



# The value of mission to business

**With the rise of purpose-based for-profit corporations, not-for-profits will need to strongly embed their mission in their culture and marketing to stand out from the crowd, writes HELEN ATTRILL.**

Checking email, updating Facebook, LinkedIn or other social media status. Searching for information via an online search engine. Researching a purchase, assignment or paper on the web. Connecting with a friend, colleague or business via internet telephony, online chat or web capture. In the last 24 hours, most of us would have done one or more of the above. How much and the extent to which we did any of these five simple tasks probably makes up much more of our average day than it did five or 10 years ago.



Helen Attrill

A short animated video called *Life on demand: A possible tomorrow* by Age Lab, a multidisciplinary research program, captured a hypothetical day in the life of a US elder. The video showcases the range of technology and disruptive business models that an older person might use in a day, replacing existing formal services. In this scenario, a typical day includes using services such as Uber for transport, Task Rabbit for home repairs and Blue Apron for delivered meals, as well as devices such as remote sensors for falls detection and wearable technologies.

## CUSTOMERS DRIVING CHANGE

Consumers will increasingly be interacting with colleagues, peers, services and businesses differently because of the evolving digital marketplace. This reality is turning us all into 'nonstop customers' to which businesses, including aged care, must respond.

This simple snapshot provides some insights into the reasons behind the transformation of aged care and social services. If we extend this example, as the Massachusetts Institute of Technology Age Lab has done, and begin to imagine what impact this technology will have on the lives of older people we will begin to see how and why change in the sector is necessary.

A nonstop customer is one who is comfortable in the digital marketplace and whose journey to purchase is no longer linear but involves multiple channels of evaluation, re-evaluation and enquiry.

So while the Age Lab example might seem a bit farfetched or only available to the economically secure older Australian, the availability of these services will change the landscape of aged care and social services.

## THE REFORM HORIZON

Significant change being driven at the policy level is reforming the way governments fund and contract for services to better reflect a consumer-driven marketplace.

The primary objective of this reform is to ensure the long-term sustainability of services to the community in the face of finite government resources.

The aged care sector is poised to operate in an environment that is closer to a free market model with greater deregulation through changes in government policy. The

Federal Government has already announced the planned removal of the Aged Care Approvals Round for home care packages from February 2017.

Many organisations have seen the writing on the wall and have begun to get ready for a more open marketplace for aged care and caring.

As a result, we are already seeing new models and players enter the marketplace, as well as market exits. These have also been highlighted as some of the key trends to watch.

- Examples include:
- Disruptive models such as web platforms Better Caring, Find A Carer and CareSeekers, which provide an independent care and support worker network for hire similar in concept to the US tech startups HomeHero and Honor.
  - Providers with diversified product offerings such as wellness centres and onsite GP clinics.
  - Mergers, consolidations and IPO activity.

**“Purpose is being seen as the new genetic code for business.”**

Historically, the not-for-profit sector has dominated in the delivery of aged care services across Australia. These organisations are committed to investing their surplus to achieving their mission and returning broader societal benefits. These commitments enable them to seek various taxation benefits.

Many are predicting the balance in the aged care sector is set to be tipped in favour of for-profit providers and that is almost inevitable. They point to the US, UK and NZ experience as evidence to support this argument.

## WHAT DEFINES US ALSO DIVIDES US

The polemics of the for-profit and not-for-profit debate are well-rehearsed across a range of sectors and industries. Depending on where you sit in the debate you will examine the issue from differing viewpoints.

Not-for-profit providers are seen as enjoying a competitive advantage – tax benefits – over their for-profit counterparts. On the other hand, for-profit providers are characterised as focusing

on achieving profit through driving costs down which may impact negatively on service quality.

In a recent journal article titled *Residential Aged Care Policy in Australia – are we learning from evidence?* Richard Baldwin and colleagues concluded that a short review of the international literature suggests “there are differences in outcomes for residents between services operated by not-for-profits and for-profit providers (not-for-profit providers deliver higher quality of care)...” However, the authors did caution that “Australia has a different structural pattern to other countries which may limit comparability.” While neither argument has been tested in Australia they remain embedded in the polemic. It is likely this debate will continue with the reform agenda and this will hurt all aged care providers.

It represents a level of navel-gazing and discourse which, while of interest to service providers, does not have resonance with consumers. What we should be focussing on, and putting our



## Difficulty navigating the Aged Care minefield?

Our fully integrated suite of software is compliant with the latest legislation and can help you plot your way through.

- ✓ Stable, reliable and cost effective
- ✓ Fully backed up with support desk and training
- ✓ AIM is 'hands on' using its own software daily, providing payroll bureau and fully outsourced financial management Services
- ✓ Community Care module is CDC compliant
- ✓ Our clients benefit from our knowledge of the industry and the commitment to develop ongoing practical solutions

**To find out how AIM can help chart your next course**



**Call sales**  
03 9264 8700



**Email us**  
sales@aimsoftware.com.au



**Visit us**  
www.aimsoftware.com.au



33/41-49 Norcal Rd  
Nunawading 3131