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UNDERGRADUATE
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COMPETITION

Case One

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FACULTY OF
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ROYAL FLYING DOCTOR SERVICE (QUEENSLAND SECTION)

BACKGROUND

About the Royal Flying Doctor Service

The Royal Flying Doctor Service of Australia (RFDS) takes the finest care to the furthest corners of Australia.

Established in 1928 by the Reverend John Flynn, the RFDS has grown to become the largest and most comprehensive aeromedical organisation of its kind in the world, delivering 24-hour emergency aeromedical and primary health care services to all those who live, work and travel throughout Australia.

Today, the RFDS conducts more than 290,000 patient consults across Australia every year – that's one person every two minutes.

The RFDS is a not-for-profit organisation. While supported by the Australian Federal, State and Territory Governments, the RFDS relies heavily on fundraising and donations from the community to purchase and aero-medically fit-out aircraft, purchase vital medical equipment and enhance operational facilities.

In 2013/2014, the fleet of 63 aircraft travelled more than 26 million kilometres, covering more than 7.1 square kilometres or more than 90 per cent of Australia, from its 22 bases.

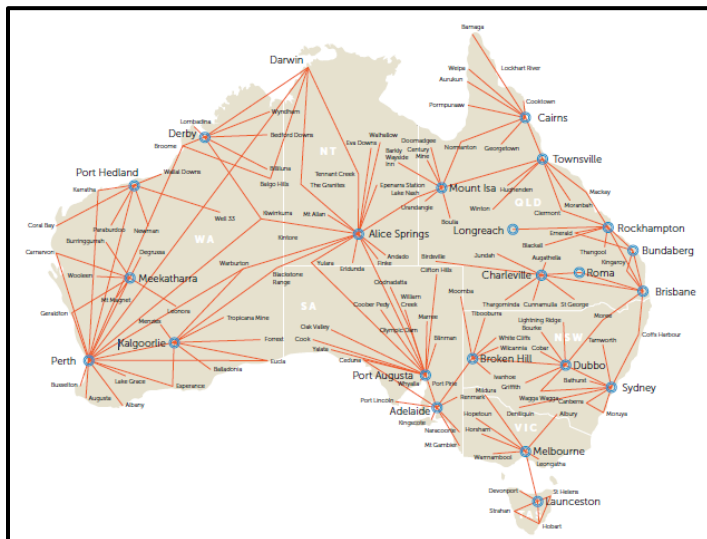


Fig. 1: Example of Royal Flying Doctor Service flight paths. Taken from 2013/2014 Annual Report.

Health Services

The RFDS provides critical health services – including emergency evacuations, regular Primary Healthcare Clinics and remote consultations – to some of the most disadvantaged communities in Australia. One third of Australia's total population live outside major cities. Without the health services provided by the RFDS, many of these people would have little or no reasonably accessible health care available to them. The services funded by the Commonwealth Government include traditional services (primary evacuations, Primary Health Clinics, remote consultations, medical chests/kits) along with Rural Women's General Practitioner (GP) Service, and the Mental Health Services in Rural & Remote Areas program. Other RFDS services, funded through state governments or in partnership with private funders, include other aeromedical services such as inter-hospital transfers, other primary health care services and outreach programs, health promotion and education activities, clinical training and education, and oral health and dental services.

Organisational structure

The RFDS operates in a federated structure of six autonomous legal entities, plus the National Office. Each of the entities operates independently from a financial and operational perspective.

The six entities are:

1. Central Operations – serving South Australia and the Northern Territory
2. South Eastern Section – serving New South Wales, Australian Capital Territory, and some services to Victoria and Tasmania
3. Queensland Section – serving Queensland
4. Western Operations – serving Western Australia
5. Victorian Section – serving Victoria
6. Tasmanian Section – serving Tasmania

The National Office, located in Sydney, has the primary aim to enhance the role and improve the functions of all RFDS entities in Australia. The National Board is responsible for identifying areas of excellence and best practice across the organisation, and implementing initiatives to create efficiencies across the RFDS. The National Office is a centralised point of coordination and provides support to the sections through national projects.

Royal Flying Doctor Service – Queensland Section

Queensland is the second largest state in Australia, nearly five times the size of Japan, seven times the size of Great Britain, and more than two and half times the size of the US state of Texas.

RFDS Queensland services an area of more than 1.7 million square kilometres, operating from nine bases in Brisbane, Bundaberg, Cairns, Charleville, Longreach, Mount Isa, Roma, Rockhampton, and Townsville.



Fig.2: RFDS Queensland bases

These nine bases form a strategic network and help to deliver a broad range of health care programs including general practice, Aboriginal and Torres Strait Islander health, child and family health, social and emotional wellbeing, women’s health, oral health, and health promotion activities.

The mission of the RFDS Queensland is to provide excellence in aeromedical and primary health care across Queensland. This is connected to the RFDS Queensland vision – The furthest corner. The finest care.

RFDS Queensland describes the values that underpin the work they do as:

- Care & Respect – for patients, employees, communities, and cultures
- Reliable & Dependable – giving our best and fulfilling our promises
- Safety & Quality – continuous improvement through evidence based practices
- Socially & Ethically Responsible – in all that we do
- Collaboration – with teamwork, we can make an impact
- Innovation – encouraged and celebrated

THE CHALLENGES

The Royal Flying Doctor Service (Queensland Section) Chairman, Bill Mellor was pleased with his regular catch up with Chief Executive Officer, Nino Di Marco. Mr Mellor paid for lunch, and as he took his change, smiled as he folded the \$20 note into his wallet. He was reminded of the founder of the Royal Flying Doctor Service, Reverend John Flynn, who featured on the note.



Fig.3: Australian \$20 note

Mr Di Marco looked at Royal Flying Doctor Service logo as he sorted the various reports they had discussed over lunch, preparing for the presentations from teams of consultants briefed on the challenges faced by Royal Flying Doctor Service, specifically the Queensland Section. He stopped for a moment to study the logo – the traditional symbols of medicine in the caduceus, of aviation in the wings, and the map of Australia, and six important words – The furthest corner. The finest care.



Fig.4: RFDS logo

As they walked from the lunch towards the boardroom, both the Chairman and the CEO reflected on the past 12 months, which had seen some significant achievements for the Royal Flying Doctor Service in Queensland. The 2013/2014 Year In Review and Financial Report for the Queensland Section told some of the stories and showed sustained demand for programs and services, and highlighted new service initiatives and infrastructure projects. A new video documentary was a snapshot of more than 85 years of history of the Royal Flying Doctor Service.

But there was still much to be done and some challenges ahead.

Delivery of services was an ongoing challenge. Despite enduring continued deficiencies in operating income from traditional sources, the Royal Flying Doctor Service (Queensland Section) still posted an operating surplus made possible through contributions of donors and supporters. The support had allowed investment in upgrades to life saving medical equipment, funded two new aircraft, and enhanced remote clinical programs. With government funding alone, this would not be sustainable.

The Australian not-for-profit sector is large and diverse, constantly growing, and rapidly changing. The Royal Flying Doctor Service (Queensland Section) needed to maintain and grow support in that highly competitive environment.

There were some particular areas to focus on.

In 2011, a Business Development Unit was established to identify and source funding opportunities and income streams related to Royal Flying Doctor Service in Queensland that could be used to provide additional services and assist in reducing financial deficit. The Business Development Unit had introduced strategic partnerships, training courses, and other initiatives.

The Marketing and Fundraising team managed more than \$10.4 million received in community support in a period of considerable health reform, and increased uncertainty around funding at both Federal and State Government levels.

There were some key opportunities.

In May 2014, the Federal Minister for Health announced the establishment of Primary Health Networks (PHNs) to replace Medicare Local Networks. The PHNs could represent opportunities for the Royal Flying Doctor Service in Queensland to position itself as a viable health care provider to programs previously issued by Medicare Locals.

The Federal Government was also leading a national mental health reform and review, which could support the Royal Flying Doctor Service in Queensland to preserve and broaden current mental health programs.

In the brief, Mr Mellor and Mr Di Marco had asked the consultants to present solutions to two specific challenges:

- **A sustainable funding model for Royal Flying Doctor Service (Queensland Section)**, with particular focus on how to grow corporate support and bequests;
- An **innovative new fundraising initiative** linked to a specific service area of the Royal Flying Doctor Service (Queensland Section). The specific service area should be justified by its priority, impact, attractiveness for funding support, or other factors presented by the consultants.

Mr Mellor and Mr Di Marco reached the boardroom, looking forward to the presentations from the teams.

APPENDICES



APX1: Royal Flying Doctor Service (Queensland Section) Promo Video, 3:26mins - provided on USB



APX2: Royal Flying Doctor Service (Queensland Section) Documentary, 11:59mins – provided on USB



APX3: Royal Flying Doctor Service (Queensland Section) Financial Report 2013/2014 – printed copy provided



APX4: Royal Flying Doctor Service (Queensland Section) Year In Review 2013/2014 – printed copy provided