

A silver-lining story for the aged at home

HOW BARRINGTON CONSULTING GROUP HELPED SILVER CHAIN GROUP LIMITED ADD VALUE AND PASSION TO THE QUALITY OF LIFE.

For many organisations, strategy is about growth. For Silver Chain Group, strategy is about something much more: growth with an unrelenting commitment to the organisation's passion, values, and the 70,000-plus Australians it helps each year.

Through a longstanding relationship with Barrington Consulting Group, Silver Chain has developed a sense of strategic clarity and measurement that many organisations never find. Everything Silver Chain does relates to a "narrative" of why it exists.

Silver Chain is one of Australia's oldest and most important NFP organisations. Founded in 1905 as a district nursing service in Western Australia, it is now among the largest providers of in-home health and care – and an innovator in its field.

Revenue of \$224 million in 2012-13 ranked Silver Chain just outside the top 1000 companies in Australia, according to IBISWorld. Through 3000 staff and 400 volunteers, Silver Chain provides services such as specialist nursing, palliative care, in-home care and home hospitals.

Silver Chain's CEO, Chris McGowan, says strategic measurement, discipline and culture are key issues. "We have to grow revenue and manage the balance sheet,

but first and foremost Silver Chain has to create real value in people's lives. We exist to make a difference in quality of life and that's ultimately what we measure."

McGowan says organisation passion and strategic discipline go hand-in-hand. "We spent a lot of time with Barrington understanding our organisation's passion. Then we had the discipline to get out of those things, or avoid new things, that our people are not passionate about."

That focus led to the Silver Chain Nursing Association transferring its residential-care facilities and nursing homes in Perth to Aegis, and other facilities to Baptistcare. "We didn't want to be facility managers," McGowan says. "Our great goal was to provide clinical and healthcare services to people who want to remain independent in their home for as long as possible."

(cont. overleaf)

A SNAPSHOT OF BARRINGTON'S WORK WITH SILVER CHAIN GROUP LIMITED:

- 1 Silver Chain is one of the largest providers of in-home healthcare.
- 2 Barrington has worked with Silver Chain since 2007. It helped the board and executive team develop a strategic plan, and embed the Argenti System of Strategic Planning into the organisation.
- 3 Barrington also helped Silver Chain with its cultural transformation, and reviewed the Silver Chain Nursing Association board prior to its 2011 merger with RDNS South Australia.
- 4 These projects have produced considerable short and long-term value for Silver Chain. It has developed a high level of strategic clarity and purpose; strongly aligned organisation culture and strategy; and implemented a clearer process for measuring financial and non-financial outcomes, using Argenti.
- 5 Combining innovation with the passion of its staff and volunteers has Silver Chain well-placed to help tens of thousands of elderly Australians who need help to stay in their home longer, in turn providing a significant benefit to the community and broader healthcare sector.

“ Barrington has been great. They deeply understand who Silver Chain is, and its value proposition for the ageing. They understood how serious this organisation is about its mission, and are able to help us develop strategy that meets our community and financial goals. ”

– Silver Chain Group CEO, Chris McGowan.

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Another goal was taking Silver Chain's skills beyond WA. In September 2011 it merged with RDNS South Australia, a like-minded NFP with a proud history of providing healthcare services to the elderly in their home. RDNS makes more than two million visits annually to more than 40,000 people.

McGowan says passion and discipline drive Silver Chain's culture. As a fan of US management guru Jim Collins, author of Good to Great, McGowan talks about

"It was a time of reflection more than an intense period of developing and implementing a new strategy," McGowan says. "We wanted to put so much time and thinking into our strategy that it had to become the organisation's compass. We didn't want a strategy that would have various reiterations or people rethinking it. It had to have a level of investment that put it on a pedestal as the guiding strategy."

They just have really good people who know our space." McGowan is not resting on Silver Chain's success. The next 18-month strategy "deep dive" has begun and Silver Chain is gearing up for the challenges of providing more in-home care in an ageing population.

He says: "We want to provide equal or better healthcare services than public healthcare providers, to people in their home, at a third of the cost."

“**Barrington's best strength is its people. They just have really good people who know our space.**”

– Silver Chain Group CEO, Chris McGowan.

the importance of a story running through Silver Chain. Barrington helped Silver Chain's leadership team think through the Good to Great approach.

"Our strategy has almost become a language internally," he says. "Our staff and volunteers know the story of why we exist and what we do. When that happens, the strategy comes alive, because people through the organisation refer to it every day. We also have a sensational board, so everything about strategy and culture starts at the top."

Silver Chain's strategic clarity did not happen overnight. McGowan led an 18-month strategic review, facilitated by Barrington, soon after joining as CEO in 2007. The Argenti System of Strategic Planning was implemented. Barrington is Australia's leading Argenti implementer.

McGowan says Argenti helped Silver Chain focus on things that matter. "Argenti works. But like anything, it depends on how much effort the organisation puts into it. You can't just do Argenti and then have the biannual strategy day. It has to be embedded in the organisation."

Barrington advised the Silver Chain board and executive team on strategy and decision-making; contributed to Silver Chain's cultural transformation; and helped it better measure strategic progress. Barrington also reviewed the Silver Chain board before the 2011 merger.

"Barrington has been great," McGowan says. "They deeply understand who Silver Chain is, and its value proposition for the ageing. They understand how serious this organisation is about its mission, and are able to help us develop strategy that meets our community and financial goals. Barrington's best strength is its people."

We want people who need specialist healthcare services to stay in their home for as long as possible."

With strong strategic management processes embedded in the organisation, and a great strategic perspective, thanks in part to Barrington's work, Silver Chain has a robust platform to build on for the next five years.

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