

ENGAGING  
**Young Leaders**  
ON Aged Care & Community Boards

**Consumer Directed Care Reform**  
**Consumer Engagement Toolkit**



## ABOUT THE AUTHORS

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This engagement toolkit was created by four young talented professionals who form a part of the 2017 Emerging Leaders cohort.



### Kate Jenkins

Kate graduated from Curtin University in 2009 with a degree in Occupational Therapy. As a graduate she worked in paediatrics and has since then moved to work within aged care sector. She has a passion about making a difference for people living within aged care and improving their quality of life and well-being. Much of Kate's spare time is spent volunteering with Girl Guides WA. She is a leader of a unit for teenage girls and is a member of the Olave Program Committee where she assist in making decisions to ensure the organisation remains relevant and accessible for young women. One of her major achievements was as a member of the national project team implementing the Free Being Me project, which engaged girls in activities to increase their body confidence. Kate is enthusiastic about the difference young leaders can make to the Community and Aged Care sector and keen to develop her skills in this area.



### Renay Eade

Renay is an experienced Manager of Human Services. She has spent 17 years working in the disability sector, including various positions at Senior Management level. She has the unique perspective of being a carer of a family member with significant disability in addition to professional experience ranging from direct support work to management roles. This gives her the ability to empathise, communicate with and understand the needs of multiple stakeholders at strategic, service delivery and customer experience levels. Renay's career and volunteer experience centres around working with vulnerable people to ensure access to quality supports and services and advancing the principles of self-determination, safeguarding and full citizenship for vulnerable people. She holds a Business Administration degree and is currently completing a Masters degree in Human Services (Disability). She has committee experience at state and national level and is currently a Committee of Management member of WA's Individualised Services (WAiS).

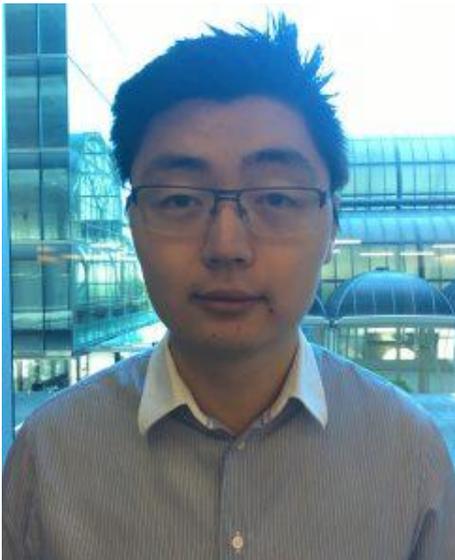
### Crystal Bartsch



Crystal is a senior accountant within the Audit and Assurance practice at KPMG, with a background in chemical engineering. After working in the oil and gas industry for a number of years, Crystal sought a change through the opportunity to work with a diverse portfolio of clients and thus begun a career in professional services. Crystal has a range of leadership and volunteering experience including involvement in the State Emergency Service and the ABCN GOALS Program, where she mentored high-school students. She is the former President of Women In Engineering at Curtin University and helped establish the successful Women In Oil and Gas (WIOG) university chapter and mentoring program. Striving towards becoming a young leader, she is interested in having the opportunity to reconnect with the community and enhance her knowledge and experience in the not-for-profit sector, providing value through her experience and dedication.

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### Eric Yang



Eric is a highly capable professional with strong corporate background in strategy, planning, business improvement and a long history of community work. He is a principal analyst at BHP Billiton accountable for providing internal consulting service and act as a trusted sounding board for senior leaders. Previously he was accountable for business planning, portfolio optimisation and delivery of special projects for senior leadership team. Before becoming an analyst Eric was an Electrical Engineer was part of multi-billion dollar major growth projects in mining sector. Outside of work Eric has a long history of community involvement and was committee member of Engineers Australia, council member of the University of Adelaide and board member of Adelaide University Union. Eric spends his spare time with his family and tries to learn various sports so he can teach his one and half year old son one day.

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### Special Thanks

The team would like to especially thank Alicia Curtis and Dr. Nicky Howe for their continuous guidance and support.

# EXECUTIVE SUMMARY

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## Background and Context

The implementation of Consumer Directed Care (CDC) reform in the Australian Aged Care Sector provides increased choice and control for consumers of government funded services. Where organisations were previously contractually block funded, funding is now individualised and portable across organisations based on consumer choice. This has resulted in a consumer driven, market-based system requiring organisations to be consumer-centric with strong consumer engagement practices.

## Purpose of this document

The toolkit is intended to:

- Convey the importance of engaging with consumers in a CDC environment
- Bring together examples of best practice in consumer engagement strategies to inform boards and executives of small to medium sized aged care providers
- Serve as a starting point for aged care organisations to tailor into a fit for purpose consumer engagement strategy

The toolkit can be applied across the three main phases of consumer engagement journey:

- Acquire phase: engaging new consumers – make the connection before they actively enter the market and upon market entry (purchasing)
- Increase the satisfaction of existing consumers – increase retention and expansion of services
- Effectively manage consumer exit – protect brand association and repeat business opportunities.

The toolkit is not:

- A comprehensive strategy for aged care organizations to increase revenue under consumer directed care
- A fit for purpose plan for individual organizations to directly adopt
- A set of recommendations or strategies for government and funding bodies to increase the overall effectiveness of CDC program.

# TABLE OF CONTENTS

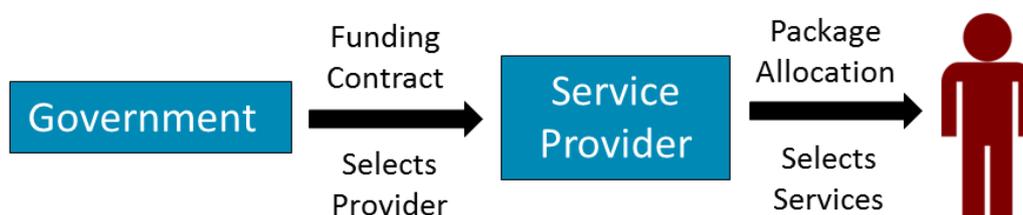
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<b>EXECUTIVE SUMMARY</b>	<b>3</b>
Background and Context	3
Purpose of this document	3
<b>THE CDC LANDSCAPE</b>	<b>5</b>
<b>ENGAGING NEW CONSUMERS</b>	<b>6</b>
Professional Associations	6
Community Involvement	7
Referral Pathways and Partners	7
Staff Observations and Actions	7
Word of Mouth	7
Internet Presence	8
Media Advertising	8
<b>ENGAGING EXISTING CONSUMERS</b>	<b>10</b>
Consumer Feedback – Unsolicited and Incidental	10
Consumer Feedback – Solicited	10
Complaint Process	10
Workforce	11
<b>ENGAGEMENT UPON EXIT</b>	<b>12</b>
Exit Interviews	12
Maintaining Connections	12
<b>BOARD RESOURCES</b>	<b>13</b>
Summary of Toolkit Information	13
Board and Organisation Readiness Checklist	15
<b>APPENDIX</b>	<b>17</b>
1. References	17

## THE CDC LANDSCAPE

Whilst providing an opportunity for consumers to be empowered to make decisions about their care, CDC may leave some organisations uncertain about the impact this will have on revenue recognition. An information pack released by the Australian Government noted “CDC provides much greater flexibility around how package funding can be used, and there are many creative options that meet people’s needs at a lower cost than their current services”<sup>1</sup>. Particularly, even if the overall value of goods and services remains unchanged over the year, the timing of when those goods and services are delivered may be significantly different. These will potential impact all areas of the business and importantly inflicting a loss of income security that many not-for-profits had with home care packages. Figure 1 below demonstrates the changes to the funding and administration of CDC packages pre and post 27 February 2017.

### Pre-CDC Reform



### Post-CDC Reform

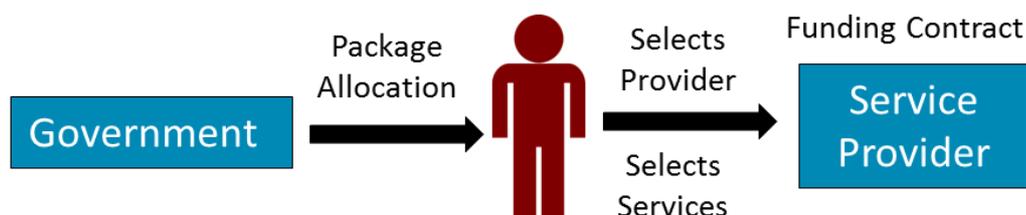


Figure 1 – how the direct funding relationship with government has changed

Now that services might not be provided by a sole service provider, organisations will need to adapt to activity based costing (ABC costing) and target pricing in order to attract and retain consumers for their services. Adapting to the new environment will mean organisations will need to develop service offerings that deliver what the individual client wants whilst achieving an efficient and consumer-centric back-end delivering both value and quality<sup>2</sup>. Notably, a recent study by Aged Care Health documented “For many consumers, satisfaction appeared to be driven to a greater extent by the relationship with the worker and the duration and consistency of that relationship rather than the quality of the service”<sup>3</sup>. One can suggest it is therefore key in an organisation’s strategy to be forming and building relationships with new potential consumers, even before they know they need services.

# ENGAGING NEW CONSUMERS

The way organisations provide services has changed – or if not, will change inevitably - due to the implementation of CDC. CDC is going to affect how service organisations engage with consumers, the types of consumers they engage with and how the organisation builds and maintains relationships. Brand awareness is an essential consumer growth and retention strategy in a consumer driven market. Providers need to invest in connecting with potential consumers before the consumer acknowledges they need aged care services. It is also important to note that the easing of restrictions on the market, and particularly the removal of limits on scope and region, can be commercially advantageous to grow market share.

A key way to build relationships is to grow market share and increase reach in the early stages of need. This section will explore the acquire phase of consumer engagement which includes brand awareness for pre-consumers and attracting market share for consumers entering the purchasing process. Figure 2 below outlines the various ways organisations can engage consumers during the acquire phase.



Figure 2 - engaging consumers during acquire

## Professional associations

Organisations can expand their network and establish partnership opportunities, provide holistic services and improve consumer engagement. They include:

- Member based organisations
- Newsletters
- Expos

It should be noted that although these networks may help with branding, they may be limited to networks that are within a specific industry and not the wider community. However, this may be a useful platform to enable partnerships with other organisations.

## Community involvement

Participation in community events is a great way to build rapport with local citizens and families. There are many events held throughout the year that can provide avenues for engaging with new consumers. Even participating in another organisation's event such as Activ City to Surf, is a great way to show support for particular causes and be shown as an organisation has involvement in the community.

Another opportunity would be to hold your own event for the community, invite your consumers and their family and friends. This provides an opportunity to provide educational sessions or more relaxed and social sessions. No matter the type of event, it provides the space to inform, consult, involve, collaborate and empower.

## Referral pathways and partners

Service providers may like to partner with various service organisations in order to attract new consumers. Such organisations may include:

- Hospitals
- ACAT
- Funeral homes
- Social workers
- HACC providers
- Local councils
- Superannuation providers
- Financial planners

Having a strong relationship with other organisations will allow the service provider to tap into extended networks. It is important to remember that poorly maintained relationships may have a negative effect on reaching out to new consumers.

## Staff observations and actions

Staff play an important role in engagement particularly for existing consumers, and also play a critical role in engaging new consumers. Engagement may occur at any level, and any position within the organisation. It could involve sharing marketing material such as brochures or arise indirectly or directly from conversations with consumers or networks. Each employee functions as a brand representative and up-seller and cross-seller to potential consumers. To this end, all staff should be trained in skills to engage effectively and promote the full complement of services the organisation provides.

## Word of Mouth

Word of mouth conversations can drive revenue growth from all stages of consumer engagement. It is the biggest driver of decision making when it comes to choosing a service provider and can drive exponential growth. To build a strong word of mouth, both physical and digital channels should be utilised with a coherent plan. Word of mouth is largely influenced by consumer satisfaction and networks.

The prevalence and impact of electronic word of mouth (e-WOM) communication such as online rating sites and social media sites presents a new challenge and opportunity for the sector, in a climate of increasing consumer empowerment. e-WOM provides pre-consumers with valuable peer feedback, allowing consumers to make informed decisions based on the lived experience of similar consumers, direct from the source of consumer experience. e-WOM is shown to be more influential in decision making than traditional WOM<sup>4</sup>. A by-product of e-WOM is the evolution of online ranking systems and comparison sites, enabling consumers to compare and measure providers against one another which influences consumer attraction and decision making<sup>5</sup>.

Social media channels can also provide platforms to deliver support, feedback, interaction and information to pre and existing consumers and their family. Current electronic word of mouth platforms include Facebook, Instagram, Whirlpool Forums, Yelp, Clickability, Care Collective, Google Reviews and Aged Care Reviews with more emerging players entering the market imminently. In Australia Facebook is by far the most popular social media platform with Australian Facebook users aged 65+ rising from 104 000 in 2010 to 950 000 in 2016<sup>6</sup>. Utilizing and be actively engaged in social media can allow organisations to readily monitor their brand reputation online<sup>7</sup>. It is important to ensure staff responding to publicly available commentary are adequately trained to do so and that board members are alerted to significant risk management incidents involving social media as the impact on brand reputation can be significant.

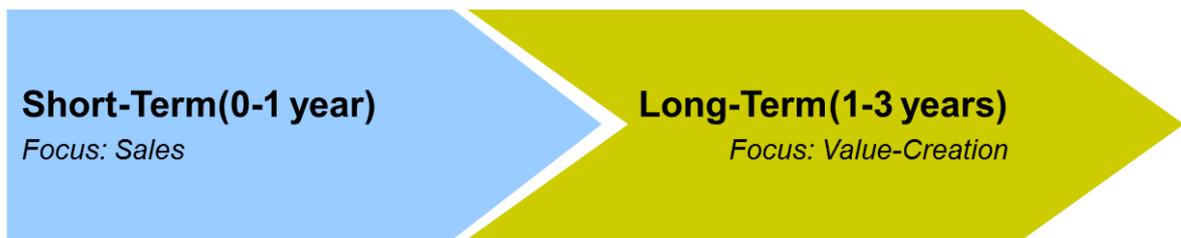
## Internet presence

A “Google search” is one of the first forms of research a potential consumer may perform, hence maintaining an up-to-date and easy to navigate website is essential for any business. Further to this, having a higher Google ranking (also known as search engine optimisation) will allow the business website to appear early in searches. One way to achieve this is to have many high quality back-links to your website. In simple terms – the more people talking about you online and referencing you – the higher the back-links and thus the rating. The internet is often thought of as the domain of young people, however in 2013 46% of Australians aged over 65 identified the internet as one of the primary ways they sought information<sup>8</sup>.

The My Aged Care website is a government portal which provides the main access point to the aged care system in Australia. All government funded aged care providers are required to display certain information on the My Aged Care website however organisations can also upgrade to additional features such being to be listed in the My Aged Care service finder and receive referrals through this portal.

## Media advertising

Promoting brand awareness should be managed with a clear end to end marketing strategy and plan, based on clear strategic objectives. A sales driven short term focused campaign should be orchestrated very differently from a value focus long term driven campaign aimed at growing market size and brand name. Figure 3 below illustrates the two different strategic goals.



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|--|--|
| <ul style="list-style-type: none"> <li>➤ Targeted Marketing</li> <li>➤ Demand Generation</li> <li>➤ Delivering Experience</li> </ul> | <ul style="list-style-type: none"> <li>➤ Building Strong Brands</li> <li>➤ Shaping Markets</li> <li>➤ Driving Innovations</li> <li>➤ Driving Alliances &amp; Partnerships</li> </ul> |
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Figure 3 - strategic goals

The following plan of attack covers the full lifecycle of field marketing and should be created based on the focus of particular campaigns:

- Revenue-Growth
  - Market-Segmentation & Targeted Marketing
  - Lead-Generation & Ensuring Greater Conversions
  - Incentive-Plans
  - Team-Effectiveness
- Market-Growth
  - Market-Intelligence to identify & target Market-Drivers
  - Consumer Interactions or Surveys
  - Business-Development by New Consumer/Market Acquisition
  - Evaluating Alliances, Partnerships or Acquisition for Growth
- Consumer-Experience
  - Voice of Consumer or Consumer-Satisfaction Ratings/Surveys
  - Building Consumer-Awareness: Marcom
  - Consumer Case-Studies or Success-Stories or Testimonials

It is important to consider the target audience when considering what media type to utilise. For example, many Generation Y's do not read traditional printed newspapers, hence targeting this audience through this media type would not be particularly successful. Whilst traditional media advertising via radio, television and newspapers remain popular, alternate methods such as billboards, event sponsorship, vehicle branding and shopping centre meet and greets are increasing in popularity.

## ENGAGING EXISTING CONSUMERS

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Consumer retention not only reflects brand loyalty and service quality, but is one of the most significant factors and indicators to organisation viability. If you can attract consumers but not retain them, your service model is not meeting consumer expectations and your market share will continue to recede. It is important to note that the consumer experience of family members can be just as influential as the experience of the direct care recipient themselves when determining brand loyalty and consumer satisfaction. Therefore the strategies listed below should be considered in the relationship with family members as well as direct care recipients.

### Consumer Feedback- Unsolicited and Incidental

Responsiveness to unsolicited incidental feedback strongly reflects organisation culture and employee capacity. Unsolicited and incidental feedback refers to feedback initiated by the consumer in an informal manner (e.g. incidental conversation) usually to identify service dissatisfaction or service improvement requests.

"I would like to sleep in but they (other staff) have to give me my medication and I can't go back to sleep after that."

In this real life example of feedback being provided incidentally about another staff member, the consumer feels they have disclosed their concern, so it is imperative the care worker recognises the informal feedback and actions the feedback to ensure resolution. Unsolicited informal feedback is the most frequented means of providing feedback in order to improve consumer satisfaction. Employees at all levels within the organisation should be provided with regular consumer service training including how to identify informal feedback when it occurs, pathways to action feedback and the importance of concluding the feedback loop back to the consumer.

### Consumer Feedback- Solicited

To inform continuous improvement and address areas of consumer dissatisfaction, consumer feedback should be intentionally sought by the organisation at regular intervals or at a frequency determined by the consumer, using both open and closed questioning. Potential methods include;

- In person- group meetings, 1:1 meetings
- Phone/video conferencing interviews
- Hardcopy survey for periodic circulation or feedback form always available
- Online survey platform (e.g. survey monkey)
- Scheduling Application (App) which prompts consumers to provide staff performance feedback after each shift
- Steering committee or focus groups feeding into board sub-committees

### Complaint Process

An effective Consumer Complaint Process is imperative to continuous improvement and consumer satisfaction. A Consumer Complaint Policy and Procedure should be developed in consultation with consumer groups and be continuously reviewed. Key to the process is promotion and awareness of Aged Care Accreditation Standards, Home Care Standards and Complaint Reporting Pathways. The process should include Key Performance Indicators (KPI's) relating to the volume and duration of

complaint reporting and resolution, with KPI's exceeding sector benchmarks reportable to the board.

## Workforce

Aged care providers need to think about the knowledge, skills and attitudes of their staff to deliver CDC and to compete for consumer loyalty in an increasingly competitive environment<sup>9</sup>. Empowering staff to build sustainable relationships with consumers is key to remaining competitive. This requires a change in the approach to care, with less focus on completing tasks and more focus on delivering exemplary consumer service and outstanding consumer experience.<sup>10</sup>

CDC requires the workforce to be flexible in response to consumer direction as it has never been before. Workforce requirements will change in response to consumer demand. Ray Glickman (former Amana Living CEO) states “The greatest challenge for all home care providers is around staffing. Insecurity means the risk of losing good staff and consistency of care becomes a major issue.”<sup>10</sup> In addition to flexible work hours, employers will move to Values Based Recruitment to develop autonomous and multi-skilled direct care staff who have the capability to assist with a variety of consumer directed tasks such as dog walking or social companionship to allow the consumer to continue to live as they wish and utilise their package on their own lifestyle priorities.

In order to be a provider of choice in the era of CDC, organisations must have a culture focused on self-determination and person centred practice. This focus should be evident at all levels of staff and by ensuring staff recognise each individual consumer and their needs in order to provide a contemporary service<sup>11</sup>.

# ENGAGEMENT UPON EXIT

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## Exit interviews

In a CDC environment, consumers have portability of their funding package. Whilst all efforts will be made to retain consumers, inevitably some consumers will elect to transfer to an alternate provider or exit the service due to passing away. Organisations should utilise exits where appropriate to seek feedback for service improvement. Best practice is to offer the method of exit interview to the consumer e.g., face to face meeting, phone conversation, online survey, hard copy survey. Special consideration should be made to engaging grieving family members on a case by case basis.

## Maintaining connections

To continue a long-term relationship based on a strong value proposition for consumers and families, engagement post-exit should be offered to consumers and their families who have transferred or deceased, which can be achieved in cost effective ways. Methods include newsletters, email distribution lists, social media groups or referrals to partner organisations and other useful services. Organisations can also develop physical community group activities and invite past consumers and families to attend. This not only helps to remain connected but is also a good way of developing a strong word of mouth through consumer testimonials in community groups.

The activities targeting past consumers and families should be used in conjunction with existing programs targeting prospect and existing consumers. Combining target groups not only reduces cost but also creates a strong community presence and word of mouth.

# BOARD RESOURCES - SUMMARY OF TOOLKIT INFORMATION

	Engaging new consumers	Engaging Existing Consumers	Engagement upon Exit
<b>Electronic Word of Mouth</b>			
Social media	●	●	
Facebook, Instagram, Whirlpool Forums, LinkedIn	●	●	
Online comparison sites	●	●	●
Yelp, Clickability, Care Collective, Google Reviews and Aged Care Review	●	●	●
<b>Relationships</b>			
Traditional Word of Mouth	●	●	●
Consumer Service Experience of Family		●	●
Family Satisfaction and Complaints		●	●
After Death Services			●
<b>Internet Presence</b>			
My Aged Care Website	●	●	
Organisations own website	●	●	●
Search Engine Optimisation (SEO)	●		
Targeted online advertising	●		
<b>Feedback and Complaints Process</b>			
<b>Feedback Management</b>			
Values and Culture of Continuous improvement, consumer service workforce training, responsive feedback process	●	●	●

### Satisfaction Surveys

Face to face meetings, phone interviews, hardcopy survey forms, online survey platforms, focus groups, quality evaluations



### Consumer Complaints Process

Complaints Policy and Procedure, Promotion of standard and complaints reporting pathway, Conflict and resolution KPI's compared to industry standards.



## Networks

Traditional Referral Pathways eg Social Workers and General Practitioners



Referring Partners (complimentary pathways)



Professional Associations



## Community Presence

Community Events



Community Partnerships



Visibility



## Media

Broadcast Media; TV and Radio



Print Media; Newspapers and Other Publications



Product Placement



Direct Marketing



## Workforce

Consumer Service Culture



Professional Development



Cross selling and Upselling



## BOARD RESOURCES – READINESS CHECKLIST

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The checklist should be read in conjunction with the constitution of your organisation.

1. Does the board understand changes to consumer decision making in a CDC environment?
2. Does board membership include at least two members with lived experience of the consumer group? For organisations supporting consumers who have impaired cognition, consideration should be given to having one board member with lived experience as a direct consumer and one member being an advocate for consumers with impaired cognition (e.g. family member).
3. Does board membership include one member with professional expertise in branding and market growth strategies?
4. Is there consumer membership on steering committees which report to the board?
5. Is there a consumer and/or family advocacy group within the governance framework?
6. Are consumers included in the development and review of organisation policy?
7. Are consumers consulted in strategic planning?
8. Has the board/executive developed a Consumer Engagement Strategy?
9. Does the board review overarching Service Level Agreement (SLA) and Key Performance Indicators (KPI) results in comparison to competitors to evaluate organisation performance in response to strategic planning?
10. Has the organisation invested in a contemporary Consumer Relationship Management (CRM) system?
11. Does 'word of mouth' as a referral source exceed industry standards?
12. Does the organisation have 24 hour responsiveness to online feedback and commentary monitoring?
13. Does the organisation initiate consumer feedback surveys with the frequency and method pre-determined by the consumer?
14. Is there continuous improvement of the 'consumer experience' including touch points within the organisation?
15. Does staff induction and annual professional development incorporate consumer service, informal feedback procedures and communication training modules?
16. Is the board informed of critical social media incidents of significant reputational risk to the organisation as a risk management consideration?

- 17.**Is continuous improvement present in the values and/or mission statement of the organisation?
- 18.**Are the organisation's complaint resolution KPIs comparable to other service industries? Does the complaints process include feedback on satisfaction post resolution?
- 19.**Is the organisation considered an industry leader in regards to consumer engagement?
- 20.**Has the board identified strategic partnerships to pursue in the competitive CDC landscape?
- 21.**Does the organization have Memorandums of Understanding or similar Contractual Arrangements for exclusive partnership organisations?

# APPENDIX 1

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## References

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