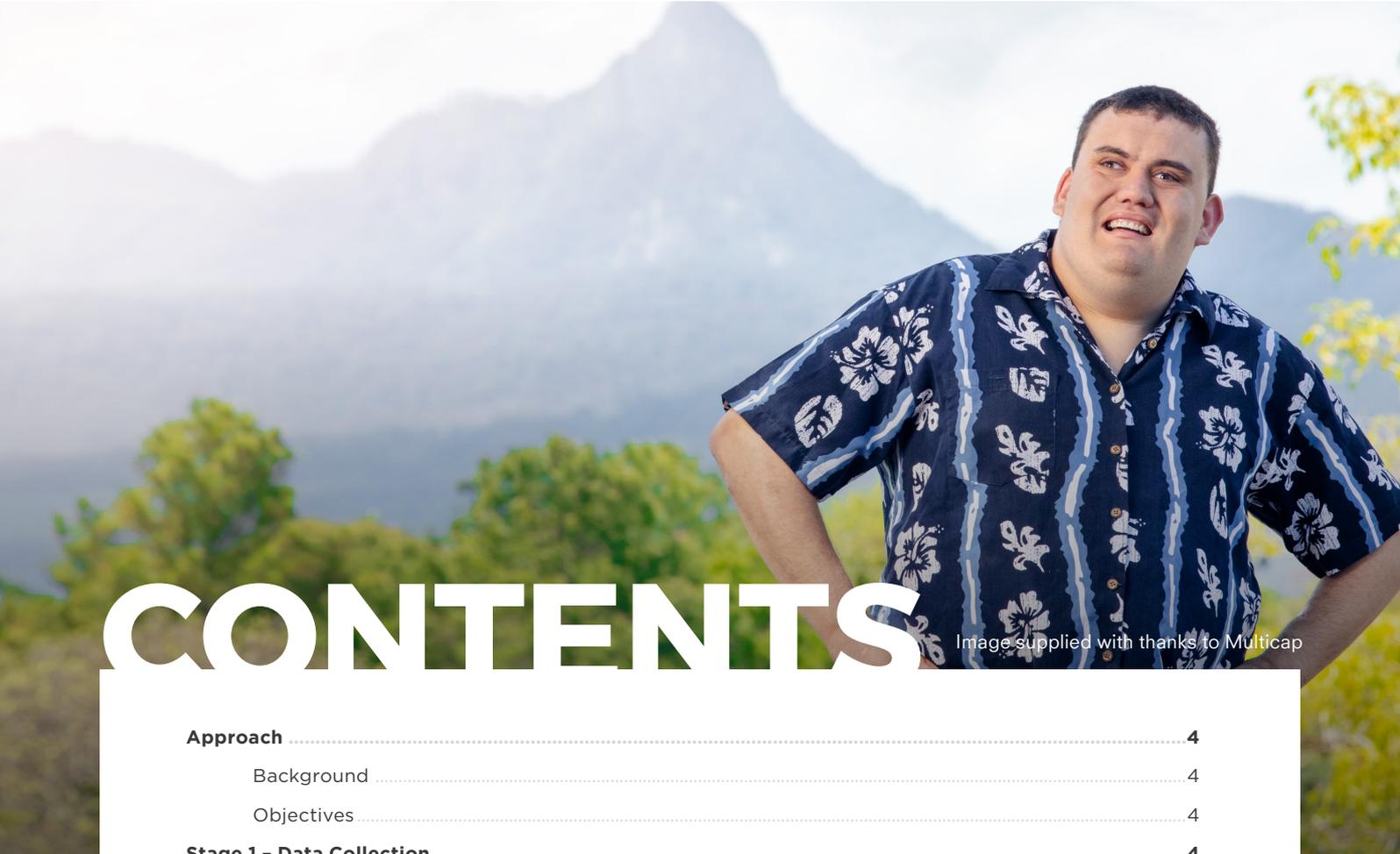




ORGANISATIONAL DESIGN **REPORT**

Frontline Leadership Role Clarity Project

A pathway to attracting, retaining, and growing a skilled workforce.



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Ability First Australia is undertaking a project that defines the role, competencies, and capabilities of the Frontline Leader. Spread over 4 stages, and scheduled for completion by June 2021, we anticipate this project will have a profound impact on the long-term viability of the NDIS: facilitating career pathways, informing recruitment practices, and increasing capacity for leaders to be successful in their roles.

Funded by the Australian Government Department of Social Services. Visit www.dss.gov.au for more information.

The introduction of the National Disability Insurance Scheme (NDIS) has brought significant change to providers, workers and participants in the disability sector. As part of these changes, the roles and responsibilities for the Frontline Leader and many other positions in provider organisations have changed considerably. Frontline Leaders are essentially staff in a provider organisation who directly manage/lead the delivery of services by Disability Support Workers (DSW's) and associated frontline staff.

Ability First Australia (Ability First) and its members believe that investment in Frontline Leadership is crucial to the long-term viability and success of the NDIS. In 2019, Ability First was funded through the Department of Social Services' NDIS Jobs and Market Fund to undertake a project to define the role, capacity and capabilities of the Frontline Leader to inform organisation and job design, recruitment practices and training methodology. The project has four stages and will be completed by June 2021.

THE FIRST STAGE of the project documented the "Current State" role for the Frontline Leader. The findings from Stage 1 have been published on the [Ability First website](#):

- Project background
- Participant views of the Frontline Leader role
- Typical Frontline Leader tasks
- Frontline Leaders views on how their future roles
- Generic position description for the current Frontline Leader

THE SECOND STAGE of the project included development of a series of documents and tools:

- Position Description for the future Frontline Leader roles
- Capability Leadership Framework
- Capability gaps analysis method
- Organisational designs
- Impact of span of control on Frontline Leader costs
- Participant views on Frontline Leader competencies

THE THIRD STAGE of this project will focus on developing a series of online tools as well as a career and training framework for Frontline Leaders. These tools will be tested by a number of providers before they are publicly released as part of Stage Four. A series of resources will be published on the Ability First website throughout the life of the project.

Approach

Background

As part of the transition to the NDIS, the roles and responsibilities for many positions in service provider organisations have changed, and this has included increased responsibilities for the FLL. The FLL interacts with NDIS participants and their support team to plan and manage the delivery of services to meet participant expectations. They also manage the team of frontline workers (FLW) who deliver these services.

The design of roles and the organisational structure that supports operations directly impacts the cost and quality of service delivery and as well as the retention of a skilled workforce. Given that change continues to be occurring in the NDIS environment then providers need to employ organisational designs that support sustainability, workforce retention and growth, safe and high-quality service delivery while maintaining a focus on their participants. The preliminary review of organisational structures has shown that providers are experimenting with flatter organisational structures as well as distributing responsibilities so FLL's can remain focussed on the needs and performance of their staff.



Objectives

One of the key components of the project is to develop a range of organisation design options focussed on the FLL. These designs reflect automation opportunities, span of control and areas where functions / activities can be reallocated. The following process was adopted for this work:

- 1 Consult with project working group on approach and span of control variables
- 2 Assess span of control variables based on services, provider size and location
- 3 Identify any functions to be reallocated from the FLL
- 4 Document Organisational Design options and review with the project working group
- 5 Finalise Organisational Design Report

Stage 1 - Data Collection

Data Sources

A current state review (stage one) was completed to inform the development of the optimal future state. The current stage review included:

- Identifying changes in the FLL role since the NDIS has rolled out.
- Defining the role of the current FLL.
- Identifying the percentage of time spent by FLL's on each major activity.
- Gathering the views of FLL's on the future FLL role.
- Reviewing the Ability Roundtable data on Span of Control and Workforce mix; and
- Gathering the views of participants, using the Ability Forum, on the engagements with FLL's and map this to the customer journey.

This data was collected using the following modes of engagement

- Ability First Roundtable data from SIL and TTP benchmarking
- Ability Forum - Ability First Australia's online consumer panel for people with disability and carers (engagement with customers using the online Ability Forum which identified key touch points for FLL on the customer journey)
- Workshops with FFL and management across a number of providers
- Collection of data for the Day in the Life of and Week in the Life of FLL's.

Service providers also supplied various documents to inform the review of current organisational structures, including organisation charts, service reviews, growth strategy and employee list.

Workshops

A total of twelve workshops were held with FLL's and People and Culture staff from providers. The workshops were undertaken in New South Wales, Victoria, Queensland, Western Australia and South Australia. More than 100 staff participated in the workshops and they represented different service lines, but they were all were leaders of FLW's or people and culture staff. The FLL's who participated in the workshops were located in urban, regional and remote areas of Australia. The workshops included questions designed around 5 themes for the changes.

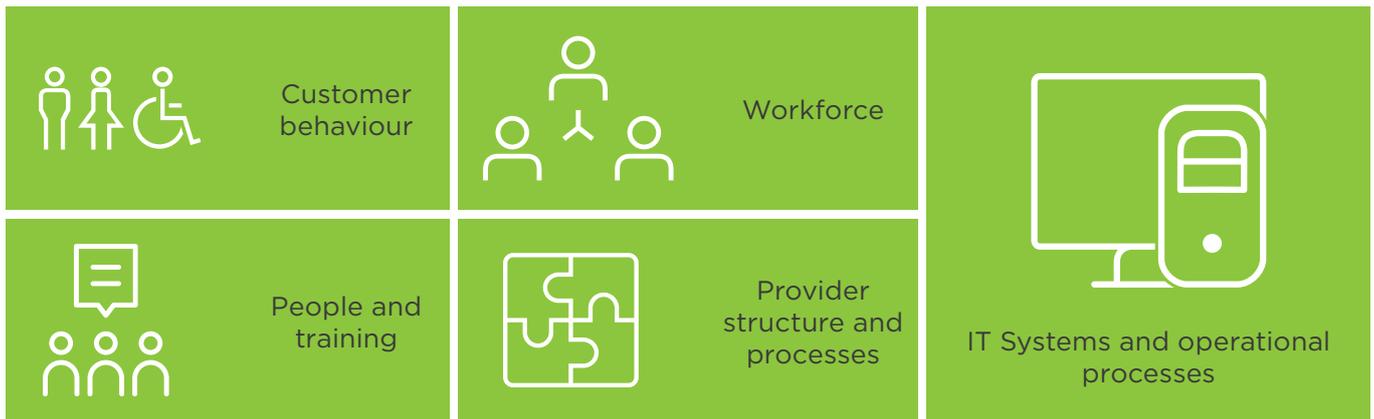


Figure 1: Five Themes for Change from Workshops

Frontline Leader Viewpoint

The data collected has been analysed to identify consistent themes of feedback about the current organisational structure and how it should be changed to improve service deliverables as well as closer alignment to the NDIS Pricing Model. The following list includes the most frequently occurring viewpoints from FLL’s.

- Role of the FLL has expanded significantly with no reduction in other activities
- FLL are required to complete a higher level of administrative tasks while also trying to support the frontline workers to keep up with NDIS changes
- Skill level required for FLL is now higher than before – role appears to now have a business focused approach, for example: budget, marketing, people management, customer acquisition.
- Need for more support in administrative tasks to enable greater focus on key responsibilities
- Need to allow more time for training and performance management of FLW’s.
- FLL feel as though they do not have enough time for their employees as they are too stretched with their other responsibilities.
- Centralised services do not always reduce the burden of workload to the FLL. E.g. Centralised rostering services that may not be effective. The FLL is required to step in to address problems with incorrect staffing numbers, missed shifts and emergency rostering (rostering changes that occur outside of business hours).
- Reducing the span of control would also be very beneficial for the provider and FLL, however FLL’s recognise this may not be a financially viable option for providers.
- Streamlining of processes, support by reallocating administrative activity or training will help reduce their workloads.

Customer Feedback

The responses to the Ability Forum survey have highlighted that FLL’s are a critical part of the provider service delivery team, and that there are several capabilities required. The capabilities required for staff are pivotal when reviewing organisational design, particularly during times of transition and change. As the customer is the central focus of all disability service providers, it is vital to take into consideration the areas they deem necessary for an optimal customer journey.

The capabilities required as per customer feedback are as follows:

- A detailed knowledge of the NDIS and services provided to participants.
- Knowledge and the ability to construct a set of services that are affordable within the financial constraints of participant packages.
- The ability to identify and negotiate solutions to service delivery and other issues raised by participants.
- The ability to review the quality of services delivered and to develop and implement improvements that will improve quality.
- Detailed knowledge of the services provided by their provider and the capabilities of staff in delivery of services to participants with complex needs.
- Excellent communication skills, and the ability to adapt these to the participant and situation.
- The ability to build a trusted relationship with participants and their carers/family.
- Focus on participants with a desire to deliver improved service value and outcomes.
- Good written and spoken communication skills.
- The ability to build a relationship with participants when the interactions are infrequent.



Organisation Design feedback from Frontline Leader and People and Culture teams

The online workshops with FLL's and their managers suggested that the organisational design work needed to address the following:

CURRENT STRUCTURE:

- Need for increased administration support or simplified processes
- FLL's and Supervisors do not always have enough time for developing and managing their staff
- The organisational structures are often too flat just above and below the level of FLL's
- Administrative processes are not always efficient
- Organisational structures do not always reflect the changes that have occurred in FLL roles.

PREFERRED STRUCTURE

- Introduce supervisor/team leader role to provide another layer of management and support in people management
- Sufficient resources allocated to enable professional development for staff
- People management needs to be more prominent to lift the engagement of DSW's
- Review the role of the FLL and map new capabilities required
- Design job descriptions to accurately reflect the new role of FLL's (both team leader and team coordinator levels)

Stage 2 - Benchmark Organisational Structure

In benchmarking a generic organisational structure, the project team researched current organisational structures across a number of provider organisations both nationally and internationally. This section details the data used in determining span of control options for disability service providers.

Span of Control

Span of control refers to how relations are structured between leaders and subordinates in an organisation. A wide span of control exists when a manager oversees many subordinates; a narrow span of control exists when a manager oversees few subordinates. There is no correct 'one size fits all' span of control. The appropriate span will depend on a range of factors such as the nature and variability of the work, skills of staff and the location of staff.

For the purpose of this report, research was centred around community service and health care organisations, where evidence clearly indicates that the FLL plays a critical role in the delivery of services to clients.

In addition, the current variability in spans of control across the disability sector is likely to reflect intentional differences in work distribution and processes. As complexity and risk increase, the number of staff being supervised should decrease. When a span is too wide, upper management is not connected to frontline issues, which can create increased stress at manager-level due to excessive workload, reduced opportunities for continuous one-on-one performance feedback, and potential for greater need for administration assistants and centralised support services.

Furthermore, when providing recommendations on an appropriate and optimal span of control, it is important to note the casualization and increased number of part time staff in the workforce. This leads to a higher head count of staff requiring supervision as more staff are required to deliver the same number of hours, and each requires supervision. Thus, twice or sometimes three times as much supervision could be required for casual and part time staff over full-time employees.

To support a review into current practice and to improve the capabilities and capacity of FLL's in the disability sector, the project is providing three options for span of control. These are based on the past funding model (NDIS Cost Model for Disability Support Workers June 2019), the current funding model (NDIS Cost Model for Disability Support Workers July 2020) and a third option based on a "best practice approach" from similar industry sectors.

VARIABILITY IN SPAN OF CONTROL

The Ability Roundtable data has highlighted that the span of control for organisations varies between 7 to 28 (FTE) with an average of 11.5 (FTE) and between 4:1 to 90:1 (head count) with an average of 29 (Headcount). When the span of control is analysed for organisations above and below 400 staff headcount there are noticeable differences.

Investigation into the role of the FLL since the implementation of NDIS has demonstrated that supervisory tasks consume a major proportion of the FLL workload. The Stage 1 analysis of FLL tasks shows that the percentage of time allocated to supervision related activities is approximately 85-90% of the available hours for a FLL.

FLL's undertake several roles in the workplace. They are essential in managing a team's efficiency and building a positive team environment, but the specifics of these tasks can vary based on the organisation. The following list of supervisory tasks was constructed on information obtained through numerous workshops, interviews and forums with providers.

The supervisory responsibilities of a FLL often include:

1 MANAGING WORKFLOW

One of the FLL's most important responsibilities is managing a team. Often, FLL's create and oversee their team's workflow, or the tasks required to complete a job. They must define goals, communicate objectives, and monitor team performance.

2 TRAINING NEW HIRES

When a new employee joins the team, the FLL helps them understand their role and support them during their transition. In some organisations this includes providing workplace orientation and explaining company policies or job duties. The FLL may manage all onboarding activities, or they may work with the human resources department to make sure the new hire receives the guidance and information they need.

3 CREATING AND MANAGING TEAM SCHEDULES

All data gathered to date suggests that DSWs work in shifts, with supervisors usually responsible for creating, or reviewing, schedules. Managing employee schedules also means being flexible and prepared when employees need to make changes, such as requesting a day off, calling in sick or handling a family emergency.

4 REPORTING TO HR AND SENIOR MANAGEMENT

FLL's are often responsible for reporting team and individual performance to human resources and senior management. They are also often required to evaluate each member of their team and record employee punctuality, performance on goals, professionalism, disciplinary issues, and adherence to company policies. FLL's may also be required to develop and administer performance improvement plans.

5 EVALUATING PERFORMANCE AND PROVIDING FEEDBACK

FLL's are often tasked with developing or executing employee feedback and recognition programs. This responsibility might include setting employee and team goals and choosing appropriate rewards for achievements. Time should also be allocated to provide both positive and constructive feedback to the team.

6 HELPING TO RESOLVE EMPLOYEE ISSUES AND DISPUTES

When employees are unhappy with their workplace experience, FLL's are typically the first point of call before speaking with HR. FLL's must use active listening skills to understand employee complaints and to work with them to reach a solution where possible. If a DSW complains that another employee or member of management has violated company policies, the FLL will likely need to report the issue to HR for an investigation. In the case of minor disagreements between employees, FLL's may act as mediators and help the two parties come to a resolution.

NDIS FUNDING FOR FLL'S

The NDIS embeds a supervision allowance into each billable hour that a DSW provides to participants, and this offsets the costs for FLL's. The NDIS Cost Model for Disability Support Workers released June 2019 provides an insight into how the supervision allowance has been established.



"The CM recognises that DSWs require support and supervision and assumes that supervisors have the same shift loadings, leave entitlements and salary on-costs as the workers they manage, and that higher skilled workers require higher skilled supervisors. The CM also assumes a span of control (ratio of workers per supervisor) of 11 to 1."

NDIS Cost Model for Disability Support Workers June 2019, Section 2.6 Pg. 9.

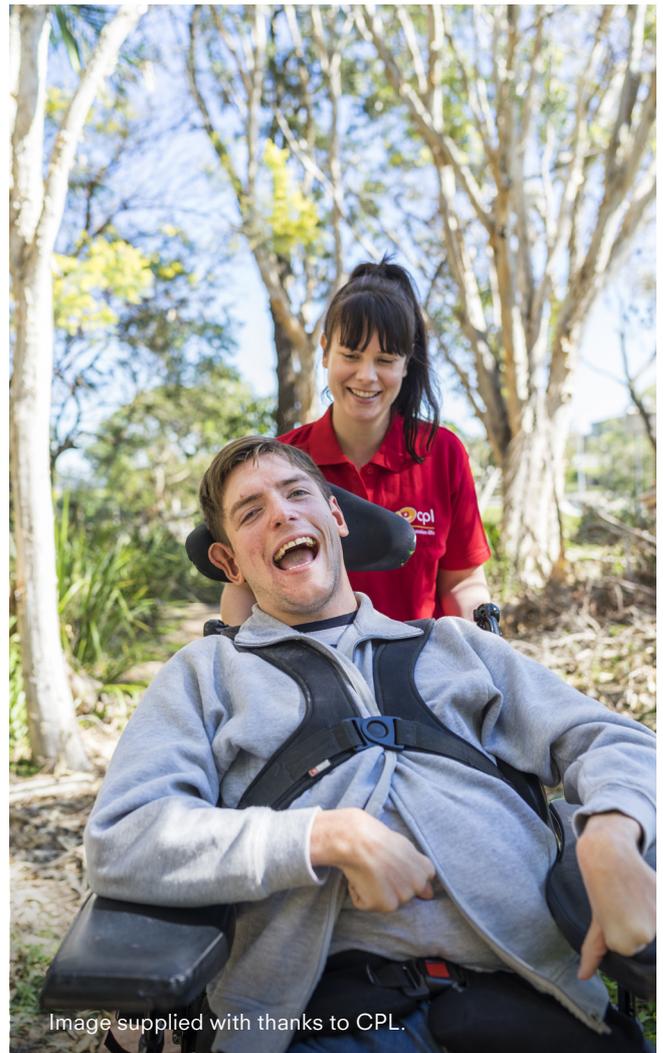


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The National Disability Insurance Agency (NDIA)

continually monitors and reviews its price control framework to establish whether the provided funding remains appropriate for Disability Service Providers. As such the Annual Pricing Review 2020-21 identified that most providers indicated that the current supervision ratio (span of control) in the current model was too high and did not match the actual span of control in the majority of organisations. The report continued by examining the Temporary Transformation Payment Benchmarking Survey results and determined, based on an analysis of submissions received, that the efficient 25th percentile estimate of span of control sits at a ratio of 15:1. The Annual Pricing Review 2020-21 then recommended that the span of control be increased to 15 (from the previous span of control which is set at 11).

The Cost Model for Disability Support Workers July 2020 adopted the span of control recommendations of the Annual Pricing Review 2020-21. This has effectively reduced the supervision allowance available for FLL's. It also has increased financial pressures for providers who were staffing their FLL's at 11:1 as there are fewer FLL's now funded.



Image supplied with thanks to Northcott.

SPAN OF CONTROL - BEST PRACTICE FROM SIMILAR INDUSTRY SECTORS

To support the design and reporting of best practice organisation design models an informal literature review of publicly available research was conducted. Investigation focussed heavily on Australian Government Agencies (federal and state) and the disability and community service sector. The literature identified six factors as being integral elements in an optimal span of control:

- similarity and complexity of functions,
- geographic proximity,
- direction in control,
- degree of coordination required and
- complexity of planning for the work.

The impact of span of control has variously affected delivery of services to clients and the community. Negative effects of a large span of control include changes in communication patterns and increases in the number of interactions a manager must undertake (Pabst 1993). The effectiveness of FLL's can be reduced, resulting in decreased job satisfaction for both DSW's and FLL's as well as increased turnover rates. Research also discusses span of control and its correlation to safety issues and quality of service suggesting that a large work group impedes the leader's ability to support the competencies of employees and the required safety management and quality control.



One article that is commonly referred to (both in Government and non-Government agencies) is that of the *Society for Human Resource Management (2013) Span of Control: What factors should determine how many direct reports a manager has?*

The article notes that although no perfect ratio likely exists, span of control is critical in understanding organisational design and the behaviours within an organisation, such as the approach used to interact with employees and the effectiveness of communication between each level within an organisation. Therefore, many factors will need to be evaluated before determining the best ratio within an organisation.



Some key factors to review when determining the appropriate span of control within an organisation include the following:

1 Organisational size

Large organisations tend to have a narrow span of control, whereas smaller organisations often have a wider span of control. This difference is usually due to the costs involved with more managers and the financial resources available to an organisation. Communication may be slower with narrow spans if it must pass through several levels of management.

2 Workforce skill level

The complexity or simplicity of the tasks performed by the employees will affect the number of desirable direct reports. Generally, routine tasks involving repetition will require less supervisory control of a manager, allowing a wider span of control, whereas complex tasks or dynamic workplace conditions may be best suited for a narrower span of control, where managers can provide more individualised attention.

3 Organisational culture

Organisations need to determine the desired culture when designing their span of control. Flexible workplaces usually have a wider span of control because employees are given more autonomy and flexibility in the production of their work.

4 Manager's responsibilities

Review whether the organisational expectations allow the managers to be effective with the number of direct reports they have, especially related to individual responsibilities, departmental planning and training. For instance, executives often have fewer direct reports than other managers in the organisation.

CURRENT ORGANISATIONAL LANDSCAPE

In order to determine a generic best practice span of control model for Disability providers, the project has reviewed each of the above four key factors, using information gathered from workshops with FLW's, FLL's and human resource staff across a number of organisations. The team included 14 organisations of differing size, culture and service delivery, however we had to make a number of assumptions when developing the recommendations. When determining the span of control for the FLL and FLW roles, the impact of Workforce Skill Level and Managers responsibilities weighted more heavily than that of Organisational Size and Organisation Culture (both factors that vary considerably across provider organisations).

The current skill level of frontline workers and FLL's suggests that a narrower span of control would be beneficial to support more individualised attention to FLW's. The level of responsibilities attributed to FLL's has also significantly increased with the introduction of the NDIS, resulting in managers who are also currently in need of additional support to perform their functions effectively, further strengthening the requirement of a narrow span of control.

Another document commonly referred to in the Australia Public Sector when reviewing span of control is the *National Commission of Audit (NCOA), Australian Government (2013) Spans of control within Commonwealth government agencies*. The Australian Government has released the Phase One and Phase Two Reports of the National Commission of Audit - Towards Responsible Government which included a series of recommendations.

The NCOA relied on work undertaken by the Boston Consulting Group (BCG). BCG has developed best practice span of control target ranges for different public sector functions. These ranges are based on organisational de layering analysis and projects conducted with various public sector organisations around the world, including a number of Australian government departments and agencies at both the Commonwealth and State levels.

BCG determined best practice spans of control target ranges for different public sector functions, and these were:

- 5-8 staff for policy and research functions
- 8-10 staff for service delivery functions
- 7-9 staff for regulation and compliance functions
- 6-12 staff for specialist functions.

The roles of the FLW and FLL, as determined by the BCG report, fall under the category of Service Delivery Functions with a best practice span of control proposed at a ratio of 8-10 staff per supervisor. The report does however recommend that during a period of change a narrower span of control supports the development and change journey of the organisation. Given the NDIS has brought considerable change to provider organisations and their staff it is recommended that the best practice span of control for FLL's in disability services providing service delivery functions should be 7:1. It is recognised that this span of control is considerably narrower than is currently funded or is currently found in most organisations.



Image supplied with thanks to Northcott.

Stage 3 - Organisational Design Principles

Based on our research, data collections and funding requirements the following design principles for the review of the organisational structure have been adopted:

CUSTOMER FOCUS

Maintain customer focus at all life-cycle stages. (What does the customer need rather than what can the organisation offer.)

QUALITY OF SERVICE DELIVERY

Organisational structure to be designed to ensure highest possible quality of service delivery to clients with appropriate workforce modelling (staffing numbers) to meet demand.

COST-EFFICIENCY

Implement an organisational structure focused on the role of the FLL that creates cost-efficiency where possible.

STRUCTURE

Review layers of organisational structure between the FLL and the customer (increase use of coordinator roles where possible to reduce burden on team leader roles).

TEAM BASED

Encourage a sense of belonging through an ideal team size. This gives people managers sufficient opportunity to use skills as a manager, breadth of challenge, and team members adequate support and guidance from their manager and co-workers.

SINGLE REPORTING LINE

Ensure clarity of reporting line, i.e. no dual reporting lines if both team leader and team coordinator roles are utilised.

FRONTLINE LEADER FOCUS

The scope of the provided organisational designs is focused on the role of the FLL and those they report to and who report to them.

Stage 4 - Possible Organisational Structures for the frontline workforce

Based on the data gathered, research and design principles, three design options have been developed. It should be noted that these designs will need to be tailored based on each individual organisation's requirements.

Organisational Structure for the frontline workforce

Taking into consideration considerable feedback about the lack of time managers to support their team members, it is critical to reduce the team size to that which is manageable. When the number exceeds best practice of seven (7) reports then consideration needs to be given to the appointment of another leader (reporting to the Team Coordinator). This allows managers the time to develop, performance manage, communicate with, and motivate their team members while also balancing their other accountabilities. By utilising an optimal span of control, the FLL's capacity to interact with customers, as identified in the importance of the Customer Journey, is increased, whilst also enabling them to monitor and improve the quality of services delivered by the DSW.

In developing a generic organisation design, two proposed position classifications were developed: Team Leader and Team Coordinator. These levels align with the Social, Community, Home Care and Disability Services Industry Award (SCHADS) 2010 classifications of a Social and community services employee level 4 and 5.

The two possible levels of management for FLL's are included below.

1 ONE SUPERVISION LAYER - TEAM LEADER (OR EQUIVALENT)

Resounding feedback and evidence support the inclusion of a supervisor level position focused on service and line management of FLW's for all organisations. A group of Team Leaders will then report to a manager.

The core responsibilities of the Team leader position are focussed on service delivery and they:

- Are accountable for lower classified staff (including volunteers and students where applicable)
- Undertake frontline service delivery when required
- Undertake planning of operational activities
- Are the first point of contact with customers when issues arise

2 TWO SUPERVISION LAYERS - TEAM COORDINATOR (OR EQUIVALENT) AND TEAM LEADERS

Based on feedback received and the design principles, the recommended structure is a Team Coordinator for each team supported by Team Leaders, reporting to a manager who has multiple Team Coordinators reporting to them.

The Team Coordinator will be primarily responsible for:

- Team leadership and development of frontline workers and Team Leader
- Developing, implementing and monitoring service delivery plan for all services at their location in alignment with the overall service delivery plan and strategic plan
- Financial outcomes managed, monitored and achieved
- Customer acquisition and community engagement/ stakeholder management

The administrative burden on team coordinators could be reduced by removing some of the administrative tasks and re-distributing them across the organisation.

This could include (but is not limited to):

- Finance (and budget management)
- Marketing activities
- Complaints Management
- Scheduling of rosters
- Recruitment activities

There may be good reason to reallocate the complaints management processes in order to ensure that these are transparent and are managed consistently, similarly recruitment may be split into two or more stages, and the Team Coordinator only involved in the interviews and selection. The decision on reallocation will clearly depend on decisions being made by each organisation.

The project team have already seen some organisations retain these tasks at the coordinator level by employing a dedicated Service Support Officer position appointed to support either regions or service provisions (e.g. Service Support Officer, or In-Home Care Service Support Officer).

SERVICE SUPPORT OFFICER (SSO)

Ideally, they could have responsibility for:

- Customer service administration
- Intake
- Therapy assistance
- Scheduling
- Phone enquiries
- Venue/facilities management

If the option of a Service Support Officer role is not financially or organisationally viable, it is recommended that the administrative functions listed above be considered for reallocation to a central support service within the organisation.

Applying Span of Control Options to Organisation Design

To facilitate generic organisation design options across a wide scope of disability service providers this report will map three organisation sizes.

Considerations:

- Span of control is based on FLL's as a whole FTE and are therefore rounded up or down to the nearest whole number.
- The 2019 funding model funded for a span of control of 11. The current funding model funds for a span of control of 15 and best practice is a span of control of 7.
- Impact of span of control changes increases exponentially with increase in staffing numbers.
- Organisational design options are centred around the role of the FLL.
- Due to the cost implications of adapting new span of control ratios organisations should consider all supportive functions external to the FLL when considering any changes.

Organisation 1: 850 Frontline workers.

- Previous funding model of 11:1 requires 77 FLL's
- Current funding model of 15:1 requires 57 FLL's
- Best Practice model of 7:1 requires 121 FLL's

Organisation 2: 60 Frontline workers.

- Previous funding model of 11:1 requires 6 FLL's
- Current funding model of 15:1 requires 4 FLL's
- Best Practice model of 7:1 requires 9 FLL's

Organisation 3: 3000 Frontline workers.

- Previous funding model of 11:1 requires 272 FLL's
- Current funding model of 15:1 requires 200 FLL's
- Best Practice model of 7:1 requires 429 FLL's

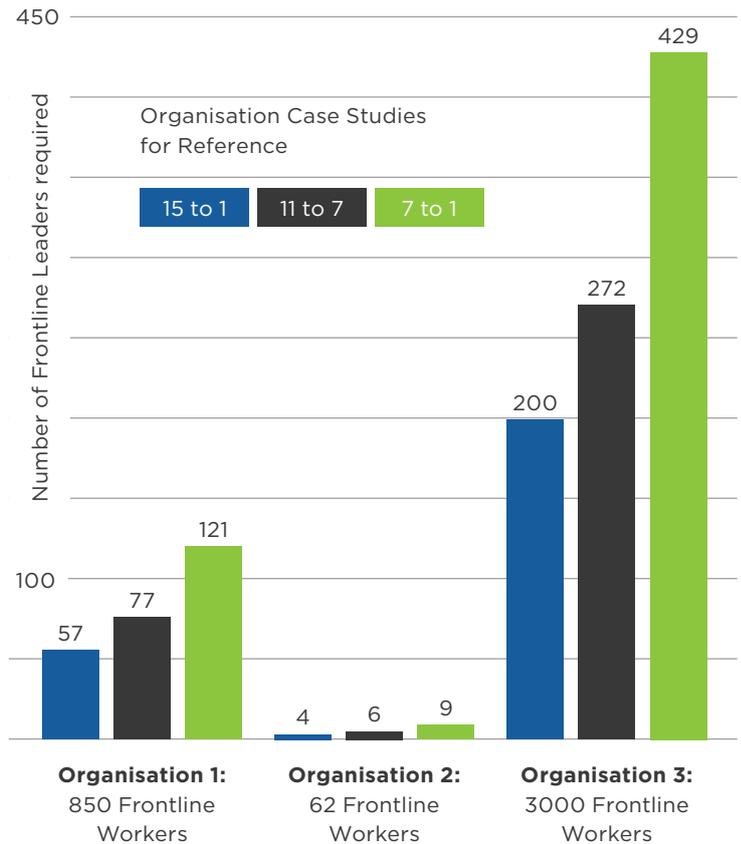


Figure 4: Span of Control Options

It is noted that the optimal span of control is substantially narrower than is currently funded (15:1) for or seen on average (11.8:1) in disability provider organisations. While each provider has different span of control ratios, none have been identified as operating at the optimal SoC of 7:1. Furthermore, feedback from FLL's has demonstrated that current ratios are causing excessive workload pressures which in turn impact on the service delivery provided to clients. As previously discussed, large work groups impede the FLL's ability to support and develop the competencies of employees and to ensure that safety management and quality levels are being met.



The cost implications of these proposed structures are reported in a separate document. It is recognised that narrowing the span of control causes an initial increase in employee costs, however the impact of a span of control that is too wide can also negatively impact organisations. Examples of these impacts include:

- FLL's making poor decisions as they are looking after too many employees;
- FLL's will have limited time for performance management and service improvement;
- FLL's having less time for planning reducing the likely hood of cost-effective plans and innovative service delivery options;
- FLW's may make decisions they are not trained to make.

Possible Organisation Designs

In analysing the span of control of FLL's consideration must be given to

- The scope of responsibilities including: the size and number of teams, number of sites,
- Presence of managerial and other administrative support; and
- Budgetary responsibilities.

Given these factors, it is not realistic to provide a "one size fits all" model of organisational design that works effectively for all disability provider organisations. Therefore, this report offers potential options along with visual representations of potential structures.

DESIGN 1: OPTIMAL SPAN OF CONTROL (7:1) WITH TWO LAYERS OF SUPERVISION

The following organisation chart has been designed to optimise the FLL team and supporting services structure. It is based on the findings already reported by this project. It is understood that the below model is optimal but may not reflect the requirements of financial capacity of organisations. All numbers are based on FTE and not headcount in line with funding model.

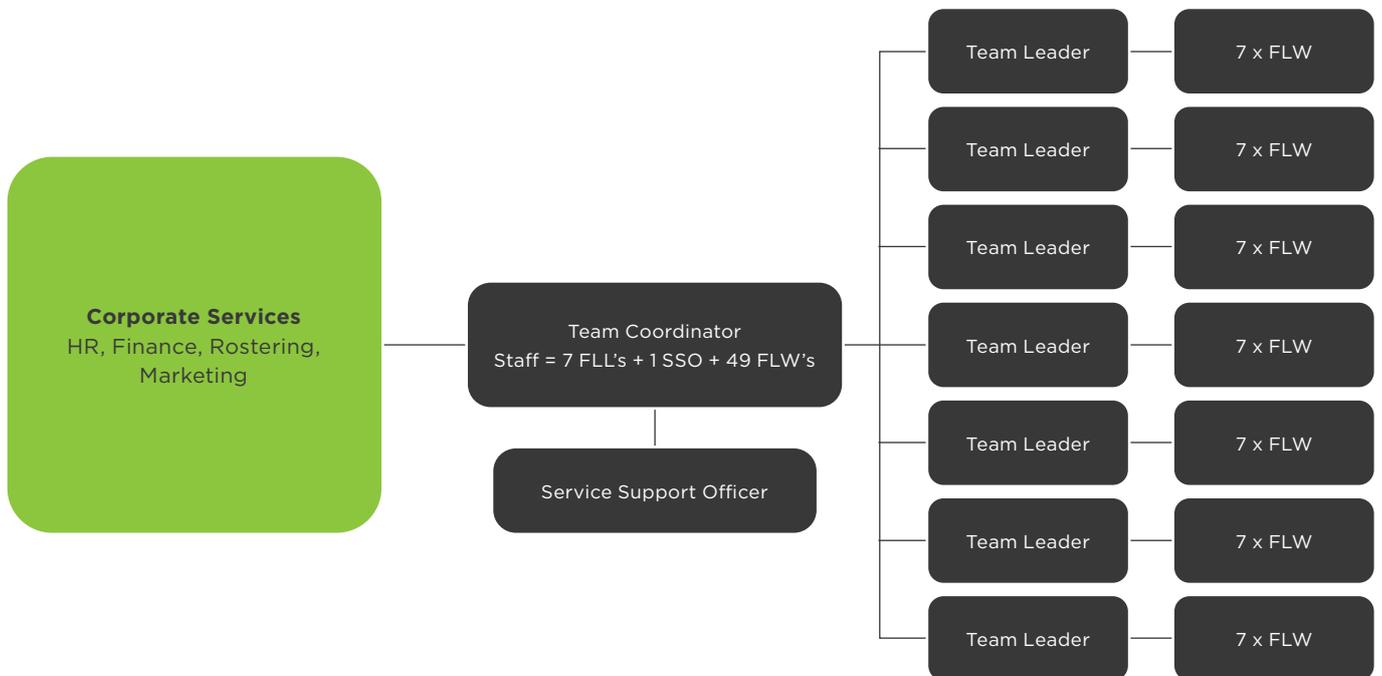


Figure 5: Optimal team structure for the role of the Frontline Leader

Mid to large organisations have the potential to provide centralised support services with larger administration costs shared across multiple teams and income streams. Each Team Coordinator would manage a team of Team Leaders, who in turn have seven (7) direct reports (FLW's). The Team Coordinator therefore has 57 staff comprising 7 FLL's, an SSO and 49 FLW's. It should be noted that the 49 FLW's effectively fund less than 40% of their FLL costs and do not contribute to the cost of the Team Coordinator and SSO roles.

The SoC reflected above does not allow for team leaders to adequately support their direct reports while also providing support on the frontline. Research from Stage One of this project indicates that due to a geographically dispersed workforce, FLL's in rural and remote locations are often required to backfill shifts, performing duties of DSWs. Each Team Coordinator therefore has 241 staff comprising 15 FLL's, an SSO and 225 FLW's. It should be noted that the 225 FLW's effectively fund approximately 90% of their FLL costs and do not contribute to the cost of the Team Coordinator and SSO roles.

DESIGN 2: FUNDED SPAN OF CONTROL (15:1) WITH TWO LAYERS OF SUPERVISION

The following organisation chart has been designed to reflect the funded span of control. Each Team Coordinator has 15 Team Leaders and each team leader has 15 frontline staff. The NDIS supervision funding assumes only a single level of supervision for each DSW and as such the Team Coordinator and other roles are unfunded.

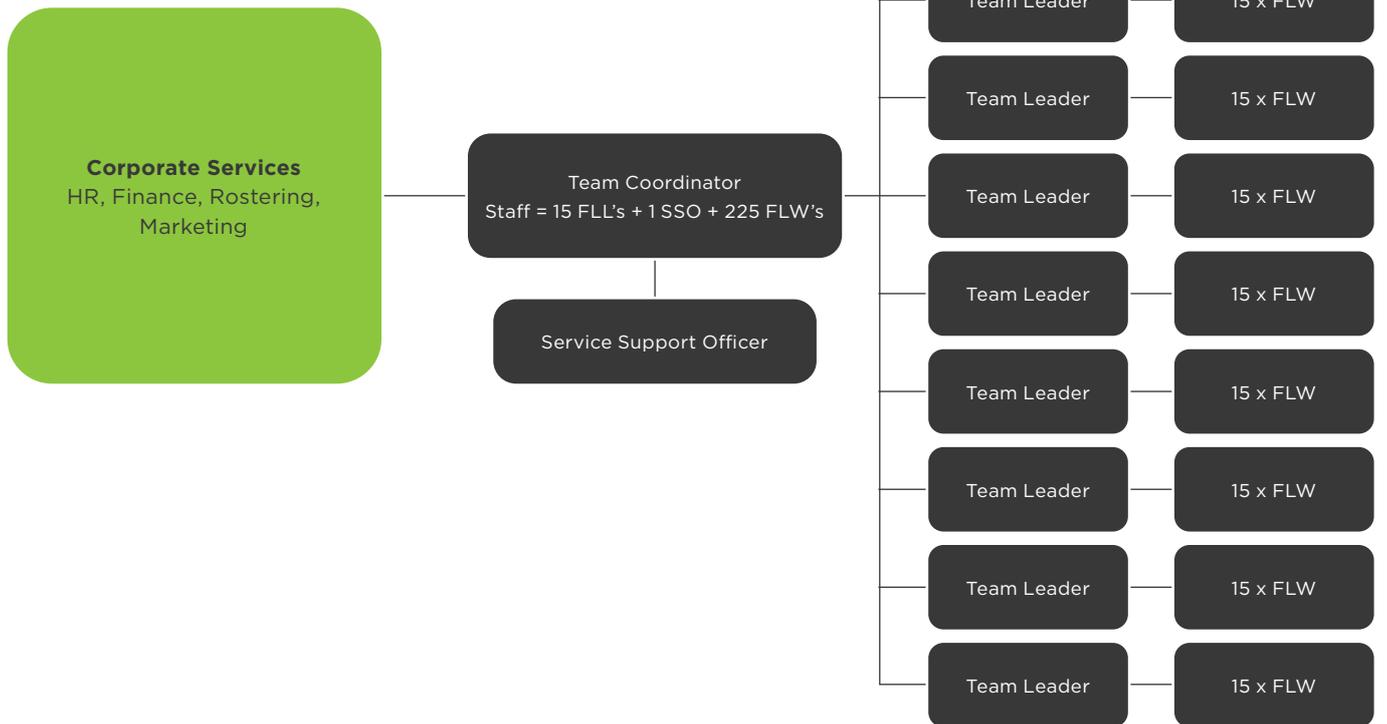


Figure 6 Funded structure (15:1) for the role of the Frontline Leader

DESIGN 3: PREVIOUSLY FUNDED SPAN OF CONTROL (11:1) WITH TWO LAYERS OF SUPERVISION

The following organisation chart has been designed to reflect the previously funded span of control. Each Team Coordinator has 11 Team Leaders and each team leader has 11 frontline staff. The NDIS supervision funding assumes only a single level of supervision for each DSW and as such the Team Coordinator and other roles are unfunded. Smaller organisations, with limited ability to recover additional supervision costs, could find the single layer of supervision is often the most effective and efficient model. Support from other areas of the organisation needs to be assessed to ensure the FLL can redistribute corporate and administrative functions where possible, enabling appropriate capacity to complete supervisory tasks.

The Team Coordinator therefore has 132 staff comprising 11 FLL's and 121 FLW's. It should be noted that the 121 FLW's effectively fund approximately 65% of their FLL costs and do not contribute to the cost of the Team Coordinator and SSO roles.

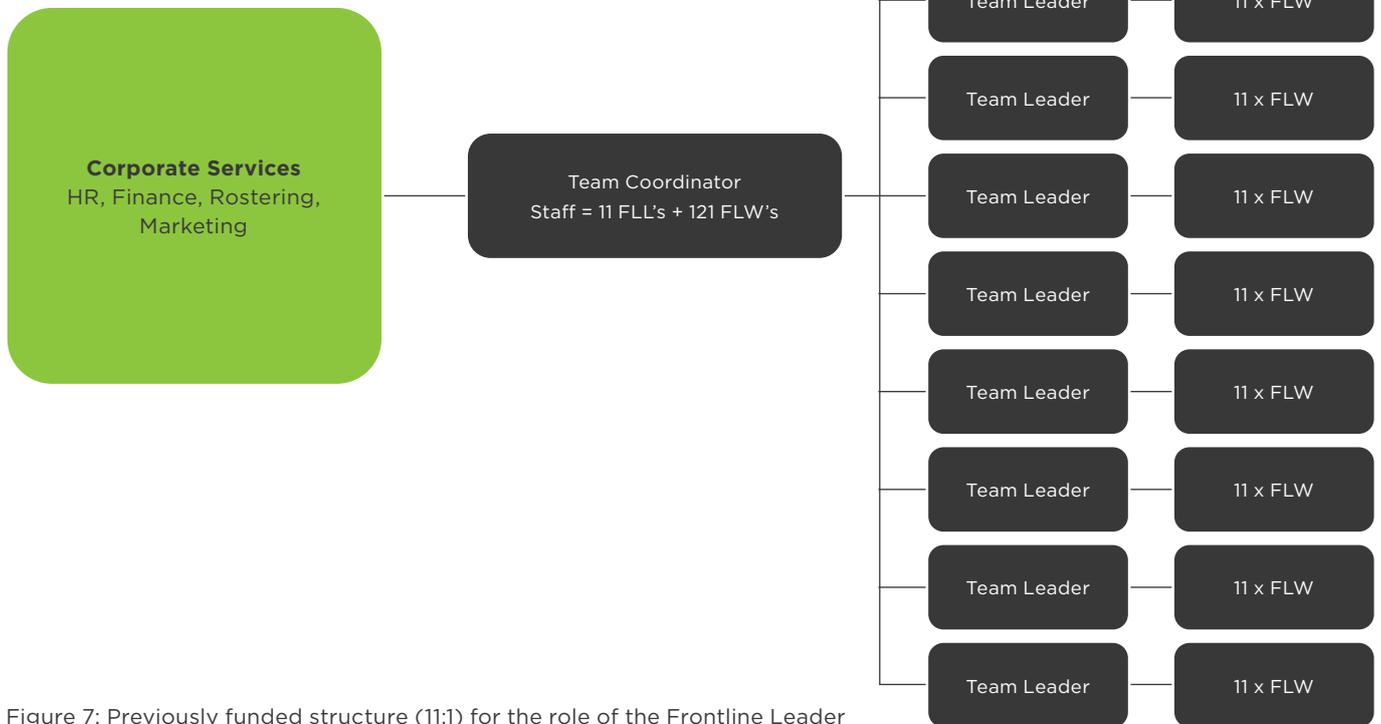


Figure 7: Previously funded structure (11:1) for the role of the Frontline Leader

Potential impact of each of the SoC options

It is recommended that reasonable and manageable span of control be examined and assessed by all organisations to ensure that FLL's are able to complete assigned functions and be present to meet staff and clients' needs. It is well documented that FLL's are experiencing a more complex work environment, including advances in technology, increased administrative requirements, complexity of care, recruitment and retention of multidisciplinary staff and redesigns of service delivery to align with the NDIS. The following impacts of each of the SoC options are provided below to support organisations in determining the best option depending on availability of funding, strategic direction of organisation and current business requirements.

MAINTAIN SOC AT 15:1

- 90% of FLL cost covered by supervision allowance, Team Coordinator and SSO roles unfunded.
- Reduction in current FLL workforce numbers required (some organisations will have excess FLL's)
- FLL unable to provide ideal level of support to DSW
- Human Resource teams required to support recruitment, onboarding, performance management
- Finance team required to heavily support budgetary and funding matters
- Marketing and Communications responsibilities required to sit elsewhere in the organisation
- Risk of DWS and FLL's not engaged in their work with reduced supervision capacity
- Anticipated high staff turnover due to workload pressures
- Decisions take longer to be made, or are made without appropriate considerations due to time pressures
- Challenging for FLL's to innovate as considerable time is spent on supervision

REDUCE/MAINTAIN SOC OF 11:1

- 65% of FLL cost of FLL funded by supervision allowance, Team Coordinator and SSO roles unfunded.
- Minimal reduction in FLL workforce based on current FLL FTE
- FLL able to support more HR, Finance and Marketing obligations (support functions, not accountable for)
- Need for centralised support services to reduce workload of FLL i.e.: rostering and training of DSWs
- Managers of FLL required to support people management responsibilities i.e.: complaints management
- Focus on capability building of FLL to meet new role requirements

REDUCE SOC TO 7:1

- 40% of FLL cost of FLL funded by supervision allowance, Team Coordinator and SSO roles unfunded.
- Increase of FLL workforce in all organisations
- FLL able to provide adequate support to DSWs, improving their capabilities and capacity for service delivery
- FLL responsibility can include HR, Finance and Marketing functions
- FLL role shift to more holistic approach – shifting from a supervision only role to one that incorporates all business functions
- Increased engagement of FLL workforce
- Decisions made in timely manner with appropriate time spent investigating options
- Innovation and continuous quality improvement likely to be increased



Conclusion

The current SoC, while different in each organisation, sits at an average of 11.8, a figure substantially higher than the recommended optimal SoC of 7:1. All investigations into the impact of this on current FLL demonstrate that FLL's are currently experiencing high workload pressures. Our research has shown that a high SoC for disability providers is leading to a diminished efficacy of FLL's, with the potential impact resulting in decreased job satisfaction for employees, increased turnover rates and a risk of lower quality of services provided to clients.

If the SoC is unable to be reduced towards the optimal level, then organisations will be need to review current FLL functions and redistribute tasks and responsibilities elsewhere in the organisation to enable FLL to perform their key objective of supervising their workforce. Reducing the SoC where possible will support the capability and capacity building of not only the FLL but also DSW and managers of FLL's.

Ultimately, the best ratio of employees to managers is discovered through testing and refining in each individual organisation based on their needs and services delivered. By rightsizing the FLL spans of control, organisations can dramatically improve the productivity and speed of their organisation, with the ultimate goal of improved service delivery to the community.

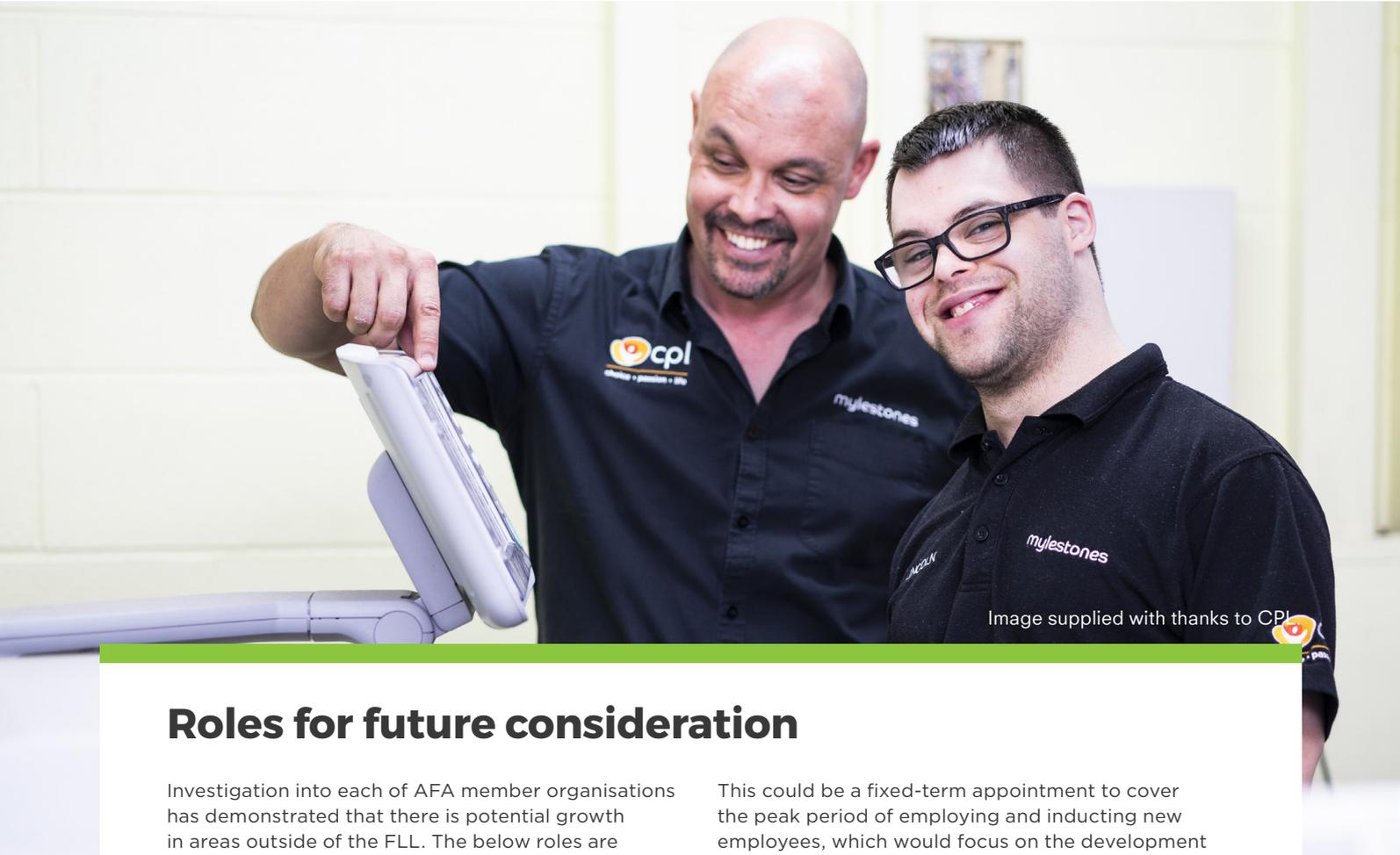


Image supplied with thanks to CPl

Roles for future consideration

Investigation into each of AFA member organisations has demonstrated that there is potential growth in areas outside of the FLL. The below roles are provided as examples of positions that would be beneficial to those organisations not yet including them. It is recommended roles such as those listed below are considered when appropriate.

RESEARCH AND SERVICE DEVELOPMENT OFFICER

With a continuing to focus to continue to lead the way in best practice service delivery, including cost efficiencies, organisations will need to continue to invest in the development of innovate and whole of life services for ongoing sustainability. Major duties include:

- Research and coordination
- Develop systems of data collection and analysis to inform service delivery and review

LEARNING AND DEVELOPMENT OFFICER

Based on the feedback around needing to improve the induction program for new employees and the plan to increase the FLW and FLL workforce over the next few years, it is recommended that a dedicated person be appointed to develop and manage the induction process, as well as identifying ongoing training and development needs, creating systems to capture and monitor, and deliver training programs for all employees.

This could be a fixed-term appointment to cover the peak period of employing and inducting new employees, which would focus on the development of learning and development systems so that it could become part of business as usual past the high growth phase.

PEOPLE AND CULTURE DIRECTOR

With the reliance on a capable and committed workforce, it is recommended that a senior and strategic human resources professional be in place to develop and implement the people and culture strategy for the organisation. This role will have responsibility for:

- Identifying workforce needs aligned to strategic plan, develop the people and culture plan, implementing and monitoring its delivery
- Develop and manage learning and development program across the organisation – both compliance and professional development
- Oversee and support recruitment activities
- Develop a proactive employee relations strategy
- Measure and report on engagement and other important workforce productivity measures
- Advise managers on best way to manage and motivate their team members
- Manage work health and safety and workers compensation

Our Members



abilityfirstaustralia.org.au
info@abilityfirstaustralia.org.au
Phone: 61 2 8259 7725
Level 39, 259 George Street
Sydney NSW 2000