

Interview with Kerry Stubbs, CEO & Managing Director, Northcott.

An extract from *How to Thrive under the NDIS* by Fran Connelley.

Northcott supports people with disability in NSW and the ACT. Kerry Stubbs has been CEO and Managing Director of Northcott for the last eight years and recently made Pro Bono Australia's Impact 25 List of the most influential people in the social services sector in this country.

In the last year, Northcott experienced 25% growth, with 800 staff providing support to more than 5000 children and adults in over 50 locations.

Northcott has been preparing for the NDIS for the last five years. This has been a 'whole of organisation' transformation, including new technologies and cultural change programs designed to place the customer at the centre of everything they do and make customer service the priority.

Partnerships are a key component of their long-term organisational strategy. Their marketing strategy combines a strong, grass roots community engagement model with the deliberate pursuit of profile through innovation. Northcott were the only not-for-profit to be listed on the 2015 BRW Magazine's Most Innovative Companies list

How did Northcott begin?

Northcott began in 1929 as The NSW Society for Crippled Children. It was formed by Sydney City Rotary in response to the polio epidemic during the Great Depression. Back then there was no education for children with disabilities. Its purpose was to get children with disabilities back into the community so that they could have a life. It was one of the first children's charities in Australia.

What do you think is one of the biggest challenges for organisations preparing for the NDIS?

The lack of clear thinking and planning is what will undo people more than anything else. I think one of the biggest challenges faced by organisations is to be very clear about what it is they do, how they do it and what they want to do in the future. So I think working on their purpose, their mission and their strategic advantages is the biggest challenge. And I don't think that's any different for large or small providers.

What advice would you have for providers with a turnover of \$12 million or less?

My advice is to ask the right questions: What is your purpose? What are you very good at and what are you not so good at? What is in the best interests of the people you are providing services to? Have we got enough money to get us through and still invest in the future? Have we got the right systems? If we haven't, what will that mean? Can we use someone else's?

Once you can answer those questions you can then set your direction.

For example, we've just taken over a small organisation in Wagga called CASS who was running a very good quality day program. They looked at what was happening in the sector and didn't think they could survive unless they grew. Their Board didn't want to spend any more time growing the service (as they all had other full-time jobs) and they wanted to ensure their clients were well looked after.

So they went to the three big providers in the area and invited each of them to present to their Board. They decided to merge with Northcott. There were lots of other ways they could go but this worked for them and it worked for us. We took all the staff and their entitlements. So there was security for the clients, the staff, and the service was able to continue seamlessly.

As a sector I think we can be much more commercial and still be values based. I don't actually think there is a conflict. I came from St. Vincent's Hospital and the Sisters there used to say, 'There is no mission without margin,' and they've been successfully running hospitals for over 160 years!

If you're a values-based organisation and you're wasting money through inefficiencies then you're not living according to your values.

The other advice I'd give to any CEO is that you have to learn to express the changes that are necessary in the language that staff understand. So you have to continually interpret how these changes are serving the purposes of the organisation as well as the needs of your clients.

How is Northcott preparing for the NDIS?

We were actively involved in the *Every Australian Counts* campaign early on and we're now in the middle of our second three-year Strategic Plan, which focuses on preparation for the NDIS.

We've put a lot of investment into technology and we've done a lot of work in changing our work processes and practices so that as much as possible can be automated.

We were clear from the start that we had to become more customer focused, so the systems we put in place we designed to ensure that everything flows around the customer. The goal is to free up staff so they can spend more time with clients. There's also been a lot of work done to support the cultural changes needed to ensure that everyone understands why we need more efficiencies and productivity.

We've also invested money in new staff to assist us with understanding our customers and customer segmentation, market research, sales planning and lots of things that we had not previously needed to do.

Our marketing strategy is still evolving. Our real focus is on sticking to our purpose, which is all about three things: integrity, inclusion and innovation. We've put a lot of time, energy and thought into how we can become a more innovative organisation.

Last year we won the Minister's Disability Innovation Award and were the only not-for-profit on the 2015 *BRW* Most Innovative Companies list. We've also opened a new subsidiary company, Northcott Innovation. So we're positioning ourselves and transforming ourselves at the same time.

Through our innovation strategy we've established partnerships with the Commonwealth Bank and with UTS with whom we're doing a social design project at the moment on disability housing. It's a massive issue. We want to stretch our thinking and help our staff to think differently so that we all keep thinking of innovative ways to satisfy the needs of our clients.

These are not fundraising partnerships; these are partnerships to help drive our thinking further. We've also spent a lot of time talking with clients and developing client ambassadors and champions who can be part of the co-design process. They challenge us to come up with better ideas and new ways of doing things.

How are you helping clients and their families prepare for the NDIS?

The more our staff know, the better they can support our clients. We're learning all the time from being involved in the trial sites, and this sharpens the way we can answer questions. We're running family information days for clients and working closely with our clients and their families so they are well prepared before their planning meeting.

We always make it a priority to give time and energy to the NDIA. It's good manners, it's good practice and it means the best result for our clients.

We have also developed our own costing tools. We recently worked with the NDIA through the transition stage of one of our group home complexes. We've now developed our own costing tool which enables us to better support clients moving from a group home funded by ADHC to a group home funded by the NDIS.

How important are your partnerships?

Our type of organisation only exists because of community support and partnership support. We don't belong to ourselves, we belong to the community.

Northcott started because the community started us. The money came from Rotary club members who went from house to house door-knocking and collecting money from people during the Great Depression. It was community that did that. So I think partnerships are extremely important. We have partnerships with government, with corporates, with funders, volunteers, families, universities and students. The more we can reach out and keep those partnerships solid, the more we do.

How important is the Northcott brand?

The brand is very important but it doesn't have to be totally well known. We're not a mass market brand. We don't have to be well known to the whole community like a Smith Family or a Salvation Army. That's only important if you're living by fundraising. We need fundraising but that's not how we live. We only need to be very well known in our particular market. So our brand is really important for potential customers as well as those we want to partner with.

What is really important is maintaining the integrity of our brand. I'm always very concerned with two things:

- i. The way we treat clients: We have an automated incident management system and I see all complaints and incidents. We should never mistreat our clients and the first thing that will ruin your brand is to ruin your reputation by treating clients badly.
- ii. The second thing that will destroy your brand is how your staff feel. They can degrade the brand more quickly than anything. There's no point telling people how great you are and then they talk to a staff member who says it's a shocking place to work. We use our values to judge things by. And we turn them into behaviour statements so we can measure the behaviours and link them back to employee performance and our awards systems.

For me the brand is really important, but it's how you protect that brand and keep its integrity that's more important. It's more important than how you get your brand 'out there'.

What's been the most successful marketing strategy you've employed?

The focus on innovation has been a very successful strategy and we've received a lot of great free publicity and recognition. Our person-centred focus has also been extremely successful. Over the last few years we've developed some clients as person-centred champions. We put them through public speaking training and they now deliver seminars to other clients and community groups and speak at conferences. We've experienced 25% growth in the last 12 months and a lot of that's been through word of mouth. Other clients recommend us.

For the last five years we've also been running our *Walk with Me* event. It's all about people with disability and people without disability walking together to celebrate inclusion. This year we opened it up to other organisations to join us. So it's both a branding strategy and a community engagement strategy.