development for the NDIS.

NDS developed a free business self-assessment tool based on a business excellence framework called The NDIS Provider Toolkit ('The Toolkit').

That Toolkit was specially designed to assist disability service providers assess their business readiness for NDIS. It was made available in 2014 after the NDIS Act 2013 passed into law.

The NDS Toolkit provides self-assessment exercises that are still current and focus on NDIS business readiness capability across the following key business areas:

1. Strategy.
2. Corporate Governance.
3. Clients and Market Focus.
4. Financial Sustainability.
5. People and Capability.
6. Safeguarding, Quality Management & Improvement.
7. Information and Knowledge Management.

Even though the NDIS is a new system that is constantly developing and responding to new and emerging needs as the NDIS embeds, the self-assessment exercises in the 2014 NDS Provider Toolkit do provide useful data on identifying potential gaps from a business and management perspective.

Understanding these gaps will inform decision making by Boards and executive management teams on their intent to enter the NDIS or not.

NDS Resource: NDIS Provider Toolkit can be accessed and downloaded in PDF or accessible format
https://www.nds.org.au/resources/all-resources/ndis-provider-toolkit

Tool 1.9 - The NDS NDIS Provider Toolkit

NDS Resource: NDS Business Analysis Tool
https://www.nds.org.au/images/resources/NDS_Business_Analysis_Tool_2019.pdf

Tool 1.10 - NDS business analysis tool

This resource supports NDIS providers to check compliance requirements, be financially sustainable and enhance outcomes for people with disabilities and organisational performance across the above seven business areas.

An online article (S. Kaplan, January 8, 2018) suggests that the future of not-for-profits is to run them like an innovative business and the author offers five strategies for consideration on how a not-for-profit can re-invent itself:

1. Think like a business. Assume your funding will dry up within the next year. How would you self-fund your activities? Could you sell a product or charge for a service?

2. Redefine 'customer'. In addition to those you serve, consider who could become a paying customer. Who has money that would buy something you have to offer related to your world-changing mission?

3. Package up offerings. Think creatively about what you 'sell', whether a product, service, event, or experience. What could you do to add value to people's lives (that they would pay for)?

4. Don't go it alone. Innovation is about partnerships. What are the for-profit companies that could provide you with resources or revenue in return for positive press or promotion from working with you?

5. Create a sustainable business model. Measure your organisation like a business. What percentage of revenue will come from revenue-generating activities, and how will this evolve over time?

To become an approved NDIS Provider or not?

There are two important aspects to making the decision about whether to register as an NDIS Commission Approved Provider:

1. Understanding what impact transitioning to an NDIS approved and compliant provider status may have on existing non-NDIS service providers, and

2. Understanding the registration process required – the conditions, regulations, and the possible costs of adapting the organisation to meet compliance and quality obligations.

These two bodies of work should be undertaken in order to move forward and address the critical strategic issues that must be resolved to facilitate transformation of the organisation and attract NDIS participants who want your unique and desirable services to achieve their individual goals.

Section 2 of this *Enhancing Service Provider Governance and Management in the NDIS Toolkit* will take a helicopter view of some of the business considerations of transitioning to an NDIS approved and compliant provider status may have on existing service providers and explore key focus areas for leadership bodies to consider.

Section 3 of this *Enhancing Service Provider Governance and Management in the NDIS Toolkit* will broadly outline the NDIS registration/re-registration processes required – the conditions, regulations etc.
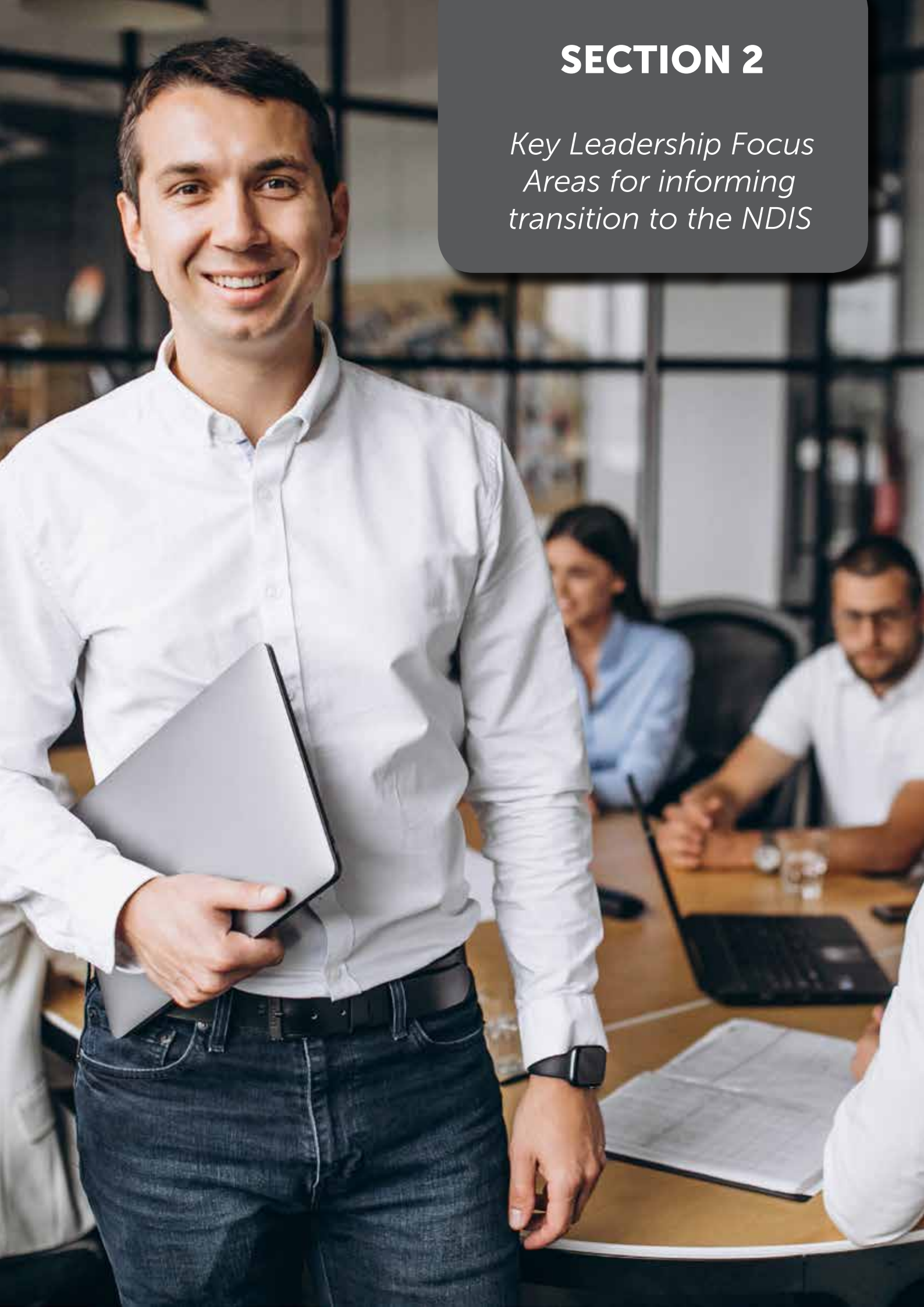
Delivering Disability Services differently under the NDIS

Go here to access a PowerPoint Overview of Section 2 of the Toolkit

To become a registered NDIS Provider is a business decision that boards and executive management teams need to consider given that the NDIS business environment for many pre-NDIS Service Providers will be very different.

This can create a challenge when balancing and juxtaposing achievement of business outcomes with client outcomes. This is likely to require a review and possibly re-imagining of how the provider will adapt and adopt new and different ways of doing business in the market driven person-centred NDIS environment.

This will be a daunting challenge for many as it will require new and possibly courageous ways of thinking and doing.

Creating sustainable growth and setting the strategic direction for sustainable business growth in the NDIS environment is a crucial function of Boards.

Implementation of sustainable growth processes is operationalised and managed by executive management teams.

Successful strategic thinking and planning for transition to the NDIS paradigm will need to be fluid, flexible and responsive if it is going to support organisations through the dynamic changes occurring in the sector as a result of the introduction of the NDIS.

Section 2 explores some of the many key focus areas that may need to be considered by leaders across seven relevant domains of leadership as providers transition to or maintain NDIS registration. We have linked this exploration to the approach taken by NDS in the NDS Provider Toolkit (NDS. Version 3, April 2015).

Those areas include:

2.1 Business Strategy and Positioning

Delivering Disability Services differently under the NDIS

Introduction

Prior to the NDIS, providers did not need to focus so much on marketing themselves to consumers because they were largely not competing with other providers.

In the NDIS market, some providers will have to invest in doing more to advertise and market their services because they will be competing with other providers for individual participants who will exercise choice in the support they wish to purchase and the providers they choose to deliver them.

While these changes will be challenging at times, they also present opportunities to strategically rethink approaches to improve outcomes and satisfaction for people using a provider's services.

To be NDIS ready is about an organisation really understanding itself as an organisation and understanding client needs and wants first. It is not about first putting or overlaying more processes and procedures to be NDIS ready and then looking at client needs and wants second.

Putting processes and procedures in place follows the reflective work and analysis required to firstly understand who we are as an organisation, who people are, what they want, and how we want to service them.

Strategic Planning

A clear and focused business strategy and business plan is essential to operate in the NDIS environment. Considered thought and research needs to be invested in Boards and Executive leaders thinking through:

- Who the organisation's target market is now and who they want their target market to be (or not be) as the organisation moves forward. Who are our ideal clients?

- How well do we really know our existing clients?

- What do our clients really want from our organisation so they can feel they have choice and can live the life they choose?

- How providers will consult with and include target market participants in the strategic planning process so that there is a good fit between the organisation and the stakeholder.

- What unique and desirable services and supports you will or will not offer? How might they need to change?

- How will we meet their needs better than other competing providers?

- How will you market your offerings to your target market to get their buy-in?

- What systems, infrastructure and technology do you need to acquire or upgrade to deliver high quality services cost effectively in a NDIS price capped fee structure?

- Are our clients our best advocates or not?

- Do we look at the people we support as long-term relationships that can grow over time based on trust or do we see them as come-and-go consumers.

- Do we focus on our individual clients enough or are we more focussed on the organisation as a whole?

- Do we do things better or differently than other providers in our geographic footprint?

- Do we really understand our stakeholder's problems, concerns, needs, and wants?

- How do our people want to receive information about the services we can provide?

- Do we offer flexibility in how we deliver services?

- How can we incorporate our customers into the developing the culture of our organisation better?

These strategic ways of thinking and operating are new to many not-for-profit organisations where – prior to the NDIS – the customer of the organisation was the government providing funding through contracts and programs rather than individual people.

Organisations were often weak on how measurement and analysis of efficiencies and effectiveness produced (Key Performance Indicators or KPIs) were determined – particularly in terms of measuring customer satisfaction and the social impact of what was being offered.

Potential strategic business issues that may emerge if planning transition to the NDIS could relate to:

- Business development initiatives; in terms of finding new and different ways of engaging with, attracting, and retaining satisfied participants.

- Guiding and leading sustained organisational culture shift to the NDIS business context. This requires time and effort.

- Increased risk under the NDIS, requiring increased risk mitigation approaches and accountability – possibly through the development of an organisational Risk Framework.

- Cash flow disruptions.

- Staff recruitment, training, re-training, retention, and succession planning.

- Additional/increased Board skills and competencies may be required to improve the effectiveness and accountability of the Board under the NDIS.

- Review of policies and procedures may be required to ensure that all aspects of service operation and management are inclusive, equitable, rights-based, and person-centred towards each and every client.

- Going back to basics and revisiting the mission and values of the organisation and aligning those often-altruistic human values to the NDIS market-driven business approach.

- Understanding what additional infrastructure will be required/purchased to meet compliance, create effective data collection, facilitate reporting, increase efficiencies, and thereby contain administration costs.

List of Self-Check Reflective Questions that will support boards and executive management teams thinking about the strategic direction of their organisation:

- Do we have a current clearly articulated strategic direction and plan that serves our purpose/mission and yet can respond to our external environment such as the NDIS, changing government policy directions etc.?

- Have we consulted with and listened to our consumers in all aspects of determining our strategic directions and incorporated their ideas, needs, and wants in how we establish our KPIs and move forward with our strategic plan?

- Are our strategic and business plans appropriate to allow us to respond flexibly, and proactively, and create organisational resilience in a timely manner to underpin change?

- Is our business plan articulated with clear pathways supported by appropriately qualified staff to take ownership of and implementation of the business plan actions?

- How successful are we at monitoring and evaluating the implementation of our strategic and business plans and adjusting as required as we transition to the NDIS business environment?

- How do we measure and report the social impact of what we do?

- Are we educated enough about who our business competitors are in our geographic spread or in our service type offerings – understanding what their service model is, what services they provide, their unique points of difference, how successful they are and how they may impact our strategic plan and our business success?

- Do we have rigorous processes and KPIs in place to ensure that we know if the organisation is performing well, producing quality outcomes and can deliver on its mission and commitments – and do we measure against the KPIs to ensure the sustainability of the organisation?

- Do we regularly review, update and/or create new KPIs such as those that relate to participant entry rates, financial viability, unit costs of services per service type or location, participant satisfaction, and exit rates?

- Do we focus well on producing and measuring outcomes as opposed to generating outputs?

- How do we measure and demonstrate outcomes and impacts of changes made (short, medium, or long-term)?

- How do we collect meaningful client satisfaction data over time and analyse it to inform change and continuous improvement?

- What do we do with collected client satisfaction data? How does it feed into continuous improvement in creating outcomes?

Access the above reflective questions in the form of a self-assessment checklist

Tool 2.1.1 Self-check reflective questions: Strategic direction

NDS Resource: Strategic Plan Handbook
https://www.nds.org.au/images/resources/resource-files/risk_management/strategic_plan.pdf

Tool 2.1.2 - NDS Strategic Plan Handbook

This handbook describes an organisation's aims and objectives to everyone connected with it as part of the NDS Risk Management Suite of Resources.

Leadership bodies of organisations and single providers transitioning to the NDIS need to consider and plan strategically for how they will re-orient their businesses to achieve the person-centred focus necessary to underpin success in the NDIS.

Creating the settings for the strategic direction to achieve sustainability is the challenge for boards and executive managers.

Areas of strategic focus that may need to be unpacked and explored include:

1. Going back to basics and re-visiting who is your current market or who you would want it to be?

2. Re-visiting and checking in with your fundamental Vision and Mission so you can see if they fit with not only where you are now but where you want to be.

3. Developing and building your unique brand and profile – your points of difference.

2.2 Corporate Governance

Delivering Disability Services differently under the NDIS

Introduction

The meaning of governance in the NDIS context:

In establishing the NDIS, the Commonwealth and State governments adopted the Productivity Commission's definition of governance:

"Governance is how an agency or system manages its functions. … it includes the processes and internal culture that gives different people power in the organisation; monitors the utilisation of support services and outcomes; creates incentives for its performance; provides information for good decisions and verification of performance; maintains probity and accountability; and manages its finances. It also includes how an organisation chooses to structure itself: what it chooses to do itself and what it might contract to other parties, and the basis for these boundaries."

Productivity Commission 2011 Inquiry Report 'Disability Care and Support' Volume 1, Chapter 12, p.402.

To position an organisation for future success, it is not just awareness of industry trends but responding to them that is important.

The report Australian Communities, 2020 (McCrindle, 2020. Page 30), suggests that there are three key considerations for leaders who want to understand the changing times and respond accordingly:

1. Simplification of mission is critical

2. Move from complexity to simplicity

3. Lead change

Checklist of Self-Check Reflective Questions that will support Boards and executive management teams thinking about the strategic nature of their Corporate Governance processes and philosophies:

- Do our current organisational mission, vision, aims, and value propositions align/synergise with the corporate goals that can be achieved from transitioning to the NDIS – or do we need to do more work around re-aligning or re-visioning our future?

- Do the Board and Executive managers have relevant current experience, competencies, and capability to ensure the future financial sustainability, human resource development and general business skills and knowledge in the new NDIS market driven paradigm?

- Do we need to enhance the organisational leadership by recruiting new/additional/different Board and Executive management talent to enrich the performance/productivity of the Board and Leadership Team?

- How are we placed in assessing whether the Constitution of the organisation and other Governance structures need to change to meet the increased regulatory requirements under the NDIS, the Corporations Act and the ACNC Act (in the case of a not-for-profit organisation)?

- Have we consulted extensively to develop an organisational change process/philosophy that includes active engagement with staff and consumers to create a strong vision for the future of the service as it moves towards the NDIS environment?

- What strategies do we as a Board have in place or could put in place to guide and support the Executive management team effectively manage and lead the operational implementation of new processes to operate in the NDIS environment?

- Do the Board and Executive team have well researched and evidence-based succession plans in place that will support the uninterrupted functioning of the organisation as it transitions through change into the NDIS environment?

- Are the responsibilities of the Board and Board Members clearly articulated and communicated to spell out their legal accountabilities in the NDIS environment?

- How effective are the relationships between the Board, CEO, and senior Executive managers in terms of working coherently to achieve the mission of the organisation in the current policy and NDIS environment?

- Does the Board have a sound, well informed, evidence-based understanding of the risk environment impacting the transformational change to operating in the NDIS?

- What information is being used by the Board to inform quality decision making about the key challenges, risks, and business opportunities that will frame how the organisation moves forward? Are we confident in this information?

- What strategic collaborations, partnerships and 'bridge-building' with other providers, competitors, agencies, and services will enhance the range and quality of supports that we can offer our people?

Access the above reflective questions in the form of a self-assessment checklist

Tool 2.2.13 - Self-check reflective questions: Corporate governance

Implications for Provider Governance in the NDIS

The introduction of the NDIS has triggered one of the greatest social and welfare reforms in Australian history – on par with the introduction of Medicare in February 1984.

The implications for existing not-for-profit service providers in particular require reform and transformation in the way these organisations see themselves and how they operate.

The NDIS is built upon the idea of designing and delivering disability services differently, with emphasis on individual user choice and control.

Such reform must start with and be led strategically by Boards then implemented operationally by innovative executive leadership teams accountable to the board – particularly those that operate in the traditional not-for-profit model.

Commercial professionalism and business acumen are now required to drive strategic growth, deliver effective governance, develop competitive advantage, ensure customer and market focus, mobilise talent and develop capability, understand risk analysis and ensure financial sustainability, maintain quality performance, introduce knowledge and information systems, drive efficiency while safeguarding, lead and drive change, and provide increased administrative and public accountability.

In terms of being an NDIS provider, leading this change needs to be framed in understanding the NDIS system and the business implications of working in the NDIS market-driven model.

The imposts and responsibilities on provider leadership bodies have increased significantly. The requirements and accountability of boards are increased under the regulatory and compliance frameworks of the NDIS and the NDIS Quality and Safeguards Commission that is responsible for implementing the NDIS Act 2013.

"The NDIS is proving to be a great disrupter of established not-for-profit disability services, shaking out organisations that have been unable to adapt to the new commercial environment and encouraging the merging of others. It has reset and reshaped the board's thinking and approach to our business model, governance risks and required director skill sets." **G. Smith. Better Boards Australasia Pty Ltd., 2019.**

1. Better Boards Australia Pty Ltd (2019): Reforming an NFP Service Provider: It Starts with the Board

https://betterboards.net/governance/reforming-an-nfp-service-provider-it-starts-with-the-board/

2. Australian Institute of Company Directors (AICD): Good Governance Principles and Guidance for Not-for-Profit Organisations

https://www.companydirectors.com.au/~/media/cd2/resources/director-resources/nfp/pdf/nfp-principles-and-guidance-131015.ashx

Tool 2.2.1 - NFP Principles and Guidance

Note: Ten Principles that promote good governance on page 11 followed by a chapter for each principle.

The AICD is committed to promoting world-leading performance of Australian boards and directors.

3. NSW Government Department of Communities and Justice: The updated (2019) It's your Business resource includes new information relating to the NDIS.

https://www.facs.nsw.gov.au/providers/working-with-us/other-resources/its-your-business the resource contains 10 chapters:

*Chapter 1 Corporate governance
Tool 2.2.2*

*Chapter 2 Legal issues
Tool 2.2.3*

*Chapter 3 Strategic business planning
Tool 2.2.4*

*Chapter 4 Financial management
Tool 2.2.5*

*Chapter 5 Strategic human resources
Tool 2.2.6*

*Chapter 6 Risk management
Tool 2.2.7*

*Chapter 7 Fraud prevention and control (Fraud Prevention Toolkit)
Tool 2.2.8*

*Chapter 8 Probity in employment
Tool 2.2.9*

*Chapter 9 Partnerships
Tool 2.2.10*

*Chapter 10 Quality Management
Tool 2.2.11*

Areas of strategic focus for governance bodies and executives are likely to include developing evidence-based knowledge of the implications of:

- Legal ramifications and statutory requirements under the NDIS Act 2013 including the NDIS Quality and Safeguarding Framework.

- The impact on the organisation's financial stability, sustainability, and viability due to the transition from the advance paid block funding model to billing for services after they have been provided.

- How the organisation will position/re-position itself in a market-based environment where the emphasis will be on attracting participants as a result of the organisation's point of difference or unique service offerings that are NDIA approved for billing.

- The Human Resources impacts relating to attracting, training and re-training workers, required to work in different job models where part time and casualisation of the workforce is a movement away from full time roles.

- Quality, risk, compliance, and data management systems required to meet increased accountabilities and cost effectively manage the operations of the service.

- The process of change and disruption to organisations and to long time disability service customers who now will have a greater role in choice, control and directing the delivery of their supports.

- Developing the knowledge, skills, and capabilities of boards to provide informed governance in a new environment.

- Funding and resourcing the change process in the organisations as they transition to the NDIS.

Involving participants in the governance of your organisation

In the context of person-centred approach, what better opportunity could Boards provide than to invite participants to be consulted and have input into the governance of the organisation.

NDS has produced a useful and thought-provoking resource that provides information about how providers afford participants with the opportunity to contribute to the governance of an organisation – and have input into the development of organisational policy and processes relevant to the provision of supports and the protection of participant rights.

NDS Factsheet: Involvement of Participants in the governance and operations of your organisation

https://www.nds.org.au/images/resources/ Involvement-of-participants-in-the-governance- operations-andor-leadership-of-your-organisation. pdf

Tool 2.2.12 - Involvement of participants

2.3 Clients, Market Focus and Branding

Delivering Disability Services differently under the NDIS

Introduction

One of the drivers for the introduction of the National Disability Insurance Scheme (NDIS) was to develop a national competitive market for the provision of quality disability supports and services. This increasingly competitive environment requires all for-profit and not-for-profit service providers to market their brand, services, and value-added benefits more effectively to a large number of NDIS participants as they enter the NDIS.

Providers need to consider the competitive risks of this business environment and make informed business decisions.

Possibly one of the greatest differences between the NDIS and the previous NDA system is that the approach to connecting people with services has been flipped on its head.

Under the NDA, people with disabilities were referred to service providers that were block funded by government offering a largely fixed list of programs of their discretion and design – often mostly aimed at providing programs for groups of clients to generate cost effectiveness.

Under the NDIS, it is the person who has their own individualised funding who holds power and choice to select and purchase services from providers they deem are able to best meet their individual requirements. This expectation is based on the principle that participants can purchase individual and customised services.

In order to attract NDIS participants and therefore income, the challenge for some organisations will be in shifting their entire approach from working from within a 'charity' context to becoming fully proficient commercial enterprises.

How can we elevate our organisation through branding to be a leader in developing and raising the profile of people with a disability?

Checklist of Self-Check Reflective questions on clients and market focus that Boards and leaders may consider when visioning the future of their organisation in the NDIS environment:

- What are we known for? (what is our brand)
- What do we want to be known for as we move forward?
- What do we NOT want to be known for?
- Who exactly are our current clients and how do we know them?
- Where exactly are our target markets for connecting with clients and NDIS participants moving forward?
- Do our target markets need to change in order for us to operate more successfully and competitively in the NDIS?
- How do we identify, attract, and retain new loyal and satisfied participants who are enthusiastic to purchase services and supports from us rather than the many other providers in the competitive NDIS market?
- How can we check and quantify if in fact our clients and participants are actually satisfied with or enthusiastic about our services?
- Why would an NDIS participant choose our organisation over others?
- What exactly are our points of difference from other providers in terms of what we offer and the niche groups we cater for or the specialised services we offer?
- What are our unique marketing approaches and innovative strategies?
- How are other service providers attracting and engaging with their participants – what can we learn from their strategies?
- Do we want to change, expand, or even reduce the services that we offer to attract new participants or to provide specialised supports?
- How can we grow the business capacity of our organisation to attract and retain high functioning staff and long-term participants thereby underpinning the sustainability of our organisation?

- What additional knowledge, skills, talent, and resources do we need to acquire in order to grow our marketing expertise and promote our points of difference?

- Should we develop partnerships and collaborations with other providers that offer different services so that we can share the market and offer a wider array of attractive services to participants?

Access the above reflective questions here in the form of a self-assessment checklist

Tool 2.3.1 - Self-Check reflective questions: Market focus

Client Focus

The starting point always is to invest effort in knowing and understanding your clients and participants fully and not in a tokenistic manner.

It requires intense consultation with the participants and stakeholders at the centre of the process in every stage of service design, delivery, and evaluation. This talks to an elevation in the importance of actively seeking stakeholder input and being willing to accommodate their needs, wants and ideas where possible.

Leadership bodies do need to think through:

- How can we evidence that we have provided meaningful consultation in different ways to meet individual need and collected useful feedback data that can be analysed and acted upon?

- How will we proactively and respectfully respond to client demand?

- How can we make sure that the services we will/can/want to provide are priced and costed effectively to provide value for money and create demand from others including potential new customers?

- What marketing strategies will engage our target market of clients and participants?

- What are the opportunities and consequences that might arise if we re-think our approaches to securing expanded market growth?

- The need to invest resources and effort in business development, marketing, advertising, and promotion to win clients given that the NDIS is a market driven business model.

What does this mean for how we approach marketing our services?

For many providers, getting to grips with what marketing is and how to do it well with a view to creating a stable client base will be new and challenging. To succeed it may require the achievement of new business skills and knowledge to inform effective marketing governance and leadership.

To embark on this journey will require Boards and executives to strategically re-visit and examine what the vision of the service is about and how the mission and values can support the organisation achieve sustainability in the market-driven paradigm.

Marketing should also not just sit as a siloed function of the marketing department. It must be how the organisation approaches its operations every day, in every aspect of the work.

How people speak, how they present themselves, and how they interact with stakeholders is the real marketing that builds trust-based relationships and builds market share. It is more than glossy brochures and free give-aways.

Successful marketing in the market-driven NDIS will be an outcome of understanding what participants and their loved ones really want and then creating new or adapting existing service offerings to meet their expectations – providing what they want in the way they want it.

It opens up opportunity to explore informed, evidence-based entrepreneurial endeavours that can be modelled and tested with clients and participants involved in the process.

Customer wants and needs will not remain static – they will evolve, change and emerge in a fluid manner. For some organisations, this may involve dismantling your current marketing strategy and – in some cases – starting again, building new, different flexible approaches that are responsive.

The NDIS provides a unique opportunity to focus on the increased importance of creating a positive customer experience and understanding the important roles of staff and volunteers in creating the positive customer experiences along every step of their journey with your organisation.

Without exception it is the entire team that will consistently create positive customer experiences – not just direct support staff or marketing techniques.

A useful strategic question is to reflect upon and ask:

'How will we transform the current organisational culture into a customer-focused way of being that is driven by the desire to create customer relationships from the Board to staff and volunteers?'

Understanding your people creates trust and trust creates relationships, and strong relationships will become your most powerful marketing mechanism – the power of word of mouth.

Tool to assist with looking at new or different ways of Marketing in the NDIS:

NDS Resource: NDIS in Practice. Customer and Market Focus.
https://ndisinpractice.org.au/resources/customer-and-market-focus/marketing-ndis

This resource provides a suite of four webinars. They include:

Part 1: How to get marketing on the agenda of your organisation

Part 2: How to develop a marketing strategy

Part 3: Tactics for your marketing plan

Part 4: Aligning your marketing tactics with your business objectives

Click on the webinar topic links to access the webinars

In the book How to thrive under the NDIS – a Pathway to Sustainability for Service Providers (F. Connelly. (2016.), the author proposes a sequence of seven stages for creating sustainability in the market driven approach of the NDIS.

They are worth considering and exploring when embarking on the challenging journey of understanding the internal challenges for organisations as well as understanding the external NDIS environment:

1. Know your market.

2. Revisit your fundamentals.

3. Build your brand.

4. Define your strategy.

5. Develop your strategic partnerships.

6. Customise your systems.

7. Create an Action Plan.

The National Disability Services resource Not-for-profits and the NDIS: Questions for Directors (NDS. June 2017.) provides thought provoking trigger questions across the following domains:

- Strategy.
- Corporate Governance.
- Clients and Market Focus.
- Financial Sustainability.
- People and Capability.
- Safeguarding, quality Management & Improvement.
- Information and Knowledge Management.

The trigger questions contained within will stimulate the high level of thinking that needs to be undertaken to inform how providers can transition to the NDIS in a well-planned approach and achieve the level of assurance required.

NDS Resource: Not-for-profits and the NDIS: Questions for Directors
https://www.nds.org.au/images/resources/Questions_for_directors_v2.pdf

Tool 2.3.2 - NDS questions for directors

Refer to Clients and Market Focus on page 4

The above NDS tool is also contained within the NDS Not-for-Profits and the NDIS: Toolkit for Directors

https://www.nds.org.au/resources/ndis-toolkit-for-directors

The NDIS Toolkit for Directors also provides other resources across the following hyperlinked domains:

- NFP Governance and Performance Study

- Checklist for Good Governance

- Good Governance: It's your Business

- Good Governance Guides: Not-for-Profit Sector

Wider market focus

"Market focus seeks to identify opportunities and then capitalise on them." **B. Cook, 2015**

A market-focused business looks outside the organisation for the input and data necessary to make strategic and tactical decisions. Market focus means understanding your customers.

Wider market focus is about having your gaze outward as well as inward at the same time. An outward gaze will provide insight into the market for disability services in the community, in your geographical region, and across your spread of location/s – and provide intelligence gathering opportunities to help you learn and understand:

- Other provider competitors and anticipating their next strategy or tactic.

- The range of services being offered by other providers.

- New for-profit competitors entering the NDIS market and what they may be offering.

- Agencies, organisations, and community networks that can support your organisation to build communities of practice and understanding – possibly collaborating and sharing resources, strengths, and ideas, developing new networks, and strengthening your advocacy power.

- The overall dynamics and forces in the marketplace – and understanding how those forces might impact the organisation.

Brand Building

In the traditional pre-NDIS not-for-profit sector the idea of having a brand was not part of the everyday thinking of many charities. The thinking often focused on just delivering a fixed suite of pre-determined group-based services.

In the NDIS market driven context the notion of brand is fairly new. It requires a flip in thinking from brand as being about having profile in securing funding to the idea that there is a much wider strategic role that brands can play for a market-driven, professional service providing organisation.

Providers can differentiate their organisations from others immediately by simply building a strong and unique brand. This will be harder as the NDIS rolls out and more providers enter the NDIS arena.

The new thinking required is about intentionally building and driving brand, creating identifiable long term social goals, increasing social impact for individuals and community. It is also about triggering discussion and strengthening internal organisational identity and culture, increasing understanding of the organisation and its people –

bringing people together and building identity and capacity.

Brands do bring cohesion and capacity – many people want to be aligned to a brand. Brand often goes hand in hand with innovation and yet staying true to core values and culture.

The focus on branding is not about raising revenue so much as about creating social impact and organisation cohesion – often with no fundraising goals. Where the focus is this way, the fundraising happens as a logical result of increasing brand awareness.

In her book How to Thrive under the NDIS – a Pathway to Sustainability for Service Providers (F. Connelly. 2016.), the author asserts that:

"A strong brand is a public declaration of what you stand for. Having a clear brand sets a platform for a clear market position, your dynamic communications approach and raises the performance culture of the team. It requires consistency in design messaging and structure across the entire operations of the organisation."

Building brand will create or develop:

- Awareness, trust, credibility, interest, and increased satisfaction through delivering positive customer experiences which create loyalty.
- Internal cohesion in your service by creating team alignment between people's personal values and the values held by the organisation.
- The power and outputs of fundraising, advocacy, and the long-term social impact of the organisation on the community.

What will build your brand?

Consider these strategies:

- Having a 'brand story' in diverse accessible media – ensuring a keen understanding of what the organisation stands for.

- Create 'brand ambassadors' to put human faces to your service and to your participants.

- Having a strong and recognisable logo that represents the brand as a result of significant testing and design with targeted consumer cohorts.

- Creating a 'tag line' or a catch phrase to embed your brand and logo in people's consciousness – it is your competitive positioning statement or edge, not a product offer.

- Making sure that every member of staff demonstrates the behaviours that underpin the brand. It is more than just having words in a brochure – it is about BEING the brand thereby extending the brand value to others.

This applies to every action and person who perform an action – the message must be loud and consistent by example – not by just by words.

- Develop your high value culture throughout the organisation – culture where staff members and all associated with your organisation care passionately about what they do and how they do it because the organisational culture synergises with and validates their personal values. This creates cohesion as team members share the high-performance culture.

- Extending your geographic reach in a strategic and well-planned way.

- Extending reach by building an online presence – social media, web site, customer reviews, etc.

Every contact with every stakeholder should reflect your brand. This is what makes it memorable.

2.4 Financial Sustainability

Delivering Disability Services differently under the NDIS

Introduction

A significant change for not-for-profits to face with the implementation of the NDIS is the impact of the new and different funding arrangements.

Given the NDIS represents a significant change in funding arrangements, insightful service provider leadership should incorporate key financial objectives as part of the strategic financial planning process.

The responsibility for the financial sustainability of an organisation sits with the Board. The necessity for the Board to have a full understanding of the financial situation of the organisation at any time is paramount if quality business decisions are to be made.

The impost on Boards and Executive managers to balance the drive for financial viability with the human values driven mission of the organisation can create tension and require new thinking, skills, and knowledge.

Some of the issues to be considered include:

- Under the NDIS, income from service delivery contracts with government agencies is no longer received by providers quarterly in advance; thereby removing certainty of income and reducing the prospect of being able to do budget projections to acquit the funding.

- The maximum fee that can be billed to an NDIS participant's plan for support services is capped as specified in the current NDIS Price Guide.

- Inflow of a steady predictable stream of income may be harder to predict given that income will depend on sales of services to participants.

- Service providers need to develop a business approach to analysing their unit costs of providing supports so that the service can decide if there is sufficient margin to cover the total costs of delivery.

- Income is not guaranteed as the impost now under the NDIS is for service providers to market to and recruit participants who hold their own individual funding in their approved plan. The certainty of demand as occurred under the block funding NDA model is removed.

- Providers will need to focus on ensuring they hold working capital reserves to sustain operations while waiting for income to land from NDIS participants. This creates a challenge for managing cash flow.

- Financial uncertainty arising from transitioning to the NDIS market-driven model will increase the need for greater risk management to address and spread financial risks and other risk areas such as reputational risks.

- Provider governance and management teams will need to develop or acquire new competencies in financial forecasting, measuring, and predicting demand fluctuations.

- Exploring the potential of developing alternate funding sources to create additional income that can subsidise the delivery of funded NDIS supports. This may spread risk and provide funding to provide non-NDIS supports if they are part of the market offerings for which the service plans to distinguish their service from competitor providers. This awareness is seeing an increasingly entrepreneurial approach to business development.

- Sustainability and viability have stimulated some service providers to develop a range of fee-for-service offerings and add-ons.

- Under the NDIS income is not realised before support services are paid. Services that have already been provided are invoiced in arrears.

- Services need to fund all upfront costs of delivering the supports and therefore need cash reserves to pay for the investment in delivering those supports before the income has arrived.

- Payment for support services already delivered is derived approximately 30 days after the provider has billed the participant's approved plan for that service.

- Cash reserves and cash flow need to allow for payment delays in the event that the billing process has not been completed correctly or where government policy and fiscal matters might change unexpectedly.

- Participants' funding packages remain under the control of participants. They can change the service provider of their choice at any time, thereby controlling the service agreement they hold or want to withdraw from.

- Service providers will need to invest in resources, accounting systems, IT and HR systems and to manage billing, record keeping, profit and loss analysis etc. to ensure the services they are delivering are viable.

Checklist of Self-Check Reflective questions on financial sustainability that boards and leaders may consider exploring:

- Do we have mechanisms in place to measure and understand our unit costs and the associated NDIS prices? Is there sufficient margin to underpin our financial stability or not?

- How do we test the viability of the NDIS funding packages of existing and new clients?

- How do we monitor our cash flow position given the ebb and flow of invoicing in arrears for services provided?

- Do we monitor and respond to key performance and financial indicators?

- What contingency plans and resources do we have in place if cash flow is disrupted or at risk?

- Informed by forward strategic planning, how is our financial situation likely to change over the next two to five years?

- How are we progressing financially compared with other similar sized organisations providing similar NDIS services?

- Is our budget forecasting aligned with our strategic plan?

- Will our target for profit/surplus adequately support achievement of the organisation's needs and goals in the longer term?

- How can we maximise the return on our assets considering that we may need to liquidate non-performing assets?

- Is our appetite for risk appropriate for the NDIS business environment?

- How are we investing in innovation and technology to contain or reduce costs and increase productivity?

- Are our financial software and systems appropriate to effectively minimise overheads such as for processing transactions, billing, budget monitoring and reporting?

- Are the current financial reporting processes and tools adequate for the Board to make timely well-informed decisions?

Access the above reflective questions here in the form of a self-assessment checklist

Tool 2.4.1 - Self-check reflective questions: Financial sustainability

Financial Viability and Sustainability

To remain financially stable and viable under the NDIS system, governance and leadership teams will need to consider the following financial issues when/if transitioning to the NDIS:

- Increased emphasis on conducting service cost analysis, pricing, and margins. Given that NDIA support category prices are capped, is there a clear well-informed understanding of service delivery unit costs so that a profit and loss analysis/return on investment can be determined to inform whether supports are viable or not?

- A significant consideration of the financial capacity of organisations will depend on the price being offered for the services provided. The ability to cost and price services is a critical element in the preparation for transitioning to the NDIS.

- Leadership teams and boards need to realise that the pricing structure being offered by the NDIA is not market derived or ascertained by an understanding of real service delivery costs. The pricing structure in fact is driven by the funding that is provided to the NDIA by the Australian government.

- The agility of the organisation to change its service offerings, systems, and approaches to operate more effectively as successful businesses in the NDIS market. Adapting or introducing new ways of doing and thinking takes time effort, shifting culture, and resourcing.

- Disruption to cash flow. Thought needs to be given to cash reserves, the value of assets, ensuring sufficient working capital or solvency and possibly creating new and diverse income streams.

- Introducing the possibly new concept and culture of making a profit in a sector that has always proudly badged itself as not-for-profit.

- Managing change in the transition to the NDIS will cause concern amongst staff, customers, and other stakeholders because of the uncertainty element. A frank admission from leaders that these stakeholders will be concerned will create transparency.

If expectations are communicated clearly, less concern will be raised and more time and effort can be spent on implementation, rather than managing human resource issues.

Leadership and governance bodies should ensure that robust, systematic, and consistent processes are in place to determine and analyse unit costs and profitability across all domains of business activity.

The capacity to monitor costs will be particularly important for those organisations registering to provide services under the NDIS Scheme.

1. NSW Government Department of Communities and Justice: The updated (2019) It's your Business resource includes new information relating to the NDIS.

https://www.facs.nsw.gov.au/providers/working-with-us/other-resources/its-your-business

Refer to: Chapter 4 Financial management Tool 2.4.2

Chapter 4 Financial Management talks to the obligations and responsibilities of Boards in relation to financial management to support and inform good decision making at strategic level.

Note the sample documents and financial analysis tools listed in the Appendices.

2. NDS Resource: NDIS in Practice Resources for Disability Service Providers: Financial Sustainability

https://ndisinpractice.org.au/resources/finance/financial-sustainability

There are two webinar topics (parts) provided on the above page:

Part 1: *Financial Sustainability – Cash Flow and Working Capital* *https://ndisinpractice.org.au/resources/finance/financial-sustainability/part-1-cashflow-and-working-capital*

Part 2: *Financial Sustainability – Corporate Overheads* *https://ndisinpractice.org.au/resources/finance/financial-sustainability/part-2-corporate-overheads*

3. NDS resource: What Every Board Member Should know About Your Finances

https://ndisinpractice.org.au/resources/finance/what-every-board-member-should-know-about-your-finances

There are three webinar topics (parts) provided on the above page. This webinar series will equip Board members of Disability Service Providers with the knowledge and confidence to ask the right financial questions.

Part 1: *Finance – Introduction* *https://ndisinpractice.org.au/resources/finance/what-every-board-member-should-know-about-your-finances/part-1-introduction*

Part 2: *Finance - Financial Reports and Statements* *https://ndisinpractice.org.au/resources/finance/what-every-board-member-should-know-about-your-finances/part-2-financial-reports*

The above tool is contained within the NDS Not-for-Profits and the NDIS: Toolkit for Directors

This publication is part of CommunitySmart, the national financial literacy program run by the Institute of Community Directors Australia.

2.5 People and Capability

Delivering Disability Services differently under the NDIS

Introduction

Any exploration of provider 'people and capability' within the NDIS context must include looking at not only the capacity of operational staff who at the frontline will be delivering services – but also with an upward gaze on the capability of boards and executive managers to lead organisations effectively and with talent.

Questions asked by Focus Group participants in relation to workforce development:

- It is predicted that there will need to be an increase in the service delivery workforce – what arrangements are being put in place to identify, recruit, train and retain them?

- What government initiatives are in place for workforce development given that there is already a shortage of disability workers?

- What will the 'casualisation' of the workforce look like?

- What new or different skills and capabilities are required of staff working in the NDIS context?

Frontline Staff Capability

A huge paradigm shift in approaches to workforce development and changing workplace culture is required in the NDIS environment.

This will be required to develop frontline workers into respected and highly valued support practitioners who are skilled not only in all aspects of person-centred service delivery – but who also have the values and capabilities to operate effectively in the business aspect of the work.

One of the many challenges raised by the NDIS capped pricing schedule is that the maximum fee that can be charged to an NDIS participant's Approved Plan for many support categories is set by the NDIA and listed in the current NDIS Price Guide.

Tension exists between balancing the somewhat unpredictable nature of the demand for services from participants and the traditional full time/part time employment of support workers.

An important aspect of organisational strategic planning is to not only identify the organisational development required to thrive in the NDIS but also identify and overcome the significant workforce challenges that are emerging.

Under the NDIS, providers must cover all administrative and other costs including the cost of employing and retaining frontline workers – and yet deliver competitive, quality, and desirable supports within the NDIS price structure on demand.

The quality of the interactions and relationship between frontline workers and the participant will have a significant impact on the participant's

(customer) experience. It will influence their choice as to whether they want to continue receiving supports from that agency or from a particular staff member.

The professionalism, skill, knowledge, and capabilities of frontline workers in particular will be in for much greater scrutiny under the NDIS because the participant is the purchaser.

Low disability sector wages are an impediment to recruiting professional support staff.

Support staff will increasingly manage their own careers as a result of casualisation and many will hold several part-time positions with a range of providers to generate the income they require.

According to the article NDIS Workforce Challenges, Trends and Predictions (Pro Bono Australia, 14 August 2017.), under the NDIS market driven approach, pressure on service providers to be competitive, flexible, and responsive is likely to lead to an increased demand for flexible working arrangements such as casualisation and financial insecurity for the disability support workforce.

Historically, workforce development in the Disability Sector has been challenged by:

- Lack of sufficient numbers of workers available to support the growing number of NDIS participants as they enter the system.

- Competition with other industries in terms of them being able to attract potential workers away from careers in human services where they are more likely to be poorly paid.

- Frontline workers who hold minimum, out of date or inadequate qualifications and who may not have the required level of professional skills and knowledge to operate in the NDIS environment.

- Poor wages which in turn compounds the challenge of attracting and retaining workers.

- Inadequate career development pathways.

- Not-for-profit organisations often perceive that they do not have the resources to provide in-house training and upskilling as their focus is often more on first responding to and resourcing participants' needs.

- Poor industry investment in continually upskilling and professionally developing staff.

The NDS Resource A guide to employing a flexible workforce in a person-centred environment (2nd edition, 2015.) states that:

- A flexible workforce is one that can effectively meet and respond (in terms of quantity, timing, and type of work) to changes in customer requirements.

- Recruiting and retaining a flexible workforce could mean the difference between success and failure for a not-for-profit disability organisation under the NDIS.

- The NDIS is premised on the great majority of funding being individualised, helping people with disability and their families to exercise choice and control.

- Service providers will need to respond to increased levels of unpredictability in demand for services and hours of work–and for the first time, they will be forced to directly compete with other organisations, both for clients and employees.

Checklist of Self-Check Reflective Questions that Boards and executive managers could consider about their organisation's people and capability:

- Do we have a current and relevant workforce development plan that is future facing?

- Does our current workforce have the required knowledge and experience to collaboratively achieve our strategic plan?

- Is their work consistent with our agreed culture and values?

- Do our workers have the relevant/right qualifications and experience to meet the needs of our participants?

- What new and different skills and knowledge do our workers require to operate effectively in the NDIS environment?

- How effective are we in managing the changes in the size of the workforce, the size of the organisation and skill requirements of the workforce across the organisation?

- Do we have succession plans in place for critical positions such as staff who are required to deliver highly technical supports (PEG feeding, catheter care etc.) to participants?

- What benchmarks do we use to monitor workforce demographics and how do we use that data in workforce planning?

- Have we made sufficient investment in recruitment and skills development of our staff to deliver on our promise of excellence?

- Does our Board have the broad depth of knowledge and skills to effectively lead the organisation in the NDIS regulatory and increased accountability environment?

Access the above reflective questions in the form of a self-assessment checklist

Tool 2.5.1 - Self-check reflective questions: People and capability

1. NDIS: Price guides and pricing
https://www.ndis.gov.au/providers/price-guides-and-pricing

2. Community Services and Health Industry Skills Council: Interactive Workforce Planning Toolkit (2015)
https://static-cdn.edit.site/users-files/6d3489811f82dba6fa6d33130e01ba4a/2667208-interactive_workforce_planning_toolkit.pdf?dl=1

This Toolkit has been produced as a guide to assist organisations develop and implement its own Workforce Plan. It includes clear explanations of what is entailed in the workforce planning process and a series of customisable templates, along with checklists and fact sheets to accompany each step.

Tool 2.5.2 - Workforce planning toolkit

3. NDS Resource: A guide to employing a flexible workforce in a person-centred environment
http://www.idfnsw.org.au/images/files/people-capability/Flexible_Employment_Practices_Guide.pdf

Tool 2.5.3 - NDS flexible employment practices guide

4. NDS Workforce Hub: Building your workforce
https://www.nds.org.au/workforce-hub/building-your-workforce

Follow link to: Finding care workers for information to advertise for experienced quality care workers.

Follow link to: Values Based Recruitment to access a toolkit with a suite of tools
https://www.nds.org.au/value-based-recruitment

The tools include:

- Toolkit introduction

- Involving people with lived experience

- Using a values-based approach in interviews

- Using a values-based approach in psychological assessments

- Using a values-based approach in simulation exercises

- Using a values-based approach in assessment centres

- Using a values-based approach for reference checks

- Question bank – behavioural interview questions

5. NDS Workforce Hub: Knowing your workforce
https://www.nds.org.au/workforce-hub/knowing-your-workforce

Follow the hyperlinks on this page to go to:

- Benchmarking your workforce

- Costing practice: Staff member costs (webinar)

- Workforce planning

- Understanding workforce costs

6. NDS Workforce Hub: Optimising your workforce
https://www.nds.org.au/workforce-hub/optimising-your-workforcehttps://www.nds.org.au/workforce-hub/optimising-your-workforce

This guide talks to the fact that one of the biggest challenges for providers will be engaging, supporting, retaining, and continuously upskilling a flexible workforce that will meet the needs and wishes of people with disability. If workers and services are unavailable or rationed, the concept of consumer choice and control will have little meaning.

The right knowledge, skills, and attitudes of staff

An important element of the change environment impacting service providers as Australia transitions to the NDIS is in transitioning the traditionally 'care' focused workforce to new and different ways of behaving and interacting in the market driven, person-centred NDIS environment.

Lifelong learning skills will be needed by frontline staff to operate effectively in the NDIS by understanding how to deliver individualised person-centred supports where the participant has the power and the right to decide if the supports and services they are receiving meet the standards they are expecting.

In the traditional NDA model of disability work, the organisation was the primary customer of the support staff. Support staff members were accountable firstly to the organisation.

Under the NDIS paradigm, staff are accountable firstly to the participant and then to the organisation. The focus shifts from the customer being the organisation to the customer being the participant who is actually purchasing the service.

Due to the changing nature of work organisation in the Disability Sector, support workers also need skills and knowledge to manage their own careers, as many are employed part time – possibly by several different providers – and there is greater potential for self-employment.

A need for basic business skills, such as administration, planning, problem-solving and communication and IT usage will feature more as support staff work independently or for several organisations concurrently. For many sector workers, literacy and numeracy will need to be developed to manage their work role.

NDIS Workforce Capability Framework

The NDIS Commission is leading the development of a national NDIS Workforce Capability Framework to support consistency in practice and delivery of quality disability services across Australia.

The design and development of the NDIS Workforce Capability Framework was completed in late 2020.

The Capability Framework will translate the NDIS Commission principles, Practice Standards and Code of Conduct into clear and observable behaviours that service providers and workers should demonstrate when delivering services to people with disability.

The Capability Framework includes:

- Core capabilities that all service providers and workers will be expected to have.

- Complementary capabilities required by workers who assist participants with tasks that require specific knowledge or expertise.

- Technical capabilities for those who deliver higher-intensity services that require specialised knowledge or expertise.

The Capability Framework will assist service provider governance bodies and executive leaders to:

- Improve overall quality and effectiveness of services for better outcomes for NDIS participants.

- Shape the design of professional development and learning.

- Clarify career pathways for workers in the disability sector.

- Enhance professional and management practice.

- Recruit and induct staff, manage performance, and undertake workforce planning.

1. NDIS Commission: NDIS Workforce Capability Framework
https://www.ndiscommission.gov.au/workers/ndis-workforce-capability-framework

2. Australian Government: Growing the NDIS Market and Workforce Strategy
https://www.dss.gov.au/sites/default/files/documents/03_2019/220319_-_ndis_market_and_workforce_strategy_acc-_pdf-.pdf

Tool 2.5.4 - Growing the NDIS market and workforce

The Australian Government's 2019 strategy to support the development of the NDIS market. One of the key priorities in that strategy is Developing Workforce Capability (3.1). Refer to page 9.

Implementation of the Capability Framework is now underway, with the focus on supporting the sector to embed the Framework into all aspects of NDIS workforce management practice.

The NDIS Commission webpage for the NDIS Workforce Capability Framework states that:

"a user-friendly, interactive version of the Framework will be officially launched in mid-2021. A range of support tools will be developed, including an interactive self-assessment tool, a capability-based recruitment guide and templates, and a workforce planning guide."

Leadership capability

The transition to operating in the NDIS environment has brought new and different challenges and responsibilities for Board members and executive teams. The required skills and knowledge of leaders to be able to lead and be accountable under the NDIS Act are increasing.

Understanding the legal regulatory and compliance frameworks of the NDIS and guiding organisations through change are just some of the growing responsibilities of leaders to ensure that the rights and choices of people impacted by disability are of the utmost priority.

Board members are expected to guide their organisation towards a sustainable future by applying sound, ethical, and legal governance and financial management policies while making sure there are sufficient resources to advance the organisation's purpose.

Executive managers must have the business skills to implement and manage strategic and business plans, new systems and knowledge and information.

1. NDS Resources Hub: Fundamentals for Boards **https://www.nds.org.au/resources/fundamentals-for-boards**

The resource provides links to guidance, advice, tools, and information to support Board members at every stage of their involvement and aims to make their experience both enjoyable and effective.

The information in the resource is organised under the following key topics:

- Governance
- Strategy
- Customer & Market Focus
- Financial Sustainability
- Information & Knowledge Management
- Safeguarding and Quality
- Management Change
- People and Capability

2. NDS Resources Hub: NDIS Provider Toolkit (2015) **https://www.nds.org.au/resources/ndis-provider-toolkit**

This toolkit provides a set of self-assessment exercises that focus on business practices required under the NDIS.

Tool 2.5.5 - The NDIS Provider toolkit

Review pages 7-42: A Self-assessment of organisational capability to operate under the National Disability Insurance Scheme (2015) to inform expectations of boards

3. Deloitte Resource: (2013) The Effective Not-for-Profit Board. A Value-driving force **https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/public-sector/ca-en-public-sector-effective-npo-board.pdf**

Tool 2.5.6 - The effective not-for-profit board

Note: Appendix C – Sample board performance evaluation form (pp. 42-47)

Appendix D – Sample board skills matrix questionnaire (pp. 48-51)

In the blog post Reforming an NFP Service Provider: It starts with the Board (G. Smith, 4 July 2019) the author states the following insightful advice:

"For not-for-profit service providers, boards need to:

- *Be able to articulate the organisation's mission and be clear as to the framework and parameters within which the mission operates. This is particularly important to ensure the autonomy of organisations that derive income primarily from government contracts.*

- *Spend more time exploring, discussing, and defining what the future of the organisation looks like – the opportunities and risks, asking how can we achieve this, and remain client focused? This means continually refining and adapting our strategy.*

- *Ensure they really understand the client's needs and options in a market environment. The NDIS has grown the client base and created a number of new services.*

- *Create a comprehensive board skill matrix that looks beyond the horizon while getting people with the right mix of skills and experience who are aligned to their culture. Board renewal entails recruiting to missing skills sets. Utilising specialist recruitment organisations is money well spent.*

- *Develop and live board performance measures, including impact indicators 'Drivers of Change', activity indicators' progress toward goals, and capacity indicators' 'things are getting done'.*

They should also ensure operational indicators are aligned, feeding into, and deepening the board's knowledge of progress.

None of the above is possible without an open, committed and engaged board strongly supported by a proactive and aligned CEO and management team.

For not-for-profits with a social service purpose, the pressure is on to balance the commercial practices required of contemporary businesses while maintaining the features of purpose and passions that distinguish the not-for-profits from both the (bureaucratic) public sector and the (profit chasing) private sector."

1. Governance Institute of Australia Factsheet: Creating and disclosing a board skills matrix
https://www.asx.com.au/documents/asx-compliance/creating-disclosing-board-skills-matrix.pdf

Tool 2.5.7 - Creating and disclosing a board skills matrix

2. Deloitte, Touche, Tohmatsu Ltd: Example of a Board Skills Matrix Template
https://www.cyjma.qld.gov.au/resources/campaign/women-on-boards/board-skills-matrix.xlsx

Tool 2.5.8 - Board skills matrix template

3. Australian Institute of Company Directors: Not-for-Profit Governance Principles second edition January 2019
https://aicd.companydirectors.com.au/-/media/cd2/resources/director-resources/not-for-profit-resources/nfp-principles/pdf/06911-4-adv-nfp-governance-principles-report-a4-v11.ashx

Tool 2.5.9 - Not-for-profit governance principles

Board leadership – Transitioning and change

Change – such as when a provider transitions to the NDIS – is a continuum. It starts, evolves, progresses and it may never end – but it happens, and it can be confronting, requiring strong, skilled, and empathic leadership.

Change management is the concept of helping and facilitating members of an organisation to understand and adapt to changes within that organisation.

Leadership teams and Boards who are best able to lead and facilitate change are those willing to embrace the inevitability of it and see it as an opportunity for growth and continuous improvement.

All significant changes create disruption and involve some type of interruption in performance for an organisation. During this time, clients, employees, and other stakeholders are looking to understand what change means for them and trying to come to grips with how things will work under new arrangements.

Organisations can risk damaging their relationships with stakeholders (such as employees) when they do not actively manage and lead change. Stakeholders can be left confused and anxious by conflicting or inaccurate information that is based on assumptions.

To address the NDIS reform changes effectively, organisations starting from leadership bodies down must:

- Have created a clear understanding of their new vision for the future. This means knowing what is changing, why it is happening, and how outcomes for end users will be improved.

- Understand that for transition to be successful the entire organisation must be committed to change and the change leaders must provide opportunities for stakeholders to have an active role in the change management processes.

- Know what is important to all stakeholders versus what is of particular interest to certain specific groups. This is critical to how change is framed and communicated to all stakeholders.

A change management plan serves as the roadmap defining concrete steps an organisation will take to execute the change management process.

1. NDS Resources: Strategy and Leadership
https://ndisinpractice.org.au/resources/strategy-and-leadership

The page descriptor states: This suite of resources will help build your understanding of how to manage change effectively in your organisation, and how to use strategy to stay agile, flexible, and responsive to a changing sector.

There are three webinar topics provided on the above page. This webinar series will equip Board members of disability service providers with knowledge and confidence to lead through change.

Topic 1: Strategy and Leadership – Communication through Change
https://ndisinpractice.org.au/resources/strategy-and-leadership/communication-through-change

There are four parts covering this topic:
Part 1: Introduction
Part 2: Overview and digital engagement
Part 3: Events and materials
Part 4: Being brave

Topic 2: Strategy and Leadership – Navigating your Organisation Through the Eye of the Perfect Change Storm
https://ndisinpractice.org.au/resources/strategy-and-leadership/navigating-your-organisation-through-eye-perfect-change-storm

Topic 3: Strategy and Leadership – Redesigning Organisations and Leaders for the Cyber-Physical Age
https://ndisinpractice.org.au/resources/strategy-and-leadership/redesigning-organisations-and-leaders-cyber-physical-age

There are three parts covering this topic:
Part 1: The science and art of realising human potential
Part 2: Organisational architecture
Part 3: Leadership and capability development

The descriptor of this webpage resource states: Think of change as a process of five phases that you and the team go through together.

The resource then goes on to unpack a five-phase approach that it describes as: …*simple and known to deliver success over a a 6 to 12-month time frame.*

The resource descriptor explains that it may be useful for NDIS Transition Leaders within organisations and provide tools to lead change levering off the Leading Change Model (LCM).

Checklist of Self-Check Reflective Questions for Boards to consider in order to assess and ensure their effectiveness in the NDIS environment:

- Does the Board keep its focus on the strategic governance of the organisation rather than getting caught up in the minutiae of operational activity?

- Do we as a Board have the capability to confidently, effectively, and independently evaluate information, advice, quotes, and recommendations that we may seek from external agencies, providers, and consultants?

- Do we routinely and consistently ensure consultation and feedback with our service users, their families, caregivers, and advocates to make sure that the organisation's mission is achievable in the NDIS environment or if in fact the vison needs to change?

- Have we as a Board identified and communicated a clear and unequivocal vision for the organisation and its clients as it transitions into the NDIS?

- Do we as a Board understand the particular knowledge and skills that the board must have and use as a collective and as individual directors in order to reduce the risk of failure in the NDIS environment?

- How do we ensure that the Board members understand their responsibilities, accountabilities, and expectations?

- How do we as a Board evaluate our performance – what key performance indicators have we put in place for us to review against?

- What professional development activities and education do we access/need so as to ensure a high functioning Board?

- How do we determine what gaps in current expertise, knowledge, skills, and experience may exist between our various Board members so that we can recruit to fill those gaps?

- How would we as a Board respond if our performance evaluation identified that we are not reaching our performance expectations?

- Do we as a Board have the financial management capability, expertise, and processes in place to monitor the financial health or the organisation as we move to the market driven NDIS system?

- Have we put in place the talent, systems and infrastructure needed so that we can responsibly meet our legal, ethical and compliance requirements to maintain NDIS registration?

- Have we adequately risk assessed the disruption that transitioning to the NDIS will create and will our risk mitigation responses ensure the future of the service according to our Risk Management Framework?

- Do we as a Board understand how to lead our organisation and its people through the changes ahead to ensure a strong customer focussed culture is created and sustained?

Access the above reflective questions in the form of a self-assessment checklist.

2.6 Information and knowledge (ICT systems)

Delivering Disability Services differently under the NDIS

Introduction

Traditionally many Disability Service Providers used manual and paper-based administration systems rather than technology, which often was considered to be a cost that diverted scarce resources away from service provision.

However, to survive and thrive in the NDIS environment most organisations will be required to make significant improvements and investments in technology to improve the efficiency of their information and knowledge management.

This will be driven by the need to attract and retain new participants, provide highly individualised and personalised services, and supports and the need to increase organisational performance and efficiencies.

The world-wide experience of living and working with the impact of COVID-19 has forced many people quickly into the digital world where knowledge and information can be handled quickly and safely.

If nothing else, the pandemic has forced the 'world of work' to a new understanding of how important it is for individuals to access, create and analyse information, use technology and software applications to communicate, process information efficiently and to locate information safely and securely on platforms where many people have access to it to perform their work roles.

Investing in digital Information and Knowledge Management systems (often referred to as ICT – Information and Communications Technology) will strategically support identifying, collecting, securing, analysing, and storing data that will be readily available to:

- Understand client needs and demands for service offerings.
- Manage fee-for-service and funded NDIS Plan services billing.

- Inform business decisions.
- Identify trends.
- Evidence compliance.

The operating field of NDIS requires providers to have efficient systems in place to create, collect, analyse, and report data related to service provision.

To interact with the NDIS Commission, NDIS participants and other government agencies, providers need to have systems that can communicate with and provide information in the appropriate format to the secure Australian Government Provider Digital Access (PRODA) system. The NDIS heralds a significant increase in the impost for meeting compliance and legal standards, regulatory and policy requirements, quality assurance and most importantly to provide evidence that participant outcomes are being achieved.

Targeted information and knowledge management across all NDIS business functions can be one of the competitive edges that an organisation has over other providers in that they can actually measure and evidence that the needs and wants of their participants are being met by whom, how and when – increasing their position and messaging as being a 'provider of first choice'.

Given the financial constraints of the pricing for service categories that are mandated by the NDIS, many providers are however investing in expensive soft and hardware systems to increase efficiency, cost effectiveness to drive down administrative costs and provide consistency in quality of service delivery.

The challenge with expensive digital information technology and software systems is that they constantly change and are replaced increasingly by more sophisticated and multi-purpose systems. The cost of replacing or re-building systems is a most often a large investment and a cost that must be assumed by the organisation.

For some organisations that have already made substantial investment in ICT systems and hardware, the challenge will be in determining whether to persevere with existing systems because of the cost of investment to date, or to make substantial new investments.

Quality ICT can provide organisations with information quickly and potentially increase your competitive edge in terms of being able to swiftly respond to or anticipate customer needs.

Given the rapid advances in ICT hardware and software applications, leaders want to purchase systems that:

- Are user-friendly for staff of all levels of proficiency.

- Are suitable for using remotely.

- Allow client access and ease of use.

- Have the capability to compatibly match staff with service users.

- Integrate with CRMS (Customer Relationship Management Systems).

With the increase in the use and sophistication of ICT, both staff and NDIS participants are demanding more user-friendly, powerful, fast, and mobile ICT that can be used 'right here, right now' to manage life and work.

Significant advice, due care and diligence is required to match commercial offerings with meeting the needs of the organisation.

An important place to start is for organisations entering the NDIS to start reviewing their current information management systems and start researching what type of Customer Relationship Management (CRM) system will support the best possible interface between the service provider, the NDIA and the NDIS participant.

Data management in the NDIS environment is required to:

- Respond to the need for a sustainable, efficient system for registration of NDIS participants and follow up on individuals.

- Respond to the need for better data gathering processes and analysis for evidence-based policy and decision making.

- Improve the data on participants and the services they are receiving.

- To analyse trends on certain social issues such as in the demand for technology and skills to access social media platforms.

- Better monitor and manage the workload related to NDIS participants or any other program.

- Evidence effective implementation of laws, regulations, and standards.

Checklist of Self-Check Reflective Questions relating to information and knowledge management that Boards and leaders may need to consider:

- How safe and secure is our digital information relating to all aspects of the work we do?

- What mechanisms have we put in place to ensure confidentiality and privacy of information and how effective are they?

- Do we have a comprehensive business continuity plan in place in the event that our information technology, security, and storage fails or is breached so that we can respond without interruption to service delivery?

- Do our communication technologies, systems and approaches actually deliver information to our customers in the way that is meaningful to them?

- How do we effectively use social media and mobile phone technology to connect with our participants on demand and responsively?

- Do our information management systems and processes allow us to cost- effectively process participant information and service delivery so that we can efficiently bill their NDIS plans or bill for fee-for-service offerings?

- Do our information systems and equipment have the capacity to produce evidence-based statistics and outcomes so that we can use that information in our marketing to position the organisation as a preferred supplier?

- Does our current information management system meet the needs of interacting effectively in the NDIS environment or do we need to look at upgrading or changing our systems and equipment?

- Have we planned and budgeted to replace ineffective communication technology?

- What new or different knowledge and skills do our staff and participants need to be able to effectively use modern and changing communication technologies?

- What planning have we put in place to ensure that our corporate knowledge is secure within the organisation and does not leave as people leave?

- Will our data, financial and knowledge management systems support us to meet compliance and regulatory standards?

Access the above reflective questions in the form of a self-assessment checklist

Tool 2.6.1 - Self-check reflective questions: Information and knowledge

1. NDS Resource: NDIS Provider Toolkit https://www.nds.org.au/images/resources/resource-files/NDIS_Provider-Toolkit-2015_.pdf

Tool 2.6.2 - The NDIS Provider toolkit

Refer to chapter headed Information and Knowledge Management pp. 38-39

See self-assessment checklists for:

• Records and Data Management

• Strategy for Information and Communication Technology

Refer to chapter headed Safeguarding, Quality Management & Improvement pp. 40-42

See self-assessment checklists for:

• Data Collection and Storage

• Data Reporting and Use

2. NDS Resource: NDS Business Analysis Tool https://www.nds.org.au/images/resources/NDS_Business_Analysis_Tool_2019.pdf

Tool 2.6.3 - NDS business analysis tool

Refer to Information and knowledge management checklist. pp. 29-30

3. NDIS web page: Data and Insights https://data.ndis.gov.au/

Use the hypdrlinks to access information relating to:

- *Explore data*
- *Data downloads*
- *Reports and analyses*
- *Insights forums*
- *Public data sharing*
- *Request data*

2.7 Quality, safeguarding and continuous improvement

Delivering Disability Services Differently under the NDIS

Introduction

Universally across human services there is increasing attention, strengthening and impost on the importance of safeguarding vulnerable people.

The concept of safeguarding others encapsulates the principles and practices of ethical rights-based practice, quality assurance and management, consistency, continuous quality assessment and review, compliance and implementing interventions to address quality issues and breaches (continuous improvement).

Creating and valuing a quality and continuous improvement culture must start with and be led by the 'top' of organisations to ensure that embracing quality measurement and implementation of improvements resulting from quality measurement filters down and actually creates and drives positive change.

Boards and leadership executives are ultimately responsible for the performance of the organisation they lead, and this means that they are accountable for making sure that all mandated legal, quality and compliance standards are met.

Boards set an organisation's quality management agenda and culture, and executive managers are accountable for implementing and driving the quest for ongoing continuous improvement at all levels of the organisation.

We know the NDIS is a dynamic system, not static. To truly demonstrate insightful and informed leadership, boards of disability services will need to be thinking through how their organisation will approach implementing or continuously reviewing their quality management systems.

This will ensure the evidencing of the provision of duty of care and responsible service management. This will be increasingly important where transitioning to the NDIS requires an understanding of the quality frameworks that underpin and govern the NDIS system.

Effective oversight and management of quality systems involves processes, procedures and the people who are responsible for implementation and reviewing quality performance. Implementing, managing, and regularly reviewing quality systems allows organisations to be more efficient in managing staff time, providing quality service delivery to clients, and maintaining legislative requirements.

Implementing quality management systems impacts every aspect of organisational performance from board and management processes through to client access, satisfaction, and outcomes.

Some outcomes of an effective and reviewed quality system could include:

● Better/improved service delivery.

● Setting or re-setting a clear organisational direction.

● Creating an understanding of policy, process, and responsibilities for the whole of organisation.

● Implementing and utilising quality systems to achieve all day-to-day tasks while saving time.

● Lowering costs, increasing margin.

● Lower risks to the organisation.

NDS has developed an excellent resource, the Quality Management Guide (NDS, 2020). This tool will inform leaders of organisations new to quality management by providing a starting point and a step-by-step guide. More experienced providers may find the resource useful for checking their existing quality management systems.

In the introduction to the Guide, it states:

"Quality management provides a framework for disability service providers to understand what works well in their organisation, what needs to be improved and what needs to change to meet the needs of both participants and the organisation" (NDS. 2020, page 6.).

1. NDS Resource: Safeguarding for Boards
https://www.nds.org.au/resources/safeguarding-for-boards-2

This resource webpage comprises a series of short films and a guide that can help boards to understand and address the risk of abuse and neglect of people with disability they support.

2. NDS Resource: Quality Management Guide (2020)
https://www.nds.org.au/images/resources/Quality-Management-1.pdf

This guide contains overarching information about the context for quality management and quality management systems and provides a range of quality management tools, and resources, document templates etc.

Tool 2.7.1 - NDS quality management

3. NDS Resource: Quality Management and Continuous Quality Improvement webcast (May 2020) *https://www.youtube.com/watch?v=cXFyaadxBSw*

4. NDS Resource: Embedding Quality webcast (May 2020.)
https://www.youtube.com/watch?v=uTjVQr7Y8Uw

5. NDS Factsheet: Organisational Internal Audits
https://www.nds.org.au/images/resources/InternalAudits.pdf

Tool 2.7.2 - NDS Internal audits

6. NDS: Quality and Safeguards Resource Library
https://www.nds.org.au/ndis-quality-and-safeguards-resources/resources

Quality and safeguarding required in the NDIS environment

The NDIS Act 2013 states (Section 5, page 8) that:

"…innovation, quality, continuous improvement, contemporary best practice and effectiveness in the provision of supports to people with disability are to be promoted."

The NDIS Commission is charged with improving the safety and quality of services delivered by NDIS providers.

It regulates this through The NDIS Quality and Safeguarding Framework, which provides a nationally consistent approach to help empower and support NDIS participants to exercise choice and control, while ensuring appropriate safeguards are in place. It establishes expectations for providers and their staff to deliver high quality supports.

Boards and executive leaders are accountable for ensuring that quality and safeguarding according to the required standards within The NDIS Quality and Safeguarding Framework is routinely understood and practiced in their service.

The NDIS Quality and Safeguarding Framework includes new national requirements for providers, including these quality and safety components:

1. Registration requirements.

2. NDIS Practice Standards.

3. NDIS Code of Conduct.

4. Worker screening.

5. Complaints management and resolution requirements.

6. Incident management requirements, including reportable incidents.

7. Additional safeguards for behaviour support and restrictive practices.

Australian Government Department of Social Services Factsheet: NDIS Quality and Safeguarding Framework
https://www.dss.gov.au/sites/default/files/documents/04_2017/ndis_quality_and_safeguarding_framework_overview_fact_sheet_final_2.pdf

Tool 2.7.3 - NDIS fact sheet

The NDIS Practice Standards create an important benchmark for providers to assess their performance, and to demonstrate how they provide high quality and safe supports and services to NDIS participants.

Together with the NDIS Code of Conduct, the NDIS Practice Standards will assist NDIS participants to be aware of what quality service provision they should expect from NDIS providers.

The National Disability Insurance Scheme Practice Standards and Quality Indicators (2020) list both the NDIS Practice Standards and the associated quality indicators NDIS providers can use to demonstrate compliance.

NDIS Commission: The National Disability Insurance Scheme Practice Standards and Quality Indicators (January 2020, version 3)
https://www.ndiscommission.gov.au/sites/default/files/documents/2019-12/ndis-practice-standards-and-quality-indicators.pdf

Tool 2.7.4 - NDIS practice standards

The NDIS Code of Conduct helps providers and workers respect and uphold participant's rights to safe and quality supports and services. The NDIS Code of Conduct articulates the safe and ethical behaviours that both NDIS workers and NDIS providers are accountable for demonstrating.

It is mandatory that all NDIS workers complete the NDIS worker orientation training module Quality, Safety and You. This module explains the obligations of workers under the NDIS Code of Conduct and evidences compliance with the NDIS Code of Conduct.

Under the NDIS Code of Conduct, providers and workers must:

- Act with respect for individual rights to freedom of expression, self-determination, and decision-making in accordance with relevant laws and conventions.

- Respect the privacy of people with disability.

- Provide supports and services in a safe and competent manner with care and skill.

- Act with integrity, honesty, and transparency.

- Promptly take steps to raise and act on concerns about matters that might have an impact on the quality and safety of supports provided to people with disability.

- Take all reasonable steps to prevent and respond to all forms of violence, exploitation, neglect, and abuse.

- Take all reasonable steps to prevent sexual misconduct.

1. NDIS Commission: NDIS Code of Conduct
https://www.ndiscommission.gov.au/providers/ndis-code-conduct

2. NDIS Commission: Code of Conduct: Guidance for Workers
https://www.ndiscommission.gov.au/document/571

Tool 2.7.5 - NDIS code of conduct: workers

3. NDIS Commission: Code of Conduct: Guidance for Service Providers
https://www.ndiscommission.gov.au/document/566

Tool 2.7.6 - NDIS code of conduct: providers

4. NDIS Commission: Your guide to the NDIS Code of Conduct
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-06/code-conduct-june-2020.pdf

Tool 2.7.7 - Guide to the NDIS code of conduct

5. NDIS Commission: Worker Orientation Module Quality Safety and You
https://www.ndiscommission.gov.au/workers/training-course

Worker Screening is mandatory. Registered NDIS providers must ensure that key personnel and other workers in certain types of roles have a worker screening clearance that meets the requirements of the NDIS Practice Standards.

This helps to ensure that key personnel and workers in these roles do not pose an unacceptable risk to the safety and wellbeing of NDIS participants.

The NDIS Commission has set standards to regulate the conduct of staff, and organisation as well as articulate the rules around worker screening.

1. NDIS Commission: Worker Screening Requirements (registered NDIS providers)
https://www.ndiscommission.gov.au/node/371

2. NDIS Commission: Worker screening requirements (registered NDIS providers)
https://www.ndiscommission.gov.au/workers/worker-screening-workers

3. NDIS Commission: NDIS Worker Screening Check: What Registered NDIS Providers Need to Know
https://www.ndiscommission.gov.au/sites/default/files/documents/2021-01/fact-sheet-ndis-worker-screening-check-what-registered-ndis-providers-need-know.pdf

Tool 2.7.8 - NDIS worker screening fact sheet

4. NDIS Commission: (YouTube video clip) NDIS Worker Screening Check- Information for General Stakeholders
https://www.youtube.com/watch?v=IHHcoCNwpfk

Complaints management and resolution is an essential component of the NDIS Quality and Safeguarding Framework. The National Disability Insurance Scheme (Complaints Management and Resolution) Rules 2018 require registered NDIS providers to have an effective system for management and resolution of complaints about the supports or services they provide.

Under the NDIS Commission, all registered NDIS providers must have an incidents management system in place to record and manage incidents.

1. NDIS Commission: Complaints Management
https://www.ndiscommission.gov.au/providers/complaints-management

2. NDIS Commission: Your Guide to Complaints Management
https://www.ndiscommission.gov.au/sites/ default/files/documents/2019-06/providers_ informationpack_complaintsmanagement.pdf

Tool 2.7.9 - Guide to complaints management

3. NDIS Commission: Incident Management and Reportable Incidents (NDIS Participants)
https://www.ndiscommission.gov.au/participants/ incident-mgnt-reportable-incidents

4. NDIS Commission: Your Guide to Incident Management
https://www.ndiscommission.gov.au/sites/ default/files/documents/2019-06/providers_ informationpack_incidentmanagement.pdf

Tool 2.7.10 - Guide to incident management

Additional safeguards for behaviour support and restrictive practices. The NDIS Commission's Behaviour Support Team is responsible for providing clinical leadership in behaviour support and promoting the reduction and elimination of restrictive practices.

The goal of behaviour support in the NDIS is to improve quality of life outcomes for people with disability and reduce and eliminate restrictive practices.

1. NDIS Commission: Behaviour Support (NDIS Participants)
https://www.ndiscommission.gov.au/ participants/behaviour-support

2. NDIS Commission: Your Introduction to Behaviour Support
https://www.ndiscommission.gov.au/sites/ default/files/documents/2019-06/providers_ informationpack_behavioursupport.pdf

Tool 2.7.11 - Introduction to behaviour support

Continuous improvement

Though some may think that it is the purchase and installation of 'systems' and 'technology' that will create high quality services, it is in fact the wholehearted commitment of Boards and leadership teams to drive the achievement of quality across all aspects of the service. This is what will create continuous improvement.

Rather than counting on technology to create quality and continuous improvement, leadership teams could build a culture of continuous improvement by asking and exploring questions about:

- What new or different leadership skills and capabilities do Boards and executive teams require to be Executive change leaders in the NDIS paradigm as they transition their organisation to a high functioning business model?

- How can we ensure that our workers at all levels of the organisation become more consumer focussed in every interaction, every day in every activity?

- How can we as an organisation create exceptional customer experiences at every touch point with our organisation?

- How do we make sure that the people who use our services know how to make a complaint with us and where they can turn if not satisfied with the outcome?

- How do we ensure that what we do supports and evidences our compliance with legislation and standards and how can we do better?

- What processes are in place for the organisation to learn from mistakes and incidents, including learning from small mistakes and incidents to mitigate the risk of greater mistakes in the future?

- How effective are we at monitoring, reviewing, and evaluating what we do and how then do we feed that data back into continuous improvement?

- How do we as leaders constantly assess our own performance and identify where we may need to acquire and grow new or different capabilities and competencies to underpin success?

- Do we have a strong and informed vision for the organisation that will focus on outcomes informed by vision and mission and powered by good business practice and continuous improvement?

A planned approach to continuous improvement

Continuous improvement must go hand in hand with continuous appraisal and assessment. It is not event-based. It is ongoing.

The NDIS Practice Standards and Quality Indicators provide clear benchmarks for NDIS providers to self-assess their compliance with NDIS registration. In fact, they are the basis for external third-party audit processes when an organisation is seeking or renewing NDIS registration.

The National Standards for Disability Services (Department of Social Services. 1 December 2013) promote a nationally consistent approach to improving the quality of services for all service providers. The focus of the National Standards is on rights and outcomes for people with disability.

Both of these Standards in concert provide the benchmarks against which all services can assess their compliance with a view to identifying areas for continuous improvement or rectification and provide a planned approach to conducting internal audit and assessment.

A planned and considered approach to continuous improvement will support an organisation to operate at maximum efficiency, meet its quality targets and produce quality outcomes for people.

The International Atomic Energy Agency based in Austria (IAEA. April 2006) has developed an excellent resource titled Management of Continual Improvement for Facilities and Activities: a Structured Approach that is applicable to any organisation in any industry. It is included as a tool in this Toolkit.

1. NDIS Commission: NDIS Practice Standards and Quality Indicators (January 2020, version 3)
https://www.ndiscommission.gov.au/document/986

Tool 2.7.12 - NDIS practice standards and quality indicators

2. Australian Government Department of Social Services: National Standards for Disability Services
https://www.dss.gov.au/sites/default/files/documents/12_2013/national_standards_for_disability_services_-_full_standards.pdf

Tool 2.7.13 - National standards for disability services

3. NDS Resource: Template for a Continuous Improvement Plan Based on the National Standards for Disability Services
https://www.nds.org.au/images/resources/national-standards-toolkit/Continuous-improvement-plan.docx

Tool 2.7.14 - Continuous improvement plan template

4. NDS Resource: Quality Practice Guide
https://www.nds.org.au/images/resources/national-standards-toolkit/2019/Quality_Practice_Guide_.pdf

Tool 2.7.15 - NDS quality practice guide

5. International Atomic Energy Agency Handbook: Management of Continual Improvement for Facilities and Activities: A Structured Approach
https://www-pub.iaea.org/MTCD/publications/PDF/te_1491_web.pdf

Tool 2.7.16 - International Atomic Energy Agency Handbook:

Refer to Section 2: A Structured Approach to Continual Improvement

Refer to Section 3: Senior Management Responsibilities

Risk management: An essential component of compliance

Given that risk management is overseen by Boards and Executive managers and they are accountable under legislation, it is essential that leadership bodies consider all risks, problems or unforeseen contingencies that could result in damage or loss to the organisation and its people. Such damage or loss could result in financial loss and/or reputational damage.

Effective risk management plays a crucial role in any organisation's pursuit of sustainability and meeting compliance with statutory requirements and is essential to underpin the transition process to the NDIS that is likely to bring significant interruption to business and change.

The Board's role is to oversee a framework that manages risk as an integral part of the decision-making process both at the board level and throughout the organisation.

A significant area of risk in the NDIS environment is in ensuring that compliance with the NDIS Act 2013 and all other NDIA regulatory mechanisms is met to the standards required.

The adoption of a risk management framework that embeds best practices into the provider's risk culture can be a cornerstone of an organisation's success. A typical Risk Management Framework generally includes five essential systems:

1. Risk Identification

2. Risk Measurement

3. Risk Mitigation

4. Risk Reporting and Monitoring

5. Risk Governance

Risk governance ensures all employees perform their duties in accordance with the risk management framework. It involves defining and articulating the roles of all employees, segregating duties, and assigning authority to individuals, committees, and the board for approval of core risks, risk limits, exceptions to limits, and risk reports, and also for general oversight.

Checklist of Self-Check Reflective Questions that Boards and Executive managers could consider about how Quality, Safeguarding & Continuous Improvement is ensured:

- Does our Quality Framework ensure all dimensions of safeguarding for our people?

- Are we effective at creating, driving, and leading in the development of an entire organisation approach to building a culture that values and champions quality and ongoing continuous improvement?

- Do we actually deliver on the promises we make as an organisation – how do we know?

- How do we collect and use data to measure if in fact we are meeting our promise of quality, safeguarding, compliance and continuous improvement?

- Is our Risk Framework based on the assumption that it is a mechanism/system we can use to deliver quality outcomes rather than it just being perceived as a liability mitigation process?

- Do we have effective processes in place to ensure that our staff is continuously educated to understand and routinely apply quality and safeguarding behaviours, strategies, and practices?

- How do we collect and use data relating to quality and safeguarding failures to address gaps and how do we learn from the mistakes?

- Are we effective in letting all people who interact with our organisation know how to freely make a complaint without fear of the consequences and expect that their complaints will be responded to fairly?

- Do we provide sufficient, relevant information on the wide range of external complaint resolution processes, agencies and contact details and support our people to connect with external compliant resolution providers without coercion or pressure?

- Are we as board and leaders actually effective in reviewing complaints so that we can continually ensure that the policies, procedures are upgraded to eliminate the opportunities for complaints, mistakes, and incidents to arise?

- How effective are we in creating a culture of safety in the organisation – in all aspects and dimensions of safety for staff and for all users of the service? How do we know?

- How effective are we at analysing information, feedback, and data in terms of inputting it to continuous improvement strategies?

Access the above reflective questions here in the form of a self-assessment checklist.

Tool 2.7.17 - Self-check reflective questions: Quality, safeguarding and continuous improvement

1. NDS Resource: Risk Management Toolkit
https://www.nds.org.au/resources/risk-management

NDS in partnership with the Victorian Managed Insurance Authority and the Victorian Department of Health & Human Services developed a number of resources included in this toolkit based around a self-assessment checklist designed to meet the needs of small, medium, and large disability service providers.

Note the resources related to:

- *Risk Management and Controls Model for Disability Services Governance Structure and Charter*
- *Strategic Plan*

These resources were last revised in 2012, however NDS members have indicated that they continue to be relevant in the current sector environment.

2. Australian Institute of Company Directors (AICD): Good Governance Principles and Guidance for Not-for-Profit Organisations
https://www.companydirectors.com.au/~/media/cd2/resources/director-resources/nfp/pdf/nfp-principles-and-guidance-131015.ashx

Tool 2.7.18 - Good governance principles and guidance

Note the Chapter: Risk. pp. 25-27.

The AICD is committed to promoting world-leading performance of Australian boards and directors.
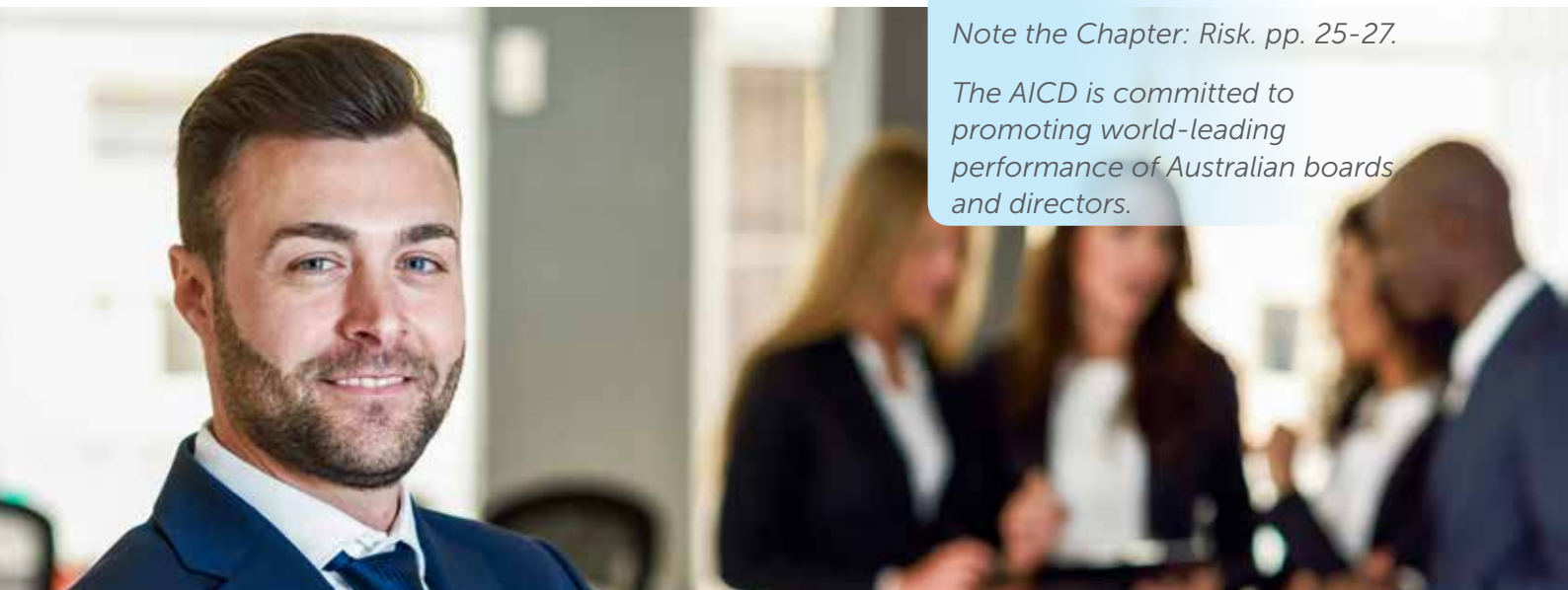
SECTION 3

*NDIS Registration
Process*

Introduction

For some, this Toolkit may provide an overview of information to inform their decision making and process for registering to become an NDIS Approved Provider or not. For other organisations and leadership teams the information in the Toolkit may inform the strategic thinking required to understand what work may need to be done to move towards a stronger position of being ready to embark on the registration journey.

Go here to access a PowerPoint Overview of Section 3 of the Toolkit

Registration – How?

The NDIS Quality and Safeguards Commission ('The NDIS Commission') manages the registration and quality assurance of NDIS providers under a nationally consistent framework. The NDIS Commission works with providers to improve the quality and safety of NDIS services and supports.

As of 1 December 2020, all NDIS providers must register through the NDIS Quality and Safeguards Commission. It is the NDIS Commission that regulates the NDIS market.

To be registered, providers must demonstrate they meet mandated standards of quality and safety in the services and supports they deliver.

This includes the registration of new NDIS service providers, and the renewal of existing NDIS registrations.

To be registered, providers must demonstrate they meet standards of quality and safety in the services and supports they deliver. The standards of quality and safety are articulated in the NDIS Practice Standards and Quality Indicators and contained within the Provider Application Pack referenced below in the toolbox.

Both registration as a new NDIS provider and renewing existing NDIS registration is completed via the NDIS Commission website.

Resources relating to how to register:

1. NDIS Commission web page: Provider Information Pack
https://www.ndiscommission.gov.au/providers/more-information/providerpack

2. NDIS Commission: Your Introduction to Provider Registration
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-11/intro-provider-registration-ov-december-2020.pdf

Tool 3.1 - Introduction to Provider registration

3. NDIS Commission: How to Register
https://www.ndis.gov.au/providers/becoming-ndis-provider/how-register

4. NDIS Commission Fact sheet: How to Register as an NDIS Provider
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-12/how-register-ndis-provider-dec-2020.pdf

Tool 3.2 - How to register as an NDIS Provider

5. NDIS Commission Factsheet: What Does This Mean for Providers?
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-01/ndis-commission-what-does-mean-providers-v3.pdf

Tool 3.3 - What does this mean for Providers

6. NDIS Commission: Understanding Provider Registration in the NDIS Commission (standard and Auslan video clips)
https://www.ndiscommission.gov.au/understanding-provide-registration

Resources relating to registration requirements:

1. NDIS Commission webpage: Registered Provider Requirements
https://www.ndiscommission.gov.au/providers/registered-provider-requirements

2. NDIS web page: Becoming an NDIS Provider
https://www.ndis.gov.au/providers/becoming-ndis-provider

3. NDIS Commission Booklet: Your Introduction to Provider Registration
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-06/intro-provider-registration-june-2020.pdf

Tool 3.4 - Introduction to Provider registration

The NDIS Commission Practice Standards

The NDIS Practice Standards consist of a core module and several supplementary modules that apply depending on the types of supports and services you deliver and your organisational structure.

Each module has a series of high-level, participant-focused outcomes.

For each outcome in the modules, the NDIS Commission has prepared quality indicators that approved auditors use to assess compliance with the NDIS Practice Standards.

Core module

The core module covers:

- Rights of participants and responsibilities of providers.

- Governance and operational management.

- The delivery of supports.

- The environment in which supports are delivered.

Supplementary modules

The supplementary modules cover:

- High intensity daily personal activities.

- Specialist behaviour support, including implementing behaviour support plans.

- Early childhood supports.

- Specialised Support Coordination.

- Specialist disability accommodation.

1. NDIS Commission web page: The NDIS Practice Standards
https://www.ndiscommission.gov.au/providers/ndis-practice-standards

2. NDIS Commission: Your Guide to the NDIS Practice Standards
https://www.ndiscommission.gov.au/sites/default/files/documents/2019-12/practice-standards.pdf

Tool 3.5 - Guide to NDIS practice standards

3. NDIS Commission: Application Pack – NDIS Practice Standards and Quality Indicators (Version 3, January 2020.)
https://www.ndiscommission.gov.au/sites/default/files/documents/2019-12/ndis-practice-standards-and-quality-indicators.pdf

Tool 3.6 - NDIS practice standards and quality indicators

The process for new provider registration

The 5 steps of the new provider registration process are:

Step 1: Complete an online application form on the Commission website.

Step 2: Select an approved external third-party NDIS approved quality auditor.

Step 3: Undergo an NDIS registration audit.

Step 4: The NDIS Commission assesses the application and makes a decision.

Step 5: Receive the application outcome.

NDIS Commission webpage: Provider Registration Process
https://www.ndiscommission.gov.au/providers/provider-registration

To apply for or renew registration with the NDIS Commission, all providers undergo an audit against the NDIS Practice Standards.

An independent approved quality third-party auditor will assess/audit the organisation against the components of the NDIS Practice Standards that are relevant to the services and supports the service delivers or intends to deliver.

Auditors will also undertake their activities in a way that takes the organisation's size, scope, and service delivery risk into consideration.

The organisation will undergo either a **verification** or **certification** quality audit.

The NDIS Commission will advise the type of audit required, based the registration group(s) listed in the registration application.

As part of the application for registration or renewal, it is the provider's responsibility to engage an approved quality third-party auditor to assess the organisation's compliance with the NDIS Practice Standards.

1. NDIS Commission webpage: List of NDIS Approved Quality Auditors as at 22/02/2021 https://www.ndiscommission.gov.au/resources/ndis-provider-register-and-compliance-and-enforcement/auditors

2. NDS Webcast: NDIS Commission Requirement – Providers and the Audit Process (May 2020) https://www.youtube.com/watch?v=PWsGmeT_Ag8

This webcast aims to assist viewers to develop an understanding of the following:

- *How audit assessments relate to Provider Registration.*
- *The requirements of auditors and the audit process.*
- *The requirements of providers in relation to the audit process.*
- *How the auditors develop a quote.*
- *The operation of some key provisions of the Approved Quality Auditor Scheme Guidelines which may impact providers.*

There are two pathways for registration, both of which require audit:

Verification: The verification pathway is undertaken where providers are delivering lower risk/lower complexity supports and services. The approved quality auditor will conduct a desktop audit (Step 3 above) against the four standards and each outcome within the verification module of the NDIS Practice Standards:

1. Human Resource Management including pre-employment checks, relevant qualifications, expertise and experience and relevant personal insurance.

2. Incident Management processes/policies.

3. Complaints Management processes/policies.

4. Risk Management processes/policies.

Resources relating to the Verification pathway:

1. NDIS Commission: NDIS Practice Standards Verification Module – Required Documentation https://www.ndiscommission.gov.au/document/1051

Tool 3.7 - NDIS practice standards verification module

2. NDIS Commission web page: Verification Audits https://www.ndiscommission.gov.au/providers/registered-provider-requirements

Certification: The certification pathway is undertaken by providers that provide high risk and more complex supports and services. In a certification audit, providers are assessed against the NDIS Practice Standards which may include assessment against the core module and any supplementary module relevant to the type of support they deliver. The registration requirements outline the compliance requirements for the core and supplementary modules by registration group.

Assessment includes core capabilities, such as:

- Risk management.
- Delivery of supports.
- The delivery environment.
- Governance and operational management.

Supplementary modules for more complex supports include:

- High intensity daily personal care.
- Specialist behaviour support.
- Implementing behaviour support plans.
- Early childhood supports.
- Specialised support coordination.
- Specialised disability accommodation.

Resources relating to the Certification Pathway:

1. NDIS Commission: Application Pack – Registration Requirements by Supports and Services
https://www.ndiscommission.gov.au/document/1006

Tool 3.8 - Registration requirements by supports and services

2. NDIS Commission webpage: Certification Audits
https://www.ndiscommission.gov.au/providers/registered-provider-requirements

NDIS registration renewal

Service Providers seeking NDIS registration renewal must also demonstrate compliance with the NDIS Practice Standards for the relevant approved registration groups (which are determined by the types of services and supports you deliver).

Registration renewal also requires undertaking an external third-party quality audit that can only be conducted by an NDIS approved external auditing agency.

During a provider's application for registration or renewal of registration, the NDIS Commission will advise the applicant of the NDIS Practice Standards that apply to their organisation and the type of quality audit required. This is based on your registration group(s) and the legal type of organisation you are (e.g., individual, partnership or body corporate).

The NDIS Commission provides guidance and support to assist in understanding and meeting the requirements of registration. Access the following tool for your Toolkit.

1. NDIS Commission: Application Pack - NDIS Quality and Safeguards Commission Practice Standards and Quality Indicators (Version 3, January 2020.)
https://www.ndiscommission.gov.au/document/986f

Tool 3.9 - NDIS practice standards and quality indicators

Registration renewal must be completed every three years.

To apply to renew provider registration, providers need to complete the online application process on the NDIS Commission Portal.

NDIS Commission web page: NDIS Commission Portal
https://www.ndiscommission.gov.au/providers/ndis-commission-portal

Log in to the NDIS Commission Portal and go to the My Registration tab to get started.

The Renewal Quick Reference Guide is a useful resource to help through the process.

1. NDIS Commission: Registration Renewal Fact Sheet
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-11/registration-renewal-factsheet-ov-december-2020.pdf

Tool 3.10 - Registration renewal fact sheet

2. NDIS Commission: Quick Reference Guide – Renewal of a Registration
https://www.ndiscommission.gov.au/document/1016

Tool 3.11 - Renewal of registration guide

Conditions of registration

There are a number of requirements providers must meet to become registered and maintain registration with the NDIS Commission.

Registered NDIS providers must:

- Comply with the conditions of registration stated on their certification of registration.

- Demonstrate compliance with the NDIS Practice Standards for the relevant registration groups (which are determined by the types of services and supports your delivery), including through a quality audit.

- Comply with the NDIS Code of Conduct across the organisation and support employees to meet its requirements.

- Have an in-house complaints management and resolution system to record and manage any complaints received, and support NDIS participants or other relevant concerned parties to make a complaint.

- Have an in-house incident management system and notify the NDIS Commission should a reportable incident occur.

- Fulfil worker screening requirements and ensure all workers have been screened.

- If applicable, meet the behaviour support requirements, including reporting the use of restrictive practices to the NDIS Commission.

All workers of registered NDIS providers must complete a worker orientation e-learning module called Quality, Safety and You that covers human rights, respect, risk, and the roles and responsibilities of NDIS workers.

Resources related to the conditions of registration:

1. NDIS Commission web page: NDIS Practice Standards
https://www.ndiscommission.gov.au/providers/ndis-practice-standards

2. NDIS Commission: Your Guide to the NDIS Practice Standards
https://www.ndiscommission.gov.au/sites/default/files/documents/2019-12/practice-standards.pdf

Tool 3.12 - Guide to NDIS practice standards

3. NDIS Commission web page: Approved Quality Auditors
https://www.ndiscommission.gov.au/resources/ndis-provider-register/auditors

4. NDIS Commission web page: NDIS Code of Conduct (NDIS Providers)
https://www.ndiscommission.gov.au/providers/ndis-code-conduct

5. NDIS Commission: Your Guide to the NDIS Code of Conduct
https://www.ndiscommission.gov.au/sites/default/files/documents/2020-06/code-conduct-june-2020.pdf

Tool 3.13 - The NDIS code of conduct

6. NDIS Commission web page: Complaints Management
https://www.ndiscommission.gov.au/providers/complaints-management

7. NDIS Commission: Your Guide to Complaints Management
https://www.ndiscommission.gov.au/sites/default/files/documents/2019-06/providers_informationpack_complaintsmanagement.pdf

Tool 3.14 - Guide to complaints management

8. NDIS Commission web page: Incident Management and Reportable Incidents (NDIS Providers)
https://www.ndiscommission.gov.au/providers/incident-management-and-reportable-incidents

9. NDIS Commission: Your Guide to Incident Management
https://www.ndiscommission.gov.au/sites/default/files/documents/2019-06/providers_informationpack_incidentmanagement.pdf

Tool 3.15 - Guide to incident management

10. NDIS Commission web page: Worker Screening Requirements (NDIS Registered Providers)
https://www.ndiscommission.gov.au/providers/worker-screening

11. NDIS Commission: NDIS Worker Screening Check – What Registered NDIS Providers Need to Know https://www.ndiscommission.gov.au/sites/default/files/documents/2021-01/fact-sheet-ndis-worker-screening-check-what-registered-ndis-providers-need-know.pdf

Tool 3.16 - What registered NDIS Providers need to know

12. NDIS Commission: NDIS Worker Screening Check – What unregistered NDIS Providers Need to Know https://www.ndiscommission.gov.au/sites/default/files/documents/2021-01/fact-sheet-ndis-worker-screening-check-what-unregistered-ndis-providers-need-know.pdf

Tool 3.17 - What unregistered NDIS Providers need to know

13. NDIS Commission web page: Behaviour Support
https://www.ndiscommission.gov.au/providers/behaviour-support

14. NDIS Commission: Your Introduction to Behaviour Support
https://www.ndiscommission.gov.au/sites/default/files/documents/2019-06/providers_informationpack_behavioursupport.pdf

Tool 3.18 - Introduction to behaviour support

15. NDIS Commission: Your Introduction to the Positive Behaviour Support Capability Framework https://www.ndiscommission. gov.au/sites/default/files/documents/2020-04/ provider-information-pack-intro-pbs-capability- framework.pdf

Tool 3.19 - The positive behavior support capability framework

16. NDIS Commission: Worker Orientation Module – Quality, Safety and You https://www.ndiscommission.gov.au/workers/ training-course

17. NDIS Commission: Your Guide to Legislation, Rules and Policies https://www.ndiscommission. gov.au/sites/default/files/documents/2021-02/ legislation-rules-and-policies-ov-january-20212. pdf

Tool 3.20 - Guide to legislation, rules and policies

Other NDIS and NDIS Commission resources to assist with registration

Resource	NDIS or NDIS Commission Web Page
Becoming an NDIS Provider information	https://www.ndis.gov.au/providers/becoming-ndis-provider
Am I ready? – a Provider Readiness Checklist	https://www.ndis.gov.au/providers/becoming-ndis-provider/am-i-ready
How to register information and links	https://www.ndis.gov.au/providers/becoming-ndis-provider/how-register
Working as a Provider information	https://www.ndis.gov.au/providers/working-provider
Provider Application Pack	https://www.ndiscommission.gov.au/resources/application-pack
Application Pack – NDIS Provider application to register process guide	https://www.ndiscommission.gov.au/document/991
Suitability assessment process guide – Information for NDIS Providers and their key personnel	https://www.ndiscommission.gov.au/sites/default/files/documents/2018-09/suit-assess-process-guide.pdf
Provider Information Pack	https://www.ndiscommission.gov.au/providers/more-information/providerpack

GLOSSARY

Glossary of NDIS related terms and acronyms

Accreditation. Certification by a licensed agency (Approved Quality Auditor) that a service provider complies with mandated standards.

Approved Quality Auditor. A person or body approved by the NDIS Commission to conduct audits using the NDIS Practice Standards.

Australian Government. Refers to the Commonwealth Government of Australia. (Also known as the Government).

Behaviour Support. The goal of behaviour support in the NDIS is to improve quality of life outcomes for people with disability and reduce and eliminate restrictive practices.

Benchmark. A standard or point of reference against which things may be compared or assessed.

Block Funding. Prior to the NDIS, the majority of supports were delivered through government agencies, and providers were 'block funded' by government agencies to deliver particular supports to a certain number of people with disability. Block funding was contract or program based and paid to a provider quarterly in advance.

Board. A Board is one of several names used to signify the group of people assigned the responsibility to govern an organisation, company, or other similar entity. A board is a legal requirement of a number of different forms of for-profit and not-for-profit organisations.

Board Member. A legally voted member of a Board. Board members are often referred to as directors.

Branding. A marketing practice where an enterprise creates a name, symbol or designs that are easily identifiable as belonging to the company. There are many areas that are used to develop a brand including advertising, customer service, promotional merchandise, reputation, and logo.

Certification. (See 'Accreditation').

Certification Audit. An NDIS Certification Audit is undertaken by providers that provide high risk and more complex supports and services. In a certification audit, providers are assessed against the NDIS Practice Standards which may include assessment against the core module and any supplementary module relevant to the type of support they deliver. The registration requirements outline the compliance requirements for the core and supplementary modules by registration group.

Change Management. The methods and manners in which an enterprise describes and implements change within both its internal and external processes.

Change Management strategies. The specific ways an enterprise will generally address change in and around it. It includes any mechanisms that aim to minimise any negative effects the changing events bring about, while at the same time capitalising on the transformation. Effective communication is one of the most important success factors for effective change management.

Choice and control. An NDIS participant has the right to make their own decisions about what is important to them and to decide how they would like to receive their supports and who from.

COAG. The Council of Australian Governments including the Commonwealth, State and Territory governments.

Compliance. Meeting specific requirements (of, for example, standards, legislation, or regulation). Compliance is often determined by audit against such benchmarks.

Complaints management and resolution. An essential component of the NDIS Quality and Safeguarding Framework. The National Disability Insurance Scheme Complaints Management and Resolution Rules 2018 require registered NDIS providers to have an effective system for management and resolution of complaints about the supports or services they provide.

Continuous improvement/continuous quality improvement (CQI). The process of assessing, reviewing, and making improvements in an ongoing manner.

DSS. Department of Social Services (Commonwealth Government).

Data. Information collected for use in planning, decision making or evaluation.

Director. A person formally elected and/or appointed under law to a Board, in accordance with the organisation's constitution. Note: Some organisations refer to the members of their governing body as Management Committee members. Refer also to Board Member.

Disability Sector. The disability sector is comprised of thousands of organisations, large and small, that provide support services to people with disability. It also includes the peak bodies that represent them.

Ethical rights-based practice. Ethical rights-based approaches are about turning human rights from purely legal instruments into effective and ethical policies, practices, and practical realities.

Evaluation. The formal process of assessing whether the implementation of a strategic business plan, or an activity, has been successful.

Evidence. Documents, reports, or other information, including obtained via interviews that demonstrate compliance or performance.

External review. Checking of evidence to ascertain compliance against a set of standards by an independent third party (also referred to as external or third-party verification).

Financial sustainability. The ability to start, grow and maintain an enterprise with short- and long-term financial stability.

'For-purpose' business model. An alternate name for a 'profit for a purpose' business model where NDIS participants are sold products and/or services by organisations that were traditionally not-for-profits. This alternate name creates the understanding that the NDIS is a market driven environment where providers offer services to NDIS participants to purchase with their Approved Plan funding.

Governance. The framework of rules, relationships, systems, and processes within and by which authority is exercised and controlled in agencies and systems.

Individualised supports. Supports that are based on and tailored around the individual needs of an NDIS participant.

Individualised funding. NDIS Participants engage in a planning process where their needs are articulated by the participant. They are then provided with an NDIS Plan. Each Plan developed with the participant and their family or other informal support networks has funding attached to it for that participant.

Insurance-based model of disability supports. The word 'Insurance' in the National Disability Insurance Scheme refers to the scheme's use of proactive insurance principles to manage long-term financial sustainability, and that it aims to make sure any Australian citizen will have costs covered in the event they are born with or acquire a disability. The insurance model takes a long-term view of the total cost of disability and operates on a system of reducing the lifetime costs for a person and funding what is necessary for each eligible person's life.

IT. Information Technology.

ICT. Information and Communications Technology.

KPI. Key Performance Indicators are the benchmarks or targets that have been chosen to measure how successfully a service provider has achieved its objectives.

Leaders. A general term that includes governing bodies such as boards, executive managers such as the Chief Operating Office/Chief Financial Officer and other senior managers. Also referred to as Leadership bodies.

Marketing. The business of promoting and selling services and includes market research and advertising.

Milestones. The measurable stages of progress towards achieving a planned objective, such as the date something is achieved or the quantity of an output.

Mission-driven enterprise. Mission-driven enterprises are formed and/or managed to accomplish goals that extend beyond profits for stakeholders, shareholders, and owners to include a societal benefit.

Monitor. To check, supervise, observe critically, or record the progress of an activity, action, or system on a regular basis to identify change.

NDA. The National Disability Agreement 2009. This is the system of State, Territory and Commonwealth Government agreements for the provision of disability supports. The NDA was replaced by the NDIS.

National Disability Insurance Scheme Act 2013. The Australian Government legal instrument that established the NDIS. Often referred to as the NDIS Act.

NDIA. National Disability Insurance Agency. The Australian Government organisation administering the NDIS.

NDIS. National Disability Insurance Scheme. Also referenced as 'the Scheme'.

NDIS Code of Conduct. The NDIS Code of Conduct articulates the safe and ethical behaviours that both NDIS workers and NDIS providers are accountable for demonstrating in terms of respecting and upholding a participant's rights to safe and quality supports and services.

NDIS Funded supports. Supports the NDIS pays for through a participant's plan. These supports must be reasonable and necessary.

NDIS Funded Support Package. The funding available to a participant. There are three budgets in a support package: Core, Capacity Building and Capital.

NDIS Plan. A written agreement worked out with the participant, stating their goals and needs, and the reasonable and necessary supports the NDIS will fund for them. Each participant has their own individual plan.

NDIS Practice Standards. A set of NDIS required standards that create important benchmarks for NDIS registered providers to assess their performance, and to demonstrate how they provide high quality and safe supports and services to NDIS participants.

NDIS Provider. Someone who has products or services to help participants achieve the goals in their plan. Participants can choose their providers and change providers at any time, this is also known as choice and control. See also 'Registered NDIS Provider'.

National Disability Insurance Scheme Practice Standards and Quality Indicators. A cornerstone document that lists both the NDIS Practice Standards (referenced above) and the associated quality indicators NDIS providers can use to demonstrate compliance.

NSDS. The National Standards for Disability Services (The National Standards) promote a nationally consistent approach to improving the quality of services for all service providers. The focus of the National Standards is on rights and outcomes for people with disability.

NDIS Price Capping. The NDIS regulates and funds the delivery of services according to the maximum prices for each service category listed in the current NDIS Price Guide and Support Catalogue. The prices are capped in that participants can only be invoiced up to the maximum price listed at the time the service is delivered. The Price Guide reflects the annual price reviews and indexes prices as a result of the Fair Work Commission Annual Wage Review.

NDIS Quality and Safeguards Commission. The NDIS Quality and Safeguards Commission (NDIS Commission) is a new independent Commonwealth agency established to improve the quality and safety of NDIS supports and services The Commission oversees and regulates the implementation of the NDIS whereas the NDIA has more of a focus on administering the NDIS.

NDIS Quality and Safeguarding Framework. The NDIS Quality and Safeguarding Framework provides a nationally consistent approach to help empower and support NDIS participants to exercise choice and control, while ensuring appropriate safeguards are in place and establishes expectations for providers and their staff to deliver high quality supports.

NDIS Worker orientation training module Quality, Safety and You. This education module explains the obligations of workers under the NDIS Code of Conduct and evidences compliance with the NDIS Code of Conduct. All NDIS workers are required to have completed this module.

NDIS Workforce Capability Framework. The Capability Framework translates the NDIS Commission principles, Practice Standards and Code of Conduct into clear and observable behaviours that service providers and workers should demonstrate when delivering services to people with disability.

Objectives. What a service provider wants to achieve as a result of its planned activities. Sometimes the term 'objective' is used interchangeably with the terms 'goal' or 'aim'.

Ordinary life. A life where people with disability have the same opportunities as people without disability.

Organisational culture. The behaviours, attitudes and beliefs relating to the values of the people that makes up an organisation and the stated mission of the organisation.

Outcomes. The results of planned actions.

Paradigm. A paradigm is a standard, perspective, or set of ideas – a way of looking at something.

Paradigm shift. When you change or shift paradigms, you are changing how you think about something.

Parkinson's. An abbreviation for Parkinson's Disease. The use of this abbreviated term places the focus on the condition and not on Parkinson's being a disease.

Participant. Also referred to as 'NDIS participant'. A participant meets the NDIS access requirements. A participant who is eligible is granted an NDIS Plan.

Permanent and significant disability. A disability that a person is born with or acquires which substantially impacts on how they manage everyday activities, and which requires life-long support.

Person-centred approach. A way of supporting and working with people with a disability that puts the person at the centre of planning, funding and support and service arrangements.

Positive customer experience. Customer experience is your customers' holistic perception of their experience with your business or brand. It is the result of every interaction a customer has with your business, from navigating the website to talking to staff and receiving the product/service they bought from you. A positive customer experience is created when the customer interaction meets or exceeds their expectations.

PRODA. The secure Australian Government Provider Digital Access (PRODA) system.

Qualitative. Relating to measuring, or measured by the quality of something rather than its quantity.

Quality Improvement Plan. A Plan for action to make improvements that will impact the quality of service delivery or operations. Often the term 'continuous improvement plan' is used interchangeably.

Quality management process. Any set of procedures or activities that control or monitor the quality of the service provider's work.

Quality management system. A structured set of processes for monitoring and managing quality within a service provider.

Quantitative. A numeric measure of an outcome.

Reasonable and necessary supports. Reasonable means something fair and necessary means something you must have. The NDIS funds reasonable and necessary supports relating to a person's disability to help them live an ordinary life and achieve their goals.

Registered NDIS provider. A registered NDIS provider is a person or organisation that is registered with the NDIS Commission. NDIS providers must be registered to deliver some kinds of supports (e.g., implementing regulated restrictive practices in a behaviour support plan). A registered NDIS provider has met the NDIS requirements for qualifications, approvals, experience, capacity, and quality standards to provide a product or service.

Reportable incident. Incidents relating to participants that must be reported to the NDIS Commission including death, serious injury, abuse or neglect, unlawful sexual activity and use of restrictive practices.

Restrictive practices. A restrictive practice is any practice or intervention that has the effect of restricting the rights or freedom of movement of a person with disability. Under the NDIS Rules, certain restrictive practices are regulated.

Risk. The chance of something happening that will have an impact on an organisation's objectives. Risk is measured in terms of likelihood and consequences.

Risk management. The process of identifying and implementing strategies to prevent or control the impact of risks.

Risk Management Framework. A management framework that embeds best practices into the providers' risk culture. A typical Risk Management Framework includes 5 essential systems:

1. **Risk Identification**

2. **Risk Measurement**

3. **Risk Mitigation**

4. **Risk Reporting and Monitoring**

5. **Risk Governance**

Standards (industry or service standards). Specific procedures or outcomes that service providers are required to meet within an industry area.

Stakeholders. Any person or organisation with an interest in the operations of a service provider.

Strategic business planning. A process to map how a service provider can use its resources to successfully achieve its objectives over a period of time (usually three to five years).

Strategic directions. The parameters for defining what a service provider will do, based on an analysis of its operating environment and its internal capacity.

Strategic plan. A strategic plan is a document used to communicate an organisation's goals, the actions needed to achieve those goals and all of the other critical elements developed during the planning exercise.

Strategic thinking. Strategic thinking is an ability to plan for the future. It is the capacity to prepare strategies and conjure ideas that will both cope with changing environments and consider the various challenges that lie ahead.

Supports. Things to help a person undertake daily life activities and enable them to participate in the community and reach their goals.

Surveillance audit. A mid-term audit used to monitor compliance between full reregistration audits. An NDIS Approved Provider registration term is for three years and then re-registration is required.

Targets. Specific levels of performance set by the service provider in relation to plans and performance measures.

Unregistered NDIS provider. A provider of NDIS supports and services that has not been registered with the NDIS Quality and Safeguards Commission. Unregistered NDIS providers usually deliver lower risk supports to NDIS participants – for example, house maintenance. Only participants who self-manage or plan-manage their NDIS funding are able to choose to receive supports and services from unregistered NDIS providers.

Verification. See 'Accreditation'.

Verification Audit: an NDIS verification audit is undertaken where providers are delivering lower risk/lower complexity supports and services. An NDIS approved quality auditor conducts the verification audit against the four standards and each outcome within the verification module of the NDIS Practice Standards.

Worker Screening. Registered NDIS providers must ensure that key personnel and other workers in certain types of roles have a worker screening clearance that meets the requirements of the NDIS Practice Standards. It is mandatory.

Workforce. Refers to people working in the disability support sector.

1. *Audit Office of New South Wales. (23 February 2017). Building the readiness of the non-government sector for the NDIS. NSW Audit Office. Retrieved on 22 November 2020 from https://www.audit.nsw.gov.au/our-work/reports/building-the-readiness-of-the-non-government-sector-for-the-ndis*

2. *Australian Government. Department of Social Services. (1 December 2013). National Standards for Disability Services. Retrieved on 10 October 2019 from https://www.dss.gov.au/our-responsibilities/disability-and-carers/standards-and-quality-assurance/national-standards-for-disability-services*

3. *Australian Government. Department of Social Services. (9 December 2016). NDIS Quality and Safeguarding Framework. Retrieved on 06 May 2020 from https://www.dss.gov.au/sites/default/files/documents/04_2017/ndis_quality_and_safeguarding_framework_final.pdf*

4. *Australian Government. Federal Register of Legislation. (n.d.). National Disability Insurance Scheme Act 2013. Retrieved on 14 August 2020 from https://www.legislation.gov.au/Details/C2019C00332*

5. *Australian Government. Law Reform Commission. (2013). Legislative and Regulatory Framework. Retrieved on 15 May 2020, from https://www.alrc.gov.au/publication/equality-capacity-and-disability-in-commonwealth-laws-ip-44/equality-capacity-and-disability-in-commonwealth-laws/legislative-and-regulatory-framework/*

6. *Australian Government. Productivity Commission. (2011.). Disability Care and Support. Inquiry report. Retrieved on 22 November 2019 from https://www.pc.gov.au/inquiries/completed/disability-support/report*

7. *Buckmaster, L & Clark, S. (13 July 2018). The National Disability Insurance Scheme: a chronology. Parliamentary Library, Parliament of Australia. Retrieved on 12 May 2020 from https://parlinfo.aph.gov.au/parlInfo/download/library/prspub/6083264/upload_binary/6083264.pdf*

8. *Connelly, F. (2016). How to Thrive under the NDIS. A Pathway to Sustainability for Service Providers. Australia: FC Marketing.*

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10. *Ethnic Communities' Council of Victoria. (Version1, July 2018). Good Governance for an NDIS Environment. Retrieved on 24 April 2020 from https://eccv.org.au/wp-content/uploads/2019/03/V4-ECCV-Good-Governance-Guide.pdf*

11. *International Atomic Energy Agency. (April 2006). Management of continual improvement for facilities and activities: A structured approach. Retrieved on 7 April 2020 from https://www-pub.iaea.org/MTCD/publications/PDF/te_1491_web.pdf*

12. *Kaplan, S. Inc. 5000. (8 January 2018). The Future of Nonprofits: Run Them Like an Innovative Business. Retrieved on 16 October 2020 from https://www.inc.com/soren-kaplan/the-future-of-non-profits-run-it-like-an-innovative-business.html*

13. *McCrindle. (2020). Australian Communities 2020. Retrieved on 12 March 2021 from https://mccrindle.com.au/wp-content/uploads/reports/Australian-Communities-Report-2020.pdf*

14.   *National Disability Services (NDS). (2nd edition, April 2015). A Guide to Employing A Flexible Workforce In A Person-Centred Environment. Retrieved on 04 January 2021 from http://www.idfnsw.org.au/employing-a-flexible-workforce-in-a-person-centred-environment*

15.   *National Disability Services (NDS). (June 2017). Not-for-profits and the NDIS: Questions for directors. Retrieved on 13 September 2019 from https://www.nds.org.au/images/resources/Questions_for_directors_v2.pdf*

16.   *National Disability Services (NDS). (Version 3, April 2015). The NDIS Provider Toolkit. Retrieved on 15 June 2020 from https://www.nds.org.au/images/resources/resource-files/NDIS_Provider-Toolkit-2015_.pdf*

17.   *National Disability Services (NDS). (n.d.). Resources, tools, and products for the disability sector. Retrieved on 30 August 2020 from https://www.nds.org.au/resources*

18.   *National Disability Services (NDS). (n.d.). Quality Management. Retrieved on 20 November 2020 from https://www.nds.org.au/images/resources/Quality-Management-1.pdf*

19.   *NDIS Quality and Safeguards. (20 January 2020). NDIS Commission Glossary of Terms. Retrieved on 26 May 2020 from https://www.ndis.gov.au/about-us/glossary*

20.   *Parliament of Australia. (updated March 2017). The National Disability Insurance Scheme: a quick guide. Retrieved on 22 March 2020 from https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1617/Quick_Guides/DisabilityInsuranceScheme*

21.   *Rose, S. (14 August 2017). NDIS Workforce Challenges, Trends and Predictions. Pro Bono Australia. Retrieved on 23 December 2019 from https://probonoaustralia.com.au/news/2017/08/ndis-workforce-challenges-trends-predictions/*

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These links will take you to organisations where resources, relevant information and guides are available

- *Australian Government. Australian Charities and Not-for-profits Commission (ACNC)*
  https://www.acnc.gov.au/

- *Australian Government. Department of Social Services*
  https://www.dss.gov.au/

- *Australian Institute of Company Directors*
  http://aicd.companydirectors.com.au/resources

- *Better Boards Australia*
  https://betterboards.net/

- *Governance Institute of Australia*
  https://www.governanceinstitute.com.au/

- *NDIS Australia – YouTube channel*
  https://www.youtube.com/channel/UCnqSZIZY2GTDi_UesB62ecQ

- *NDIS https://www.ndis.gov.au/*

- *NDIS Price guides and pricing*
  https://www.ndis.gov.au/providers/price-guides-and-pricing

- *NDIS Quality and Safeguards Commission*
  https://www.ndiscommission.gov.au/

- *National Disability Services (NDS) home*
  https://www.nds.org.au/

- *National Disability Services (NDS) Resources, tools, and products for the disability sector*
  https://www.nds.org.au/resources

- *Pro Bono Australia (resources link)*
  https://probonoaustralia.com.au/resources/