

**better
boards**[®]
conference 2018

9-12 AUGUST
ADELAIDE CONVENTION CENTRE



**CUSTOMER-CENTRIC
GOVERNANCE**
DRIVING SOCIAL IMPACT

Conference Magazine

12th Australasian Better Boards Conference

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Message from the Conference Chairman



For the chairs, directors, chief executive officers and executives who are attending, the Better Boards Conference 2018 represents a major opportunity to gain new strategic and governance insights, or confirm and consolidate their understanding and thinking on the new customer-driven, competitive marketplace, as well as make new contacts or re-acquaint themselves with colleagues.

This year's conference is built on the overarching theme *Customer-centric Governance — Driving Social Impact*, with a particular focus on the principles and practices relating to a customer's requirements, the customer's journey, the customer's experience and the customer's deliverables. These principles frame this year's Better Boards Conference and provide a basis for the four sub-themes, which are:

- **Strategy and Strategic Business Development:** challenging games are won with strategic moves... directors are strategists, boards strategise.
- **Markets, Customers and Competitors:** markets are just a stage and backdrop... customers and competitors are the main players.
- **Productivity, Performance and Profitability:** these key metrics of boards, chief executive officers and executives are paramount to organisational success and sustainability.
- **Customer Satisfaction, Impacts and Outcomes:** whilst 'customer is king and cashflow is queen'... meeting or exceeding customer satisfaction and outcomes is mission critical in a customer-driven, competitive marketplace.

A very warm welcome to all those attending the Better Boards Conference 2018, be it CEO's Day, Leadership Networking Drinks, the Board Member Innovation Tour, Pre-Conference Masterclasses, the Main Conference or Gala Dinner. A very special welcome to those international delegates who have travelled from around the world, as well as those who have travelled from distant communities throughout Australia.

Behind the outstanding success of each Better Boards Conference are our highly-valued partners, sponsors and trade exhibitors, as well as 'the green gnomes' who each year research, plan and provide such a magnificent event. This year will be no different, so a very big thank you to all these contributors.

I look forward to welcoming and meeting new delegates, as well as catching up with the increasing cohort of 'Better Boards Groupies', a significant number of whom have now attended more than ten conferences.

Yours sincerely,



Michael Goldsworthy
Conference Chairman

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Agenda, Session Information & Presentation Feedback

TELL US ABOUT YOUR EXPERIENCE TODAY

Session information, session feedback and plenary Q&A are now all in the same location on Pigeonhole.

HOW DO I ACCESS PIGEONHOLE?

Go to: **www.pigeonhole.at**

Enter the passcode: **BBC18**

From here you can see the agenda. Tap twice on the speaker name for more information.

HOW DO I ASK A QUESTION?

For plenary sessions tap **"Enter this Q&A"** to ask a question or vote for other questions that you would like to hear the answer to.

HOW DO I LEAVE FEEDBACK?

For plenary sessions tap **"Enter this Q&A"**, then tap on the box labelled **"Feedback"**.

For concurrent sessions and any sessions where digital Q&A is not available, tap **"Enter"**, then tap on the box labelled **"Feedback"**.

Overall Event Feedback

All completed **Overall Conference Feedback** responses go in the draw to win \$600 to be donated to the not-for-profit organisation of your choice.

The winner will be drawn after the conference and contacted via phone and email. Details will appear at www.betterboards.net

Feedback helps us to gauge the level of interest in each topic, the quality of the presentations and ultimately the success of the event.

It also helps to guide our decision-making for the next conference, assisting Better Boards to offer relevant presentation topics again the following year.

Slide Decks for Download

Where possible, speaker's slide decks will be available to download at www.betterboards.net under the 'Events' menu item.

Information for Plenary Q&A Sessions

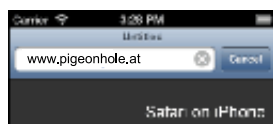


Use your smartphone or web device to ask questions during Q&A times in the plenary sessions. The aim is to allow more people to participate and influence the session by voting up questions of interest.

You do not need to download anything, it works on the web browser on your smartphone, tablet or laptop.

How to ask or vote for a question during Q&A:

1. Launch your web browser on your smartphone, tablet or laptop.
2. Enter **www.pigeonhole.at** into the address bar.



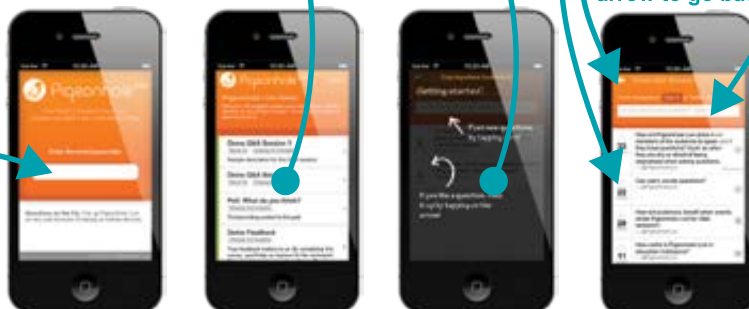
3. Enter passcode: **BBC18**

Venue WiFi: **boards18**

Event Agenda:
Tap to enter
each session

Q&A Overlay:
Tap anywhere
to dismiss

Q&A Session:
Post questions
Vote by tapping
on the arrow
Tap on the back
arrow to go back



Remember to keep your phone on silent when in session.

Message from the Lord Mayor



On behalf of my fellow Elected Members and the community, I wish you a warm welcome to the City of Adelaide; one of the world's most liveable cities.

We are excited to be hosting the Better Boards Conference at the Adelaide Convention Centre and I congratulate the organising committee for preparing an informative and insightful congress this year.

During your time in the City of Adelaide, you will quickly discover why our city is a destination of choice to live, work, invest, learn and play.

Our city is welcoming and easy to get around, with free trams and buses in the CBD, and our many attractions just a short walk away. We are proud of our reputation as a vibrant cosmopolitan city, having been recognised by international institutions such as The Economist Intelligence Unit, The Guardian and Lonely Planet as a perfect place to do business, to live and to visit.

The City of Adelaide is particularly focused on becoming a leading smart city through the greater use of technology to enhance the experience for residents, businesses, workers and city visitors. The key aspect is the development of a nation-leading super-fast data network, Ten Gig Adelaide, which by-passes the internet offering speeds of up to 10 Gigabits per second for businesses in the CBD.

Adelaide offers you a wide array of unique experiences, from intimate bars and fine dining, to international retail and award-winning entertainment. Your trip will be incomplete without visiting Adelaide Central Market, a local icon full of colour, character and diverse cultures from all corners of the globe.

There are many other attractions for you to discover, and your *Explore Adelaide* Map is your key to discovering the very best our city has to offer you. Adelaide is also the gateway to many unique Australian recreational and wilderness experiences, so I do hope you have factored in some down-time to explore our wonderful city and state.

Thank you very much for joining us here in the City of Adelaide, I hope you have a productive and enjoyable conference.

Martin Haese

Lord Mayor of Adelaide



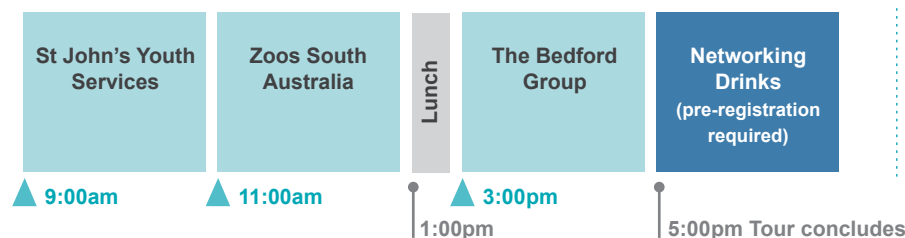
Program: Board Member Innovation Tour

FRIDAY AUGUST 10

Arrival & Check in: 8:00am
Tour Departs 8:30am sharp.



Quick overview:



TOUR OVERVIEW

The Board Member Innovation Tour will take delegates on an excursion to three diverse organisations around Adelaide where the strategies and innovations employed to address organisational challenges will be discussed in the frame of the 2018 Better Boards Conference theme: *Customer-centric Governance — Driving Social Impact*.

Lunch will be held at the National Wine Centre where you will be free to network with tour participants. The tour is a unique opportunity to get out and about with your 'board member' hat on, and hear ideas, innovations, strategies and experiences with a range of other directors.

The tour will depart from and return to the Adelaide Convention and Exhibition Centre.



Welcome from the CEO's Leadership Breakfast Partner



Welcome to the Better Boards Conference. This year's theme focuses on Customer-Centric Governance and how as community providers we can be 'driving social impact'.

At Community Business Australia, we specialise in helping not-for-profit and community organisations to grow by assisting with their development of strategic plans and implementing effective governance processes to perform better in today's customer-centric landscape.

Through our team of consultants, CBA delivers a full spectrum of specialised expertise, embracing: legal services, business development, executive recruitment, human resource management, finance, as well as marketing and communication. In fact, we have all the necessary business skills and experience to help every organisation to grow and prosper.

We are very proud to again partner with the Better Boards Conference and excited to get behind their endeavor to share fresh concepts, valuable insights, and revolutionary new ideas.

This year, Community Business Australia is delighted to sponsor the CEO's Leadership Day. I have invited a high-performance leadership expert, Professor of Sport Psychology and Coaching Cliff Mallett from the University of Queensland to share his expertise on Leading Teams: The Psychology of 'We'. Dr Mallett will be introduced at the breakfast session so make sure you're up bright and early for this important presentation.

The CEO's day will give delegates like you the unique platform to network with a number of CEO's providing a forum to discuss the game plans they are developing to address organisational obstacles they face in the current environment.

It's a rare opportunity for you to unearth ideas, innovations, strategies and experiences with a select group of CEOs from various industries and sectors.

I encourage you to engage with your colleagues. I'm sure the conversations will go a long way towards providing you with the confidence and inspiration to implement processes to lead your organisation in a customer-centric environment.

Regards

Patrick Herd, Principal Consultant
Community Business Australia

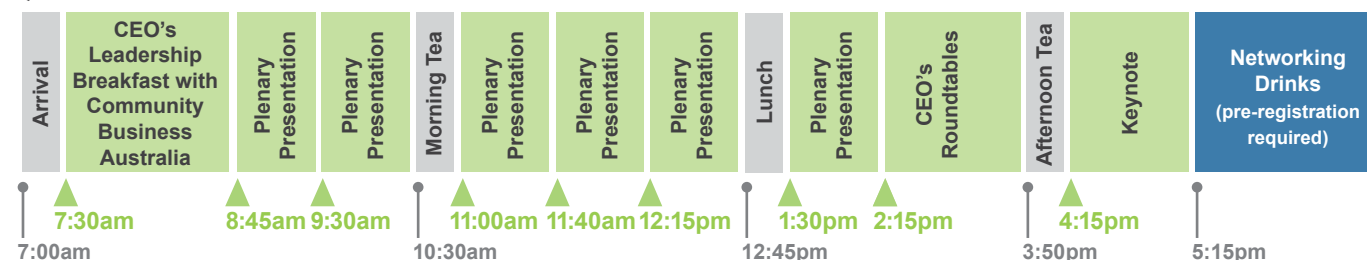


Community Business
Australia

Program: CEO's Day

FRIDAY AUGUST 10 | HALL E1 & E2

Quick overview:



CEO'S LEADERSHIP BREAKFAST WITH COMMUNITY BUSINESS AUSTRALIA

CEO's Day will begin with a seated breakfast and a chance to meet other leaders of not-for-profit organisations from across Australasia. The breakfast session is brought to you in partnership with Community Business Australia who have invited Professor Cliff Mallett to share with you some of his highly sought after insights.



7:30am

Leading Teams: The Psychology of "We"

Research and anecdotal accounts have highlighted the importance of quality leadership, including sport. However, leadership is a rather amorphous term that means different things to different people and subsequently how it is enacted. Despite this lack of conceptual clarity there are two broad paradigms for thinking about leadership. Firstly, for the past two and half thousand years or more there has been a clear focus on what is special about the leader?

An alternative and contemporary view focuses on what is special about the group? In this presentation, I will show the importance of "we" in enhancing performance as well as health and well-being.



Professor Cliff Mallett – Professor of Sport Psychology and Coaching, The University of Queensland and Honorary Professor, Technical University of Munich, Germany

Cliff has specialised in understanding the interdependency between people and the complexities of high performance contexts and enabling winning outcomes. He has coached many athletes to Olympic, World Championships, and Commonwealth medals in track and field athletics. Furthermore, he is a world-renowned practitioner, applied-researcher, and Professor in sport psychology and coaching, and has been regularly sought after within the corporate world for his advisory and mentorship.

PLENARY PRESENTATION

Presentation from Housing Choices South Australia

Representatives from Housing Choices South Australia join us today to present to you examples of customer-centric governance and decision making that has contributed to their organisation's social impact, and discuss recent strategies and solutions they have implemented in response to recent changing market conditions.



Julie Duncan – State Manager, Housing Choices South Australia

Julie has vast expertise and experience in housing, urban development and community services. Over the past 20 years she has worked extensively in policy, planning, project management and community relations across all tiers of government and in the community sector. Julie has most recently driven and managed the successful tender and transfer of 840 properties to Housing Choices South Australia as part of SA's largest public housing transfer process. She has also successfully secured new, innovative service delivery initiatives and partnerships to strengthen the allied health and homelessness services delivered by the organisation.



Julie Mitchell – Director, Housing Choices South Australia

Julie has extensive experience in the design and delivery of complex and large-scale strategic communication programs in the corporate internal and external environment, as well as communication strategy development, issues management, and stakeholder engagement and management. She has designed and executed multi-dimensional community investment programs in locations throughout Australia and Asia for both corporate and not-for-profit organisations.



8:45am

Program: CEO's Day

FRIDAY AUGUST 10 | HALL E1 & E2

PLENARY PRESENTATION

CEO Reflections – Workforce Lessons from the UK



With workforce such a pivotal issue, we asked 7 experienced CEO's from the UK Social Care Sector to reflect on what they had learned about Workforce - specifically within in a Person Centred market. Filmed separately in June this year there are several strikingly common themes. The intent of the work was to “pick the brains” of the CEOs - specifically looking at their workforce drivers and solutions in a time of constrained funding, as well as regulatory and consumer driven change, and to understand some of the hard lessons and success stories, often through the benefit of hindsight.



Ross Bell – Director, Care Source

Ross has over 30 years experience leading human resource teams in corporate and consulting environments. He is the founding Director of Care Source which for 12 years has provided human resource services to clients in the aged, community and social care sectors. Using the Care Advantage platform, a key focus of their work has been assisting service providers to stabilise their workforce by identifying effective front-line care and support staff.

//////////////////// Morning Tea //////////////////////

PLENARY PRESENTATION

Realising Your Value Through the Looking Glass of Your Customers



Competition requires us to rethink our organisation's promise and demands that we articulate our offering in customer benefit language. This creates a base to advertise your offerings to the market and to attract and retain customers.

This session puts a focus on your customer's pain points and creates a value proposition aligned to solutions that are customer-centric. By developing a collection of benefits and reasons that resonate with customers and articulate what your organisation 'is about', it is easier for the customer to assess the value of your offer.



Jenny Holliday – Director, Non Profit Training

With over 20 years' experience working in senior leadership roles and on boards in the not for profit sector. Jenny's NFP board appointments have been in the sporting, education and environmental sectors and she has a wealth of experience in mentoring boards and CEOs as well as delivering training and organisational solutions through her roles with charities and non-profits. Jenny remains involved in her sport of Softball in which she is a member of the International and Australian Halls of Fame.

PLENARY PRESENTATION

Redesigning Your Organisation



Hear how technology, design and competition are reshaping the world of not-for-profits and why you need to change fast. Simon will explore some of the key themes Portable has identified to help NFPs be more impactful and strategies you can start to implement at an organisational level.

Learn how to use design thinking in helping to make decisions on organisational direction. Simon will also cover the role of prototypes and how they can inform service delivery, and demystifying innovation into the “do”.



Simon Goodrich – Managing Director, Portable

Simon is co-founder of Portable, a digital and design business focused on working with governments and NFPs to improve the way they work. Simon serves as the Australian Ambassador for the New York-based Webby Awards, the Oscars for online and sits on the board of HISA, the digital health peak body, leading their innovation portfolio. He is an active mentor in the Melbourne University Accelerator Program, supporting innovative start ups and is an Adjunct Fellow at the Sir Zelman Cowan Centre at Victoria University, supporting innovation in the justice space.

CEO'S LEADERSHIP LUNCH WITH COMMUNITY BUSINESS BUREAU

12:15am



Choice and Control: Shifting the Power Dynamic

Is your customer experience fit for the new market? If your customer perspective comes from anecdotal feedback or having a few clients or carers on the board, you could be missing the real customer voice.

Customer focus needs to be hardwired into the organisation at every level (frontline to board) and every function (including back office). Your staff, and how they deliver the customer experience, will become the key factor in determining success in a choice and control market.



Jane Arnott – General Manager, Consulting and Business Services, CBB

Jane is responsible for leading CBB's strategic consulting services to not-for-profits, focusing on marketing, people and culture, and NDIS transition. Jane has over 20 years' experience working in the not-for-profit sector, including large, sector-support organisations. She led change projects – such as the development of 40 new grant programs – at the UK's Big Lottery Fund. Before joining CBB, Jane worked at the Charities Aid Foundation (CAF) in the UK, initially leading their consulting services for charities and donors before becoming CAF's Director of International, where she provided strategic development for CAF's eight global offices.

Welcome from the CEO's Leadership Lunch Partner



Welcome to the Better Boards Conference 2018. Community Business Bureau (CBB) is proud to be sponsoring the CEO's Leadership Lunch.

This year's theme *Customer-centric Governance — Driving Social Impact*, is also a strong focus at CBB. As a not-for-profit social enterprise, our driving force is a commitment to help the not-for-profit sector achieve its social objectives.

Our customers are not-for-profit organisations across Australia and their staff. We know that we can only deliver on our mission to help the sector achieve its social impact by engaging directly with our customers on multiple levels. We are committed to sharing our financial and non-financial assets through a program of events, scholarships, board memberships and volunteering. CBB's staff donate hundreds of volunteer hours each year to make a positive impact in their communities.

As a CEO of an NFP enterprise, I see first-hand the challenges that face 'for-purpose' organisations. In our consulting work we're appreciating the long road ahead for many organisations as they navigate changes in society and the sector that place much greater emphasis on customer choice and demand strong commercial and business skills. These organisations are facing enormous change in managing financial sustainability, rapid technology advances and an increasingly competitive market for clients and talent. At the same time, they need to stay true to their values and deliver their social impact. As a regular supporter of Better Boards, CBB recognises the importance and value for CEOs and board members to take time out to engage with leading edge thinking in the company of their peers.

While you're enjoying your time at the CEO's Leadership Lunch, I encourage you to share your challenges and successes with those around you. You could be providing just the inspiration or idea that they need.

Andrew Stewart



Community Business Bureau

Program: CEO's Day

FRIDAY AUGUST 10 | HALL E1 & E2

PLENARY PRESENTATION

A Decade of Investment – Journey to Social Inclusion



1:30pm

Cathy will describe the transformational strategic journey taken by Sacred Heart Mission over a decade in order to take on the challenge of designing, piloting, testing and taking a service intervention to scale through social impact investment. The presentation will cover the longer term, 10 year strategic horizon Sacred Heart Mission have used to transform the organisation. Cathy will highlight how focus, balance, and integration are critical to long term strategic success.



Cathy Humphrey – CEO, Sacred Heart Mission

Cathy Humphrey has been working in the areas of community housing and homelessness since 1993. Initially working with people with intellectual disabilities, and since 1996 working in roles specifically focused on people experiencing or at risk of homelessness. Cathy has accumulated over 15 years of service to an organisation that is leading the way in transforming people's lives. Cathy's passion is driven by an interest in people, human rights and a desire to make a difference, and that passion continues to burn brightly through leading the development of innovative solutions to ending chronic homelessness, the Journey to Social Inclusion.

CEO's Roundtables

CHOOSE THREE TABLES



2:15pm

The CEO's Day roundtable session aims to create an open environment to meet other leaders from the not-for-profit sector and discuss ideas, issues and solutions with reference to the conference theme.

Informal discussions stemming from set topic starting points will be hosted at facilitated tables. There will be **three** rotations of **25 minutes** each.

Table topics will be displayed on screen during the session.

//////////////////////////////////// Afternoon Tea //////////////////////////////////////

CLOSING KEYNOTE

Does Culture Eat Strategy for Breakfast?



4:15pm

Organisations are experiencing a fast pace of change, as they seek to become more strategic and customer-centric. It is more important than ever for not-for-profit leaders to create and nurture an organisational culture that provides a balance between efficiency, achieving goals and getting the job done, as well as the traditional not-for-profit values of community service, connecting and caring. Getting the culture right leads to higher employee engagement and customer satisfaction. In this session Ruth will explore why more organisations are creating a culture strategy, and what cultural values have a positive effect on a not-for-profit workforce experiencing change.



Dr Ruth Knight – Research Fellow, Australian Centre of Philanthropy and Nonprofit Studies

Ruth has extensive experience in not-for-profit leadership roles and has spent many years researching how workplace culture can achieve engaged workforces and organisational sustainability. Her special interests are measuring social outcomes and developing high performing leaders and teams. Ruth is on a mission to advance quality research and practice in the sector to enable organisations create effective strategies to improve their impact.

//////////////////////////////////// Leadership Networking Drinks //////////////////////////////////////

LEADERSHIP NETWORKING DRINKS (TICKETED SEPARATELY)

Location: Networking Café, Foyer E

Complimentary for those delegates attending any of the ticketed events on Friday (pre-registration is required), the Leadership Networking Drinks provide a great opportunity to continue conversations and follow up introductions made throughout the day.

BoardWise: Easy access to governance knowledge



Is BoardWise for you?

- ✓ Are you passionate about making your organisation the best it can be?
- ✓ Are you after access to governance knowledge and experience 'on-call'?
- ✓ Are you keen to ensure your board is on the 'same page' on governance issues?
- ✓ Do you have a requirement to track your CPD hours?
- ✓ Are you constantly looking for new ideas to improve your leadership qualities?
- ✓ Are you keen to hear the latest thoughts on governance practices?

BoardWise is a professional development platform that provides your entire board with cost-effective remote learning.

BoardWise has been created specifically for directors of not-for-profit boards. Containing a continually evolving collection of the latest thinking in NFP governance, it is a very cost effective way to strengthen your whole leadership team.

BoardWise members also get free access to monthly webinars run by Better Boards, and the best ticket price to the Better Boards Conference.

The place to go when you want year-round access to governance & leadership knowledge.



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→ RESOURCING EXCEPTIONAL LEADERS

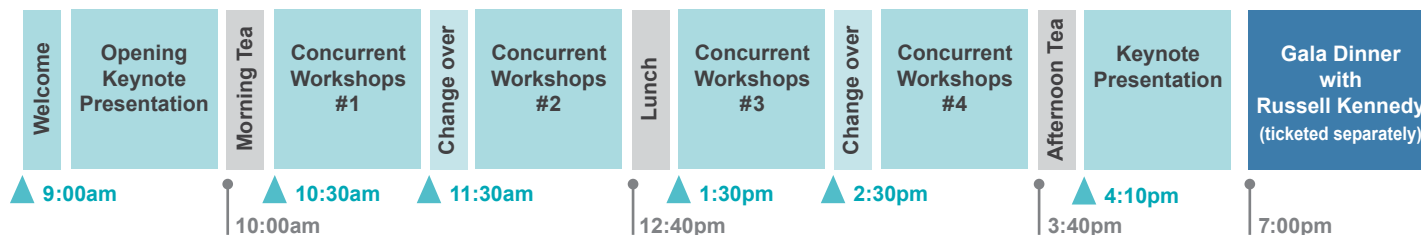
Join BoardWise for knowledge & experience today: www.boardwise.net

Program: Better Boards Conference

SATURDAY AUGUST 11

better
boards[®]
conference

Quick overview:



Speakers

PLEASE WELCOME YOUR MASTER OF CEREMONIES



Graeme Bowman will already be known to last year's delegates as the speaker/comedian who appeared during the closing session as the bizarre Dr Chris Jones, the US 'expert' who introduced us to the concept of Pozzy to Cozzy (Freeing our Planet from Patriarchy). Now in the role of our MC, Graeme and 'friends' will pepper the program with high energy, thought-provoking humour and a healthy dose of unpredictability. He has over 30 years experience as a writer, MC, speaker, comedian and facilitator.

OPENING KEYNOTE PRESENTATION

Hall C & D



9:00am



Building a Customer-Obsessed Culture

Charles Weiser – Head of Customer Experience and CX Innovation Lab, Optus

An expert in digital customer experience, business transformation, building growth businesses, strategy development and execution, Charles has transformed four financial services and consumer businesses to market leadership.

Currently leading digital customer experience transformation for 9.4 million customers across franchise, retail and on-line with Optus, he also leads the Customer Experience Innovation Lab and CX Human Design Centre spearheading breakthrough design and disruptive technologies.



better
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Director & Executive Webinars

Webinars for directors, board members, chief executive officers and leaders of not-for-profit organisations.

Better Boards curates an on-going series of webinars, held monthly, on topics pertinent to directors and executives of not-for-profit organisations. Each webinar is presented by an expert on the topic. See www.betterboards.net/webinars for details.

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Get a "season pass" to attend all webinars by becoming a BoardWise member.

All webinar registrants are able to access the full recording post event.

Interested in one particular webinar? Recordings can be purchased individually.

Details available at: www.betterboards.net/webinars

Concurrent Workshops #1

SELECT ONE



Hall E1

Do You Have a Customer-Centric Culture – Do You Know Your People Risk?



James Beck – Managing Director, Effective Governance

Everyone in an organisation will be involved with customer service — directly or indirectly. An organisation's identity will always be defined by its people — especially when it comes to creating a customer-centric culture. Therefore, the board and CEO need to determine how to build and sustain the organisation's capacity to deliver customer service aligned with the organisation's purpose. People risk is 'the risk of loss due to the decisions and non-decisions of people inside the organisation'. James will look at the role of the board in people risk, and what the board can do to make customer-centricity a part of the organisation's culture.

Hall E2

Customer-Centric Board Succession Planning



Jodie Willmer – Board Succession & Diversity Strategist, Conscious Governance

Does your board struggle with succession planning and leave volunteer board members feeling overloaded? Hear how to attract customer-centric board directors who have relevant governance expertise, strategic thinking and generate new income streams. In this interactive workshop, you will learn about simple and effective methods to recruit amazing new directors from a diverse range of backgrounds and set them up for success. Hear practical board succession planning strategies that can help you build a board that "steps up" in an era of increasing focus on the customer/consumer.

Hall C & D

Customer Centric Governance...Cashflow Centric Governance



Michael Goldsworthy – Principal Consultant, Australian Strategic Services

Balancing customer and cashflow requirements might at first seem to be the realm of the chief executive officer, indeed it is at an organisation's operational level. However, for boards that have already entered or are about to enter the tumultuous world of customer choice and control and competitive market forces, a number of important customer and financial governance principles are required to be well understood and applied. Join Michael for an insightful session where, in essence, "customer is king and cashflow is queen"...and discover what this means for the board's future roles and responsibilities and the work they undertake as directors.

NOTES	TAKEAWAYS	ACTIONS

Concurrent Workshops #2

SELECT ONE



Hall E1

Governing Purpose-Driven Organisations: What's the Same? What's Different?



Alan Hough – NFP Sector Expert

Organisations in many sectors, and especially the disability and aged care sectors, are adopting purpose-driven organisational models. The best known example internationally is Buurtzorg, a Dutch domiciliary nursing organisation. Instead of relying on hierarchy and bureaucratic control, purpose-driven organisations embrace purpose, assume trustworthiness, and organise on the basis of self-directed teams. Alan will share information about how purpose-driven organisations work, and explore how these organisations might be governed.

Hall E2

Our Customers... For No Other Reason



Chris Scott – Director, Leading In Health

This presentation will focus on the 'nexus' between governance and operational management, and the need for leadership harmony that creates the environment for success. Traditionally boards have focused on a variety of skills and experience to produce good leadership. Couple this with high IQ the recipe for success seem assured. However, having emotional intelligence is a fundamental ingredient to customer satisfaction. Discover the success principles that every NFP needs to guarantee success and achieve authentic customer satisfaction.

Hall C & D

Being a Customer-Centric Non-Profit Organisation



Wenda Gumulya – Chair of the Board, Hoshizora

Discover methods and tips on how to become a customer-centric non-profit organisation, particularly putting the beneficiaries and supporters (donors and volunteers) front and centre in the organisation's strategy and activities. Equipped with a real-life case study and group activities, enhance your understanding about the client-centricity concept and hear practical takeaways you can implement in your organisation.

NOTES

TAKEAWAYS

ACTIONS

Concurrent Workshops #3

SELECT ONE

1:30pm



Hall E1

Positioning Your NFP for Customer-Centricity – Documenting a Cultural Transformation



Vera Visevic – Partner, Mills Oakley

Customer-centricity in a not-for-profit organisation is often seen as primarily involving a cultural transformation. Although such an assertion has merit, how does a NFP actually document and implement this culture? Furthermore, do your organisation's policies and governing documents create a platform that places the customer's interests at the heart of your organisation's operation? Vera will consider the key documentation behind every not-for-profit, and examine how objects clauses in constitutions, policies, charters, and even the establishment of a customer-membered sub-committee, can all work practically to make a tangible difference in customer trust and satisfaction.

Hall E2

Consumer Governance: A Framework for Involving Consumers in Decision-Making



Matt Burrows – CEO, Therapy Focus

What is the functional meaning underlying terms such as consumer, client, customer and citizen? How do these functions relate to decision-making within organisational governance? This session will consider consumer involvement in existing frameworks of engagement and propose a more targeted approach to decision-making. Gain an appreciation of the different functions of your beneficiaries and the benefits of a dynamic approach to decision-making required within any of the consumer engagement frameworks.

Hall C & D

Impact Strategy 2.0: Creating Social Impact & Strategic Outcomes



Mike Davis – Founding Director, Purposeful

Discover how to strategically utilise social impact measurement and communication. Mike will focus on how to effectively communicate your organisation's social impact to a range of stakeholders. Using stakeholder theory and emerging approaches, Mike aims to help you ensure that social impact adds value to your organisation and enhances strategy. This workshop will showcase some of the emerging tools and examples of best practice in social impact measurement, communication and strategic deployment.

NOTES	TAKEAWAYS	ACTIONS

Concurrent Workshops #4

SELECT ONE



Hall E1

Lived Experience: Walking the Talk



Tony Davies – CEO, Social Futures

Social Futures has been embedding lived experience expertise into its organisational model since developing the Lived Experience prototype in 2013. Recruitment of workers with lived experience in the Ability Links and Local Area Coordination programs has transformed the relationship between the organisation and its customers by tapping into the knowledge and ideas of the market itself. The importance of effective governance, training and support structures to create cultures of mutual respect and safety has been critical to success. Attend Tony's session to understand the value and untapped potential of customer expertise.

Hall E2

Practical Ways to Understand Your Customer Journey to move from Volume to Value



Bruce Mullan – CEO, The Purpose Driven Group

Consumer choice has meant organisations need to adapt to a new way of doing business, involving building relationships with customers rather than funding bodies. This session provides insights and tools to help service providers thrive in a consumer-directed world. Bruce will show attendees how to map the customer journey, quickly identify gaps and ensure they have the right people, processes and systems in place to support their customer journey. Be enlightened and provoked to consider how your organisation can move from 'volume' to 'value' models of service.

Hall C & D

The Role of the Ethical Framework in Delivering Customer-Centric Governance



David Burfoot – Senior Consultant, The Ethics Centre

For some time research has been showing that organisations driven by purpose and values do better. What is the ethical framework and how does it help organisations make better decisions? Why is it superior to compliance based cultures? Drawing on the experience of The Ethics Centre's 26 years working with government, not-for-profits and some of the top ASX listed companies, this presentation will explore how leaders are employing modern knowledge of ethics and cognitive biases to nurture corporate governance more attuned to the changing needs and aspirations of society and their customers. But there is a catch.

NOTES	TAKEAWAYS	ACTIONS

PLENARY PRESENTATION

Hall C & D



4:10pm

How Your Executive Team is Killing Innovation – and What to Do About It



Dr Amantha Imber, Chief Executive Officer – Inventium

Utilising data and insights from her work for the AFR Most Innovative Companies list, Dr Amantha Imber will show the audience how their organisation may inadvertently be killing innovation. Dr Imber will provide several practical methods to reverse the killing and ensure that boards are equipped to support their executive team in helping innovation thrive.

Dr Amantha Imber is an innovation psychologist, best-selling author, and founder of Australia's leading innovation consultancy Inventium. Inventium has been recognised as one of Australia's fastest growing companies in the BRW Fast 100 list in both 2015 and 2016, and was also awarded the BRW Client Choice Award for Best Management Consultancy in Australia. In 2016, Dr Imber was inducted into the Australian Business Women's Hall of Fame. With a PhD in organisational psychology, Dr Imber has helped companies such as Google, Coca-Cola, Disney, LEGO, Red Bull, American Express, Virgin Australia, Commonwealth Bank and many others innovate more successfully.

Gala Dinner & Entertainment

PANORAMA ROOMS, ADELAIDE CONVENTION CENTRE

7:00pm - 10:00pm



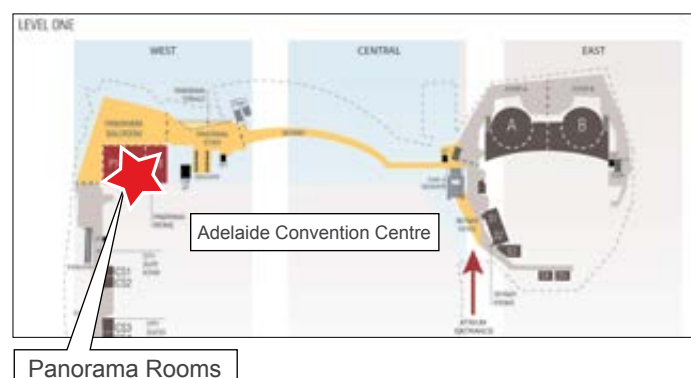
Join us for dinner and entertainment at 7:00pm.

Brought to you in partnership with Russell Kennedy Lawyers, the Gala Dinner is the social highlight of the Better Boards Conference and will be held at the Adelaide Convention Centre in the Panorama Rooms on Saturday 11 August. It's a great chance to unwind after a day of information gathering, enjoy a meal with your board, meet others and be entertained!

Location:

Panorama Rooms 1,2 &3,
Level One
Adelaide Convention Centre.

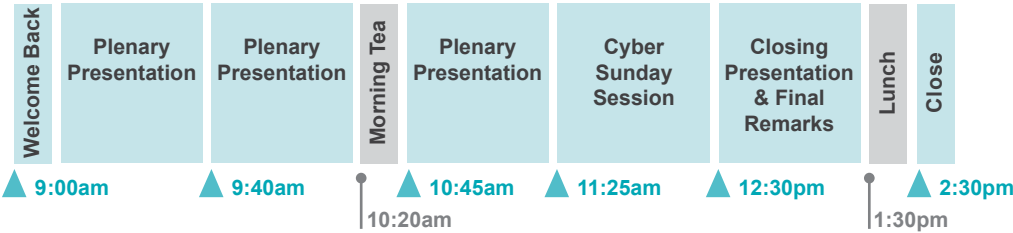
Arrival: From 6:45pm



Program: Better Boards Conference

SUNDAY AUGUST 12 | HALL C & D

Quick overview:



PLENARY PRESENTATION

Listening is the Key to Success



Grace McCarthy – Dean, University of Wollongong
Listening improves strategy development and implementation, sales, and staff engagement and productivity. When people are listened to, they clarify their thinking. Boards make better quality decisions when they listen to each other and to stakeholders. Unfortunately many people do not listen well. They either interrupt or wait their turn while mentally rehearsing the argument they want to make. A critical skill for all, Grace highlights the value of listening to board directors and provides practical tips to become a better listener.



PLENARY PRESENTATION

Managing Disruption: Making Better Decisions



Dr Carl Gibson – Executive Director, Executive Impact and Australian Risk Policy Institute
Our current environment is characterised by increasing volatility and uncertainty. Carl will explore how the brain operates under routine and non-routine situations, and how this affects our perceptions, assumptions, judgement and decisions. By understanding the balance between analytical and intuitive thinking we can consciously improve how we analyse situations, develop and choose options. This ‘neuroawareness’ also provides a mechanism for improving team capability and performance at the Board and senior executive levels, and can change dramatically an individual’s leadership style. Neuroawareness also provides a means to better understand customer perspectives and needs and establish a more resilient means of meeting those needs.



Morning Tea

PLENARY PRESENTATION

What Does a Customer-centric Board Look Like?



Jackie Bettington – Researcher, QUT Business School
Natalie Elms – Researcher, QUT Business School
Customer-centric governance requires a strategically focused board. In this session, researchers from Queensland University of Technology present findings on the nature and extent of not-for-profit board involvement in strategy and discuss how these insights compare with best practice. Practical takeaways are provided for strengthening the strategic focus of your board and a greater connectivity to the customer.

Jackie Bettington is a researcher and sessional lecturer at the Queensland University of Technology. Her research interests are corporate governance, business ethics and boards of directors.

Dr Natalie Elms is a lecturer and researcher within the Faculty of Business at Queensland University of Technology. She has extensive experience researching boards and directors with a particular interest in understanding how boards can be more effective.



CYBER SUNDAY SESSION

Blockchain and the Opportunity for Impact

11:25am



Jamie Skella – Co-Founder, Horizon State

Blockchain is much bigger than Bitcoin, and it's poised to change the world as profoundly as the internet did. Growing up poor, Jamie has always advocated for change, because any change would likely be a net gain. This is why Jamie was so deeply interested in technology, and the future. Jamie will uncover how disruption, risks and opportunities all await in a blockchain future where energy supply is being decentralised, finance is being disintermediated, and governance is becoming distributed.

Formerly Executive Director at MiVote, Jamie is now Co-Founder of Horizon State, a startup redesigning how societies collectively make decisions using distributed ledger technology

Cyber Governance for NFP Directors and Executives



Jason Wilk – Managing Director, Blue Zoo Holdings Pty Ltd

Technology can be an amazing enabler for all organisations, but with it comes risk and the press is awash with stories about organisations that have been adversely impacted by some Cyber event. How do NFP directors ensure that they are meeting their fiduciary duties and regulatory obligations towards cyber in a pragmatic way to ensure their organisations are cyber resilient? People talking about Cyber, at the governance level, are generally focusing on the Fear, Uncertainty and Doubt (FUD) line or lots of statistics to get directors to understand that this is a problem. In this presentation Jason will share how directors can leverage existing governance methods and skills they already have, but apply them to Cyber.

Jason is a non-executive board member and Chair of the Audit and Risk Committee of Interchange, a not-for-profit organisation that provides ongoing learning and social skills to people with disabilities.

CLOSING PRESENTATION

Bullshit: Get More Openness, Honesty and Straight Talk in the Boardroom

12:30pm



Malcolm Dix is a speaker, facilitator, leadership coach and recovering stand up comedian with over twenty years experience in presenting to diverse organisations and audiences across Australia and overseas. He's here today to help you have better and more effective conversations in the boardroom. He is currently not on a board but has witnessed people at conferences who looked bored senseless. He knows that this year's shindig will not be one of those gatherings and he is looking forward to ending the 2018 conference with you all on a high. Hurrah.

FINAL REMARKS

What were the key thoughts emerging from this conference? How will you apply the knowledge you've gained this weekend over your next year as a leader in the not-for-profit sector? Who have you met, and what difference can you make with your new connections?

We hope you will take away new knowledge and connections to enable you to focus on your customer-centric governance and continue to lead your organisation forward with integrity and impact in the not-for-profit sector.

Please enjoy the networking lunch provided for you in the foyer, and we look forward to seeing you again next year in Brisbane on the 1-4 August 2019.



Keeping it Simple by Emphasising Purpose

ALAN HOUGH | NOT-FOR-PROFIT GOVERNANCE

Complexity abounds in modern organisations, including in their boards. Many organisations – of all sizes – are run as if they are bureaucracies, with lots of hierarchy and lots of organisational rules. Of course, some hierarchy and some rules can be appropriate and can help organisations achieve their missions.

However, there is an increasing trend towards challenging bureaucracies from thought leaders such as Ricardo Semler of Brazilian company Semco; Frederic Laloux and his influential book *Reinventing Organizations*; and Yves Morieux of Boston Consulting Group and his six rules for simplifying organisations. Now the not-for-profit sector has an exemplar, namely the Dutch nursing organisation Buurtzorg.

Buurtzorg (Dutch for 'Neighbourhood Care') was founded in 2006, in reaction to how community nursing organisations were run in ways that were alienating to frontline staff and to patients. Instead, Buurtzorg was founded on the principle of keeping things simple in order to ensure that the relationship between the nurse and the patient was not compromised by an excessive concern with bean counting and control. Buurtzorg operates with self-managing teams, which are trusted, empowered and enabled to get on with the job of providing high quality support.

The organisation now consists of around 1000 teams and 14,000 staff. There are no – I repeat, no – middle managers. Teams and team members have access to coaches, but the coaches do not behave like managers. For 14,000 staff, the head office consists of around 70 people. Client satisfaction is above the industry average. It has won Employer of the Year award for the Netherlands on multiple occasions. It pays frontline staff above the industry average. Its financial success has been such that it has financed all of its remarkable growth itself. Buurtzorg is now a role model within Dutch industry generally, with more and more Dutch not-for-profits and for-profits adopting a simpler, purpose-driven style. Buurtzorg is also regarded as a role model by many Australian organisations, including in nursing and

disability support, and increasingly across other sectors.

Even traditional organisations can learn from the approach by asking the question: 'What if we put our mission, our core purpose, front and centre and made this the touchstone of everything we do?' When presented with proposals for

new systems or policies and procedures, organisations might also ask: 'Can we do things more simply?' Sometimes, less is more. Sometimes, adding to our organisation's complexity merely gives an illusion of control, with the real world of the interaction between frontline staff and their customers unaffected.

The 'keep it simple' approach can be applied to the work of

boards. I have certainly been on boards where concern for elegant and comprehensive plans and policies seemed to detract from the focus on achieving the organisation's actual mission.

We know from the example of Buurtzorg's board in its early days, and from other examples recounted in Frederic Laloux's book, that boards can sometimes struggle with their role and work under this more purpose-driven approach. Six key suggestions that may be drawn from this to assist

boards to be more purpose-driven are below:

1. Understand the purpose-driven approach;
2. Help put the purpose into purpose-driven;
3. Be open to different approaches to control and accountability;
4. Use the purpose-driven approach when things go wrong, and;
5. Increase transparency and accountability by allowing access to financial and performance data;
6. But, don't get caught up in the hype.

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Alan Hough
NFP Sector Expert

Alan is presenting a workshop at 11:40am on Saturday.

Our people make the difference.



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Documenting Customer-Centricity

VERA VISEVIC & BRIAN LEE | GOVERNANCE STRUCTURES

It would be hard to find a business that did not place customer-centricity as a priority and not-for-profits have in recent times started to catch on. However, customers for many not-for-profit organisations will differ from that of a for-profit organisation.

For not-for-profits, the “customer” could range from the beneficiaries of the organisation, to their supporters, stakeholders, members or clients.

Customer-Centric Constitution

Customer-centricity will often require a cultural shift, and fundamental to any sort of cultural shift in this sector is an organisation’s documentation. One such way a not-for-profit organisation will document this change is through its constitution. A constitution is the formal governing document of an organisation that sets out, amongst other things:

- (a) The organisation’s NFP purpose(s); and
- (b) The way the governing body of the organisation (i.e. the board) makes decisions and consults with stakeholders such as customers.

Customer-Centric Objects

One key way in which a not-for-profit can document customer-centricity is through the objects contained in its constitution. It is crucial that an organisation’s objects reflect the direction in which it wishes to head. This is because organisations are not permitted to undertake any activities beyond the ambit of the objects clause. The objects will not only dictate the activities the organisation may undertake, but also communicate the purpose of the organisation. This is particularly important if the organisation receives any tax benefits, as it may not be enjoying all the tax endorsements to which it could be entitled. For these reasons it is essential for organisations to conduct a careful review of their objects as they look to the future.

Organisations might consider whether the objects in their constitution:

- (a) Identify in some detail the customers of the organisation;
- (b) Specify the benefits they intend to provide for their customers;
- (c) Outline the ways in which they intend to provide those benefits to their customers; and
- (d) Invite involvement by their customers.

Reviewing an organisation’s objects will provide insight as to whether its customers are embedded at the core of the organisation’s mission and activities. For example, the constitution of Breast Cancer Network Australia (BCNA) encourages customer input through its objects, which are to:

- (a) Provide a national network to allow people personally affected by breast cancer to help each other, share

experiences, recognise common issues and endeavour to make improvements for themselves and others;

- (b) Inform those affected by breast cancer through a wide range of resources, directly or through referrals; and
- (c) Conduct programs encouraging those affected by breast cancer to play an active role in improving breast cancer treatment, and services; and
- (d) Facilitate and assist support groups and groups for those affected by breast cancer.

BCNA was recently commended in GiveEasy’s publication, Innovation Index for the Australian Not-For-Profit Sector 2017, for placing customer-centricity as its central tenet. The emphasis on customer-centricity found in BCNA’s objects has influenced the priorities of its staff. Christine Nolan, BCNA’s CEO, said recently that ‘consumer input is critical to the success of any organisation’.

Customer-Centric Governance Structures

The way in which the governing body of an organisation makes decisions and consults with stakeholders will reveal the degree to which the entire organisational culture is directed towards its customers. As the document establishing an organisation’s governance structures, the constitution can significantly help or hinder an organisation’s cultural transformation.

Organisations are encouraged to revisit the governance structures established by their constitution and assess whether there is a clear mechanism for customer involvement. Should such an assessment reveal little or no opportunity for customer input, organisations should consider implementing progressive, even radical, structures that prioritise customer involvement. For example, organisations might consider whether it would be beneficial for their constitution to:

- (a) Require the board to always have a customer as one of its directors;
- (b) Require each policy established under the constitution to consider the implications on customers and customer involvement; or
- (c) Establish a customer-membered sub-committee of the board.

Takeaway

As customer-centricity necessitates cultural change, an organisation’s constitution should be guiding that change. Organisations should consider whether their constitution prioritises and involves their customers and what steps can be taken to foster customer-centricity.



Vera Visevic
Partner, Mills Oakley

Vera is presenting a workshop at 1:30pm on Saturday.

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The Three-Wheel Framework of Customer-Centricity

WENDA GUMULYA | CUSTOMER-CENTRICITY

We are now living in a world where customers have more choices than ever before and organisations face the challenge of distinguishing themselves from the dozens of nearly identical providers, products and services. Adopting a customer-centric approach is one approach to tackling this test for organisations.

What is customer-centricity? Customer-centricity refers to the strategy of putting customers front and centre in the organisation's strategy and activities. Customer-centric organisations are designed from the outside in: defining who the customer is, what they care about, and how they interact with the organisation. It is the customer's experience that then aligns the organisation internally.

In this article, I invite you to explore the Three-Wheel Framework of Customer-Centricity and introduce some practical tools that you can use immediately to start your organisation's journey towards greater customer-centricity. The framework consists of three inter-connected wheels that each represents one important phase in customer-centricity. All three wheels need to move together in a

synchronous manner in order to create a customer-centric focus in the organisation.

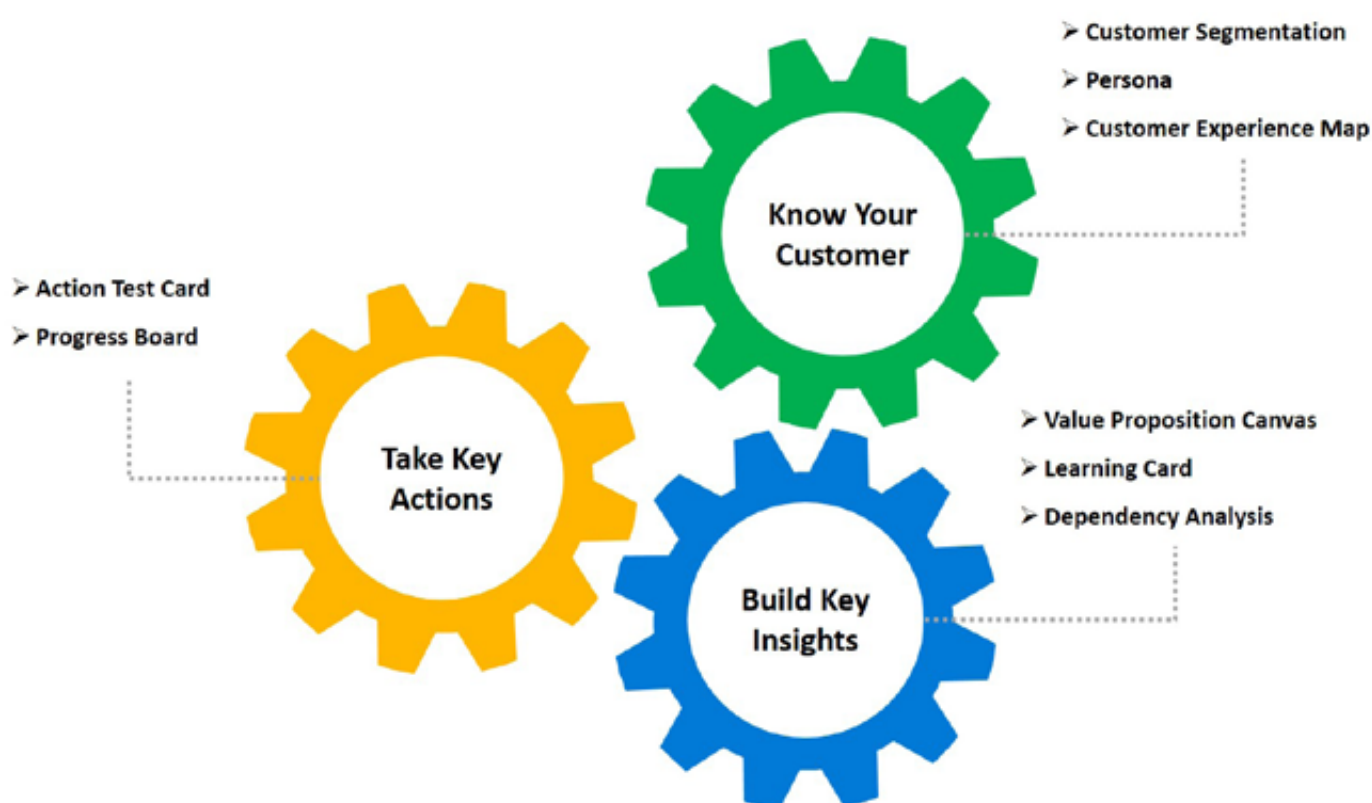
Know Your Customer

The first wheel is 'Know Your Customer.' One effective way to ensure that you deliver exceptional products and services is to know exactly what your customers want. Three components are included within this wheel: Customer Segmentation, Persona, and the Customer Experience Map.

Customer Segmentation refers to the process of categorising customers into groups based on common characteristics so that the organisation can service them more effectively. Organisations with the capability to obtain structured data about their customers may wish to use a more sophisticated analytical approach to define their customer segmentation, however, a simple exercise of identifying and grouping similar customers together may also serve this purpose.

Persona is an approach to structuring our understanding of the customer in a simple, digestible format. I usually create one persona for each customer segment, and break each persona into three parts: demographic, psychographic, and ethnographic. The demographic information is usually easily quantifiable such as age, gender, income, and geographic location. The psychographic information refers to the

The Three-Wheel Framework of Customer-Centricity



behavioural characteristics of customers (i.e. the likes, wants, behaviours and fears), and the ethnographic information is the social stimuli that influences the behaviours and patterns of a customer.

Customer Experience Map is a tool that captures and communicates a customer journey through a specific product or service experience. It is typically generated for each persona created for your target customers. Through journey maps, we will gain clarity on what our customers do, how they think, and what they feel when they interact with our products or services. Customer journey maps describe a customer's general experience with a particular process (i.e. giving a donation), capture the customer's experience with the product and/or service, and drive key actions coming from the insights and feedback gained.

Build Key Insights

Many organisations today conduct extensive customer research and collect large swathes of data. However, they often struggle to turn this data into meaningful learning points and outcomes. This is why 'Build Key Insights' is the second wheel in the Three-Wheel Framework of Customer-Centricity.

Three tools which are included here: Value Proposition Canvas, Learning Card, and Dependency Analysis.

Value Proposition Canvas consists of two components – Customer Profile and Value Map. Customer Profile describes a specific customer persona from the lens of Customer Jobs (what customers are trying to get done), Gains (outcomes customers want to achieve), and Pains (bad outcomes, risks, and obstacles related to customer jobs). Value Map describes the features of a specific product or service in the organisation from the lens of Gain Creators (how the specific product or service creates customer gains) and Pain Relievers (how the specific product or service alleviates customer pains).

Learning Card is used to capture insights coming from the 'Know Your Customer' phase. It usually comprises of a hypothesis (We believed that...), an observation (We observed that...), a key learning point (We learned that...), and an action plan (Therefore, we will...).

Dependency Analysis is a technique used to analyse the dependencies between activities. In this case we are exploring if there are connections and dependencies between the learning points and elements of the current business model (i.e. supplier, delivery channel, technology, costs, etc.).

Take Key Actions

The third wheel is 'Take Key Actions.' After careful analysis of the key learnings, it is now time to implement some actions. There are two tools that we can use: Action Test Card and Progress Board.

It is good practice to test key actions on a small scale before implementing the changes. The Action Test Card is a tool

that may be used to capture individual testing activity, aid the measurement of success, and note the result of the testing. Key points coming from the Action Test Card are then updated onto the Progress Board to enable effective tracking.

The Progress Board is an information management tool that visually tracks and analyses metrics for overall performance and progress of actions, or highlights particular problems that require further attention. Good project management is crucial in order to ensure that actions are tracked and completed appropriately. Performing an additional dependency analysis at this stage will also provide good support to ensure key actions are working effectively.

I hope this framework serves as a useful guide, no matter where you are in your journey toward a customer-centric organisation. My advice is to start small and make a difference for one customer today. Then, repeat!



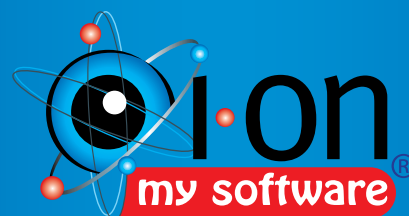
Wenda Gumulya
Chair of the Board,
Hoshizora Foundation
Wenda is presenting a workshop
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Are You 'Processful' or 'Purposeful' – A Governance Dilemma

CHRIS SCOTT | GOVERNANCE

I recently went overseas to a country that I knew would challenge me in many ways... an experience I relished. I enjoyed what the country had to offer in attractions and experiences, and observed a growing economy striving to adopt as much western culture as possible. This seemed impressive on the surface, however, the more I got curious the more I noticed the 'busyness' of the people: they were busy trying to be efficient but, were failing to be effective. They were focused on the process and not the purpose.

I was intrigued at how busy some people could be doing their job whilst ignoring co-workers and customers. They were people working long hours on multiple tasks with tight deadlines and who received little appreciation or feedback from their leaders for the personal sacrifice being made.

I wondered why their leadership had not recognised what was happening. Surely the results they were getting, or more specifically not getting, were indicators of failed effectiveness. It demonstrated to me that investing in being efficient does not automatically mean you're getting results or delivering the services and/or products wanted by your customers.

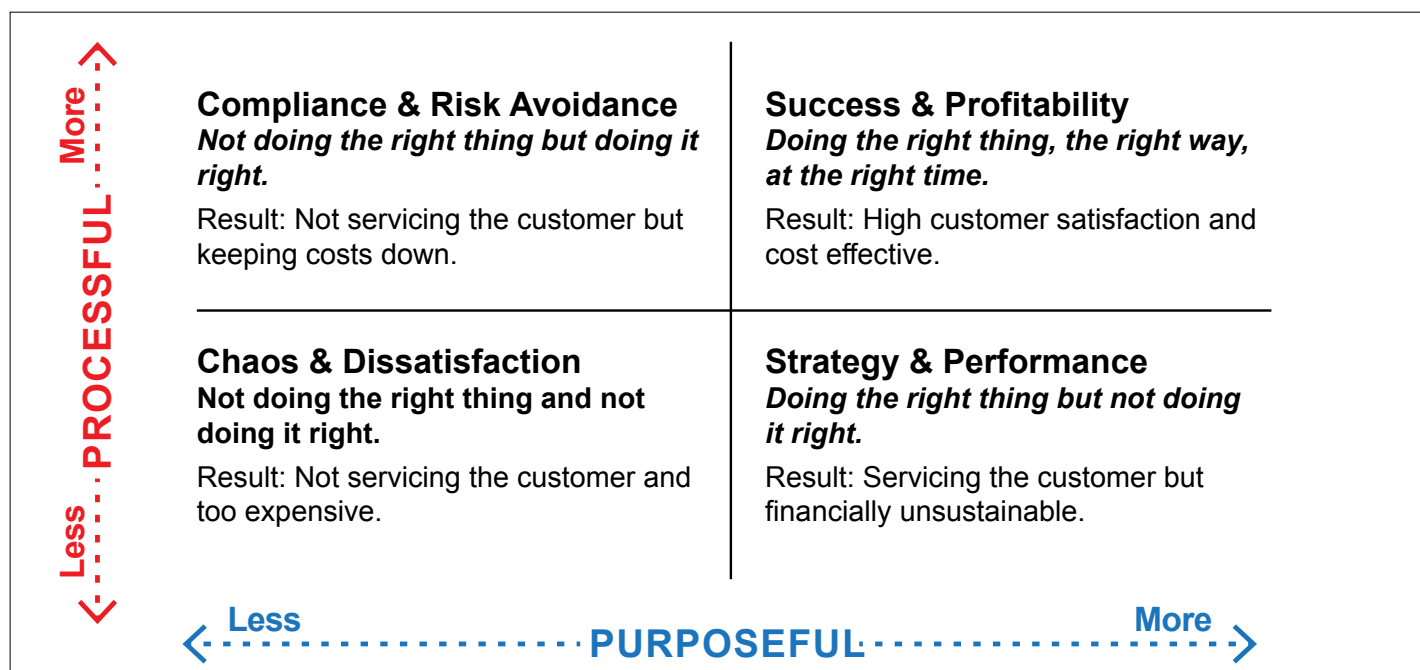
So why were these leaders and teams not connecting to their purpose? The answer was simple; it's a matter of where you choose to focus. If what you focus on is what you get, these employees were more interested in getting the 'process' right than delivering on 'why' they were there in the first place.

Doing Things Right is of No Value if You're Not Doing the Right Thing(s)

In broad terms, 'doing the right thing' is derived from the strategic role the board plays in governing the business, and likewise 'doing the thing right' is the operational role of the executive and management team. These are not the only roles, however, a key governance dilemma for the board is getting the balance right. How much does the board plan and monitor and how much does it need to oversee and delegate to management to get right? It also needs to ensure it is 'doing the thing right' – the thing of governing. This is where the monitoring role of the board is critical – monitoring the business and monitoring itself. For example, if a board's focus is predominantly on **Compliance and Risk Avoidance**, it is prone to neglect its customer or client base, leading to customer dissatisfaction. It may very well keep costs down, but this is likely to come at the expense of failing to deliver on its mission. Similarly, if the board focuses too much on **Strategy and Performance**, they may very well achieve their goals and achieve true customer satisfaction, however, they also run the real risk of insolvency.

More significantly, the board faces real concerns if it does not focus on any of these four key governance elements and gets too involved in the operational aspects of the business. It risks becoming irrelevant, the business falling into **Chaos & Dissatisfaction**, it fails on its mission and risks significant financial collapse and reputational damage. Ultimately, the goal is to be in the best position possible, the **Successful and Profitable** quadrant. This involves doing both servicing the customer, achieving high satisfaction rates, and being cost efficient and effective.

When we consider the role of the board, it is primarily summed up in terms of the above: Strategy, Performance,



Compliance and Risk Avoidance. The dilemma for the board is getting the balance right to ensure the business is both processful and purposeful...and in doing so being timely in its application.

Being Purposeful

In short, to be purposeful, the board must ensure it has the right people around it. Get the best people in the boardroom and inside the business. Practically, the board papers must focus on purpose and how every decision impacts on those objectives. Directors must be encouraged to ask questions, remain flexible to the environment, and be skilled and courageous enough to have the difficult conversations. Directors must make challenging decisions based on clear information and not delve into operational matters unless the organisation is in crisis.

Being Processful

Boards, directors and management teams must have clear and concise information delivered by appropriate systems and processes. The board needs to critically analyse what information it needs, when it needs it and how it should be presented. It is equally important to measure performance

and respond. A process of receiving and delivering valuable feedback to leaders (including the board) on their effectiveness is essential, as is acting on those findings.

So, if your board is on the governance treadmill, running in circles to be processful; doing things right – then you may need to stop, step off and ask yourself: Are we being purposeful? Are we doing the right things? It is when you connect with your purpose that you will lead from a place of clarity and authenticity. The results will be significant, you will inspire your customers and engage with those you lead to keep them busy and productive doing the right things, the right way and at the right time – to get real results.



Chris Scott

Director, Leading In Health

Chris is presenting a workshop at 11:40am on Saturday.

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Why Listen?

GRACE MCCARTHY | COMMUNICATION

When people talk about communication skills for the C-suite or the boardroom, many think of speaking or presenting. Communication is seen as how we share our ideas, our knowledge, our opinions, our hopes, fears and aspirations with others. We communicate to influence others, to tell them what to do or think, to warn them, to advise them, to challenge or confront them. We use our words to achieve many goals. Yet if everyone is talking, how does anything change?

If I am simply waiting my turn to speak and am more interested in getting my point across, how can I understand your point of view? If I think I know it all already, how can I learn? How can I take feedback on board if I do not listen?

As a director or as an executive, we need to listen to the multiple perspectives not only of our fellow board members or executives, but of all our stakeholders. Listening gives us early warning signs if there are problems, whether those problems are with our organisation's culture or its products or services. It is important to listen directly to customers and to front line employees. Otherwise we risk only hearing a filtered version of reality, and the filter may intentionally or unintentionally mask some critical truths. To do this, some directors go back to the shop floor or take a turn answering customer service calls on a regular basis. Not listening is the equivalent of wilful blindness. We are not living up to our responsibilities if we do not listen to what we are being told. While we may not often encounter whistle-blowers in our role as directors or executives, we have or need to create ongoing opportunities to listen to satisfy ourselves that things are as they should be.

Listening has multiple benefits. It improves our understanding of our organisations and the communities we serve. It helps people clarify their thinking and makes people feel valued because we make time to listen to them. This encourages people to bring forward ideas because their ideas will be heard. Inviting members of staff to present their projects directly to the board or inviting students to meet the board of directors of a school demonstrates that the board thinks these people and projects are important. Sometimes directors of not for profits worry that no one understands the role of the board. One way to change perceptions is to increase the interactions people have with the board, not only having the board make presentations, but having others present to

the board. In a culture where people feel listened to, they are more engaged and contribute both to the development and implementation of the organisation's strategy.

How to Listen

1. Do not be afraid of silence. Sometimes people need time to process or to articulate their thoughts. Do not rush to fill a silence. In this busy world, allowing time for silence is a gift.
2. Do not speak while another person is speaking.
3. Pay attention with your body language. Show you are listening – look at the speaker. Do not fidget or look at your emails or play with your phone. Listening is not just waiting for your turn to speak.
4. Repeat what the other person says. While this may initially seem artificial, when we repeat the other person's words back to them, they know they have been heard and this is often important to them. They may have a moment of clarity when they hear their own words being spoken out loud by you. This clarity may lead to an insight. Or they may want to develop their idea further.
5. Paraphrase what the other person has said. If you have not understood them correctly, they will let you know. When they hear your paraphrasing, they may realise that what they said was not in fact what they meant and this will help them clarify their thinking. Paraphrase fairly – do not twist their words.
6. Adopt the language the other person uses. If they use a metaphor like climbing a mountain as a way of describing a challenge they face, use that metaphor in exploring the challenge further. People will feel they are listened to when they hear you pick up on their words, even if they do not consciously register your choice of words.
7. Build on their ideas.

Again this shows you have really been listening. It validates their ideas. Often something more interesting will emerge than any one individual thinks of by themselves.

8. When listening to feedback, even if you do not like what you hear, maintain a friendly expression. Do not argue with the feedback. Even if what is said is inaccurate, it demonstrates a perception that is important for you to be aware of. Thank the feedback giver and take the feedback away to reflect upon. If you react negatively you risk not being given feedback again – and feedback helps all of us learn and grow. Show you are open to feedback and act on it and you will find people are more willing to give you feedback in the future.

If I am simply waiting my turn to speak and am more interested in getting my point across, how can I understand your point of view? If I think I know it all already, how can I learn? How can I take feedback on board if I do not listen?

Your Challenge

Your challenge, if you choose to accept it, is to consciously try to be a better listener. Set yourself a task to improve one of the steps above. For example, if you're usually the first person to speak in a meeting, wait until at least three others have spoken. When you do speak, refer to what previous speakers have said, showing that you have actually been listening and not just waiting to speak. Do a self-assessment and see how your self-assessment compares with how others see you. Being honest with ourselves is the first step towards personal and professional development. Ask a friend or colleague to tell you how well you do that chosen step at the moment. And ask them again in 3 months' time. And if you do improve, celebrate and then decide what you are going to tackle next. Happy listening!



Grace McCarthy
Dean, *University of Wollongong*
Grace is delivering a presentation at 9:00am on Sunday.



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Don't Build Roadblocks out of Assumptions: How Innovation Can Help You Do More With Less

DR AMANTHA IMBER | INNOVATION

There is probably not a single organisation in Australia that is trying to do less work with more resources. It simply doesn't happen. On the flipside, thousands of organisations both in the public and private sectors are trying to do more with less – a much more challenging proposition.

The role for innovation in solving this proposition is a significant one. However, many companies associate innovation solely with customer-facing, product or service innovations. Certainly, these are seen as the more exciting types of innovations.

In order for innovation to thrive, organisations need to apply innovation methods and techniques not only to external facing challenges, but also to internal ones such as those relating to process improvement.

Identify Frustrations With Current Processes

An effective place to start in creating process innovations is to identify frustrations with current organisational processes. Asking fellow employees which processes cause them the greatest frustration will provide clues as to where the greatest inefficiencies (and opportunities for innovation) lie.

For example, at one government agency, Inventium identified that the payslip administration process was incredibly frustrating – and expensive – for the organisation. The current process cost the organisation six times the industry average for payslip administration. This represented a great opportunity to achieve more with less.

Crush Some Assumptions

Once specific areas for innovation have been identified through pinpointing the biggest frustrations, list out all the assumptions the organisation has around the process that is the subject of the innovation. Assumptions might be in the form of the different steps that take place within the process, the time it takes to complete each step, and the cost to the company to execute each stage of the process.

After developing a list of assumptions, crush each assumption one by one by asking 'What if the opposite was true?' For example, in the case of the payslip process, our client asked the question, 'What if the payslip administration process cost only half of the industry average?' Through crushing fundamental assumptions, new ways of innovating and improving the process will be uncovered.

Don't Implement, Experiment

Once ideas have been generated on making the process faster, cheaper, or leaner, don't jump straight to implementation. Instead, run some quick and cheap experiments that compare the old method with the new. A/B testing can be very powerful at this stage to provide a side-by-side comparison. Once the new method has been iterated based on the results of actual experiments, the organisation can then move forward to implementation.

Kill Off Projects That Are Adding No Value

One final idea in helping organisations do more with less is in killing off Zombies – that is, stopping projects that are adding no value to the organisation, yet they continue to linger on like the living dead.

Australian Unity ran a Zombie campaign and ended up saving hundreds of hours, not to mention a huge amount of money, in killing off several Zombie projects.

So rather than bemoan the fact that your organisation is trying to do more with less, take some practical steps in making this happen.

An effective place to start in creating process innovations is to identify frustrations with current organisational processes. Asking fellow employees which processes cause them the greatest frustration will provide clues as to where the greatest inefficiencies (and opportunities for innovation) lie.



Dr Amantha Imber
Inventium

Amantha is delivering a presentation at 4:10pm on Saturday.



A Decade of Investment – Journey to Social Inclusion

CATHY HUMPHREY | STRATEGIC PLANNING

It took more than a decade to transform Sacred Heart Mission into the organisation that it is today. It all started from asking two questions back in 2006: *What impact are we having?* and *Are we delivering on our purpose, our vision and our mission?*

It took the courage of the board, the executive team and the whole organisation to stand back and take a hard look at what we were doing and be prepared to face the truths that would be revealed from our investigation.

We surveyed over 300 of our clients/residents, and we found that while we were doing good work and people were grateful for our services, we were not having the impact we had hoped for. We heard that people were staying trapped in cycles of disadvantage and homelessness. The data showed that 53% had been homeless for more than two years and 67% were excluded from mainstream services and social activities. This was a group of people who were trapped in the cycle of homelessness and we were providing a response that was managing rather than ending their homelessness.

We faced this truth and looked at the service system we were a part of, and found it was not working for this group. Significant money was being spent on managing people's homelessness rather than ending it, such as the costs associated with police, ambulance, crisis accommodation, mental health, prison and health services.

It was not only costly, but resulted in repetitive and fruitless expenditure in dealing with the inevitable crises or emergencies that occur, rather than an investment in addressing the root causes of a person's homelessness, to resolve them once and for all.

We believed there was an opportunity to turn that expense into an investment and in doing so end their cycle of homelessness. So, we started with a blank sheet of paper and asked ourselves – if social inclusion was our aim how could we design and demonstrate a model that would achieve this?

This examination of our impact back in 2006, has led to the development and design of an intervention to end chronic homelessness the Journey to Social Inclusion (J2SI).

J2SI has now been piloted and evaluated through a randomised control trial, the first in Australia. It has been taken to scale to further refine the intervention, and this year it will be one of the first interventions delivered through a social impact bond in Victoria.

But this is only one part of the story for Sacred Heart Mission. Transforming the organisation is a continuing journey. When I stepped into the CEO role in late 2011, I knew our next strategic planning cycle was on the horizon, and it was clear at the start of our planning processes that to achieve sustainable and lasting change in people's lives we need to be progressive, brave and ambitious in setting our future directions. We needed a longer planning cycle to enable the reshaping of Sacred Heart Mission so that we could not just survive, but thrive.

Our decision to take a 10-year planning horizon had its critics, but it was our view that to stay on top in uncertain times, we needed to take a long term strategic view.

We set our strategy horizon at 10 years, so we could build capacity and capabilities, to articulate and develop our

service model, our point of differentiation and our shared values so that we can achieve our vision and mission.

We are now almost half way through our 10-year plan, and a lot of work has gone into planning, setting up the systems and processes and now we are deep into delivering – I call this the hard yards.

It's about facing into our ambitious plans to have greater impact for the community we serve. It's about persevering when it gets challenging and difficult. The road to success is not easy to navigate, but with hard work, drive and passion, it's possible to achieve

While I don't claim to have the perfect strategic process, facing our impact truth back in 2006 enabled Sacred Heart Mission to focus our activities and investments in changing our approach to be evidenced informed and measuring the impact of our work. Our 10-year plan is on track and we are staying on course and achieving amazing results.

It took the courage of the board, the executive team and the whole organisation to stand back and take a hard look at what we were doing and be prepared to face the truths that would be revealed from our investigation.



Cathy Humphrey
CEO, Sacred Heart Mission
Cathy is delivering a presentation at 1:30pm on Friday.



Decoding the Ethical Framework

DAVID BURFOOT | ETHICS

Revelations about the governance failings in some of our most iconic organisations is again challenging our paradigms about how organisations are, or can be, controlled and held accountable. Attention has turned to Ethical Frameworks to hammer morality back into corporate governance. So what is this new development, albeit one two and a half thousand years in the making? Time to decode the Ethical Framework.

As the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry rolls on, more questions are being asked about how effective governance is achieved. Arguably the organisations at the centre of the scandals have the best directors, senior executives, technical resources and professional advice money can buy, in one of the most regulated of industries. They also exist in the wake of a Global Financial Crisis that was the greatest of all reminders of the dangers of complacent corporate governance. If our prevailing theories about corporate governance had a chance of working, it should have in the financial sector. Yet here we are.

It is of course not just the financial sector that is facing challenges. Lack of confidence and trust with organisational governance has spread to other areas, including the not-for-profit sector and the media.¹ In fact the behaviour of certain entities has even raised the question of whether corporations should be allowed to keep their 'privilege' of limited liability.²

Against this backdrop leaders are looking beyond conventional organisational controls. As research continues to show how purpose- and values-led organisations outperform the market,³ without attracting class action suits, more are looking to Ethical Frameworks as a potential answer.

But what is the Ethical Framework?

Firstly, what is ethics? For many people it is about the big scandals; ball tampering in cricket or Pauline Hanson wearing a burka in Parliament. But ethics is about *all* decision-making, not just scandals. About two and a half thousand years ago Socrates, a big name in ethics, defined it as 'What ought one to do'.

'What ought' means that we have a choice. 'One' asks what anyone should do in a given situation, and 'do' means what is done, not what is intellectualised.

When we develop laws, religious codes and so on, we attempt to prescribe the ethical way of life. The Ethics Centre calls these morals: values and rules already packaged for us. We are talking *ethics* when we start questioning them.

Ethical Perspectives

In considering the ethics in any initiative, one can consider *purpose*, that is, the *why*. This relates to the philosophy of *teleology*, which explains something in relation to its end, purpose or goal (from the Greek word *telos* - end, goal, purpose). A health practitioner might, for example, consider their purpose to be increasing the well-being of humanity.

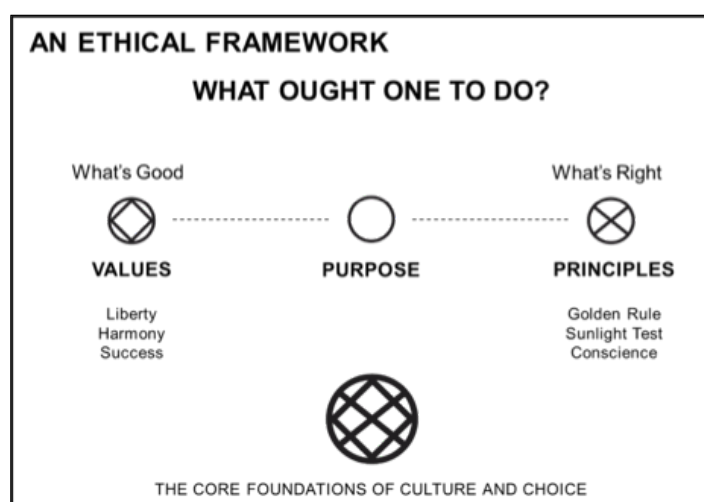
Another consideration would be *what* is considered 'good': what an initiative should achieve or maximise. This perspective relates to another form of teleology known as *utilitarianism*, which calculates what is good by what gives the most pleasure over pain, or what would maximise 'good'.

For example, a health worker might be expected to want to maximise a person's length of life or reduce suffering.

Another broad consideration is *how* an initiative is to be undertaken. This involves applying judgements about the methods used to accomplish the 'good'.

Taking the above example of a health professional, this might include *principles* such as 'do no harm' or 'the best interests of the patient'. This is *deontological* ethics at work, the belief that one must follow universal rational principles and one's duty (Greek word *deon* - duty).

The three above considerations make up the trinity of the Ethical Framework, that is, the *Purpose*, *Values* and *Principles* of an organisation. Each organisation must choose its own unique interpretations of them. Without this moral foundation, trust can't be built.



Triangulation

To use the Ethical Framework to improve decision-making, triangulation plays a role. *Triangulation* has been used for some time to gather knowledge about phenomena too broad to be captured by one perspective or discipline alone. It enables different types of knowledge to *join forces* in the pursuit of 'higher order' knowledge or insight.

The Ethical Framework attempts to triangulate a solution to a situation by examining it through the three above philosophical lenses. Through the use of 'moral imagination' we identify an ethical solution that best satisfies the different perspectives, in much the same way that inventors have used their imagination to solve what were once considered paradoxes.⁴

Transferring the above into organisational governance is part of the new technology and The Ethics Centre customises Ken Wilbur's Integral Model⁵ to help identify areas of focus, though a full account of this is beyond the limits of this article.

So there you are, some of the back of house revealed about the Ethical Framework. Now go out and be a smarter buyer when consultants heed the changes afoot and come

knocking at your door with their new suite of *ethical* governance products. You're likely way ahead of them.



David Burfoot
Senior Consultant,
The Ethics Centre
David is delivering a workshop
at 2:40pm on Saturday.

¹ Edelman Trust Barometer 2018, & Botsman, *Who Can you Trust*, 2017

² Edelman Trust Barometer 2018, & Botsman, *Who Can you Trust*, 2017
See *Trust and Legitimacy and the Ethical Foundations of the Market Economy*, The Ethics Centre, Longstaff and Whitaker.

³ *The How Report, A Global, Empirical Analysis of How Governance, Culture and Leadership Impact Performance*. LRN, 2016. Also see the *Harvard Business Review*, *The Business Case for Purpose*, 2015.

⁴ TRIZ (in English, 'the theory of inventive problem solving', or TIPS) is a world-renowned problem-solving and innovation tool derived from the study of patterns of invention in the global patent literature. It was developed by the Soviet inventor and science-fiction author Genrich Altshuller. TRIZ embraces paradoxes. It identifies them as inherently solvable and builds our knowledge tools to help us think bigger than the 'problem'.

⁵ *The integral model*



Voices from the sector

Dr Ruth Knight | PhD, MBus (Philanthropy & NpSt)

“Working in the nonprofit sector, I quickly realised that my passion for helping others wasn't going to be enough... it was specialised education and the people I met while studying that made all the difference.”

How long have you been in the sector?

For as long as I can remember, I've always had a desire to help others. By the time I was in my mid 20s I was working with youth at risk in health and community services.

What made you want to study?

I heard about the courses at QUT's Australian Centre for Philanthropy and Nonprofit Studies (ACPNS) and knew they were regarded as being the best for people like myself working in the sector. I wanted to professionalise my skills, gain confidence as well as new knowledge and expertise.

But I wasn't particularly academic and felt a bit out of my depth in going back to study as a mature student. It was after speaking with the lecturers that I began to really believe I could do it. I ended up loving it so much that I went on to do my Master of Business (Philanthropy and Nonprofit Studies) and I've never looked back.

Why did you choose ACPNS?

I knew ACPNS had a good reputation and the units were spot-on for what I needed in my work. I distinctly remember attending lectures and then using the information I'd learned the very next day! Units that really stood out to me were fundraising, management, ethics, marketing and governance.

What advice would you give to others thinking of studying?

I would say go for it! ACPNS provides internationally recognised and highly regarded business courses that will set you apart. The short and sharp six week units and the ability to access lectures online mean you're able to get a valuable qualification under your belt in less than 12 months. The lecturers are experts in their fields and you'll become part of a vibrant network of like-minded people. And in 2019 there are scholarships and bursaries available for ACPNS students. **Call for an information pack now.**

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Explaining Blockchain and the Opportunity it Presents

JAMIE SKELLA | DIGITAL TECHNOLOGY

The problem with most blockchain explanations is that they provide more detail than what is required to inform good decisions on the topic, using language that is foreign to most people, which winds up leaving people more confused than when they started. Instead, without worrying about being a technically perfect description, here's an explanation of blockchain and the opportunity it presents that anyone can understand...

First, Let's Reframe 'Blockchain'

Starting with terminology, let's ditch unfamiliar words and talk plainly – I promise you won't read about 'nodes' or 'hashing' in this article. Jumping right in, a blockchain is a distributed database, otherwise known as a distributed ledger. To make things really simple and relatable, let's call that ledger a record book instead. Furthermore, let's talk in terms of it being shared instead of distributed. For even greater context, think about transactions as line items in that shared record book.

So, for the purposes of this article, we're going to call blockchain a shared record book. Each addition to this record book is a new line item.

'A Shared Record Book? This Doesn't Sound Very Complex'

To be clear, this isn't just one record book stored in a central location that is shared by many. There are thousands of copies of this record book, stored on computers all around the world, both home computers and business servers – hence the term 'decentralised'. It's synchronised between them. This record book can be used to record many kinds of things, however, I'll use sending and receiving money as the primary example, as it's the most common one right now.

When John wants to send money to Sue, a new line item is created detailing that transaction. This line item then gets sent off to hundreds of other computers who have a copy of the record. Those computers confirm that this transaction is authorised, and ultimately they agree (or disagree) that everything about the transaction is valid before giving that line item a tick of approval. It has to match up perfectly on every copy of the record.

It's as if John and Sue had a few hundred mates stand around them and watched John hand Sue the money in question, and they all agreed that he really did hand her the money, as well as other aspects of the transaction.

It's as if John and Sue had a few hundred mates stand around them and watched John hand Sue the money in question, and they all agreed that he really did hand her the money, as well as other aspects of the transaction.

'How Is This Different From a Bank?'

The genius of this shared record book is that it requires no bank, or centrally owned company, and you don't have to place your trust in any financial institution... there doesn't need to be a middleman of any kind.

To elaborate, this shared record book is not owned by any one individual or organisation. It's owned by everyone who has a copy – but that doesn't mean any one person who has a copy has control (more on this soon). Additionally, this record book is what we call 'immutable', or in layman's terms, it's irreversible. Every line entry made will exist in perpetuity, for as long as the internet exists. If Sue wanted to refund John's money, this would be a new line item sending the money back – not the crossing out of the original transaction.

Because of those technology design decisions, fudging line items in this shared record book is impossible. If someone who has one or more copies of the record book on their computers was to try and dishonestly change it, those changes would be rejected by the many computers used in the verification process – things wouldn't match up.

Beyond Banking

Up until now, a copy of something digital was indistinguishable from another. If an MP3 could be used as currency, there would be no way to tell whose copy of 'Madonna - Like a Prayer.mp3' was the real one that I should exchange for goods and services, and which was a copy. Suffice to say that prior to this technology, a truly digital coin was not possible. However, beyond disrupting the world of finance, the most mind-bending, earth-rocking uses of this technology actually have nothing to do with money specifically. With those fundamental workings explained, I'm now going to provide a few real world examples that will give you an idea of just how this technology really could change the world.

The future of energy distribution? Imagine a country filled with Tesla Powerwall equipped houses. Instead of paying an energy provider for their kWh, houses automatically generate, store, and trade electricity between themselves based on which neighbours need extra, and which have lots of excess in their batteries. Thanks to blockchain, this is no longer science fiction, and an Australian company named Power Ledger is pioneering it.

The future of community engagement? Over at Horizon State we're using this same shared record book technology for voting. In effect, we've replaced bitcoins (which represent currency), with tokens of our own, which represent the ability to do things such as cast member or shareholder votes,

among other things. Instead of line items representing money, they represent people's decisions. The same benefits we see with digital coins apply to these votes: their authenticity and legitimacy is validated, and the record book of results can never be tampered with. It exists transparently, to be recounted by anyone, with the same result forever, installing unprecedented levels of trust with those involved in collaborative decision-making processes.

And this is just the tip of iceberg in our bright blockchain future. To quote Deepak Krishnamurthy, chief strategy officer for SAP, 'the current state of blockchain may be comparable to the state of the Internet and World Wide Web in the mid-1990s. When we all understood it was going to change the world, there were maybe five, 10, 15 million using the Internet, versus the two billion today. That's where we are with blockchain'.



Jamie Skella
Co-Founder, Horizon State
Jamie is delivering a presentation at 11:25am on Sunday.

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AUSTRALIAN STRATEGIC SERVICES



Customer-Centric Governance; Leadership Strategies For A Competitive Marketplace

MICHAEL GOLDSWORTHY | STRATEGY

Customers, whether known as residents, clients, patients, consumers, stakeholders, participants or similar such terms, are the reason for being for the majority of boards of directors of community businesses (NFPs).

As boards come to grips with the key drivers and metrics of the new customer-driven competitive marketplace, there is an increasing realisation that:

- Customers are king and cashflow is queen;
- Repeat and referral business is the best form of business;
- A customer's journey is a process over time, not a transaction in time;
- Service objectives and outcomes and business objectives and outcomes must be balanced and integrated;
- Customer choice and control, and the move to individualised funding brings into play the principles and practices of billable hours and utilisation rates.

Today, many leadership teams (boards, chief executive officers and executives) are seriously challenged as they try to simultaneously deliver on their vision and mission, the strategic transformation of their organisation, the re-engineering of their business model and the reinvention of their culture.

Leadership teams must be prepared to truly recognise this dilemma and address these key drivers, metrics and transformational challenges.

Against this backdrop two governance imperatives have emerged for leadership teams:

- Customer-centric governance; and
- Cashflow-centric governance.

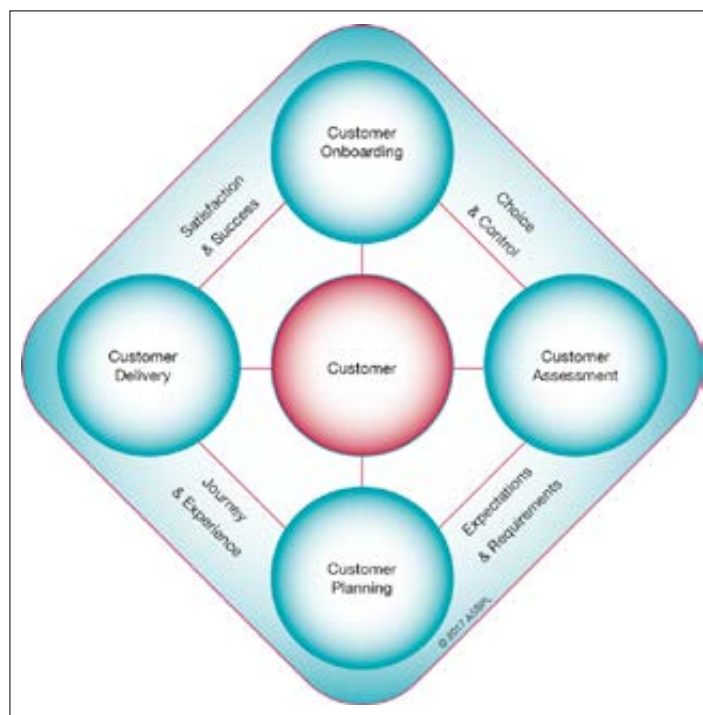
Customer-centric Governance

Customer-centric governance is the board's most vital focus and undertaking in the new customer-driven, competitive marketplace.

The four key principles that create a framework for customer-centric governance are:

- Customers' choice and control;
- Customers' requirements and expectations;
- Customers' journeys and experience; and
- Customers' satisfaction and success.

From a governance perspective, appropriate documentation and practical application of relevant governance policies and procedures should be aligned to these four customer principles. Policies and procedures should include board



and customer relationships, the board's duty of skill and care, duty of disclosure and transparency, risk management and, where applicable, clinical governance.

Consequently, boards may wish to consider the following two-step approach:

- Firstly, work with the chief executive and executives to ensure they have co-designed and documented their own unique customer framework and principles, possibly in the form of a model and associated descriptors.
- Secondly, ensure their governance system contains governance policies and procedures that address requirements of the Corporations Act 2001 (Cth), as well as other relevant Local, State or Commonwealth government Acts.

Cashflow-centric Governance

In the new customer-driven, competitive marketplace an increasing number of leadership teams are coming to recognise the pragmatic reality that 'customer is king, cashflow is queen'.

As this old adage conveys, when it comes to cashflow-centric governance, boards must go well beyond just having an annual budget... the organisation's new business model must be aligned to a robust financial model. In turn, the financial model provides the basis of projected cashflow, profit and loss and balance sheet statements, which are measured against the key drivers and metrics of the business.

However, it is once again imperative that boards ensure

their governance system also contains governance policies, procedures and tools addressing requirements such as the duty of solvency, fiduciary duties, monitoring and review.

Customers, Who Are They Really?

Customers, you say... they are our clients, residents, participants, patients or other similar technical service titles.

But has the leadership team seriously researched and analysed the following three customer considerations?

1. What are their various customer categories? What markets and sub-markets do they originate from? What are the various market channels that direct them to the organisation, e.g. business to business (B2B), business to customer (B2C) or business to government (B2G)?

These categories may account for customer, market and market channel characteristics, behaviours and trends, and therefore provide unique strategic, organisational and/or individual insights and business intelligence that can assist in the development of specific customer, market or market channel strategies and projects.

2. What value and benefits do customers bring other than the evident service requirements, funding and outcomes/ outputs?

The unique, additional value and benefits provided by customers should not be under-estimated. These beneficial behaviours may include:

- Driving repeat business, increasing utilisation of the services and income for the organisation;
- Creating referral business, referring friends, family, colleagues and even new acquaintances, a cost-free growth for the business;
- Engaging as board ambassadors who proactively advocate or promote the business, strengthening its brand and image, once again at no cost or effort to the organisation; and
- Becoming workers in the business, whilst remaining a customer, they volunteer and/or become a contributor, such as a donor or sponsor.

3. What additional engagements and contributions, over and above additional sales, can the organisation provide to customers in return?

Customer loyalty programs are common but often in reality provide very little tangible value or benefit. Simple acknowledgement in the form of a communication, a meeting, or an invitation to a special event can be incredibly powerful mechanisms that not only genuinely recognise individual customers, but actually re-enforce the four previously mentioned categories of behaviours.

Conclusion

As the intensity of customer choice and control increases

and the dynamics of a competitive marketplace pan out, dramatically reshaping every industry/sector, boards of community businesses may wish to consider not only the realities and practicalities of the new environment but how their organisation is or will be operating.

Ideally this will mean co-designing, developing and delivering customised or individualised services or products within an agreed timeframe, at a defined price and to a pre-determined standard.

In essence, the vast majority of community businesses are becoming professional service organisations.

Consequently, as 'customer is king, cashflow is queen', a board must not fail to adopt a pragmatic approach to customer-centric governance and cashflow-centric governance.



Michael Goldsworthy
Principal Consultant, Australian Strategic Services
Michael is delivering a workshop at 10:30am on Saturday.

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Streamlining the Work of the Board

DOMINI STUART | BETTER MEETINGS

Sponsored Article

Most of the directors on not-for-profit (NFP) boards are unpaid. Many have full-time jobs, other directorships and family obligations. Putting the time they donate to good use is respectful as well beneficial to the organisation.

“Some boards waste a lot of time on management issues so directors must be very clear about their role and where their responsibilities end”, says Sallie Saunders, Principal Consultant with Building Better Boards and an experienced board member. “The agenda should be tight and well-structured and the chair should ensure that meetings don’t run on too long. I also think all boards should adopt the technology that is now available to streamline boardroom operations.”

Rainer Jozeps has held senior roles in some of Australia’s leading cultural and charitable institutions. In his executive positions he found he was spending at least one week in every four preparing papers for the approaching board meeting.

“If there are 10 meetings a year that’s 10 weeks spent on servicing the board rather than doing the important work of pursuing the organisation’s strategies and objectives,” he says.

He and his wife Kate Gould, a director of the Adelaide Football Club, used their own experiences to create the Our Cat Herder board portal specifically for NFPs.

“We estimate that this technology can reduce preparation time from a week to two or three days,” he says.

Electronic Collaboration

A board portal is simply software that allows directors to collaborate and share information electronically.

“Board portals provide a sophisticated and secure alternative to paper-based systems,” says Klaus Zimmerman AM, an experienced chairman and director who received the Order of Australia for services to the aged care sector. “Putting everything online saves significant cost and time for the organisation. Directors also have easy access to past papers as well as libraries of information which can be managed centrally and kept up-to-date at all times.”

Jozeps remembers the disruption of someone having to leave a board meeting to search for a vital document.

“Directors often need to refer to strategic plans, policies, procedures and guidelines,” he says. “When you have them at your fingertips meetings can be run much more efficiently. An iPad or laptop is also much easier to carry than one or more heavy board packs.”

The online environment is also very transparent.

“All of the directors can see if any changes have been made to the minutes or any other papers,” says Saunders. “I also recommend the online financial management systems that allow all board members to check how the organisation is performing at any time.” Our Cat Herder includes an Action Tracker, which records every action agreed in the boardroom.

“This can be very motivating for directors who have volunteered to do something like arrange a fund-raising event,” says Jozeps. “It also provides information that can help the board in their evaluation of the chief executive officer (CEO).”

A secure, Facebook-style Noticeboard function promotes discussion between meetings.

“This enables directors to cut to the chase when they get together in the boardroom,” says Jozeps.

More Succinct Board Papers

Boards receive much of the information required for decision-making in board papers.

“Well-written papers enable directors to focus on things that matter and not be side-tracked by inconsequential details,” says Mary Morel, director of The M Factor and author of Write to Govern: How to Write Effective Board Papers. “They not only save time, they are essential to help directors meet their fiduciary duties.”

A study by Board Intelligence in the United Kingdom found that 84 per cent of directors wanted their board papers to be more succinct.

“Modern board and committee templates encourage writers to get to the point, provide information in a consistent format and prepare papers that get through the review process more easily,” says Morel. “Unfortunately, the boards of some small organisations don’t have templates at all, while others have templates that are very old-fashioned or have so many headings they distract from overall structure and flow. I believe that board portals are the way of the future, so board papers also need to be adapted to this medium. For example, the recommendation and any decision taken should be at the top rather than the end because that’s what directors want to know immediately, particularly when they’re reading online.”

A More Secure Option

Some directors are suspicious of boardroom technology because of a perceived lack of security.

“Tightened legislation has certainly made security an important issue for NFP boards but it’s wrong to assume that paper is safer,” says Saunders. “Printing out the minutes and the financials and leaving them lying around your workplace or a hotel room does not qualify as good records management. Confidentiality is much easier to maintain

when all your materials are held in a password-protected online portal."

However, directors do need to understand the risk profile of the organisation and where vulnerabilities might lie.

"Most organisations now rely heavily on electronic systems in just about every aspect of their business so it's vital that appropriate steps are taken to ensure safety and security," says Zimmerman. "Directors also need to be aware of their public profile and any security issues that might apply to them as individuals. Clearly social media plays an important role and the board must be confident that there are clear guidelines and policies in place to govern their use."

Confidentiality must also extend to the minutes.

"Many organisations, particularly the smaller ones, believe they have to make the minutes publicly available," says Saunders. "Social media make this very easy to do but, while the constitution might state that members have a right to review the minutes, strict conditions usually apply. For example, the member may have to attend the office of the organisation to see the portion in which they have an interest or about which they have a question. In fact, recent changes to the NSW Incorporated Associations Act (2016) clarify this. The board may also refuse to permit a member to inspect or obtain a copy of the records of the association that relate to personal, confidential, employment, commercial or legal matters or where to do so may be prejudicial to the interests of the association."

Virtual Meetings

Virtual meeting can reduce directors' travel time and enable the board to select directors from anywhere in Australia or even overseas. However, they need to be very well managed and the limitations of affordable technology can be frustrating.

"There are often technical issues that disrupt or truncate the call," says Zimmerman. "It's also important that, when you're together in a room, body language and other important inputs can be taken into account. So, while virtual meetings are helpful in certain circumstance, face-to-face is definitely the preferred option."

Impartial Advice

NFPs might baulk at the idea of spending money on technology but, as long as it is carefully chosen, the cost savings will invariably outweigh the investment.

"Even something as simple as sending out an electronic newsletter eliminates the cost of printing and postage, as well being less wasteful from an environmental point of view," says Saunders.

While some boards remain resistant to technology others are just unsure how to start.

"It helps to have an information technology (IT) champion on

the board who can introduce and explain technology to the other directors," says Saunders. "IT training could also be provided as one of the intangible rewards of serving on an NFP board."

She suggests approaching university computer science departments as some provide a free advisory service for small and medium NFPs.

"For example, The University of Technology Sydney, where I was an academic, has a community university interface known as Shopfront," she says. "Students can get course credits for working on your projects under supervision and you can also ask them to evaluate various alternatives and get an unbiased opinion. Most IT service providers offer free advice but it's unlikely to be impartial."

Saunders also recommends the organisation provides directors with a home internet connection and a laptop or tablet for the length of their tenure.

"It's good practice to ensure that everyone on the board has the knowledge and access to the technology that will enable them to do the best possible job for the organisation," she says.



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Online portals are the new way to manage meetings. The cloud-based technology saves time and money. It removes the need for paper, although you can still print off meeting papers. In-built communication tools promote information sharing as well as decision making between meetings.



What to Look for During Customer-centric Transformation

BRUCE MULLAN | BUSINESS TRANSFORMATION

Government reforms in NDIS and Aged Care mean many for-purpose service providers must transform to become customer-centred organisations and many are struggling in this journey.

To complete any successful business transformation, CEOs must have four foundations in place – the right language, leadership, people and business model.

Whether your organisation is transitioning to a customer-centric model by deploying a new company-wide IT system, merging to provide a national footprint or trying to re-engineer your culture, these are all forms of business transformation. Some organisations might be concerned that having the **right stuff** to transform means they are becoming too much like a for-profit business and might lose sight of their purpose or the support of their stakeholders. Yet the essential principles that *any* organisation must follow to transform successfully do not depend on the profit orientation of the organisation. If you talk to a good CEO in any sector, they will have a clear vision, a strategy to realise it, a meaningful mission or purpose statement, great people, integrated processes, robust financial models and something of value to offer their customers.

Many business transformations fall short and leave the organisation floundering. The problem is often in the execution. Where a transformation is executed successfully, the entire organisation and its customers will ultimately benefit.

The following four steps provide a solid foundation for executing a business transformation successfully.

Right Language

The starting point is the language you use. Organisations interchangeably use terms such as client, patient, consumer, participant or stakeholder to describe different recipients of services. The term 'customer' is now becoming more prevalent with individualised models rather than terms such as client, participant, donor or patient. Every interaction or conversation – whether in a corridor, water cooler, meeting room, or one-on-one – needs to use a common language that best articulates how your new world will look. That way you are always talking about the same thing and you are on the same page.

What you want to avoid is people persistently harking back to their good ol' days by using obsolete language. These conversations can be exhausting and a way for people to feel secure by clinging to past norms and behaviours. Meaningfully engage everyone by bringing your people together to design your new language.

Tip 1: Engage all levels of your organisation to create all your communications and messages around your new reality while being respectful of the past.

Right Leadership

Leading socially-oriented organisations require leaders who can deal with complex governance issues and facilitate consensus from multiple (and passionate) stakeholders. Further, these organisations may be limited in their capacity to change due to the inertia of their well-known, long-standing (heritage) brand. Another major challenge is the uncertainty created by government reforms with persistent implementation problems and shifting targets (e.g. NDIS and Aged Care consumer choice).

Firstly, as a leader, it's critical to focus on your people by building relationships, trust and commitment within your organisation. The process of transformation is not linear. It's all about people and every organisation is different because their people are different.

Secondly, ask the tough questions to decide how valuable resources are used (or wasted). The quality of being open and honest with every stakeholder will be critical.

Thirdly, having a project plan does not mean that things will get done. Nothing will change until the people doing the work embrace the change. Look for exceptions of brilliance, organisational bright spots and employee success stories to build momentum for change.

Tip 2: Effective leaders enable transformation by making the right decisions for the long-term benefit of the organisation, no matter how difficult or challenging they are.

Right People

Leaders fail when they don't recognise the strengths of their people or give them the opportunity to contribute in an authentic way to defining their path. How can a senior management group decide what is best for operational staff without proper engagement? This breeds contempt and possibly a belief that senior managers themselves don't need to change. In fact, senior managers need to live and demonstrate the change journey, rather than lecture others about it.

If your organisation needs new people, cast the net widely to find candidates who are genuinely self-motivated and aligned with your organisation's purpose. Just as importantly, you should identify any of your people who are not on the same journey as the organisation and have effective ways of moving them on, and quickly.

Tip 3: To deliver customer value, you need the right people. This requires candid conversations and development plans to ensure you build on their strengths, and quickly identify those that will not come on the transformation journey.

Right Business Metrics

How will you know you are making progress with your transformation? As part of building momentum, your people will need feedback on how they're performing. Be very careful about what you really need to measure and what may be useful to motivate people. Often, some of the important things may be hard to measure, especially when dealing with intangible care and support services. Keep your measures in perspective as one part of evaluating the performance of your transformation efforts.

Tip 4: You will need to gather data (both quantitative and qualitative) from multiple sources to form a complete picture of how your transformation is tracking. Consider asking your employees what measures would be most appropriate for them and their role to build engagement?

Where to Next?

If it's not working out as you'd expect, you need the courage to call it out, and that may mean letting go of some strongly held practices or moving on people who are not aligned with the transformation. An organisation is a living social system

and typically defends itself against change, preferring the status quo.

Yet with sector reforms in full swing, the status quo is not an option. Following these tips will mean your organisation is well placed to be successful in any context, and especially during uncertain times of sector transition.

With the right language, the right leadership, right people and right business metrics, there is a higher probability of sustained change and becoming a successful organisation during, and, after the transition period. With these foundations met, you'll have the **right stuff** to be successful.



Bruce Mullan
CEO, The Purpose Driven Group
Bruce is delivering a workshop at 2:40pm on Saturday.



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A large rectangular area with a light blue border, containing numerous horizontal dotted lines for writing.

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If you have a paper you would like to present at the 2019 Better Boards Conference, or are interested in trade or sponsorship opportunities, please contact Better Boards in October this year, or check the Better Boards website and download the application to speak document or sponsorship prospectus when they become available in October: www.betterboards.net

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