



**CHIEF EXECUTIVE OFFICER'S REPORT**  
**Annual General Meeting of Members**  
**Friday, 13 October 2017**

When I started as CEO a year ago, I wanted to meet as many members as possible. Twelve months later, I've had 96 on-site meetings and a further 18 by GoToMeetings. This equates to more than 14,000 kilometres, upwards of a dozen motels and more chicken parmigiana than can reasonably be considered healthy. Often, these visits have meant returning to health services with whom I'd worked previously, but it's also meant attending some sites for the first time.

I've benefited greatly from the members' insights about our sector as well as telling me what they need from VHIA. Broadly, this feedback was consistent with VHIA's *Member Engagement Project* of 2015.

That feedback has seen us focus particularly on the areas of communication, member engagement and reform. These matters also underpin VHIA's recently completed *Strategic Plan*.

Public sector health services and stand-alone community health centres face unique challenges, driven by population growth, increasing complexity and a host of other factors. Put simply, VHIA members provide a service, demand for which will almost always grow at a faster rate than supply.

This provides substantial challenges in terms of how health services are delivered and means innovation is not just desirable but essential. However, the industrial relations culture in which our members operate tends not to be forward-looking; either focussing on the present or obsessed with the past.

This culture is an impediment to reform.

To get a better culture, we can't operate as we have. Most of our industrial agreements operate for a four-year period and each year is a step towards a new agreement. VHIA's activities will be directed to the four stages of bargaining as follows:

- Implementation,
- Review,
- Planning, and
- Bargaining.

Bargaining activities will be continuous so that we use the time between agreements effectively. It provides us a better opportunity to develop our narrative and build consensus, both as a sector and with other stakeholders, including unions.

This approach is underpinned by member engagement.

Over the past year, member engagement has increased. Additional scheduled meetings mean that all VHIA members have the same opportunity to engage and contribute. In addition to the long-standing metro HR/IR Managers' meeting on the first Wednesday of the month, we've added meetings for HR/IR Managers in Rural and Regional health services and Stand Alone Community Health Centres on the second and third Wednesdays of the month respectively.

These additional meetings have substantially changed participation levels. Whereas previously we engaged regularly with just over 10% of members per month, that has now lifted to over 50%.

Our EBA Reference Groups have continued to operate, working through the implementation issues identified by HR / IR Managers. This has resulted in additional material either in the form of 'User Guides' or podcasts. Progress has then been reported back to members through the 'Implementation Issue Tracker' attached to the monthly HR/ IR Report.

We've also expanded our communication platforms. Primarily, this ensures content is available to all members regardless of location and at a time of their choosing.

The VHIA Community App was launched in February this year. Since then, over 400 members have activated their profile. Through the VHIA Community App we can tell members what we're doing, when we're doing it.

All bargaining meetings are summarised on the VHIA Community App. Not only does this inform members in (effectively) real time about negotiations, it's a means by which members can give feedback, contributing to the negotiation process.

Whilst a large number of members have embraced this technology, our objective over the coming year is to support more people to use this platform as a tool to keep in touch with us and their colleagues.

We've increased our use of video and audio, primarily through weekly podcast / video casts as well as taping EBA forums. To date, we've completed more than forty podcasts / video casts, focussing mostly on agreement implementation issues. These have been viewed four and half thousand times with views per month averaging around five hundred.

There's a lot to do in the coming year.

We'll continue to develop our communication platforms so members get what they want, when they want it. Many of our agreements will enter the 'review' stage and we'll be engaging closely with members about the issues they've experienced and how enterprise agreements should be developed to meet emerging needs within our sector. In particular, we'll be working closely with our stand alone community health members who, as a result of the NDIS and 'My Aged Care' reforms, are experiencing a period of rapid change.

The coming year will see further changes at VHIA.

We will be undertaking accreditation under the ISO 9001 standard. We are doing this as a means by which to improve not only our systems and processes but our service offerings to you.

I'd like to thank those who have supported me in my first year as CEO.

I'm indebted to the Board - past and present - for its guidance and wisdom and to the members of the VHIA management team; Tim Nagle, Robert Bell and Lisa Iacobucci, for their hard work and determination. I'd like to acknowledge the VHIA staff who've continued to work through the bargaining process this year with great diligence, patience and persistence. I'd also like to thank and acknowledge my predecessor, Alec Djoneff, whose on-going counsel has been of great assistance.

I must also record my thanks to founding Board member, John Smith, for 23 years of service to VHIA. It's hard to imagine a more able advocate for rural health services and our organisation has been the better for his contribution. I deeply appreciate his support and encouragement.

Finally, I'd like to thank VHIA members. VHIA belongs to you. Your participation, support and contributions make all the difference. To anyone who attended one of our meetings, forums, reference groups, posted a query on the VHIA Community App or gave VHIA a ring, thanks for being a part of it.

A handwritten signature in black ink, appearing to read "Stuart McCullough". The signature is fluid and cursive, with a large loop at the end.

**Stuart McCullough**  
Chief Executive Officer