



Take on Board

Transcript – Liz Kelly

Helga Svendsen 0:00

Today on the Take On Board Podcast, I'm speaking to Liz Kelly about the NDIS the National Disability Insurance Scheme, and what that means for the sector. First, let me tell you about Liz. Liz is on the boards of BreastScreen Victoria, and she's just also joined the board of the Stroke Association of Victoria. She's previously being president of the Association for children with a disability. And she's also previously been on the boards of Children and Young People with a Disability, the Disability Service board, and the Victorian disability Advisory Council. Liz is qualified in the divergent fields of finance and human resources. She's been a director of her own consulting business specializing in organizational change and conflict management. Liz has been involved at a governance and operational level in the community, particularly the disability sector, and she has an absolute commitment to advocating for the rights of the more vulnerable in our society. Liz I think she knows this. Liz is also the, I guess, informal number one ticket holder for the board accelerator program. She was the very first person to sign up when I created that program, I think back in 2017. So thanks for being with me from the start, please. And indeed, welcome to the Take On Board Podcast.

Liz Kelly 1:17

Thanks, Helga. It's a absolute pleasure to be here. And it's very exciting to know as a number one ticket holder. I was wondering what that was, like one thing when I was number? No, it was a great experience.

Helga Svendsen 1:28

When I put it out. You were the very first person to ring and say, Oh, I'm wondering whether I should do this program. And we had a chat about it. And you said, that's it. I'm signing up. I'll do it as soon as I get home. And you were the very first person. So yeah, was great. Number one ticket holder. So Liz, before we talk about the National Disability Insurance Scheme, and what that means for the sector, I would love to just dig a little bit deeper about you. Can you tell me about your upbringing and what lessons you learned? What you've got up to and what influences there was on your life?

Liz Kelly 2:01

Yeah, well, I grew up in country New South Wales. I grew up in a large family. I'm the youngest of seven. And my primary school was a school of 12 children total, I a bit made the big move to Cootamundra, which is a country town, birthplace of Donald Bradman. When I was in year seven,

the whole family moved in. And my mother was always very much involved in the community. She was a real community person, she, you know, was the treasurer of the CWA. She was always out helping people. She was involved in the church and cleaning the church. She is very much involved in setting up the retirement village and the actual Cootamundra nursing home, which she now is a member of. She's actually well she not a member of she actually stays there is always sort of why am I here.

Helga Svendsen 2:59

She's the number one ticket holder there. It's the Kelly family way!

Liz Kelly 3:03

She was always I guess, a very much community person I learned a lot from her as a as a very strong country woman. So very much the matriarch but also her her very much input into the community and looking after those less fortunate than her which also came from her father, back in the depression, she spoke about my grandfather picking up, you know, swaggies and bringing them home for a meal, which meant my grandmother often missed out on a meal. So we always sort of had that those value sets within our family of looking after people more vulnerable or less fortunate than and ourselves.

Helga Svendsen 3:43

And something that you now similarly fly the flag for from that family influence. And I think I'd said in the introduction, so you were president of the Association for Children with a Disability was that your first board?

Liz Kelly 3:57

Well, that actually coincided with the the Disability Services Board as well. So both kind of started at the same time. I'd been asked to go on Association for children with a disability as at the same time, and there was sort of some concern that that might have been in conflict, but I got fairly good clearance, it's in the Disability Services Commissioner, that being on both boards would be really useful.

Helga Svendsen 4:21

Mm hmm. And indeed, presumably then going on to become president.

Liz Kelly 4:26

Yes. Yeah. Yeah.

Helga Svendsen 4:27

So tell us tell us about that joining the board and then becoming president?

Liz Kelly 4:31

Well, it was an interesting time because when I first joined a Association for Children with a Disability, it was very much a passionate organization run mostly - the main board members were mothers and of young people with disability and their meetings were always held at about 10 o'clock after everyone had dropped off their young ones to school and didn't finish until often 2.30 in the afternoon, and we didn't actually get really get through the agenda. I started there as treasurer. And I noticed that really the organization was were sort of really running hand to mouth great organization had an absolute great name in Victoria and with government, etc. So it was really well respected. But it was running pretty tight, sort of scraping around for projects to fund the staffing levels. And I found that that was a significant risk for the organization and started talking to those risks. And at the same time, there was a couple of challenges coming from other organizations. And I could see that the actual will getting past what the capacity of the of the board members was. So now and at that point, the chairperson was looking to step down. And so she was looking at succession planning. And the person who was the one male member was the deputy chair, and I kind of spoke to someone saying, I'm thinking I should go for chair and but I don't want to upset anybody. And anyway, I spoke to him. And he said, no you go for it, you go for it. So that's what happened.

Helga Svendsen 6:12

Oh, fantastic. Yeah. And now in Australia, the National Disability Insurance Scheme has come along. I can't remember how many years ago now, when when was it introduced? introduced in 2030.

Liz Kelly 6:29

Right, wow, that long ago.

Gillard government, would that be right, the Gillard government just before Rudd came back, but yeah, that government.

Helga Svendsen 6:38

So I mean, it's been a major structural reform to the sector, both the organizations and the kind of clients, I guess, of the sector has been a major structural reform. Can you maybe just give us the brief summary of what it means what the national because we've got listeners that are not just in Australia, but overseas as well. And then what what should boards be thinking about that are in the disability sector? What does it mean for them?

Liz Kelly 7:04

I think probably the main change for the NDIS is was one there was a significant injection of funding into the sector. But really, the key change was, instead of the money, sort of going to service providers in a block funded model, if you like, it was really going to the individuals. And it was the premise of it is about empowering individuals to have choice and control in an environment where they can choose their providers, and for the services that they require. That was the key element. So from a governance perspective, it was a significant change in funding structures for all organizations really, and what still, I guess, being sorted through and I think from a governance perspective, there was a lot of a lot of challenge for organizations to adapt to a more, I guess, even though people say they're very client centered. And they are in their approach to the support that they often give, you know, a lot of the service providers mostly out there are good at understanding the clients and working with them in a person centered way, really, in the background, the systems didn't support that. So it was really a systemic issue in many organizations. And I still think it is for many organizations to adapt their systems to a more individualized way. So they were used to getting kind of block funding from government, their key really customer was their government was the government when it comes to back end. So it was really about quality, which is important, but you know, governance around historical financial processes, as opposed to being more what I would call more management processes, analyzing data and why and how.

Helga Svendsen 9:04

Wow, so it really flipped a whole lot of things on their head, it flipped that relationship around from government to the consumer, or the client. What's the right terminology is a consumer or client or is both used?

Liz Kelly 9:16

Both years? I mean, I think I think it's interesting within the sector that they really struggled with, I think what they would consider as being profit tier-type commercial type terms, which I think I finally got through to someone saying, so for years, I worked in private sector for retail a bit what's the difference between selling a T shirt, when you're talking back end systems as a product and selling say, a support, direct support, there's a whole lot of difference in the product, but the actual back end, isn't isn't so different. You still need you need so they really struggled, I think and still struggle

with it's that sort of value set and mission set compared to a commercial thinking, and thinking that commercially being commercial is bad. And so that's really interesting, I think, for me coming because I came from a very hardline commercial background for years. And I think there's a lot of lessons that can be learned from those sectors. And people think that these profit organizations are bad organizations, I worked for a family based organization had a great value set, and how they manage their organization and work with their staff were incredible.

Helga Svendsen 10:37

I'm of the view that I'm not a fan of the terminology, not for profit, I must say, I much prefer profit for purpose or something along those lines, because organizations need to be sustainable, which means, you know, you don't need to be packing away millions of dollars in assets, or whatever it may be, and you're certainly not distributing it to shareholders, but you need to be sustainable, which means whatever it is that's coming in, can't be less than what you have going out, or you're not going to be around to deliver whatever the amazing services that you're delivering. So for organizations that have been grappling with this, this, you know, incredibly, you know, transformational change, what have you seen in those organizations, and particularly at the board level that's worked well, to help them grapple with this change?

Liz Kelly 11:22

I think it's really kind of acknowledging what some of the things is acknowledging the good work that people do, and acknowledging the consumers clients, and understanding really what it is that they want. What I grappled with to begin with is a lot of people felt that they should have the answers on the board. And they should be the ones with all the answers. And I actually don't think at a board level, you can have the says to something such as significant. So it's really is about involving key components. And hearing from the frontline as well, I think that was a big area that I that I found really interesting in my work in the sector, but also on the boards is that you go to meetings and some people working in some of the service providers, so So you say so will I run the gardening program. So if What if the clients choose not to do gardening, does that mean I'm out of work, that's a really important thing is to listen to your key frontline. They know the clients, they know what they want. And if you're thinking about from a business perspective, I think that's a really important part. And actually, I think, you know, some of the service providers that's that actually have survived. The best is people who did have probably quite a bit of big asset base. But currently, now I'm seeing like the Stroke Association being on the board, you know, just already like, people with innovative ideas, and that word is overused a lot. But people who are willing to be innovative and analyze data and come up with new products are starting to pop up and will be successful in the future. For example, for our son, Connor we're looking at, he's about to go into the adult world. And into that, were looking for more innovative products, something different, not just your, you know, general day services and things. So I think those organizations and from a board perspective, being able to analyze your data, and having systems that can analyze that, well.

Helga Svendsen 13:37

Actually, we're going to come back to that in a minute. Because I really want to hear about the finances and what people should be looking for there. But you've just mentioned Connor, and it might be good if you can just give us an introduction, an introduction to Connor without him being here. But I mean, part of your you know, you're an absolute powerhouse in your advocacy. And I heard before that part of that is from your family. Part of that, I think is from Connor as well. So can you tell us about Connor and how that got you involved in these things?

Liz Kelly 14:06

Yeah, well, it's interesting how I was saying how my back background was all about, you know, value sets, standing up for those less fortunate than ourselves. Or it's like Connor came along and he goes, Oh, well, you're such a you know him to human rights Mum, here's one for you is I've got Oh, no, I didn't. I want you know, I think it's really good to do that. But I think you know, so it took a while to sort of get used to it. Connor, he has in hate to kind of put people in boxes who kind of has a severe and profound disability. So he has very high needs. But he has the most amazing way of connecting with people and people seem to just love being around him because he is he has joy loves fun, loves a good time. And ultimately, you know a lot of people talk about how they lose friends because you know, other family don't understand what it's like to have a child with, you know, a disability. But we've actually made and met some amazing people and so many so many of the great people in the community sector and people like yourself who you don't think I would have ever met, if it wasn't for Connor, there's always sort of think back to Connor. So he's been a really fabulous a decent at times, it's, you know, I'm not denying that it's tough at times, because there is a lot of fight you're going to have in some time to just get a bit tired of it.

Helga Svendsen 15:30

It sounds like he's, um, brought a lot of joy. And not only that, but um, you know, He's, you're always up for a good fight. So you've got, you've managed to bring those very strong advocacy skills, shall we say, to the for, in being his Mum.

Liz Kelly 15:45

Yeah, and I think that's the one thing I'm always conscious of that we're educated we live in the inner east of Melbourne, English is our first language. And at times, the system has really, I felt really beaten up by the system. So I can only imagine people with less resources. And so I always am conscious of that fact, as well, that we've had some really good experiences, we've had really good services, you know, I know that we are a small percentage. And I think I'm always conscious of that as well. And that's why I guess I do join organizations from a systemic point of view.

Helga Svendsen 16:24

So I'm interested in his flip to consumer led services and so on, for those families or consumers who English might be their second language, or they're just not able to wrangle the system as well. What's your observations about how people like that have coped in this transformation? Has it been more difficult for some people?

Liz Kelly 16:46

Yes, yeah. And there's evidence, there's been evidence, and I'm not sure how much full research is done. But if there are evidence of differentiations in packages, I work for an organization and early intervention organization for a while, last last year before and I did some work for them. And they had it clear evidence that people from a less advantaged area were getting smaller packages for kind of like needs. So they do struggle, there are advocacy groups out there, but to try and find that it is a real challenge. And that's going to continue to be a challenge of the system in the sector, is to ensure that the people with that don't have the same sort of voice, that can be a little problem in the sector, that the sort of same people get sort of rolled out or trotted out is as if you like, as we've listened. This person is, you know, a person with a disability. But, you know, we've got to be careful that that doesn't represent all.

Helga Svendsen 17:48

All right, well, I'm gonna swing back now to this data and the finances, but part of this transformation in the way the organizations run in the funding model runs, I imagine that for boards that meant they probably need to have different data in front of them and be looking at it in a different way. So can you can you talk us through your observations there and your advice for board members in that.

Liz Kelly 18:13

I think there's still some work to do in the area. But I think the key probably element is having aligning your strategy. So having a strategic approach to as an organization, how you are going to measure success into the future when you're looking at a consumer led approach. So previously, you get your finances in, your P&L and it'd be all about, you know, government funding here. And, and really, it was kind of historical, it had all happened. Whereas I think from a board perspective, the focus should be on the future, and the budget of the future. And you should be setting goals around, increase in in income sources, if you like and what that means. And so interestingly, in the new board that I'm on, they've got that strategic approach, which is this is not it. Sometimes I think, particularly I've been on boards where it's, we've got a budget with what we know, we know we're going to get, but sometimes a budget is about reaching a strategic goal. So to actually it might be investing some of your reserves in a particular project that you're going to manage very specifically. Because you know, you want an outcome from that. That makes sense. So it's more of a strategic

approach and what I call a more management accounting approach that you're kind of looking at. Okay, so this happened this month, what do we need to do in the next month to reach our strategy, or do we need to pull something back out of this? So it actually is, and the real importance of having a really good finance subcommittee, I think, who can work through that strategically, just to add, I think, often smaller of organizations get into that finance subcommittee becomes also the fundraising committee. And that's a very different committee if you like.

Helga Svendsen 20:12

It's a different remit. Getting in

Liz Kelly 20:14

Yes, it's exactly

Helga Svendsen 20:16

Getting the money in versus I'm in finance is also about that. But it's more about managing what comes in rather than getting it in. Actually, just because you've touched on finance committees, what's your advice around finance committees around? Should it be finance and risk? Or should they be separate? How many people should there be external members on there? What's your thoughts around the the makeup and scope of finance committees?

Liz Kelly 20:38

I think finance committee should be finance committees, and they should look after the finance they should consider risk is every every directors responsibility. So that shouldn't be offloaded to the finance people. The risk, I think I've learned from another board is that if you leave the risk to the finance people, they just talk about finance risk and the risk of an organization, he says, there's a significant broad, remit around risk as well. So I believe that you know, the Finance Committee, depending on the size of the organization, obviously, it needs to be made up from people who know around finances, but I also think it's a really good idea to have people who aren't necessarily, that's not their qualification, because they do ask, that needs to be managed appropriately. But they really do ask questions that sometimes as an accountant, if you like you take for granted. And it gives you that experience to then be able to improve, you're reporting to the board.

Helga Svendsen 21:39

I'm pleased to hear that I'm always a big fan of having the non finance people on the Finance Committee, and even sometimes reporting to board nothing like presenting the finances to board to

get people's head across them. What about external members on finance committee, people who aren't on the board? What's your view about that?

Liz Kelly 21:56

You know, if they can add value, I think that's a really important. Yeah, if they can add value to, and co-opting and depends on on, you know, what the scope is of the finance subcommittee, and I think if there is a particular project or something that you're particularly looking at, I think it's really useful to have external people, but I've had people seconded into subcommittees for a particular time. You know, I think consumers always, you know, that's always a useful, useful thing. And it's all about having the structure and the frameworks around it. So people understand the confidentialities and in their role within. And it's very clear,

Helga Svendsen 22:43

We've covered so many fabulous things here today, which I think will be helpful, not just for those that are on disability organizations, but also others going through transformation. And, you know, we're recording this in August 2020, the middle of the beautiful global pandemic, which is bringing all sorts of change to all sorts of organizations. So some of the things that you've touched on will be useful for any organization going through a transformation. So what are the main points you want people to take away from the conversation that we've had today?

Liz Kelly 23:12

I think, really, if you're running, I mean, one is if you're running a client centered organization, consider the clients in the center of everything your organization does not just the direct support or the direct product, it's actually building the client into every process that you do you think about, as you know, I'm working for a union. And it's been interesting, looking at the members journey and attraction strategies, etc. And so it's thinking about the member, the client, whoever it is, into every process that you put in place, where there's the client, seeing this as a bean counter as an accountant, like I really think having a really good strategy around your finances and a really good data and data analysis is, is really important, and accountability in that space.

Helga Svendsen 24:06

Fabulous. Thank you so much for joining us here at the Take On Board Podcast today. Like I said, I am sure the kind of insights you've given today to the take on board community will be incredibly valuable, whether they're in the disability sector or not. So thank you for joining us here at Take on Board today.

Liz Kelly 24:23

Thank you Helga, it's been an absolute pleasure.