

Strategy and Governance

Switching the Autopilot ON

ONGOING GOVERNANCE | FUTURE-PROOFING | HANDS-FREE STRATEGY

Overview

As of February 2017, the Australian Government implemented regulatory changes affecting Aged Care and Disability Providers Australia-wide. Funding policy changes meant that customers are now encouraged and empowered to shop around for Providers on merit of service as opposed to the previous practice whereby customers were issued Providers of services based upon the geographical location of the client.

These changes have created a competitive marketplace whereby customers are free to switch Providers should they feel they do not receive adequate service. This competitive free-market approach coupled with additional funding policy changes relating to administrative costs mean Providers are forced to tighten their belts, while at the same time adopting a customer-centric business philosophy. Amendments to reporting requirements have placed emphasis and pressure on Provider ICT applications and workflows both physical and digital.

To meet these challenges Providers are looking toward ICT solutions in order to consolidate business processes and build-out efficient e-Workflows. Many have commenced overhauling their ICT systems and strategies so as to increase efficiency within their business units, streamline customer onboarding processes, increase customer capacity, increase interdepartmental communications and data flow, increase customer engagement and reduce business unit overheads. The majority of Providers have yet to address this or are currently in the planning stage.

A common theme arising from an industry wide reformation is the need for positive customer experiences leading to satisfaction, which further translates into customer retention and referral. This is where CRM based solutions are leading the way due to their customer-centric evolution of development.

ICT Solutions

Many ICT applications have sprung-up since regulatory change was introduced and that number is increasing exponentially. As applications jostle in an increasingly competitive market, customer needs and wants will drive innovation and increased product features. Knowing which features are crucial to each Provider's evolution, which features are best practices and which features are nice to have is a combination of knowing one's own pain points and company Roadmap. Many features are common to most if not all applications but some features offer unique advantages to Providers with matching operations, workflows and service deliveries. Knowing these unique attributes is the key to deciphering which application is most suited for each Provider's environment.

Application types are varied but typically orientate to four Provider environments, they are;

1. Smart device enabled mobile solutions aimed at coordination and service delivery of community care
2. Browser enabled administration, medication and residential management solutions which do not offer a community care solution
3. Smart device and browser enabled solutions aimed at either community care or residential care
4. Smart device and browser enabled solutions aimed at both community care and residential care as a single holistic solution

Supporting these application types are technology platforms such as Amazon Web Service, Google, Azure, Platform as a Service (PaaS) such as Salesforce, Software as a Service (SaaS), locally hosted solutions and cloud-local hybrids for both application operations and backup. In the cloud computing space hosting and back up can be onshore (Australia), offshore at data centres around the world and hybrids (cloud application with local backup). Typically, larger Providers have data security concerns with offshoring any computing or backed up data and this trend seems to be increasing.

Provider business units can be split into 3 key areas, they are;

1. Administration & Front Office
2. Mobile and fixed workforce for Service Delivery
3. Back Office

Application domains - historically siloed and disassociated – are, but not limited to the following;

- **CRM** – enables the nurturing processes of prospective customers from enquiry to opportunity and then clients, as well as the integration of DMS into this process. In many cloud based solutions and especially technology partnerships, the CRM acts as a central hub and single source of truth
- **DMS** – enables the progressive development and historical recording of Assessments, Care Plans, Re-Assessments, Agreements and Contracts
- **Service Delivery** – enables the passage of time and rate data against client budgets and budget forecasts as well as addition bookings or cancellations
- **Scheduling and Rostering** – enables the management of on-duty staff and coordinates their attendance/timing to booked customer appointments (the delivery of services)
- **Budgeting** – facilitates the management and tracking of client Budgets based upon funding and support service options
- **Billing** – creation of client Statements and Invoices based upon Budget and Service Delivery information (the Service Delivery activity)
- **ERP** – enables client budget data, customer particulars and staff shift data to be sent to third party Accounting, HR, Payroll applications as either a CSV file within API calls

- **Budget Alerts** – facilitates Budget Alerts of client accounts trending into surplus/deficit or low level
- **Clinical Integration** – enables customer data to move between third party Clinical applications typically within API calls
- **Reporting** – although not a business unit or application domain in its own right, reporting is one of the main drivers in deciding which application to choose. The reason for this is the need for greater customer insight, company insight within all business units and between business units. Greater insight between units often requires greater application integration, so many Providers are looking for solutions from vendors who are prepared to work closely with other vendors in providing the right mix for the client

ICT Strategy and Governance

Optimised ICT infrastructure is a key driver in the search for increased performance and productivity within all modern companies and increasingly so for those in highly competitive market segments. Providers who are moving toward reformation of their ICT infrastructure to secure more efficient and cost-effective outcomes will need to undertake comprehensive analysis of their current solution, workflows and communication/data movement within and between business units, then explore possible solution options available to them, both current and emerging.

Competitive advantages sought by Providers cannot come at the cost of degrading normal day-to-day operations and general user functionality. Company growth, innovation and customer satisfaction will also need to be factored-in before any solutions can be investigated, let alone deemed as the right fit.

The relationship between Provider demand for ICT solutions and availability of solutions within the market is deep. In simple terms, there are three parts to the relationship;

1. Provider demand
2. Available Vendor solutions
3. ICT Governance

As Provider demand shifts over time and the next generation of solutions emerge, it is the goal of governance to find an appropriate balance between short, medium and long-term needs, solution availability within the marketplace and financial constraints to determine which path offers the greatest value to the Provider, not only the best fit for today, but over the life of the system and indeed future systems.

Since Governance is applied at all times it is important to ensure that the ICT strategy is aligned with the Provider's business objectives, so that the most appropriate and valued fit is deployed to support business units both now and into the future. To accomplish this, a good balance between Provider demand, vendor solution options and Governance in unravelling the best solution-vendor options is critical.

The three components can be further understood in the following way;

Provider demand can be driven by many factors such as business expansion, change in how business is conducted, customer demand for greater information or simplicity, competitive edge, greater business and operational insight, cost reduction, unification of siloed business units which may cause confusion, double handling and financial burden and many other reasons. It is important to understand and give weighting to all the factors which drive the need for change whether that be an expansion of the existing solution or a migration to a completely different one.

Once a full and correct understanding of the internal drivers of demand are known it is then appropriate to seek-out Vendor solutions within the market. Usually many solutions are already known throughout the industry however further research and evaluation should be undertaken so as to ensure the most appropriate solutions are uncovered or in the case of already known, confirmed. To reduce workload and confusion it is appropriate to form a manageable number of solutions which best fit the demand picture before determining which one in itself is the best fit. It is important that this rationale be applied to the supporting vendor as well as the applications themselves.

ICT Governance is a process in determination of current and future investments into ICT, should they be required and if so when and what type of solution is required to support what outcome? For the right outcome to be obtained, an accurate understanding of both the Provider demand and available Vendor solutions must be obtained and sculpted into a solution path which matches the company roadmap, so once the scope of demand and a selection of solutions have been determined it's time to adopt a strategy in determining the best solution to match – even exceed – the demand and give weighting to specific criteria will be required.

Tendering and decision making

The process of information research, price gathering, tendering and decision making is a critical one as this is where the Provider goes to market, determines their best option, obtains industry references and then engages the preferred vendor - in some instances multiple vendors are engaged for multiple application integrations. The engagement itself is the actioning of all the previous research and determinations to derive a real outcome so the mentality of leaving no stone unturned should be good practice.

A Provider's ICT Governance should also take into account the Provider-Vendor relationship as the solution integration and ongoing support may be in-place for years. Enhanced or expanded, it is imperative that a strong business relationship exist from the very beginning and that a strategic partnership mindset be adopted as the solution evolves with the company.

The determination of all the possible application solutions, vendors and ongoing services including support requires thorough research and evaluation. More often than not, this process is not part of a Provider's core business and as such a protracted or misguided evaluation could result in business inefficiencies, undue risk or losses. To short-cut this process and ensure the processes is conducted in a timely and efficient manner, many entities choose to seek help outside their organisation.

The importance of Consultation

Many large Providers have internal expertise to rely upon yet often seek external expertise so as to acquire specific intelligence and ensure that no stone is left unturned when making critical ICT decisions – even large Government agencies seek external consultation on a regular basis for correctness and unbiased assessment. For large Providers it is often necessary to do so as a requirement of board governance. For small to medium Providers who typically have less internal expertise bringing-in external expertise is critical and is typically done on a need by need basis.

For these small to medium sized Providers correct guidance is essential because much of the complexity and risks associated with making long term ICT decisions is often no different than larger entities, with the exception of scale and possibly back office integration.

Relying upon consultation from vendors themselves is a risky deal - typically vendors will focus upon their strengths, water-down their weaknesses or avoid the points completely. Vendors will probe for pain points and deliver presentations and demonstrations based upon those pain points. This isn't necessarily a bad thing, in fact, addressing the major pain points is what a Provider needs to do and should do however, it's what's not said, discussed or even disclosed which can cause huge issues either during or after implementation and Go-Live with a solution. Deficits in a solution are not the end of the line for that offering since there are a multitude of solution work-arounds which can be engineered or available within the market. What really matters is knowing these issues and addressing them during the tendering and consultation process. This is again why large entities and Government agencies utilise external consultants for advice and investigation.

Conclusion

The creation and maintenance of effective ICT Governance is not a one-off activity deployed at specific times throughout a Provider's history, it is an ongoing strategy which parallels and evolves alongside the Provider's company Roadmap. For this reason, ICT Governance should not be viewed as a static picture of a Provider's current ICT infrastructure or a tool solely created to upgrade/transition systems, but an evolving document which requires periodical updates to fine tune it to the company's Roadmap. In this way, a Provider's ICT Governance and Strategy can estimate when and why enhancements, changes or upgrades need to be implemented within their current ICT infrastructure.

Small to medium Providers who do not have a strategy in place but know they need to one day implement change or are currently researching ICT solutions in order to adapt to recent changes within Aged Care – especially so for price guide changes, regulatory reporting and bulk uploads – should capitalise on this period and accomplish both at the same time.

Every Provider is uniquely different, so to undertake this change it is advisable to engage consultation so as to determine a best fit solution and an ongoing strategy which takes into consideration growth, cost reduction and above all, the best possible client experience.