

## CPA Australia Podcast

### Episode 70 - Transcript

Intro: Hello and welcome to the CPA Australia Podcast, your weekly source for business, leadership, and public practice accounting information.

Dr Avi: Hi there everyone. Welcome to the podcast today run by the CPA. My name is Doctor Avi Ratnanesan. I'm the founder and CEO of Energesse. We're a company that consults in the health care transformation and innovation space.

And with me today is Martin Bowles, who's the National Chief Executive Officer of Calvary Health Care Australia. Martin, thanks very much for joining us today on this wonderful CPA podcast.

Martin Bowles: Thank you very much, Avi.

Dr Avi: Great. Well, Martin, firstly I just want to talk a bit about your background, which you've really had this fantastic and illustrious career across many different divisions and sectors of government.

If I look at what you're doing now at Calvary Health Care Australia, you've got 12,000 staff and volunteers, 15 public and private hospitals, 17 retirement and age care facilities, and the national network of Community Care Centres. So you're really looking after that breadth of health care in this country, in a very innovative organisation.

But you've also done a lot of work in government. You've covered Queensland Health, Commonwealth, New South Wales Government. So you've done that breadth of state and federal, but I think what's really interesting about your background when I look at it, is your time as Deputy Secretary in the Department of Defence and Climate Change, as well as being involved as Secretary of Department of Immigration and Border Protection. And you don't often see that sort of diversity working across other different government sectors, which I'm sure has shaped your thinking.

Now, one of the things that I think the audience will be interested to know as well, is that you've been awarded the Public Service Medal back in 2012 for energy efficiency policies in home insulation, and you're also part of several think tanks in the Commonwealth Fund in Washington DC, as well as the Chair of Australia's Health Taskforce 2014, and the Safety and Quality Care Commission. So you're really quite a busy man.

I suppose, Martin, coming into this role as leader of the Calvary Health Care now, how do you see the private health sector differentiating itself, or moving forward in the next three years? What do you think that direction's going to be?

Martin Bowles:

Well, thanks for that rundown, Avi. I think where privates have to go is they need to be far more strategic than I think they have. What I think happens in a lot of these industries, is they get very focused on operating, and sometimes don't lift their gaze enough to see what's on the horizon and see what's happening internationally and nationally around health care.

And I think what I'd like to drive Calvary in particular, is in that strategic direction. So, what's going to happen, what's our response to what's happening out there, and how do we then turn that into a business opportunity? If you have a look at Calvary, as you mentioned, we're quite a diverse organisation. So how can we sort of capitalise on all of that and turn that into profit if you like, and in our case mission, because we are a mission-based organisation being a Catholic Health provider. So I think the beauty is, we are a microcosm of the health system. We pretty much touch on every sector of health care in this country, as a company.

So I'm quite excited about the prospects for the future. They're not going to be easy, but if it was easy everyone would be doing it. But I think if we can lift our gaze to the horizon, look what's happening, it is changing. It is changing rapidly. Technology is driving change, everything is driving change at the moment. Again, exciting opportunity, but that's where I really see the focus at the moment.

Dr Avi:

And in terms of looking at those trends and what's driving change, often when we think about consumers and what they're looking for from private hospitals, they're looking for, I suppose that better patient experience, aren't they? They're looking for something that's different from having to go to a government hospital. I'm not trying to put down government hospitals, but really I think that's the promise that they look for when they look at the private sector.

In your experience, what do you think are those top three things that you found to be successful in improving that patient experience?

Martin Bowles:

Well, I think the first thing we've got to understand is patients aren't a homogenous group. I think we sometimes talk about them that way, but at the end of the day, they are quite different.

And if someone has a chronic disease, like a diabetes or something like that, they will have completely different set of needs to someone who has a broken leg, or similar. And patient experience, if you've lived with a disease for a long period of time, you're going to know a fair bit about it. If you just have the one off incident, you're not going to know much about it. So we got to get the health

system to actually talk to people in that sort of way, and listen to some of the nuances from someone who has a lot of experience, and listen for the missed nuance for those who don't have a lot of access.

I think the other really interesting dynamic that's playing through, it's the baby boomer versus the other generations. And being a baby boomer myself, we sort of take what's coming. We're probably a little bit like that. We want to get everything we can, we want to deal with it, and we want to be able to get cured and all that sort of stuff. The newer generations though, they're more global, they're more aware, they're more caught up in a whole range of different ideas and they want to be involved.

And for me, in history of people like me and my generation, we go to the doctor, we accept what the doctor tells us, we then move on, and generally speaking we do what we're told. Newer generations don't. They'll do "Doctor Google" before they go in. They'll get told something, they'll come out and they'll do "Doctor Google" when they come out, and if it doesn't match, they may not do it. So we've got to be aware of this as health providers now, whether you're public, or private, or doesn't really matter. And I think social media will play quite I think also in this.

One way though I do believe we can actually improve, that is with transparency. Transparency of cost, quality and safety. And if we can get that transparency, consumers will have a better understanding, and they won't have to just search for things. It will be available.

And then decisions can be actually made. And that's what's called information asymmetry. One sector knows a hell of a lot more than the other. In this case, the patient versus the provider. So I think we have to deal with that over time.

Dr Avi:

It's a really interesting concept that you talk about, this information asymmetry driving changing of behaviour of consumers in terms of who they would pick, which doctor you would pick, as I see information about the doctor's price maybe one day in the future, or the quality of the work that they do, or the outcomes that they achieve.

Do you see, from an organisation, from a hospital or health organisation perspective, do you see a relationship between that patient experience and the financial outcomes of that organisation, whether that's profit, or cost savings, whether it's public or private, do you see that relationship?

You're an accountant by background as well, I forgot to mention-

Martin Bowles:

That's correct. Yes.

Dr Avi:

... for the CPA, so I'm sure you are aware of the variable. What's your thinking?

Martin Bowles: I think inevitably the patient will drive a whole range of these conversations. And you mentioned earlier the experience notion, the notion of experience and how patients experience things.

One of the things I've said for a long time, and particularly so now on running Calvary is, I don't want to run the most efficient hospital delivering the worst care and outcomes to patients, because we won't survive. We want to deliver good, positive outcomes and experiences for patients.

And I think we're now seeing generation shifts in what my generation probably would put up with, the younger generations won't. And I'm not sure we've necessarily come to grips with that properly yet, but if we don't come to grips with it, there will be a direct correlation between our outcomes, our experiences and the profitability of business, because people will literally walk away if they're not comfortable.

Dr Avi: So if you're delivering poor experience to patients, either getting them to wait a long time, or you're being rude to them, or you just deliver poor quality of procedure, maybe even the food or the parking, all of that forms part of that experience, which would drive the profitability away.

Martin Bowles: Absolutely. Have a look at the banks, have a look at different industries, the restaurant industry. They come, they go, they close very quickly if they can't get that experience right. The banks worked that a long time ago. They needed to change the customer experience. They did that, and given some of the more recent activities with the Royal Commission and the financial institutions, maybe they've gone a little bit too far on some of those things.

So again, it's recognising how consumers are going to take these things today. And if they take them positively, you're doing really well. If they take them negatively, it will impact on your financial sustainability.

Dr Avi: Yeah. Absolutely. So what do you think are some of those ... and we've done a lot of work with hospitals around transforming or changing that patient experience, and you did mention that change in on your agenda. What do you think are some of the things that you see Australian hospitals need to change in terms of that quality, safety, clinical governance? Are there some specific things that you think, particularly in your role on the board of the Safety and Quality Commission and so on?

Martin Bowles: I think the first thing which I've already mentioned is the transparency issue. Transparency, of course, and quality and safety.

One of the things I've found in all of the different industries I've worked in, peer pressure is a wonderful motivator to change. And if we can actually provide that, I think you will see the safety and quality agenda really move ahead in leaps and bounds.

We're already seeing governments and insurers now looking to pay for quality and safety. They're not going to pay for bad quality and bad safety. So I think we will see quite a significant shift over the next little while in that space.

Dr Avi: And when you said, "Peer pressure," you mean that sense of competition? If you make those results transparent across different doctors of different specialties, different hospitals and their rates of...

Martin Bowles: No one wants to be the one on the outside. We all would like to be with the pack. And if you've got the outliers, they'll quickly either come back to the pack, or they'll move on.

Dr Avi: How far away are we from doing something like that?

Martin Bowles: I'd like to say soon, but I don't think so. I think we still got a bit of work to do in this country. The UK did it 15, 20 years ago, and it was a bit of chaos for a while, but they pretty much got things sorted much better these days. But I think we're still a little bit out of those realms at the moment, but we'll get there. It's just going to take time.

Dr Avi: Yeah, absolutely. You talked a little bit about ... and I know in your career as a leader, one of the facets of your leadership is getting the best out of your people, and particularly in the hospital arena, the health care arena, you've got managers, doctors, nurses, you've got a real diversity of careers and staff that you need to engage, particularly if you want them to drive better performance, better experience, introducing new KPIs. So, as a leader, what are some of the top things that you found to be successful in engaging staff, and getting the best out of your teams?

Martin Bowles: I put a lot of attention to this in my workplaces. The first thing for me is talk to people, listen to them, don't talk at them. Be an active listener, and then talk about what's actually going on. Make sure you've got a culture of feedback.

The really critical thing that can go wrong here is you have a cultural fear. People go underground, they don't bring things out into the open. So again, I think that culture of feedback.

And one of the other things I found with staff is, it's largely the simple things that make the biggest difference. If you can't get those basic issues right for staff, how can you actually fix the bigger things? And they always do come back to that. It's getting into the old theory, the old Maslow's hierarchy. Get the simple things right, and a whole range of other things come from that.

Dr Avi: Can you give some examples of some of the simple things that perhaps you've corrected in your time that they weren't addressed in some of your organisations?

Martin Bowles: Some of it is basic amenity, some of it is making sure the lifts work, some of it is making sure desks are positioned in the right space, and making sure they get paid every week.

Yeah. I mean, sometimes it's as simple as that, but if you can't get those things right, people won't trust you to get the bigger decisions right. Therefore, you get into a completely different conversation.

If you're not treating people equally if you like, if you don't actually accept the difference in an organisation, people will see that and eventually they'll call it out. You want to be in front of that.

Dr Avi: Yeah. So get the small things right, and the big will look after themselves.

Martin Bowles: You still have to do some work, but largely they'll trust you more if you get those basic things right.

Dr Avi: Yeah. Start with the small stuff, that's excellent. I think you're well sought after in terms of your experience as a leader, and obviously you have many future leaders following you, watching how you behave, how you model your behaviours and using that to develop their own professional and career development.

I know one of your mantras is that we are the products of our life experience. I really like that one. And every one of us is different because we're ultimately the products of our own life experience. So what do you say, or what would you say are the do's and don'ts for future leaders of health care coming through?

Martin Bowles: That's a very long list, but let me think about it. First of all, I'd probably say don't overthink it. People want authenticity, and if you're overthinking it, you won't be as authentic as you probably need to be. And people are watching all the time. They watch their leaders, because they watch for a gap between what they say and what they do.

So for me is, make sure you can get alignment across those two things. I always say also breadth of experience is also a good thing for people, because you can look at the same problems the same way if that's the only experience you have, but if you had different experiences, you can bring something slightly different. And it doesn't have to be in the health sector. As you can see from my background, I've worked in all sorts of sectors. But if we try and solve the same problem using the same people and the same methods, we're going to get the same answer. So sometimes you just got to think quite a bit differently.

We also need to make sure that we're giving people opportunity to contribute. I think a lot of the times we sit on top of our organisations and we think we know best because they don't know everything we know. The reality is, they don't, but we don't know what they know unless we ask, unless we listen to them.

So again, it's that watching, listening actively, allowing participation in outcomes for our organisation. And I think if we do all of that, we'll do pretty well.

And I suppose another one for me is people are important, teams are important. Don't think you're the smartest person in the room. Don't shift blame, don't create cultures where people actively can undermine the organisation, because that's just really a negative. So it's how do you create those positive ideas about what does the team contribute to the whole.

Dr Avi: So thinking as a team was one of them, having that self-awareness and gathering feedback from your team is another key piece. And then the third thing you mentioned was thinking differently. Albert Einstein had this saying, "We can't solve the problems of our past with the same kind of thinking that created them."

Martin Bowles: Absolutely. Absolutely.

Dr Avi: And I think that's what you are doing.

Martin Bowles: This is for me what I described in the organisations I've been in, is a permission culture. Permission to try different things, permission sometimes to have those things fail. Learn from it, move on. Don't have the blame, but move on. And if you give people permission to try those different things, you'll come up with a different answer eventually, and that's really important.

Dr Avi: It's better to ask for forgiveness than to ask for permission.

Martin Bowles: It happens quite a bit.

Dr Avi: That's the innovator mantra there, isn't it? And I suppose thinking differently then, particularly with your background across defence, you've been in housing insulation, and a large part of that in health care. What are you starting to see as those I suppose integrated care opportunities to better align our health system moving forward? Particularly around the space of changing our thinking. How are we going to do that?

Martin Bowles: I think the first thing is we have to break down the silos. The health care system is very siloed. The reality is, it is interconnected and interdependent. We don't treat it that way, and therefore we miss opportunities.

I mentioned earlier that I see Calvary as a bit of a microcosm of the health system. And if we are, and we've got silos, it will just keep doing what we've been doing forever. If we can break the silos, if we can look at things in something other than one-dimensional, which is a tendency of human beings, we might be able to do that.

We then need to look at how we put the system together, how we look at clinical models, and ultimately how we look at funding models. And some people don't like talking about that, but at the end of the day, the Australian health care system is largely transactional, and if we want to make change, we need to change some of that as well. Because if we don't change that, our world won't change at all.

Dr Avi: It's interesting in terms of creating the world that we want to see. I remember doing a workshop once and helping people to visualise the future of health care. And many people couldn't envision the future because immediately they were constrained in their mind and saying, "We'd like to do that, but we can't. We'd like to do that, but we can't. It can't be done."

Do you have a vision for the future, whether that's for Calvary or for the health system in terms of what that might look like?

Martin Bowles: I do think about this sort of stuff, and I suppose that comes from my background. I mean, you can't sit as the Secretary of the Commonwealth's health department and now see the system completely different.

I quite often say to people, you see the world from where you sit, and if you don't change your position occasionally, you're not going to actually see something different.

So I think it's good that ... I've had great opportunity to move into different places and think about things in different ways. But also to look at Calvary at the moment, I'd like to think we could be a health and age care group of choice in the markets that we're in, delivering integrated, seamless quality and safe care, that's appropriate for the communities we serve.

I mean, that's a bit motherhood-ish, but that's what we need to be able to do. And there's a whole range of things, I think we need to do to get to that particular point.

Dr Avi: So you're kind of envisioning a journey where a patient could go from one Calvary, either clinic to a hospital, to an ATF facility, and almost be that life journey for that person through your ecosystem.

Martin Bowles: Yeah. We're already looking at it in our age care business if you like, as we have community-based care, so where people are dealt with in their homes, we then have independent living areas, where we have our community people engaging with, and then ultimately into residential age care. And we have people who flow through that system all the time.

And it's sometimes called aging in place, but the reality is, I think in the future more people want to stay at home much, much longer than they have in the



past. We need to actually design our aged care system and our health system to allow that to happen more, and more, and more, and just at a slight tension.

But if you look at palliative care and people's last weeks, months of life, the stats would say over 80% of the population want to die at home, 16% do. We don't have the structures in place to allow that to happen.

Now, does that mean everyone can die at home in those sorts of circumstances? Of course it doesn't. But people's desires matter, how we treat our residents, our patients, our clients, our however you want to describe them, we need to get better at that.

Dr Avi: Yes. And look more at how we can design services around where the person is, as opposed to for the person to actually come to the services themselves.

Martin Bowles: If I go back to banks, years ago we used to go in the bank with a little book, and we'd get the cash out, and then we'd walk out, then we'd go home. Then we went to ATMs, where we went to a more convenient location. Now we've gone to internet banking and very little cash. And now we've got tap and go.

That world has evolved a lot. Health care doesn't. We still go to the doctor, we still go to the hospital, we still go to the pharmacist, so we're going everywhere. We haven't actually transitioned our system like some others have.

Dr Avi: And we still use fax machines...

Martin Bowles: Unfortunately in a lot of cases that exactly right.

Dr Avi: One of the final questions I guess, and this is particularly looking at your background from defense, climate, immigration, which you made an analogy at one point around similarities between the immigration sector and the health sector, as well as other portfolios.

How has that shaped your thinking in health care? And I got to learn that you also grew up in Rockhampton, in a rural background, and thinking differently from there. How is all of this different diversity of experience has shaped your thinking around health care?

Martin Bowles: I suppose it's a breadth of experience that gives you opportunity to look at each issue from multiple angles. That's where it starts. And that breadth, I always put a lot of emphasis on.

You mentioned immigration and health. And there are parallels. If you're a bit of a systems thinker, you can look at what is happening in one space, and see it happening in another space, even though in immigration you're talking about people migrating, legally or illegally, or how we want to describe it, and in

health care we're talking about fixing people up. Two completely different sets of actions required, but the systems that go around that aren't that different.

So I suppose what I've been able to do by working in many and varied industries, is look at the same old problems just a little bit differently. And I think the parallels are there all over the place. And you touched on that before, I do say quite often we're a product of our lives experience. How we play that going forward becomes quite important.

Dr Avi: Absolutely. And Martin, I've really talked about quite a diversity of topics... breadths... your experience in health care. Are there any final messages that you want to share with the audience around, I suppose, your views to life, your career in health care, or particularly suggestions or advice for the future, for the listeners out there?

Martin Bowles: I'll touch on a couple points I think. One, as far as your career goes, a lot of people talk about planning their career. If I'd plan my career I'd probably wouldn't be doing what I'm doing today. I think sometimes you've just got to take a risk. You've got to have faith in your abilities, you've got to work out what you like and what you don't like. If you don't like doing something, you won't do it well. Work that out quickly and find something you do like.

So I think it's those sorts of things for me. I'm a passionate person. People quite often ask me, "Which of all of those jobs did you like the most?" The one that I'm at the moment usually is the one that I like the most. It's because it's the one I'm in. And when I get into things, I really and truly get into it.

And I think that's part and parcel of what leadership has to be about. You've got to be engaged enough to live and breathe this stuff because if you don't live and breathe this, people won't believe you.

And I think the leadership in all areas, but health care in particular because of its complexity and the interdependencies as a system, leadership becomes that fundamental that really takes us to different spaces.

If I look at the future though, don't lock yourself in to a fixed view. It will be wrong. The world's information and data is doubling every few months now, and what we know today will know as twice as much by September. That's a scary thought, but worldwide that's what's happening.

How do we translate that into what we do? Well, not very well at the moment. We talked earlier on today in another forum about things like robots. And there will be tipping points. We've just got to be careful we're thinking about that, and it's no good coming after the event. You have to be there at the event or before the event.

And artificial intelligence, machine learning, robotics, they're all changing this. Genomics, precision medicine. So be open. Have your mind open to a range of those things that are out there, because they'll hit us. We'd like to be moving forward with them rather than getting a smack in the nose because that means we've missed the opportunity.

And from a company perspective, from a Calvary perspective, we want to be open to that, and that's why when I started the conversation, I talked about one of the main things is have a strategic vision. Have a strategic view, understand what's happening internationally and nationally. So you can never close yourself down to any of those ideas.

Dr Avi: Martin, thanks very much for your time. Certainly some of the key messages that I've heard from you today are around being open to the vision of the future. And certainly when I speak to a lot of the researches that really are the top of their game, on of the things that despite being the leading experts is they still continuing to be very open and very humble. And the more you know, the more you know you don't know almost.

And also about the fact that you have to think differently about the future, keeping an open mind towards your career. I really think you've really had that open mind, and not really had that career plan, but really being so present in your current role that that's your favourite role at the time, such that opportunities come to you, because of the good job that you've done.

And then I think finally you've talked about the shift in the health system to be more about the mission, the patient experience, as well as the cost and the outcomes, and looking at different ways of achieving that and breaking through the silos within the health system.

And finally, I think you mentioned that piece around authenticity, so being kind of true to yourself in the choices that you make, while still not being afraid to try different things just to experiment.

So Martin, thanks very much for those lessons. I'm sure that's of great benefit to a lot of the listeners out there, and I look forward to connecting with you, as well as other CPA members moving forward. Thanks very much, Martin.

Martin Bowles: Thank you very much, Avi.

Outro: Thanks for listening to the CPA Australia podcast. To download the transcript and to find more information on today's episode, visit [www.CPAAustralia.com.au/podcast/70](http://www.CPAAustralia.com.au/podcast/70).