NDIS Success Round 2 webinar 3 script

Slide 1

Welcome to the third webinar as part of the NDIS Success Roadmap.

Slide 2

Community Business Bureau acknowledges the traditional owners of country throughout Australia. We recognise their continuing connection to land, waters and community. We pay our respects to them and their cultures, and to elders past, present and emerging.

Slide 3

The NDIS has changed the way disability supports are delivered in Australia. People with an NDIS plan can choose where they purchase services from and how much service they receive.

In the initial stages of the NDIS rollout most people with disabilities continued with their existing services and service providers. In recent years new services and new ways of service delivery have emerged and people are making more informed choices.

NDIS participants now choose more flexible, responsive and diverse services. Innovative services are emerging also sparked by the COVID 19 pandemic. Therapies and even group activities for example are now also available via teleconference.

NDIS Services need to be effective, beneficial and desirable. They need to create value and positive outcomes for NDIS participants.

Welcome to the Service Design webinar. My name is Ellen Schuler and on behalf of the CBB business consulting team I would like to welcome you to today's webinar.

Slide 4

Today we will talk about how to design new NDIS services for people with disability. It is the **third** in a series of six webinars that will provide a roadmap for NDIS success.

In the **first** webinar, we provided insights into the fundamentals for success within the NDIS market and who gets an NDIS plan, what is funded and how the funding can be spent.

The **second** webinar was about the importance of understanding the market you want to operate in. What is already on offer? What are your competitors doing? What are your unique strengths and advantages?

If you haven't had the opportunity to watch the webinars, you can find them on the CBB website. Watching all webinars will maximise your learnings. We also recommend you work

through the activity worksheets. There is an activity worksheet for each webinar and we have compiled a template which will help you work through essential questions to develop a business plan. On our website you can find additional information and links.

In our next webinar we will look at NDIS compliance requirements for registered providers but also for unregistered providers. Webinar **four** will cover quality, compliance and risk.

The **fifth** webinar will look at how you can position your product or service in the NDIS market, including how to promote your services.

In the **last** webinar of this series we will explain the importance of understanding and analysing your potential revenue and associated costs. Financial viability and sustainability is critical when operating in the NDIS.

It is impossible to cover every detail in depth in a short webinar and surely you will have questions after watching the webinars. Please use the Facebook group to ask questions or to give us some feedback. Just go on Facebook and enter CBB NDIS success and you will find the group. Alternatively you are welcome to email us at NDIS@cbb.com.au. We will answer your questions in our next Q&A session which will go live on the 8th of September.

Slide 5

What will we cover in today's webinar?

First, we will discuss how to design an effective NDIS service. Sometimes we start with a vague idea what service we want to offer and at times we already have a well-defined idea. No matter how well defined the idea is, we will explain how important it is to ask a range of questions that will help design the service.

Who are your customers? Where are your customers? What services or supports do they need and want, and what services or supports can they purchase with their NDIS funding?

In the **second** part of today's webinar we will give you an insight how to plan the NDIS service delivery. We will look at the key elements for successful service delivery. We will talk about human resources and other resources that you will need to deliver the service. We will talk about analysing setup versus ongoing costs and the need to establish good systems and processes.

As mentioned there is an activity worksheet for this webinar that you may want to read and complete. You might find it useful to pause the webinar so that you can complete the exercises as you go.

Slide 6

So what NDIS service could or should we offer? What questions do we need to answer in order to design our service delivery?

Slide 7

Let's start with a simple question. What is a service?

A service is not a product hence your customer does not get anything tangible such as a TV, a couch or an ice cream.

A service is an interaction between your customer and your organisation and this interaction creates **value for the customer**. They go away feeling happy, satisfied, hopefully wanting more of this service.

And the service creates **some value for your organisation**. Your organisation is likely interested in the impact your service has on your customers or beneficiaries as well as the income the service will generate

Maybe you have already a clear idea what service you will provide? We tend to think about the **activity** our organisation is going to perform. However have you actually thought about the interaction and what value your service will create?

Slide 8

So when designing your service it is important not just to answer the question – what activity do we deliver but what value do we provide. We need to work through a range of questions:

Firstly you need to clearly define who is your customer? Who would access the service from you? Where do they live and how are they able to access your services? Are they local or could they travel to you or would you need to get to them? Where and when would they access your services?

Second question you should ask is what services do they **need** and are essential for their life or daily living? Or what services do they **want** to increase their quality of life and enjoy equal opportunities. What challenge do they face and what solution will you offer. What value will your service provide?

The last and very important question is what funding is included in the NDIS plan and can they purchase the service from you.

Slide 9

To be able to answer these questions it is worthwhile to use service design methods and tools for problem solving.

We need to research our customers and the market. It is essential that we empathise with our potential customers, that we listen to multiple views and seek possible solutions.

And we need to **generate different service ideas** and review potential opportunities. Which of the opportunities utilises our strengths, capabilities and existing relationships? Which off

the opportunities creates the most value for our customers? Which of the opportunities is easiest to implement and is likely to be successful and viable? Which of the service opportunities could we deliver differently to what our competitors are already doing?

Once we have our service idea we need to test it against our research and what we have learnt about our customer.

Let's discuss these activities in more detail.

Slide 10

In our second webinar we explained the importance of research and how to gain an understanding of the market.

We should always start from a base of understanding our strengths and competencies. What are we good at?

And what are the market opportunities?

We provided an overview of the current state of the NDIS market: What does the NDIS market data tell us? What is the profile and growth of NDIS participants and the numbers of providers? In the last webinar we provided a number of data sources that assist in market research. Market data can help to identify new customers and markets. We can also look at competitors. What are they offering? What is missing in the area? Where are current service gaps?

In webinar 2, we introduced the Ansoff Matrix which can help with the decision of how to grow your services.

Maybe there is no need for a new service, but there is need for more of the service you provide currently. Your existing service is well perceived and you find out that there are many more people in the area who could access services from you. This is an opportunity for **market penetration** which is in the bottom left of this matrix.

By providing your existing services to new customers or providing more of the same service to existing customers you are offering the same or more value to more people.

Let's imagine you are an organisation providing vehicle modification for people with disabilities in and around Perth. In your market research you could find out that many more people in your area require this service and have funding for vehicle modification in their NDIS plan but simply don't know about your service. You could provide your service to them.

Your research can also reveal opportunities for **market development** which I on the top left of the matrix. Let's say vehicle modification is your key competence and you find regions no one is offering this service. By hiring a workshop in Margaret River for example you could provide vehicle modification to people who are funded for this service however are unable to travel to Perth. This of course is only worthwhile if there will be enough people in the region who

are funded for this service. In your research you should find out how many potential customers are in Margret River.

Or you develop a **new services** or new types of product that you could offer to existing customers. You are offering vehicle modification and most of your customers use a wheelchair. Could you also provide modification of wheelchairs or everyday living items for people with disabilities in your area? You have identified an idea for **service development**.

If you are coming up with a completely different product of service that is called **diversification.** This type of growth can have additional risks compared with the other options – because you are, in essence, working in an area completely new to the organisation.

Slide 11

To ensure you design the right service we cannot just rely on market data. It is important to speak and listen to people with disabilities and to empathise with their needs and wants.

What are current challenges? What are possible solutions?

Do nothing for me without me.

Person centred services improve the experience and create outcomes for people with disability. It is essential to involve people with disability in the planning and evaluation of the service.

And it is important to seek multiple views. Maybe one person is facing this challenge but are there more people with the same issues?

What are other stakeholders telling you? Stakeholders are Local Area Coordinators, NDIS planners, Support Coordinators, families and carers, health professionals, advocates, community connectors or educators.

Most people with disability and stakeholders will have ideas how to address the challenge. Listening to different opinions will help you identify better solutions.

What matters most to the person with the disability and what is not so important? Also, investigating what works really well can give you ideas for service opportunities.

To design a relevant and beneficial service, you need to understand the existing pains and desired outcomes in order to develop a compelling value proposition.

Slide 12

By doing research and by listening carefully you will identify service gaps and opportunities for new or existing services to reach more people with disabilities.

Remember to be clear about who are your customers and where are they. Also clearly identify what the challenge is and what would solve this challenge? There could be more than one solution? What utilises our exising knowledge and what we are good at? Which service is most likely to work and what value will it create? o

What service will you deliver? More of your current services? Services in new locations or to new groups of customers or new services or products?

Slide 13

As mentioned early in the webinar NDIS services are becoming more innovative and responsive. Innovative services have one thing in common: They have changed some of the service features to improve the benefits and the experience for the service user.

Hire-up for example is an on-line platform where people with disabilities can find a support worker. The benefit for the person with disability is that they can select their own support worker. They can choose someone they like, lives in their area and has similar hobbies and interests.

Gig buddies is another example. Gig buddies is an organisation in Sydney that matches volunteers with people with disabilities. It is a community access program but done differently. People with disabilities do not attend the same event every week or month that the organisation selects for them. With gig buddies they can choose their own events to attend with a person who has the same music taste or interests in sport or art.

Given there have not been many events happening during COVID 19 Gig buddies created an online music festival that people could attend from home.

Crisis often breeds innovation.

During the coronavirus pandemic the majority of disability group activities had to stop.

Many people are feeling bored and isolated at home. Some disability service providers have reacted and are successfully offering on-line game and dance sessions. One provider told us that they have even picked up new clients for these programs and that they plan to offer some on line games clubs post pandemic.

We also heard the success story of a different provider that usually runs group sessions. During the pandemic the provider started to offer one-on-one day programs instead. Not everyone took the up the offer but we have heard of one man who initially tried one to one support for one day per week and who was so happy with the different program that he now receives one to one support on four days per week.

The price cap of NDIS service can be a challenge when developing innovative services as you won't be able to charge more than the maximum price for the service.

Slide 14

Whatever service idea you come up with – it is essential to test the idea and investigate a range of questions.

Does the service idea fit into our organisational mission and vision? Does it fit with our Constitution and would the Board support if we offer this service or product in the future?

Test if the service will address needs or wants and creates value for your customers. Should you offer a group service or a one to one support?

Would there be enough NDIS participants to offer the service to?

And is the service funded by the NDIS and how? Do participants have funding in their NDIS plan to purchase this service?

Slide 15

And can they purchase this service from us?

This leads into the question whether we should operate as registered or unregistered provider. This decision depends on the type of service and who you want to deliver services to and the volume of services you expect to deliver.

Registration will allow you to deliver the service to anyone with the NDIS plan funding, however, there are costs and obligations associated with being registered. We will talk about registration in further detail in webinar 4.

A very important question is how much will the customer or rather the NDIS pay for the service and will the service be financially viable and sustainable. Please watch webinar 6 to learn more about this.

Slide 16

Is the service funded by the NDIS? Let's review this question in more detail.

The NDIS only funds *reasonable and necessary* disability related services and supports that work towards the person's goals.

The NDIS must be the appropriate funding body and will not fund the support if is the responsibility of a different government agency or mainstream services, such as health, justice, child protection, or education.

Hence if your service is for example educational or medical you will need to find other funding sources for your service.

Supports and services that are considered reasonable and necessary under the NDIS are listed in the NDIS Price Guide and Support Catalogue.

The Support Catalogue lists 15 different support categories. Each support category defines a different purpose of the support.

This purpose can be achieved through a range of services that are listed in each category. The category 'Assistance with Daily Life' for example lists services for assistance with personal care, self-care or household tasks.

The Price Guide lists the maximum price for each service and the funding rules for the service. These rules determine how the service can be charged and paid for. The maximum price differs if the service is provided in a metropolitan area, remote or very remote area.

If you are planning to offer an NDIS services it is absolutely essential to check the funding category of the service and how it best fits within the NDIS Price Guide as a service that can be funded under an NDIS plan. How much will the NDIS pay for this service?

It's probably becoming obvious through what we have talked about already that you will really need to understand the costs of providing your service. The money you can charge for the service needs to cover all costs incurred in delivering the service – both direct and indirect costs. This can be challenging if you only support a few clients, if you need to hire extra staff or if you deliver services in very remote areas where the cost for delivering a service is much higher.

Slide 17

It is important to understand the funding rules as there are a range of activities that you are unable to charge for. For example if you are supporting a person to gain access to the NDIS or if you attend a planning meeting with someone to advocate for their needs, you are unable to charge for your time under the NDIS.

You cannot charge for any services before an NDIS plan is approved. You can also not charge if the person's plan has no funding in the relevant funding category for the services.

You cannot charge for marketing or client intake meeting. The costs for administration activities such as staff rostering or invoicing are factored into the price of each service and cannot be invoiced separately. It is important to keep this in mind and monitor the time spent on activities that cannot be invoiced.

The NDIS Price Guide has many specific rules about transport costs and cancellations and it is important to understand these.

When or if the NDIS participant reaches a point where they have spent all the funds in their plan, or it has expired without a new plan in place, then you will not be able to charge for services under that plan any more. This will be important for providers to understand when their clients are coming up to the end of their plan.

Slide 18

Let's look at the 15 NDIS support categories more closely.

An NDIS plan funds supports within three different budgets depending on the type of support – core, capital supports and capacity building.

Core supports are the supports for everyday needs. The core budget can be used to pay for supports in category 1 to 4.

Capital supports are higher cost items such as equipment and home modifications. The supports are listed in category 5 and 6.

Capacity supports address the wants. They are supports in category 7 to 15 to build independence and skills to reach long term goals.

Slide 19

The core supports in an NDIS plan are intended to help with everyday activities and disability related needs such as personal care, keeping the home clean, or accessing the community.

Support funding is provided in four different purpose or support categories.

Assistance with daily life includes personal care, domestic assistance, short term accommodation and supported independent living.

Core also funds **consumables** includes low cost everyday items like continence products, assistive technology and equipment to improve independence or mobility.

Assistance with social and community participation includes access to community or centre based social and recreational activities.

Transport funding is provided to people who cannot use public transport to be able to go to work or any activity in the community such as shopping. If the provider is transporting the participant to or from an NDIS funded activity this transport can be charged from the same category as the NDIS activity.

The core budget in the NDIS plan is flexible which means people can spend their budget for any of these four supports but not for any other supports.

If you think the service you would like to provide fits into core supports you will find them in the Support Catalogue starting with number 1 to number 4.

Slide 20

The capital supports in an NDIS plan are intended to help with **once off and higher cost** supports such as **assistive technology** and **home modifications**.

Assistive technology includes items like wheelchairs, communication devices, prostheses and vehicle modifications.

Home modifications can include supports such as kitchen or bathroom works, addition of ramps and handrails and other building work to increase accessibility.

To get this type of funding in the NDIS plan it requires the recommendation of a qualified professional and a quoting process.

The category also includes **specialist disability accommodation** or SDA. SDA is funded for people with disabilities who require a specialist dwelling that reduces the need for individual support or improves the efficiency of individual support.

Slide 21

Capacity building is the third funding category in an NDIS plan and includes services and activities that help to build **independence and skills** to help reach the NDIS participant's long term goals.

Funding in capacity building is not flexible. A participant can use the funds only to purchase supports in the **specific support category**. The NDIS has promised more flexibility in the future and we hope to see that one day the capacity building budget can be used across all capacity building categories or even for core activities.

At this stage the capacity funding can only be used for the service that falls into the funding category. Let's have a quick look at the nine categories.

Support coordination helps NDIS participants to access supports, navigate the NDIS and helps participants to make the most of their NDIS funds. Less than 40% of NDIS participants are currently funded for support coordination. Often this is funded in the first plan with the expectation that the participant learns how to manage their supports in the future.

Improved living arrangements includes support to help find and maintain an appropriate place to live.

Increased social and community participation includes development and training to increase skills so you can participate in community, social and recreational activities.

Finding and keeping a job includes employment related support, training and assessments that help find and keep a job.

Improved relationships includes support to develop a **positive behaviour support plan.**

Slide 22

Improved health and wellbeing includes exercise or diet advice to manage the impact of the disability – but does not include gym memberships.

Improved learning includes training, advice and help to move from school to further education.

Improved life choices is for plan management to help manage the plan, funding and paying for the services.

Improved daily living includes assessment, training or therapy to help increase skills, independence and community participation. This can be delivered in groups or individually.

As explained before, the funding can only be used for a service within the funding category. So if the plan for example contains funding for Improved Life Choice then this money can only be used to pay for a Plan Manager. Vice versa if someone would like to engage a plan manager but has no funding in the improved life choice category the person will need to ask for a plan review.

If a person wants to purchase therapy, however, has no funding for improved daily living the person cannot pay for this support from their NDIS plan?

Slide 23

Now we know that the service is funded by the NDIS and we have found the best fit service in the price guide and understand the maximum price for this service. But can the customer purchase the service from us?

As explained before, the person needs to have funding for the service or support in their NDIS plan. If the service is a capital or capacity building support, then the plan must contain funding in the correlating service category. If it is a core support, the plan needs to contain funding for any core support.

This highlights the need to review if there will be enough customers with the funding for this service in our service area.

Whether or not the customer can buy services from you will also depend on how the plan money is managed.

If the money is plan or self-managed the person can purchase support from anyone offering this service.

If the funding is agency managed you can only offer the service **if you are registered for that service.**

So which Registration group do you need to apply for to deliver your service?

Slide 24

There are a total of 37 NDIS provider registration groups. You can find a full list on our website. We have put together a list in alphabetical and numerical order.

For low risk supports the provider registers with the NDIS Commission through an easier verification process. For more complex supports a provider needs to undergo a certification process which is more comprehensive and more costly. We will explain the details in webinar 4.

Which registration group do we need to deliver our service?

In the NDIS Support Catalogue each service is listed with a unique identification number or so called line item. This identification number identifies which registration group a provider requires to deliver the support. Each identification number is put together from five different numbers and the third number in the sequence specifies the number of the required registration group.

Slide 25

Let's show an example.

You are going to someone's home to assist with showering and dressing. The support that best fits this service in the NDIS Price Guide and Support Catalogue is 'Assistance with self-care activities' which is a core support.

On this slide you can see the unique identification code for this support. The code starts with the number 1 as the support belongs support category 1 'Assistance with daily life' which is a Core support.

The third number in the code is the provider registration group. Registration group 107 is called 'Development of daily living and life skills'.

The Support catalogue lists the maximum hourly rate for this service which is $54.30 per hour.

As mentioned you will find these codes in the support catalogue and a full list of the registration groups is on our website.

Slide 26

Some NDIS registration groups can deliver services only under one support category.

For example if you are planning to deliver transport supports you need to register for Registration Group 108 Assistance with travel/transport. You will only be able to deliver transport with this registration group.

Some registration groups allow you to offer services in different support categories.

If registering for Assistance in coordinating or managing life stages for example you can provide a range of services under five different categories including

- Assistance with daily life,
- Support coordination,
- Improved living arrangements,
- Increased social and community participation
- And Improved daily living skills.

This highlights that when you plan to register for NDIS supports to check which supports you will be able to deliver.

If you are an existing NDIS provider wanting to start a new service ensure you have the right registration group or you may need to add this on. In some cases this will require another audit. Hence every time you have an audit, please check your registration groups. Are they still relevant or do you need new ones?

Slide 27

Let's revisit the provider of vehicle modification in Perth and test the idea to open an additional garage in Margaret River.

Growing the service would definitely fit the existing mission and vision.

Is there a market for the service? Yes, the provider has received many requests from Margaret River.

Potential customers have indicated that they would prefer a local provider and the data shows that there is significant number of people with mobility issues in Margaret River. The competitor analysis shows that there are no other local providers for vehicle modification.

Is the service funded the NDIS and how? Yes, the service is funded by the NDIS under Capital supports.

Can the customer purchase service from the provider and should the provider register or uphold the registration?

Yes, new customers can purchase the service from the provider. The provider is already registered with the NDIS Commission for registration group 109 Vehicle modification. Being registered with the NDIS will open up the full NDIS market, rather than being constrained to only self and plan managed participants.

If the service will be financially viable will need to be investigated once the provider knows how the new service will be delivered.

Slide 28

It's now time to revisit the opportunities you have identified to start or grow your NDIS services.

Think about who will you support and where?

What challenge will your service address and why will it provide a solution?

How does your service solve the essential need for your customer or work toward increasing their capacities or opportunities? What value will your service provide?

What is the best fit service in the NDIS support catalogue? Does your customer have the ability to buy from you? Which registration group do you need?

At this point you can also start to think about how you will deliver the service?

How will technology be used to help you deliver the product? This will lead into our second topic for today.

Slide 29

Planning the service delivery.

To design and plan the service delivery we need to answer the question how will we work with our customer and deliver the service.

Slide 30

There are several aspects that need to be considered when planning the service delivery under the NDIS.

Firstly we will look at the necessary resources. Unless you are a sole trader you will need some human resources to deliver the service and you will also require staff or contractors that support the service delivery.

You may need facilities and some equipment. Technology can make our life easier, potentially in the direct delivery of services or in other systems to support the delivery of services – such as rostering staff and customer record keeping.

Obviously there are costs associated with both the setup of services and on an ongoing basis and it is important to review these.

And you will require good systems and processes– both for the direct delivery of services and for the support roles.

Let's have a closer look at each of these key ingredients.

Slide 31

Human Resources are the most important resources in every organisation.

Slide 32

When you start services or grow your service you will need to match the client demand or units of service with the staff resources to be able to perform the services you are committing to.

Who will be delivering the services and who will support the service delivery in the organisation?

What activity area will they be working in? What skills and experience do they need? What qualifications and accreditations do they require?

How many staff members and staff hours do we need for each unit of service?

Remember the NDIS service is charged by the hour of direct service delivery. Hence you earn NDIS income for the time that staff are working with the client.

It might sound great that a staff member who earns $30/hour can be charged at $90/hour. However you not will generate any income if the staff member only works two chargeable hours on the day as the cost of the salary will exceed the income.

For core supports the NDIS price policy expects that 90% of the staff time is chargeable. This will only be possible if you attract enough clients or you hire the staff member part time or casual.

If you are planning to hire new staff members on a full time basis you should consider how many customers you would need for the staff member to be busy full-time.

A full time support coordinator for example could support 35-40 clients per year and you would be able to recover the costs if they work at about 80% chargeable time after leaving 20% for training, administration, leave, public holidays and other activities.

Also, if you would manage to sign up 4 clients per week on average, then you would need to bring on a new full-time staff member every 10 weeks to support the new clients.

Slide 33

No matter if you plan to work as a registered or non-registered provider you want to employ people that are skilled, knowledgeable and committed to your organisation's practices and values. Your staff will be working with people with disabilities hence they need an interest in working with people, have a positive attitude and have good listening and communication skills.

Your staff needs to be able and enthusiastic to deliver the service in an appropriate and supportive environment.

Finding the right match for your team is one of the most important factors in successful service delivery.

There are also a number of compliance aspects which are important to get right with recruitment.

You should check the relevant award for the roles that you need to recruit and employ. This will help to ensure that you've allocated the functions to the right level within the Award, and to determine pay and conditions appropriately.

You need to check the disability worker screening rules in your state. The NDIS Quality and Safeguards Commission is planning to introduce a national worker screening database which is expected to be implemented in February 2021.

If you are planning to work as a registered provider you must review the requirements for qualifications for some services. The NDIS Qualify and Safeguards Commission has published a document outlining the qualification required for registration groups that require verification. At this point of time there is no comparable information for certification however we know that auditors apply the same standards for providers undergoing certification. We will discuss the requirements for both processes in more detail in webinar 4.

Having a good induction program in place is important for any service delivery. Staff should also complete the mandatory worker training and this can be accessed on the NDIS Commission website.

If you need to recruit new staff to deliver your service, it is worth considering how you will attract and recruit the right staff. It can be difficult to find people with professional experience however for some roles the attitude or maybe lived experience through family members with disabilities can be very valuable. You may want to include someone with a disability in your selection panel to get some insight into how the person interacts and communicates in the interview.

If you are recruiting a large number of new staff or expect high turnover, it is particularly important that you have an efficient recruitment and selection process. Recruitment agencies can take the burden off you but that comes at a cost. You could also undertake an assessment centre where you a group of people go through exercises at the same time and you can assess how they interact, communicate and problem solve.

Slide 34

Let's go back to the Perth organisation that plans to offer vehicle modification in Margaret River. For the Margaret River they will need a mechanic with trade certificates. Given the mechanic will work independently they need at least 3 years' experience in vehicle modifications or similar. The person will work alone in the workshop hence they need a mechanic with good communication skills to engage with clients as well as disability worker screening clearance.

The table also shows if the person will work full time or part time and how the new staff member will be supervised. Client numbers will not justify a full time worker to start with hence the mechanic will work on a part time basis. The staff member will be supervised remotely and the supervisor will need to be able to visit regularly especially at the beginning.

Ideally you also identify the associated salary and on costs you will need to pay the mechanic.

Whilst this is a simple example, you can see how this would be worked through for services that require the recruitment of multiple roles.

Slide 35

Recruitment and onboarding is expensive and time consuming. Ideally you want committed and dedicated staff members who stay with you long term. It is important to plan for initiatives that increase staff motivation and retention.

There are a number of examples of initiatives you can take:

- Firstly, you may want invest in building a positive, aligned and engaged workforce. Good communication, effective support and active involvement in decision making can contribute to a positive work culture.
- Being a learning organisation that is continually providing learning and development opportunities for staff. Listening to client and staff feedback will create an environment for staff to perform their best.
- There can be financial incentives that are used – for example, salary packaging is available to many not for profit providers.
- Lastly, it can be useful to think about your competitors: you and your competitors are competing for the best employees. Understand who your competitors are and what they offer their employees. What can you do differently?

Employees who are happy in their work are more likely to deliver care in an appropriate and supportive manner and are good advocates for your organisation. Less staff turnover provides more consistency for the people they support.

Slide 36

In addition to human resources you will need to consider additional resources required for your service delivery. You may need some facilities, equipment and technology.

Slide 37

When designing your service delivery it is absolutely essential to think about where you will deliver the service. Do you plan to buy or rent a facility? What are the accessibility requirements? Are there hand rails and disabled toilets? Carparks? Will your clients be able to travel to you are should you also offer transport option?

Buying or renting facilities is expensive and you may want to explore alternative options.

Keeping costs in mind will assist you to come up with a more viable solution? Could you share a facilities that is otherwise unused when you are delivering the service? Could you deliver the service in the community or even on-line?

Will you need offices for the administration tasks? Does the office need to be close to where you deliver the service or could it be somewhere else? Could office staff work from home? Doing back office support from home or in locations where rents are low will reduce your costs significantly.

Slide 38

Will you need any equipment for the service delivery or for the support functions?

Furniture, a set up kitchen or any other equipment such as treatment tables, or hoists?

Will you need vehicles to travel to your customers or to transport your customers?

And what about technology? Will we need computers, printers or phones? Any hardware or software?

Slide 39

Technology can improve the service delivery and can reduce the running costs. How can you identify if it's worthwhile to invest in technology? Review and question the following aspects:

- Efficiency: is it cheaper to use a digital resource, rather than a person, to do this work?
- Repeatable: is the activity predictable and repeatable?
- Accuracy: does use of technology increase the accuracy of the activity?
- Volume: is this – or has the potential to be – a high volume activity? Using technology allows you to grow without compromising efficiency or accuracy.
- Customer experience: using technology improves the customer experience, or at least has no negative impact

We often get asked when organisations start off if they should invest into a staff scheduling software and CRM system. While you are having low customer and staff numbers you are likely to do well with just an Excel spreadsheets and some low cost staff scheduling app.

As your organisation grows it is however worthwhile to invest in to an NDIS ready CRM or database software that reduces your overhead costs and ensures you have accurate records for invoicing and data documentation in place and simplifies those processes.

You can find some useful information in how to select a CRM on the CBB website.

Slide 40

When considering the human resources, facilities, equipment, technology you will require for the service delivery it is absolutely important to review the costs.

Slide 41

Some of the costs will incur just once – mostly before or at the beginning when you set up the service. These are your set up costs. Other costs will incur on a regular basis. These are the ongoing costs.

The table outlines some typical examples, although every service is unique and you need to do your own assessment that applies to your service delivery.

Setting up your facility and offices for example has a combination of setup and ongoing costs. There might be a bond and rent in advance to take up a new facility, and then ongoing rent in the future. Premises can be an expensive overhead, especially for smaller business. As mentioned there may be cheaper alternatives such as working out of a community centre or being embedded with a partner organisation.

Furniture and equipment are typically part of the initial setup costs. Potentially you can start with the minimum amount, and then expand further after your services have started to grow.

Staffing costs incur a set up cost for screening and recruitment and ongoing costs – with the cost of wages and superannuation.

IT and phones are a combination of setup and ongoing. You may have to purchase them upfront then you are likely to have licensing and data costs on an ongoing basis..

Vehicles also have a combination of setup costs and ongoing costs, again this is dependent on how you procure them. You could buy a vehicle outright or finance/lease it. There are ongoing running costs for fuel and maintenance. Within remote areas, these costs can be quite significant so it is worth doing some research first.

There are other costs of running business such as insurance, electricity, tea/coffee for staff and many other, usually small expenses. You may want to include consulting fees, legal advice and accounting support, and if you decide to register for the NDIS, then audits as well.

You will incur set up and initial running costs upfront and you need to consider if you have the necessary funds to pay for these costs before you may generate an income with your services.

Remember that the NDIS pays in arrears.

There will be a time gap between service delivery and the payment and the provider will need to manage the expenses and cash flow well to be able to bridge this gap.

The cost of the service delivery of that service needs to be covered by the revenue – what the participant will pay for the service.

The volume of work and service will be variable based on customer demand. For the times where your staff does not deliver any service you may still be required to pay for their salary. This means that providers will need to put time and effort in in to managing schedules to ensure that staff rostering is matched to the demand from clients seeking services.

With each unit of service delivery comes an administrative task. The more services you deliver the more administration and finance activities you need to perform. As you can't charge for these separately it is important to establish effective systems and processes in your organisation.

Slide 42

Every organisation needs systems and processes to function effectively. Systems ensure that your customers will have a good experience and the organisation works effectively, addresses regulatory requirements, minimises risks and that work is done consistently each time.

Slide 43

Good and effective systems will support your direct service delivery and each step your NDIS customer goes through when receiving services from your organisation. There is always an entry process when new clients sign up and an exit process when your customers move on.

Your core systems need to work well to ensure your customers have a positive experience during each step along the way.

The supporting systems are the business functions that support the service delivery.

They need to be designed and be scaled for the size and nature of the business.

They include finance and accounting activities, marketing and promotion, invoicing and debtor follow up; recruitment, employee screenings ; training and performance management; finance and risk management.

Slide 44

Given you are delivering services under the NDIS your need to understand the NDIS business process and this process needs to work well and seamlessly.

You are advised to have a service agreement that clearly outlines the supports and cost of these supports, your responsibilities and the responsibilities of your client. We will discuss Service agreements in more detail in webinar 4.

You will need a range of policies in relation how you will provide safe and respectful services how your staff prevent abuse and neglect, how customers can complain, incident and risk management. We will also discuss this in webinar 4.

You will need to establish effective systems to schedule your staff, how services will be recorded, how you collect this information and how you will invoice for the services. Be clear about who in your organisation does what and when. Your documentation needs to be accurate as you could be audited on this.

As mentioned before systems can be manual or electronic. If you are an established provider is worth reviewing your systems regularly and questioning if they are fit for purpose and support a positive customer experience. Do they work effectively? Are there any unnecessary hold ups or mistakes along the way? Mistakes and delays cost money and take away valuable time from your service delivery. Because at the end of the day you want to create **value for your customer**.

Slide 45

As we reach the end of today's webinar, we want to summarise the outcomes you should have reached if you have been following along and when you are completing the exercises in the Activity worksheet.

Slide 46

When you design your service is it crucial to do some market research and also to listen to people with disabilities and other stakeholders to understand their needs and wants around NDIS services.

If you want to operate under NDIS funding it is essential that you understand the NDIS business model. You need to spend the time to read and understand the NDIS Price Guide, registration categories and maximum charge for your service delivery.

Whatever service idea you have come up with – you need to test it. Does it fit into our vision and mission? Does it address needs and wants? What value will you offer? Is there a market for the service and is the service funded by the NDIS and how?

Slide 47

But what if you have identified a need and you have a great service idea but the NDIS will either not fund the service or the hourly rate is unlikely to cover the costs?

You may want to regularly check out grant programs. There have been numerous grant opportunities in the past for organisations who want to create opportunities for people with disabilities or you want to increase skills and knowledge.

The Information Linkages and Capacity Building or ILC grant program for example has funded many programs for people with disabilities. Due to COVID 19 there have been less grants available and funding is hard to come by at present however we hope to see more in the future.

Philanthropic funding or donations may offer a possibility to set up new programs or services.

Alternatively your future clients may be able and willing to pay for your services.

Or your organisation is delivering a profitable service at the moment and you could use the income to subsidise a less viable but very important program or service.

Slide 48

In the second part of today's webinar we looked what you need to consider when planning your service. We discussed human resources, facilities, equipment and technology.

There are costs associated with both the setup of services and on an ongoing basis and it is important to analyse these.

So – what could you do if you think your service will not be profitable under the NDIS, think about how you could lower costs.

Ask what your customers will value the most about the service and what is less or not important all? Could you change any features in your service delivery accordingly to deliver what people value the most and omit things that will create unnecessary costs?

When designing your systems and processes, again think about your customer first. How will they have a good experience? What will keep them safe? What will create value for the customer and what needs to be efficient and simple?

Slide 49

Please take the time to review the questions in this week's Activity worksheet and also the Business plan template.

To find the resources and more please also visit the NDIS success tab on our website.

Please join the Facebook group and post a question and please watch our Q&A session on September 8.

Slide 50

The next webinar in the series is about Quality, Compliance and Risk.

In this webinar we will talk about the Quality and Safeguard rules and regulation and the requirements of registered and unregistered NDIS providers.

The Quality, Compliance and Risk webinar will live on the 15 September, followed by the Q&A session a week later on 22 September.

Slide 51

Thanks for watching our today's webinar on 'Service Design'

Hope to see you again next week.