



Take on Board

Transcript – Jo-Anne Moorfoot

Helga Svendsen 0:00

Today on the Take on board podcast I'm speaking with Jo-Anne Moorfoot about integrity governance, what it is and why it's important. Joanne is on the boards of the West Gippsland Healthcare Group and Best Chance Child and Family Services. With a career spanning over 30 years Joanne has extensive experience in the health sector, with particular expertise in risk management, clinical governance and effective consumer engagement. Joanne is experienced in transformational organisational change and has managed a number of large scale organisation wide projects. Her career has included the management of a large operational clinical service with a multi million dollar budget and a diverse workforce. She currently works in a governance consultancy and project management role for the Victorian Healthcare Association. Welcome to the take on board podcast Joanne

Jo-Anne Moorfoot 0:53

Thank you. Helga.

Helga Svendsen 0:55

It's so great to have you here. And I know that this conversation about integrity governance is going to be Really useful for our community. But before we get into that conversation, as always, I'd love to dig a little bit deeper about you. So can you tell me what was your earliest experience of governance?

Jo-Anne Moorfoot 1:13

Well, I think like a lot of people I started off in community governance. So I was involved in number of fundraising committees for the school, particularly when school fate, believe it or not, I hit up the cake baking part of the fundraising and man to the cake baking stall, much to my husband's amusement was also on the committee of management for our local scout group, and took over organizing the hiring of the whole and all sorts of bits and pieces like that. And for a while I was on the committee of management for the Citizens Advisory Bureau in Dandenong. So they were my early forays into governance, but early on in my career as a quality and risk manager for Monash Health I was reporting to a board. So I was very interested in the oversight and governance role of the board. In a large healthcare organisation, and particularly the sorts of questions I was asked as a staff member and the director of the quality and risk program in that organisation, and how

important it was to engage with the board members so that they could have that assurance around the efficacy of their quality risk systems within the organisation. So it really piqued my interest.

Helga Svendsen 2:29

I've always said to people in thinking about your own governance experience that reporting to a board is fabulous governance experience, you get to observe what they are about and really hone I guess the information that you need to give to a board and the questions that might get asked.

Jo-Anne Moorfoot 2:46

Absolutely. And I'm also because of that experience, very sensitive to staff members when they come and present to a board. Not to be really scary, because I was a little bit terrified myself the first few times I was reporting to the board. to also be mindful of the level of work and preparation that goes into the information that comes to a board member and to be thankful to staff members for taking on that role and for providing us with the information that we need to do our jobs. Absolutely. The numbers of works and rewards and rewards and rewards and board papers before they get to the board. Quite a bit going on there. Absolutely.

Helga Svendsen 3:25

Okay, so you've got that kind of strong and diverse experience before you came to the board table for your own board roles. But also have in your inverted commas your day job, I guess, quite a bit of experience that we can land in and some of that thinking and knowledge around it. So why is governance important in healthcare?

Jo-Anne Moorfoot 3:46

Hospitals and community health services and health organisations are large public institutions, many of them are multimillion dollar organisations and you have often thought you think of them as the blue chip organisations, a bit like, you know, the BHP and you know, some of those larger organisations that we have in Australia and they need to be governed Well, they are public organisations and ultimately they are accountable to the public sector to the community. And it's really important that they have a strong level of governance, and that they thinking strategically, and hospitals are very busy, diverse, complex organisations and the staff management executive are really focused on keeping the wheels turning, keeping the lights on making sure they're meeting the demands of the community to provide high quality health care, running a very diverse workforce. And they need to have that strategic guidance that bigger picture that broader perspective on health care, and what the community needs are. So you I think it's really important in that health sector. You have a board that's diverse, that not only includes people that have some understanding of the health sector, but people who are interfacing with health providers, so they bring a bit of a

community or consumer perspective to the board table, but also people that bring professional skills, whether they're legal, whether they're accounting, whether they've got HR marketing, it's those sorts of diverse skills that actually add to the breadth of the strategic planning and the strategic oversight of an organisation and health services really benefit from that.

Helga Svendsen 5:34

Oh, Joanne, I could not agree more about that diversity in the boardroom and having people who know healthcare and some people who don't know healthcare and that consumer or patient perspective, and all of those different skills, it just means you get much stronger decision making in the boardroom.

Jo-Anne Moorfoot 5:50

Absolutely. And I think for many of us, you know, healthcare is quite a closed community. Most people work in health care all their lives. They don't change out of that kind of organisation, that kind of service provision. And what I have found really valuable both from some of the work I've been doing in different leadership roles, but also on a board is that somebody comes from outside healthcare looks at things through a different lens. They bring their own experiences, they bring their own views and their own skills to the table and sometimes challenge the way I'm thinking in a good way. And as you said, I think it adds to richer decision making because you're actually looking at something from a different perspective. And thinking, what can I do it that way? Or why isn't that a good answer to that problem that we have? And I think that really adds value.

Helga Svendsen 6:45

I am definitely going to come to the integrity governance framework in just a moment. But just before we get there, just because you are on a health board and work in the health sector so much and of course, we are just so you know, people this is being recorded on I think the 16th of April or thereabouts, even though it might go to air a bit later. But we are, of course in Victoria still in stage three restrictions, there is still a global pandemic declared with COVID-19. And I'm just interested in the hospital board that you're on, what, you know how the board is working at the moment around that, how you might have defined that difference between the operational challenges and the governance challenges because I'm hearing very different things from different hospital boards one, my board, I'm on the board of the Royal women's at the moment, and we are as much as possible getting out of the way of our executive and we've cancelled all of our committee meetings and delayed our strategic planning day and we're just letting the hospital Get on with it. other hospitals I've spoken to they are continuing to have their committees and they are meeting twice a week to get updates on what's going on. So I just be interested what's happening at your hospital in relation to COVID. And in particular, the board's response to that.

Jo-Anne Moorfoot 7:58

So West Gippsland HealthCare Group is a sub Regional Hospital. So it's based in Warrigal. So we're on the fringe of the metropolitan area. And the approach that our organisation and board has taken is probably a bit of a hybrid of the two approaches that you've talked about. So the organisation's heavily involved in pandemic planning. They've got their committee well organized, there's communication happening, we've got our contingency planning well underway in terms of how we will expand our services, how we will cope with an influx of patients, not only from a capacity perspective, in terms of where we will actually put people that turn up with COVID-19, but also how we're managed from a staffing perspective. And the CEO has been very communicative with the board. We've all been very well informed along the way about what's going on. But as a board we're also very aware that we need to get out of the way and we The senior management executive get on with the job at hand that they need to be focusing on at the moment. So a bit like your organisation, we are not meeting on site as a board. We had, I'd say a reduced board meeting via zoom a couple of weeks ago, mainly to get an update, we certainly did not ask for a whole range of papers. There weren't a lot of decisions to be made. Because, you know, largely the organisation's focused on pandemic preparation. We ran our quality and risk meeting earlier this week, which I chair, we did that via zoom. Again, we had reduced membership at that meeting, and we had a reduced agenda. But we still felt it was really important to have that oversight of quality and safety and to make sure that the board and the senior staff was still engaged in ensuring that our quality systems were taking along as they should be so we did that. terms of strategic planning, we will meet to be having a strategic planning session last, actually today, today, which is obviously been cancelled. Because we decided that we didn't want to take all of the team out of the building and on our site as we normally would do on a strategic planning session. But we've also had further discussions that at the moment, everybody's sort of in the calm before the storm, and we don't know how long this calm is going to continue Victoria, and indeed Australia is managing incredibly well when you compare us to the rest of the world. We're not seeing the incredible rise in cases that we've seen in Europe that we've seen in America, people are coping very well so far with restricted movements and social Islamisation, etc. but we felt that we needed to move on with our strategic planning. So we're actually going to have two separate strategic planning sessions via Which will be externally facilitated by a new experience for us, we'll be really interested to see how it goes. But we thought we can't put the organisation on ice indefinitely. And this is a middle ground way of trying to keep business as usual without taking up too much of the executive's time.

Helga Svendsen 11:20

That's great to hear on a couple of grounds and I should say, when I said we were getting out of the way, we are still getting daily updates from the organisation and the chairs of all the subcommittee's can get any information they need and so on. So we are being kept in the loop. But I'm particularly pleased to hear that you're doing a virtual strategic planning workshop as a facilitator myself, I facilitated a workshop just last week online. And there are some fabulous tools for ensuring that a conversation can still be incredibly engaging and collaborative, and you know, valuable as getting together face to face. So that's fantastic.

Jo-Anne Moorfoot 11:57

We thought it was really important because we normally have a strategic planning session in late March, early April. And of course, the board appointment process starts new board members in July. So we've got, I think it's four board members that have not actually attended a strategic planning session, which we felt was really difficult for them that they hadn't been part of that because that that, to me is very much part of how you get a feel for the organisation and where it's going. So that was another reason why we decided to continue with it because we felt it was really important for those new board directors to be part of that discussion, that higher level discussions. So we're gonna be an interesting process. I'm quite looking forward to it.

Helga Svendsen 12:42

I'll be looking forward to hearing how that one goes as well. For today, we really wanted to talk about integrity, governance and what it means. So let's get on to that because I think that's an incredibly useful conversation for people. So tell me what is integrity governance? And why is it important?

Jo-Anne Moorfoot 13:02

So integrity governance is around the systems and processes that an organisation has to guard themselves and try and reduce the risk of fraud and corruption within the organisation. And it's particularly important in the public sector. And in recent times, we've seen some real examples of integrity failure in the education department a couple of years ago, and very recently in Bendigo health, and in fact, it was the Bendigo health episode that actually triggered the work that the Australian Center for Healthcare governance did on developing the integrity governance framework. So in 2017, there was an investigation by AI back into some practices at Bendigo after a complaint was made

Helga Svendsen

What is IBAC for those that might not even know what IBAC is?

Jo-Anne Moorfoot 13:59

It's The Independent Broad based Anti Corruption Commission, and it's basically the independent body that has been set up. It's a government body. It's been set up to investigate allegations of corruption. Right? in the public sector.

Helga Svendsen 14:16

Excellent. All right. So there was an investigation. So let's go back to that. Tell us about that.

Jo-Anne Moorfoot 14:22

So Operation Liverpool is the name of the report that was released by our back and they did a full investigation into Bendigo health after some concerns were raised about practices there. And they identified a range of vulnerabilities particularly in the governance of integrity at the organisation. So there were holes in their system which allowed people to circumvent procurement policies. There was a lack of monitoring to ensure that appropriate financial and procurement policies and controls were being adhered to and that were correctly in place. They found insufficient oversight of individuals within the organisation which allowed them to participate in fraudulent and corrupt behaviours. There was a failure to act on financial anomalies when these were brought to the attention of management. So there was some people that were aware of things that were going wrong when they tried to raise those issues of concern. They weren't addressed properly. And the level of focus on corruption risks and the organisational culture and the leadership, particularly the executive leadership was found to be lacking. So, as a result, the number of the officers of the organisation were actually charged. And the investigation found that a number of key officers at the organisation had actually used materials and property without proper authorisation, and had participated practices for their own benefit to the detriment of the organisation.

Helga Svendsen 16:05

So IBAC has this investigation, they find a whole bunch of things that have not gone well. Was there advice either in that report or even with the work you did afterwards about what should boards be doing to try and prevent this happening in their organisation.

Jo-Anne Moorfoot 16:24

So, there are a range of recommendations that came out of operation Liverpool. Several of them were aimed at Bendigo health, a number of them were aimed at the Department of Health and Human Services. And the recommendation that the department asked the Australian Center for Healthcare governance to follow up on was to develop an integrity capability assessment tool, so that organisations particularly the executive and the Board of an organisation, could assess the integrity capability of the organisation. identify where their gaps were and understand what kind of improvements or practices they needed to implement in order to safeguard against fraud and corruption within their organisation.

Helga Svendsen 17:13

So it's a tool that organisations can use just to make sure they've got everything in place. And, you know, board's in their assurance role that can provide some assurance to boards either about what is being done or what needs to be done to ensure integrity in place.

Jo-Anne Moorfoot 17:32

Yeah, correct. When we looked at it, we used a risk management approach. Okay, integrity, governance, and we use the three lines of defence. So for anyone who's familiar with the three lines of defence, the first line of defence is around people and practices. So it looks at what's happening at the front line. So what are people right at the coalface doing what are their policies that they need? Here to what are the values of the organisation that they need to be aware of and to put into practice, that sort of thing. But the second line of defence is around oversight. So what's the role in management in terms of creating and implementing the policies and procedures to make sure that they are ensuring compliance with those policies and procedures, that they're enforcing correct practice? And the third line of defence is assurance. And that's where the board comes in. So what is the role of the board in seeking assurance that the organisation has appropriate integrity practices in place? How do they ensure that they apply that integrity governance within the board environment? One of the things that we found when we were interviewing executives and board directors around this was the attestation process that most board chairs have to sign off on. And that's a key element in the third line of defence and basically Typically what the board director or the board chair who signs off on it is doing is confirming that all of those practices are in place that the appropriate governance structures are being implemented, and that they have been provided with the assurance that all of these things occur. Most of the board chairs that we were talking to said, are just sign out a piece of paper gets given to me and I sign it, what should I be doing? And that's what this third line of defence talks about that if you've got all of these things in place, if you are seeking assurance around a whole range of integrity practices, you can sign off that attestation with confidence that you are supporting that the organisation has good governance practice.

Helga Svendsen 19:48

It is such an important. I know there's been conversations at our board about that attestation document and the importance of it. It's not just a tick and flick at all. What doesn't contain who has signed it? How have they done it? What's been their consideration? Just like the board needs to give that the deep consideration as well? Absolutely. And so I'm wondering, I understand that that is part of your work in this. There was some, I guess, consultation or some discussions with hospital CEOs about their view of integrity governance. I'm wondering if you can tell us about that, and what insights came from that that might be helpful as well?

Jo-Anne Moorfoot 20:28

Absolutely. So we did a lot of best practice research to design the integrity governance framework. And we also did quite a lot of sector consultation. We did a questionnaire and a survey. And we also ran a series of focus groups. And it was really interesting to have conversations with the CEOs of health services, because they were really confused and said, there are so many rules, regulations, there's so many different documents out there. What is integrity? governance? Where do we go? What does it look like? And please don't give us another checklist that we have to tick off, not another burden of compliance actually tell us what good integrity governance is. So that really set us thinking about this in a different way. Because we thought, how can you have a capability assessment tool, if organisations don't actually understand what the capabilities should look like? So we were really determined to try and give organisations a best practice guide that they could then assess themselves against, and then use to identify the gaps and improve their practice. The very clear message that came through the focus groups with the CEOs was catches in, don't catch us out. Yes, we want this to be a carrot. We don't want it to be a stick. So we were very careful to try and design something that would actually be a tool that they could use to improve practice, provide themselves as management and executive that the organisation had good integrity practice, and then use it as assurance base to provide to the board.

Helga Svendsen 22:16

And often it is just inverted commas having those conversations about what is integrity, and what do we need in place in our service, whether it's a hospital or bank or community service, or whatever it may be, what does it mean to ask and often just having those conversations is enough to bring to the surface some of the issues that need to be dealt with there as well.

Jo-Anne Moorfoot 22:37

That's exactly right Helga, and that's one of the things we talk about in the integrity governance framework, and we call it integrity moments where you actually sit down and have a conversation about what integrity means, because it means different things to different people. And it's really important that everybody on the front line in middle management and executive at the board level has a shared understanding about what integrity is. So we actually suggest that organisations have discussions around that.

Helga Svendsen 23:09

It's a little like, in some ways, you know, the developing of, let's say, a risk appetite statement. It's not actually having the risk appetite statement, that piece of paper that documents at all at the end that's important. It's having those conversations so that everybody can be on the same page about what it means to them, and therefore regularly reviewing it, what is integrity? What is risk? What is the risk appetite, whatever it may be?

Jo-Anne Moorfoot 23:32

Absolutely, that's really important.

Helga Svendsen 23:36

Oh, there's so much in here. And I know there is so much more in the integrity governance framework. So I will definitely make sure we put a link to that in the show notes. But I'm wondering from all of the things we've talked about today, both about health governance and why that's important, even about West Gippsland Health and the COVID response there. And, of course, most importantly, about the health integrity governance framework. What are the most points you won't be able to take away from the conversation that we've had today.

Jo-Anne Moorfoot 24:04

But one of the things that came out for me when I was doing the integrity review was the values of an organisation and how the fundamental values of an organisation really provide the platform for the culture. And unless the board is embracing those values, and leaving that culture, both in the boardroom and in the way they interface with the executive, the way they interface with the rest of the staff members, they're not actually sending the right message, you're setting the right tone. And that's really important. One of the things about culture. I read this in a book recently was a novel actually. And it was just quite an interesting quote that said that organisational culture is not so much about what you say, but it's about what you let people get away with and it's really important that we not only model the right behaviours, but we call that the wrong ones. And that we address poor behaviour that we address poor culture that we address. People when you know the values of the organisation are compromised, because that sets the culture. It's not just about what we do. It's about what we don't do. That's really important.

Helga Svendsen 25:21

It's the standard you walk past is the standard you accept. Absolutely. Absolutely. And so is there results that you could share with the take on board community that might help us in our thinking about this?

Jo-Anne Moorfoot 25:35

Well, I really love people to have a look at the integrity governance framework. As I said, one of the things that we were really keen to do when we developed it was make sure that we provided a guide to good integrity practice. Whilst it's aimed at health services, we were very careful to try and make it as generic as possible so that it's very easily applicable to any public organisation. Interestingly, my

husband worked in local government at the time. And he kept saying, This is fantastic. I need to take this into my own work environment, this has got so many things that we could learn from. And I think it's very broadly applicable across any public sector environment. So I'd really like people to have a look at it. It's very easy to use, you can use it as an online tool and score yourself. It's an electronic based assessment form so that you can assess yourself against the practices that you have in your organisation. And it gives you your scores in an integrity map. So you can actually see where your strengths and weaknesses are as an organisation, and where you might want to address your efforts to improve your integrity practice.

Helga Svendsen 26:46

Fantastic. Well, I will definitely make sure there is a link to that in the show notes. And when I share it on other forms of social media and so on, we'll make sure that the link is included there as well. Fantastic. And so for boards, you know what's suggestions for action for board members, what might be the first step you would want people to take as a result of this?

Jo-Anne Moorfoot 27:06

As we said earlier, have the conversation, it's really important to have the conversation about what integrity is, and how integrity fits and is lived with the values of your organisation. The culture is the foundation. The values are the tools that you use to build that culture. And the conversation is how you actually put it into practice how you think about how you're going to put those values, those practices into your policies, the way you do business, the way you interact with each other, the way you interact with your clients, stakeholders, consumers, whatever you call them. It's important to have those conversations and I don't think as a board, we do that frequently enough.

Helga Svendsen 27:48

And again, back to the strategy conversation you're having with your board soon. That is the time to have those deeper conversations, and therefore sometimes putting them off saying we can't do it right now. Just delay some of those incredibly important conversations that need to be had. So even more important to just make sure that those conversations are.

Jo-Anne Moorfoot 28:06

Well, and I think that's key because we're all busy boards have a lot of work to do. You know, everybody reads their papers comes to the board meeting. And there's a lot of business to transact as part of that as part of fulfilling your role as a board director. And sometimes we don't give ourselves time for the conversations. And I think those conversations are really, really important, not just around sitting the culture, as we said earlier, but also around building the rapport and building the team of the board and that shared understanding. They're critical to a high functioning board,

and we need to allow ourselves time to have those conversations and sometimes I think we feel it's a bit of a luxury. It's not actually part of that team building that's so important.

Helga Svendsen 28:53

It's the bread and butter of the worker boards. Ah, Joanne, it has been such a fabulous conversation. Today, thank you so much for sharing your wisdom with the take on board community. I know people are going to take a lot from the conversation that we've had today. So thank you for your time.

Jo-Anne Moorfoot 29:09

Thank you. Helga. It's been great.