



→ 2008 – 2009
ANNUAL REPORT

"a catalyst for management innovation across the Victorian public health system"

VICTORIAN HEALTH SERVICE
management
innovation
COUNCIL



HISTORY

The Victorian Health Service Management Innovation Council (Council) is a Ministerial Advisory Committee created on the recommendation of the 2003 Victorian Public Hospital Governance Reform Panel.

The Council was established to draw together operational expertise to deliver improvements to health service governance and operational management. These improvements are to be achieved through developing system wide priority projects and facilitating collaborative action. Focusing on innovation and change management, the focus of the Council is to develop and lead a program of work targeting system wide improvements in the operational effectiveness and efficiency of public health services.

Currently the role and goals of the Council are specified in a Statement of Strategic Intent and the 2008-09 program plan which sets out objectives, proposed actions and anticipated outcomes and work required to achieve the aspirations articulated in the strategic intent.

In September 2008 the Council endorsed a strategic planning process to develop a three year strategic plan and define a 2009 work plan. The objective was to identify the major priority areas for the Victorian health system and where the Council could make a unique contribution.

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MESSAGE FROM THE CHAIR

It gives me great pleasure to present to you the 2008 – 2009 Victorian Health Service Management Innovation Council Annual Report.

This year represents a time of transition for Council and its Secretariat, however one of Council's strengths is that the work continues irrespective of which individuals participate in Council. This is an opportune time to recognise the achievements of those members no longer serving on Council and my sincere thanks go to Debra Cerasa, Jennifer Williams, Dr Tracey Batten, Brenda Shanahan, Claire Higgins and Professor Graeme Ryan. I also offer my appreciation to those who are continuing and welcome new members.

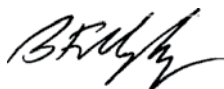
My gratitude also extends to Michelle Noort, Deborah Sykes and Mary Swift for supporting Council so ably and I wish them well in their new endeavours.

In late 2008 Council members participated in a review process that resulted in the development of the 2009 – 2011 Strategic Plan which will guide Council's work for the next three years. It is also an exciting time as Council's role and vision is to be reviewed, which in conjunction with the strategic plan, will strengthen Council's position within the health sector and ensure an effective and strategic body of work. This will be reflected by a greater emphasis upon the implementation of sector wide initiatives, rather than smaller individual projects.

During this transitional period established and new projects will continue to run concurrently while some initiatives, such as the development of the Division 2 Registered Nurse Workforce Toolkit, have concluded.

Increasingly the Council website will provide the platform for showcasing all Council related information including projects, Council members and Secretariat contact details.

I look forward to working with you in the year ahead as we collaborate to achieve the best possible outcomes across the Victorian public health sector.



Dr Brendan Murphy

Chair

Victorian Health Service Management Innovation Council

STRATEGIC INTENT

TOGETHER, WE WILL:

Accelerate service transformations by:

- championing new service models
- supporting and spreading effective management improvement processes
- building an evidence base of best buys.

Work to reduce the barriers by:

- encouraging, supporting and advocating for innovation
- developing system capacity for innovation and sustainability
- enhancing communication avenues
- modifying paradigms.

Advocate for a balance in workforce supply and demand by:

- working collaboratively with the department's workforce and nurse policy branches to test options for role substitution
- manage absenteeism
- increase workforce efficiency.

Contribute to getting the infrastructure right by:

- strengthening appropriate public sector services
- maximising the efficiency of infrastructure expenditure

ACHIEVEMENTS 2008–09

Accelerate service transformations by:

Strategic Intent	Achievements
Focusing upon variation as a lever for spreading best practice	<ul style="list-style-type: none"> → 27 health services participating in the Victorian Health Round Table Benchmarking Group → Second data report distributed to health services May 2009
Championing new service models	<ul style="list-style-type: none"> → Otway Health Report '24/7 We've got it covered!' available via website
Building an evidence base of best buys	<ul style="list-style-type: none"> → Clinical and cost effectiveness study to be undertaken in collaboration with Australian Orthopaedic Association to develop orthopaedic prostheses guidance
Contributing to getting the infrastructure right	<ul style="list-style-type: none"> → Research and develop a cost effective service model for the delivery of pathology services in Victoria → Final report released June 2009 → Proposed introduction of a Statewide Pathology Executive → Tender process for the introduction of a Laboratory Information System to commence

Work to reduce the barriers by:

Strategic Intent	Achievements
Encouraging, supporting and advocating for innovation	<ul style="list-style-type: none"> → Third round of Seeding Grants implemented → 18 projects funded over three rounds
Developing system capacity for innovation and sustainability	<ul style="list-style-type: none"> → Ongoing development and implementation of the Learning Sets model (refer to page 12) → 80 learning set participants over two years → Enhanced Learning Sets endorsed by Council May 2009
Enhancing communication avenues	<ul style="list-style-type: none"> → Website review completed → Council identity and position to be refreshed in 2009
Modifying paradigms	<ul style="list-style-type: none"> → Core component of projects

Advocate for a balance in workforce supply and demand by:

Strategic Intent	Achievements
Creating a supportive environment for new roles and ways of working	<p>Working collaboratively with Service & Workforce Planning and Rural Health Branches to support the:</p> <ul style="list-style-type: none"> → Implementation of Stage 3 Better Skills Best Care → Second cohort of training for a collaborative practice model in rural emergency departments commenced
Increasing workforce productivity	<ul style="list-style-type: none"> → Division 2 Registered Nurse Toolkit available via website. → Review of Building Positive Attendance Victoria project

FUTURE OBJECTIVES AND OUTCOMES

In December 2008 the Council endorsed a strategic planning process to develop a three year strategic plan and define a 2009 work plan. The objective being to identify the major priority areas for the Victorian health system and where the Council could make a unique contribution. The results of the planning process are detailed below.

2011 objectives	2009 anticipated outcomes
Management & clinical leadership development across the sector	Management and clinical leadership framework developed and methodology identified and commenced
Improved operational efficiency and effectiveness	Focus on Variation project: 2 or 3 system wide work areas for improvement identified and projects commenced in 27 health services
Broader and more flexible workforce	To work in collaboration with Service & Workforce Planning Branch and stakeholders to research new workforce models First HR Forum established and first draft of HR strategy developed
A positive and innovative culture	Support provided for Seeding Grants across the health system to promote innovation Effective and fully engaged Council enthusiastic about forward program
Improved management of end of life care	Clinician communication skills to be incorporated into the management and clinical leadership development project
Robust measurement of patient outcomes and experience	Future work - 2010
Increased resource and effort on prevention.	Future work - 2010

Council will achieve its objectives and outcomes utilising the following enablers:



SPOTLIGHT ON MANAGEMENT INNOVATION ACTION LEARNING SETS

“It has been an enlightening year, the learning sets opened a new world for me and I will be forever thankful I was nominated to attend”

This was a comment from a 2008 participant of the Management Innovation Action Learning Sets.

Learning Sets - Why were they created?

Through discussions and consultations with Victorian health service executives, Council identified the need to provide support for middle and project managers charged with innovation and change management. It established a 'management innovation action learning sets' project in 2006 to test the efficacy of learning sets in developing this capacity through the professional development of health service staff. Following the positive evaluation of the learning set methodology, Council agreed to continue to run the learning sets. Increasing the efficacy of individuals through the learning set process is one approach to building a critical mass of capacity for innovation in health service organisations.

What is a learning set?

As their name suggests the learning sets are based on an action learning model which is a dynamic cycle. Participants are encouraged to identify the barriers to their personal and organisational effectiveness in the management of change and innovation in the workplace. These are then discussed in the sets, and the participants then commit to responding to their issues through problem solving and strategic action as agreed with their set peers. Their actions are later reviewed by the set, and lessons and new knowledge noted and discussed in the context of relevant management theory and research around change and innovation.

This process enables participants to establish and maintain ongoing multidisciplinary professional peer support networks for the participants and cross fertilisation of ideas within and across the participating organisations through group learning.

How is management innovation enhanced in learning sets?

- Participants develop leadership behaviours related to initiation: intellectual stimulation, knowledge diffusion, change models, providing vision
- Development of leadership behaviours related to implementation: role modelling, planning, delegating, support for innovation, learning, feedback, rewards, resources (de Jong and Den Hartong 2007)

How do you participate in a learning set?

Invitations to nominate health service managers and project personnel are sent to all Victorian acute and community health services, and have resulted in the involvement of a total of 140 participants across the learning sets, inclusive of 2009. External facilitators were contracted by Council to develop and facilitate the learning sets.

What did participants and their managers say about the learning sets?

The project evaluation demonstrated that the participants enjoyed the process and felt safe within the sets to freely discuss and explore their issues. An increase in the participants' feelings of empowerment over the course of the sets was indicated, with significant differences between the pre-set and post-set questionnaire responses relating to the participants' perceptions of their control, impact and influence in their organisations. The participants' indicated that they had gained an increased understanding of the politics and organisational environment of health services, strengthened their ability to take effective action and added to their 'toolkit' of management and change tools.

They also appreciated the time to reflect on their practice, apply their learning and to gain the support of their learning set colleagues. Overall, these gains resulted in them feeling better equipped to undertake the demands of their role, including change and innovation, and this was reinforced by a sample of their managers a few months after the completion of the sets.

A sample of participant's reflections on the value of the learning sets includes:

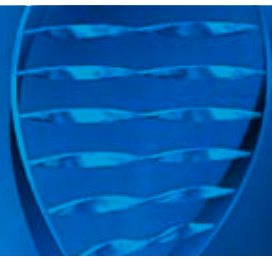
- *"Realising that I am not alone; others have similar problems and there are people I can talk to"*
- *"My learning set experience was positive and I have recommended this approach to my colleagues for membership in 2009. The experience was as positive as I had hoped, facilitated well, confidential and safe environment. Varied experience and skill base within members was very valuable"*

A sample of feedback from participant's managers includes:

- *"His capacity to reflect and take and give feedback has been developed"*
- *"Both participants are more confident in their roles"*
- *"She is more willing to confront difficult staff and difficult situations"*

What were the key themes that emerged from the learning sets?

- Managing people:
- Managing up (getting ideas heard and on the agenda, gaining support from above)
- Managing down (managing poor performance, managing change, communication)
- Managing across (getting the doctors to play, managing sustainable process change)
- Management of change within complex, political environments
 - Issues related to innovation and enhancing practice. Difficult to be innovative with so many management barriers and issues occupying their attention and energy.
 - Broader issues of political context, understanding health care organisations, professional contacts, sourcing information.



What did the 2008 learning set evaluation reveal?

Learning Sets were evaluated at the conclusion of each program. The evaluation of the 2008 learning sets continues to support their original aim. The approach was successful in:

- Equipping participants with a range of strategies to act on challenges of organisational change. This was achieved through the sharing of participants' experience, reference to relevant management theory and the application of strategies for change
- Enhancing the capacity and confidence of the participants to deal with a range of situations using strategic thinking and problem solving skills. Participants reported a significant increase in their own skills in these areas, particularly developing the confidence to engage with their peers and managers in high level strategic thinking
- Establish and maintain ongoing peer support networks and cross fertilisation of ideas within and across the participating organisations. A number of groups are continuing to meet face to face, or are in contact via email. The learning sets forum is also an annual event where past and current set members can network and further develop their learning.

What is Council's plan for the future of the learning sets?

Due to the success of the learning sets they have continued to be funded during 2009. Alumni groups have been formed. Several forums will be held annually, which creates the opportunity for participants to expand their networks, learn from peers, strategise and gain understanding of contemporary issues in health. A new layer will also be introduced for participants from like clinical streams who share common issues. This will ensure shared understanding and learning of how best to innovate around these challenges.

TERMS OF REFERENCE

Background

The Victorian Health Service Management Innovation Council is a ministerial advisory committee created on recommendation from the 2003 Victorian Public Hospital Governance Reform Panel. It was established to draw together the operational expertise to deliver improvements to health service governance and operational management. These improvements will be achieved through developing system-wide priority projects and facilitating collaborative action.

The Council's establishment is an acknowledgement of management innovation as a key plank in providing high quality, cost effective health services to all Victorians.

Function:

Focusing on variation, innovation and change management, the Victorian Health Service Management Innovation Council develops and leads a program of work aimed at achieving significant system-wide improvements in the operational effectiveness and efficiency of public health services.

The Council reports to the Minister for Health. It considers, debates and makes meaningful recommendations to the Department of Human Services Health Executive on innovative approaches to operational efficiency and effectiveness. In addition, individual members champion the various initiatives and decisions of Council.

Responsibilities:

Specifically, the Victorian Health Service Management Innovation Council will work with health services to:

1. Accelerate service transformations by:

- focusing on variation as a lever for spreading best practice
- championing new service models
- building an evidence base of best buys
- contributing to getting the infrastructure right.

2. Work to reduce the barriers by:

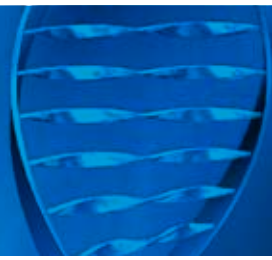
- encouraging, supporting and advocating for innovation
- developing system capacity for innovation and sustainability
- enhancing communication avenues
- modifying paradigms.

3. Advocate for a balance in workforce supply and demand by:

- working collaboratively with the department's workforce and nurse policy branches to test options for role substitution
- manage absenteeism
- increase workforce efficiency.

4. Champion the various initiatives and projects of Council.

5. Develop and oversee an annual program of work.



6. Collaborate with Officers of the DHS to ensure system wide adoption of appropriate DHS initiated projects and reforms.
7. Work within an agreed annual budget to fund projects and initiatives from the annual program of work.
8. Report annually on achievements.
9. Establish ad hoc working groups as required
10. Review the Terms of Reference annually.

Reporting relationships:

The Council reports to the Minister for Health and provides advice to the Department of Human Services Health Executive

Membership:

The members of Council are appointed by the Minister for Health and will comprise the following:

- Three Board Chairs
- Five Chief Executive Officers
- Five clinician managers from varying disciplines
- Two Department of Human Services Executives.

In addition, representatives from key Divisions may attend on a regular basis. However, these attendees have no voting rights.

A Chair will be approved by Cabinet and appointed by the Governor in Council from the membership.

Term of appointment will be for a period of two years, with a limit of three terms

Mid-term vacancies will be filled by invited nominations and an appointment made by the Minister for Health in consultation with the Chairperson.

Meetings:

The Council will meet monthly, with the exception of January.

All members will have one vote and decisions will be taken by a simple majority of the membership.

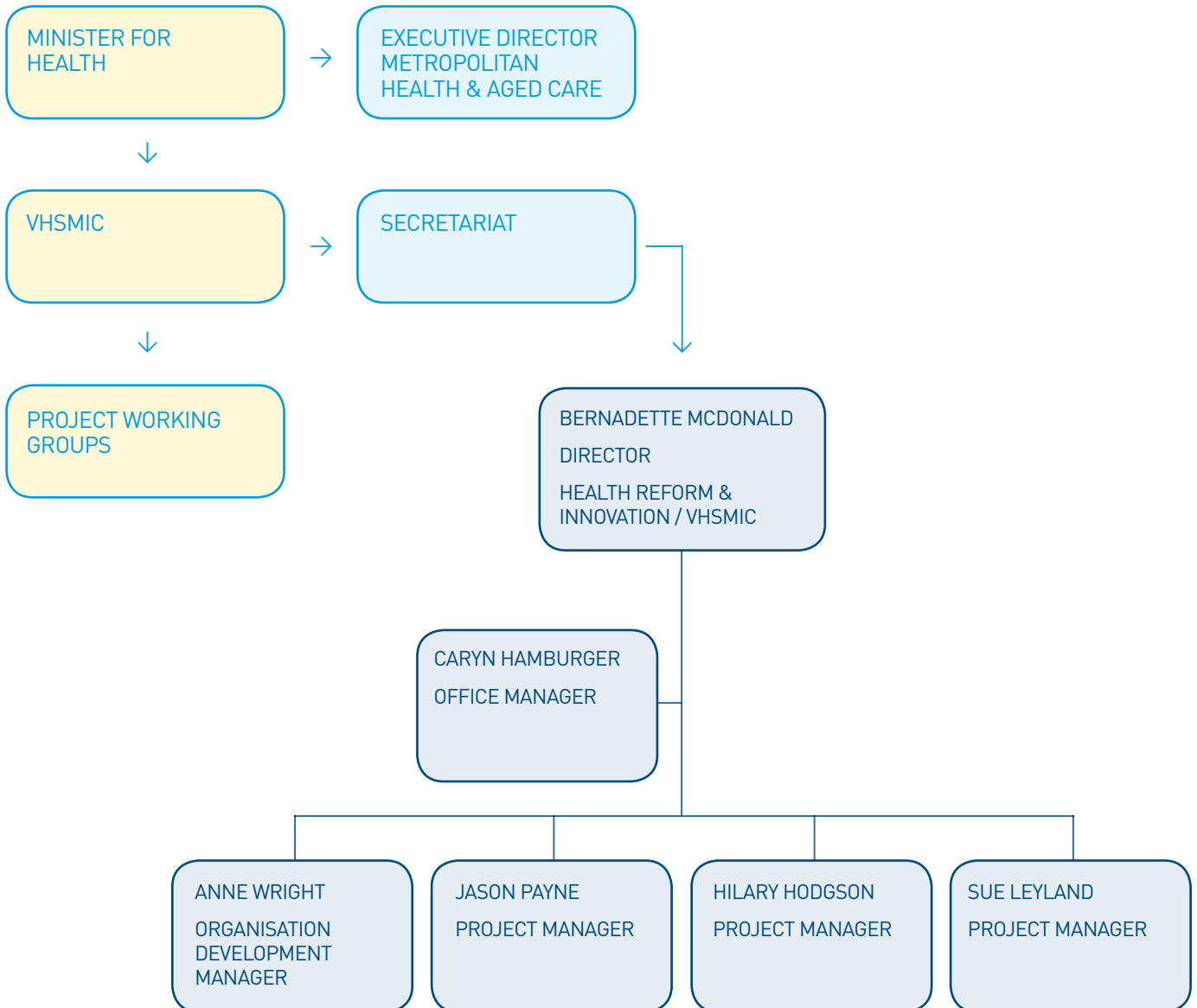
A quorum shall be a simple majority of the membership

There will be no proxy when members cannot attend.

Secretariat:

The Victorian Health Service Management Innovation Council Secretariat will provide the secretariat for the meetings.

GOVERNANCE



COUNCIL MEMBERS

Dr Brendan Murphy

Chief Executive Officer
Austin Health

Brendan commenced as CEO of Austin Health in January 2005. He completed his medical undergraduate training (MB.BS) and Doctor of Philosophy degrees at the University of Melbourne and is a Fellow of the Royal Australasian College of Physicians and of the Australian Institute of Company Directors.



Mr Lance Wallace

Executive Director
Metropolitan Health and Aged Care Services
Department of Human Services

Lance Wallace was appointed Executive Director, Metropolitan Health and Aged Care Services in the Department of Human Services (DHS) in July 2006. Previously, he held positions in the Victorian Government and various corporate services positions within the former Housing and Infrastructure Departments.



Dr Chris Brook

Executive Director
Rural & Regional Health & Aged Care Services
Department of Human Services

Chris is the Executive Director, Rural & Regional Health & Aged Care Services for the Victorian Department of Human Services.

Chris is a member of the Advisory Board of the National Blood Authority; the Jurisdictional Blood Committee; the National Health Development Principal Committee; and chairs the Population Health Information Development Committee. He is an honorary life member of the International Society for Quality in Healthcare (ISQua), and a Fellow of the Victorian Division of the Institute of Public Administration, Australia (IPAA).



Mr Ormond Pearson

Chief Executive Officer
West Gippsland Healthcare Group

Ormond is the Chief Executive Officer of West Gippsland Healthcare Group, Warragul.

Ormond has a Bachelor of Health Science Management and is an Associate Fellow of the Australian College of Health Service Executive (ACHSE), Fellow of the Australian Institute of Company Directors, Fellow of the Australian Institute of Management and a Fellow Professional National Accountant of the National Institute of Accountants.



Ms Nicole Tweddle

Executive Director Strategy Planning & Performance
The Royal Women's Hospital

Nicole Tweddle commenced as Executive Director Strategy & Development in May 2006. She completed her undergraduate training in Physiotherapy (B.Physio (hons)) at the University of Melbourne and began her career at Ballarat Health Services. Nicole has since completed a Master in Health Services Management (MHLthServMt) degree at Monash University.

She is currently President of the Australian Physiotherapy Association (Victorian Branch) and an Associate Fellow of the Australian College of Health Service Executives.



David Anderson

Executive Director Finance
Peninsula Health

David has been Executive Director Finance at Peninsula Health from October 2002. The role encompasses responsibility for all finance functions, as well as payroll, supply, Information Technology, and printing.

He has a Bachelor of Commerce and Master of Commerce (Finance) from the University of Melbourne and is a member of the Australian Health Services Financial Management Association.



Mrs Claire Culley

Divisional Director Surgical Services
Western Health

Claire commenced as the Divisional Director for Surgical Services, Western Health in May 2004. She completed her nursing training in Adelaide and Bachelor of Applied Science at the Canberra University and is a Member of the Royal College of Nurses. Further tertiary studies include a Masters Degree in Health Administration.



Mr Craig Bennett

Chief Executive Officer
Peter MacCallum Cancer Centre

Mr Craig Bennett is a widely experienced executive from the health care sector in Western Australia.

He commenced as chief executive of Perth's Sir Charles Gairdner hospital in 1998 then in 2002 was appointed as area chief executive of the Northern Metropolitan Health Service in Perth.

Mr Bennett is a health economist by training and had held senior management positions in both the private and public health care sectors in Australia and overseas. His particular interests include the understanding of the links between teaching, research and patient care.



Ms Shelly Park

Chief Executive Officer
Southern Health

In 2007 Shelly commenced as Chief Executive at Southern Health, the largest metropolitan health service in Victoria, providing health care services to a population of over 750,000 people.

Prior to her current role Shelly held various executive positions within public and private hospitals in Australia, and in New Zealand. Shelly is also on the Victorian Quality Council and Australian Commission in Safety & Quality in Healthcare.



Dr Bruce Warton

**Chief Medical Officer
Goulburn Valley Health**

Bruce has been Chief Medical Officer at Goulburn Valley Health since 2005. Bruce trained as an obstetrician and gynaecologist and practiced privately and at Monash Medical Centre until transferring to medical administration in Hamilton in 1997. He holds postgraduate qualifications in obstetrics and gynaecology, medical administration, health and medical law and tropical medicine.

Bruce is a member of the DHS Clinical Risk Management Reference Group and a team leader for the Postgraduate Medical Council of Victoria's accreditation teams. He has interests in clinical risk management, quality, medico-legal matters and strategic planning for health.



Mr Dan Weeks

**Chief Executive Officer
Benalla & District Memorial Hospital**

Dan commenced as Chief Executive in 2006. He has extensive healthcare experience, including 10 years as Director of Nursing at Benalla Hospital and was a member of the Nurses Board of Victoria from 2000 – 2006.

With a strong focus on quality of services Dan has been a surveyor with ACHS since 1999 and is a member of the ACHS State Advisory Committee.



Ms Alex Cockram

**Executive Director
NorthWestern Mental Health**

Alex became Executive Director, NorthWestern Melbourne Health (NWMH), based at the Royal Melbourne Hospital, in early 2007.

She completed her RANZCP training in 1995 and has worked in executive health care roles in metropolitan and rural Victoria, as well as New South Wales.

Alex has been a member of many state and national committees and has a strong commitment to psychiatry training. She is also a Surveyor with the Australian Council on Healthcare Standards, the Australian Medical Council and the co-author of a number of academic publications.



Ms Jan Boxall

**Board Chair
Royal Victorian Eye & Ear Hospital**

Jan Boxall was appointed Chair of the Royal Victorian Eye and Ear Hospital in July 2008.

Miss Boxall is an independent legal consultant having been a partner at the national law firm Corrs Chambers Westgarth where she advised clients in the health, property and infrastructure, statutory corporation and government sectors.

She is a director of the Boards of City West Water Ltd, Queen Victoria Market Pty Ltd and the Melbourne Wholesale Fish Market Pty Ltd. Jan is a Fellow of the Australian Institute of Company Directors and is the immediate past Chair of the Cabrini Hospital Group Board.



SECRETARIAT

Bernadette McDonald - Director

Bernadette has worked in the public service and across a range of public and private health care organisations in senior management roles, most recently as Director of Surgical Services at Austin Health. Her nursing background is supplemented by extensive experience in change management, systems and process redesign and executive level operational management within a metropolitan health service.

Bernadette is a 2007 Williamson Fellow and joint recipient of a Victorian Travelling Fellowship looking at innovative models of elective surgery management.

Caryn Hamburger – Office Manager

Caryn has worked in education, media, government and multinational environments in varying positions of administration, executive support and project support over the last 12 years. Caryn started in her role with HSMIC in July 2006.

Anne Wright - Organisation Development Manager

Anne has more than 20 years in the health industry and worked in a variety of roles. These include business process redesign, project management and change management. She has spent the last nine years in organisational development focusing on change management, team development, leadership and management development, facilitation and coaching in strategy, business planning and behavioural change.

More recently, Anne was seconded to the Health Services Management Innovation Council to work on developing leadership and management across the public health sector.

Jason Payne - Project Manager

Jason has been working in the public health sector for over 15 years. He has a clinical background in Nursing and has worked in a broad range of clinical, project management and operational roles. Jason has been seconded to the position of Project Manager, Victorian Health Service Management Innovation Council since March 2009.

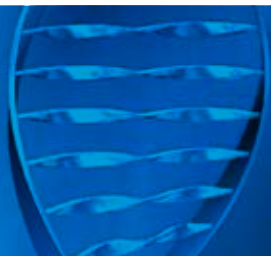
Hilary Hodgson - Project Manager

Hilary has over 20 years experience in the public health sector. She has a clinical background in nursing and has held various clinical and management roles. More recently she has been involved in various projects, including an extensive IT implementation, demand management initiatives as well as other service improvement projects.

She is currently on secondment to DHS for a period of 12 months.

Sue Leyland - Project Manager

Sue has extensive experience in clinical nursing and management roles within the public and private health sectors in Victoria. Since 2006 Sue has worked for the Department of Human Services, originally in Rural Health Branch but more recently as part of the VHSMIC team, supporting Council's work on various initiatives.



CONTACTS

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