

The Disability Services National Benchmarking Project

For the NDIS to realise its goals of improving the range and choice of services available to people with disability, there needs to be a strong, efficient and accessible supply of services.

It is widely acknowledged that the current market for the supply of services will undergo profound change, but we know little about how the sector operates now, and even less about how it will evolve.

To address this, researchers from Curtin University's Curtin Not-for-profit Initiative and National Disability Services' Centre for Applied Disability Research are undertaking a national study to monitor change and identify potential strategic responses.

This evidence will help to facilitate the development of policy that fosters a strong, competitive and efficient supply of disability services and supports the achievement of the objectives of the National Disability Insurance Scheme (NDIS).

The work is generating the only existing data-based analysis of the financial health of the disability sector. The information collected to date has been critical in strengthening NDS's advocacy around the financial sustainability of the sector.

Aims

The research aims to provide governments, service providers and the broader community with detailed information on the supply and sustainability of disability services in Australia. It will address a number of key questions, including:

- How will the NDIS impact the structure and therefore costs and availability of supply of disability services?
- What are the key risks to the disability sector, particularly service users, and how can these be ameliorated?
- What is the current aggregate financial sustainability of disability service organisations and how can we ensure sufficient supply?
- How are disability services organisations responding to market forces through different forms of strategic alliances and sector collaboration?

Unique outcomes

The project is expected to produce a number of unique outcomes, including:

- The compilation of comprehensive summary data on the financial position of service providers, including their annual net income, sources of income,

assets and liabilities. The data will also assess key financial ratios-including both industry-specific and recognised financial ratios. The ratios will be analysed by key demographic characteristics, including location and income to identify any trends such as changes in the number of smaller suppliers or increases in average income over time.

- This new, comprehensive longitudinal data set can then be used for ongoing monitoring and analysis of sector capacity and change across a range of areas, including employment and volunteering.
- It will also create the ability for an ongoing assessment of the impact of market forces on aggregate service provision and pricing, including identification of services which may be under or over-supplied in particular regions and areas of possible market failure.

Innovative and efficient methodology

To achieve these outcomes, the research utilises an innovative longitudinal approach. It uses a stratified sampling approach and has established a panel or cohort of nearly 200 organisations that have agreed to participate for the first two years. By following a panel of disability providers (drawn from a range of organisations including large Australia wide organisations through to smaller niche and local players), a much more detailed and nuanced understanding of supply side marketplace changes will be able to be achieved over time.

The research will establish a baseline from which marketplace changes over time can be observed. The organisations participating in the research will also have access to unique and specific information about how they are performing relative to competitors.

Frequently Asked Questions

Is my information kept confidential? Where is it kept and who has access to it?

The data for this study is collected and collated by the Curtin University Project Research Team under ethics approval. You can see the full text of the ethics approval [here](#).

NDS Centre for Applied Disability Research (CADR) staff are supporting this study by contacting respondents and providing information and advice to participants. Designated members of the CADR research team will have access to information on the identity of participating organisations but will not have access to individual data submitted by any organisation. CADR research team members will not disclose the identity of participating organisations to third parties including any other person within NDS.

Are both not-for-profits and for-profits included in the study? Why?

Yes, because services to people with disability are provided by both not-for-profit and for-profit entities.

Are government-owned organisations included in the study?

No. If your organisation is a public sector (government-owned) entity, your organisation is not eligible to participate in the study.

Are sole traders included in the study?

Yes, because sole traders provide services to people with disability.

How long will the project last?

The research started in 2015, with the commitment to run for two years until early 2018. Financial performance benchmarking was conducted in 2015/16 and again in 2016/17. Surveys relating to business confidence and strategic responses surveys (building on the NDS Business Confidence Survey which started in 2014) were conducted in September 2016 and will occur again in August/September 2017.

How many surveys will I need to complete?

New organisations joining the panel can submit their audited financial accounts data for FY 2015/16 and FY 2016/17 and still receive a 1:1 financial benchmarking report and a 1:1 session with a member of the Curtin University team who is a qualified accountant (CPA) to discuss, explain and interpret the results. Each survey should take about 40 to 45 minutes, depending on the complexity of your organisation and your access to end-of-year financial statements.

We know that the process of data collection is time-consuming for you and that it adds to your significant workload. However, the project is crucial. Without robust data to back up our advocacy, there is no way for NDS to change current pricing arrangements or convince government of the risks of market failure.

Will I get a report showing how my organisation compares with others?

Yes. Depending on the final number of participating organisations, we expect to be able to provide you with a report that compares your organisation's performance with that of similarly-sized organisations. You will also receive a copy of the report on aggregate results. To see an example of the type of report you will receive, please click here. [[PDF](#), [DOC](#)]

Will other organisations be able to see my results?

No. Published reports include only de-identified consolidated data.

Please take part

If your disability service organisation would like to be involved in this ground-breaking research and be a part of supporting sector and workforce development and NDS advocacy on effective pricing, please contact either Penny Knight at Curtin Not-for-Profit Initiative at penny.knight@curtin.edu.au, or Gordon Duff, General Manager, Sector Development and Research, NDS, at gordon.duff@nds.org.au.