

Case Study

Organisational Review of Menkawum Ngurra Aged Care Hostel



Background

Opened in 1994, Menkawum Ngurra - Halls Creek People's Church Frail Aged Care Hostel ("the Hostel") is a small independent, not-for-profit facility in the remote town of Halls Creek in the East Kimberley region of Western Australia.

The Aged Care Hostel provides residential and respite services to Halls Creek and its surrounding remote Indigenous communities such as Ringers Soak, Mulan, Balgo and Bililluna. The People's Church, through a Board of Directors, oversees the management of the facility which employs approximately 30 staff. The facility has 26 beds and delivers services to care for older, mainly Indigenous people in a culturally appropriate manner. Business activities are dedicated to providing accommodation and quality care to residents who have care needs ranging from low to high levels.

The Hostel experienced significant upheaval with the resignation of the CEO who had been a prominent figure in the organisation for the past 16 years. The Board of Directors requested a Jawun secondee to assist in conducting an organisational review of the Hostel's governance, management and financial arrangements to re-stabilise the organisation and build a solid foundation for the future.

Approach

Jawun recruited a secondee, Holly Holmes from KPMG who had aged care consulting experience. Holly carried out a review of the governance and management structures within the organisation. She also looked at the Hostel's operations including compliance documentation to support the outstanding quality of care provided.

The review highlighted that the Board had been disengaged for quite a while and that the Administrator had limited understanding of his responsibilities. Holly spent considerable time with the Chairman, walking him through issues as they arose, followed by a presentation to the Board with a report outlining four key recommendations:

1. Re-organise governance structures:

This involved strengthening the role of the Board of Directors in order to ensure that they met the specific requirements for achieving the Accreditation Standards.

- **Legally separate the Church and Hostel.** The Hostel and the Halls Creek People's Church were operating under the same entity/incorporation, hence putting the Church's assets at risk if the Hostel became insolvent.
- **Introduce new members onto the Hostel's Board of Directors.** Carry out a board skills audit which would help the Board to identify the gap between the skills and knowledge needed on the Board.
- **Employ an external financial advisor to the Board of Directors.** Employ an external financial advisor with a background in accounting and/or business and who is not a member of the local community. This role would be beneficial to helping the Board fulfil their role and make informed decisions about the Hostel.
- **Develop a Constitution.** The development of a constitution would assist the Board with a framework to provide improved guidance and direction.

- **Develop a strategic plan.** An articulation of the vision for the facility and its goals over the next 3-5 years, actions in order to achieve these priorities and goals and measurement of outcomes and progress.
- **Formalise the structure and activities of the board meetings.** The board meetings were conducted and recorded in an ad hoc and inconsistent manner. It was recommended that the board formalise proceedings including the provision of agendas, minutes and a record of key decisions.

2. Re-align management structure:

It is not uncommon for staff working in remote communities and small organisations to have multiple roles due to the size and availability of staff. To reduce the risks associated with the high dependency on the past CEO, the management structure was revised. Recommendations included employing an external accounting firm to take care of the Hostel's finances and employing a new CEO.

3. Increase Aboriginal employment to support hostel's goal of providing 'culturally appropriate' care.

4. Training a staff member to be an OH&S representative

Following on from Holly's secondment, a second secondee, Lee Rasmussen from the Department of Human Services (Australian Public Service) continued with the project by providing support and transferring skills to the board and CEO to enable them to implement the review recommendations. Key to Lee's approach was building strong relationships with the various stakeholders so that they 'owned' the changes.

Outcomes

There are a number of outcomes that resulted during and following the secondments:

- Two new directors appointed to the board
- The structure and activities of the board meetings were formalised
- The board appointed the current Administrator into the CEO position
- The process of establishing an OH&S committee commenced
- Research conducted into the current legal entity and property ownership details so that CEO and board understood their implications
- A business plan was drafted for the Hostel
- Many contractual details were updated with various government departments
- The board obtained three quotes for outsourcing the finance function to an accounting firm.

"For an organisation such as ours, it is hard to get the level of expertise and knowledge that a Jawun secondee can offer. The ones we have had have been excellent in what they have achieved for us and without them we would not be in such a good position as we are now. Having a dedicated resource like this for four weeks is priceless"

- Chris Loessl Manager/ Registered Nurse, Halls Creek Frail Aged Care

Next Steps

Menkawum Ngurra is now relatively strong in its governance and operational structure. Jawun will maintain engagement with Menkawum Ngurra so that when they are ready to take the next steps, secondees can be made available to them to ensure that the elderly people of Halls Creek are well looked after in a culturally appropriate manner.