

7 May 2015

EXECUTIVE REVIEW

I would like to thank all those who have contributed to the review process. Many of the ideas in the document were derived from conversations with staff across the organisation. The Ministry of Health review also informed the document.

I envisage this process of review as a great opportunity to move Waikato DHB forward on a track of innovation, modernisation and necessary transformation.

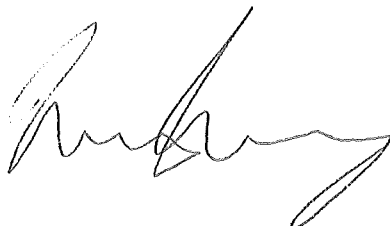
You should consider these proposals as a framework for debate, thoughtful consideration and an opportunity to organise ourselves in a new and dynamic way that will significantly improve services and the health of our population.

At a high level the proposal is intended to emphasise strategic opportunities for Waikato DHB. This includes but is not limited to:

- Clinical leadership;
- Quality improvement, efficiency and effectiveness;
- Primary care;
- Flattening the organisation structure;
- Enhanced emphasis on teaching, training and research;
- IT enablement;
- Rural services;
- Streamlining service delivery; and
- Strengthening public health initiatives.

Thank you for your participation. Engagement through this change effort will be vital to its success.

Regards

A handwritten signature in black ink, appearing to read 'Nigel Murray', written in a cursive style.

Dr Nigel Murray
Chief Executive

APPENDIX A

The Proposal

We are proposing to move from the current executive structure to the draft structure defined in Appendix B. Specifically, the following is proposed: Positions which do not change are not listed.

For Level 3 roles (currently reporting to CE) the following is proposed:

1. The disestablishment of the following:
 - a. Chief Operating Officer
 - b. Director of Board Governance
 - c. Project Manager – Building Programme Office
 - d. General Manager Human Resources
 - e. Chief Financial Officer
 - f. Director of Communications
2. The creation of the following roles reporting to the CE:
 - a. Chief of Staff
 - b. Executive Director of Operations and Performance
 - c. Executive Director of Strategic Projects
 - d. Executive Director of Corporate Services (which it is proposed to include Finance and HR portfolios)
 - e. Executive Director of Facilities & Business
 - f. Executive Director of Waikato Hospital Services
 - g. Executive Director of Community & Clinical Support
 - h. Executive Director of Public & Organisational Affairs
3. The creation of the following professional advisory roles reporting to the CE:
 - a. Director of Allied Health

For Level 4 roles (currently reporting to COO) the following is proposed:

4. The disestablishment of the following:
 - a. Group Manager Waikato & Thames Hospitals
 - b. Group Manager Rural & Community
 - c. Group Manager Women's, Children & Allied Health
 - d. Group Manager Older Persons & Rehabilitation / Population Health
 - e. Group Manager of Clinical Support
5. The creation of the following roles:
 - a. Reporting to Executive Director of Waikato Hospital Services:
 - i. Director of Acute/Elective/Critical Care Services
 - ii. Director of Cancer & Renal Services
 - iii. Director of Women's & Children Services
 - iv. Director of Older Persons & Rehabilitation / Allied Health Services
 - b. Reporting to Executive Director of Community & Clinical Support:
 - i. Director of Rural Hospitals (including Thames)
 - ii. Director of Public Health (note change in title)
 - iii. Director of Community Services
 - iv. Director of Clinical Support
 - c. Reporting to proposed role of Executive Director of Facilities & Business:
 - i. Director of Business Support
 - d. Reporting to Executive Director of Corporate Services:
 - i. Director of People and Performance

6. Re-aligning reporting structure:
 - a. Group Manager Mental Health & Addiction Services to level 3 (reporting to CE).
 - b. Assistant Group Manager of Operational Performance & Support will report to the Executive Director of Operations & Performance.
 - c. General Manager of Change Management will report to the Executive Director of Corporate Services;
 - d. Director of Quality & Patient Safety to level 3 (reporting to CE).
 - e. Finance function will report to the Executive Director of Corporate Services.

To provide consistency across job titles the following is proposed:

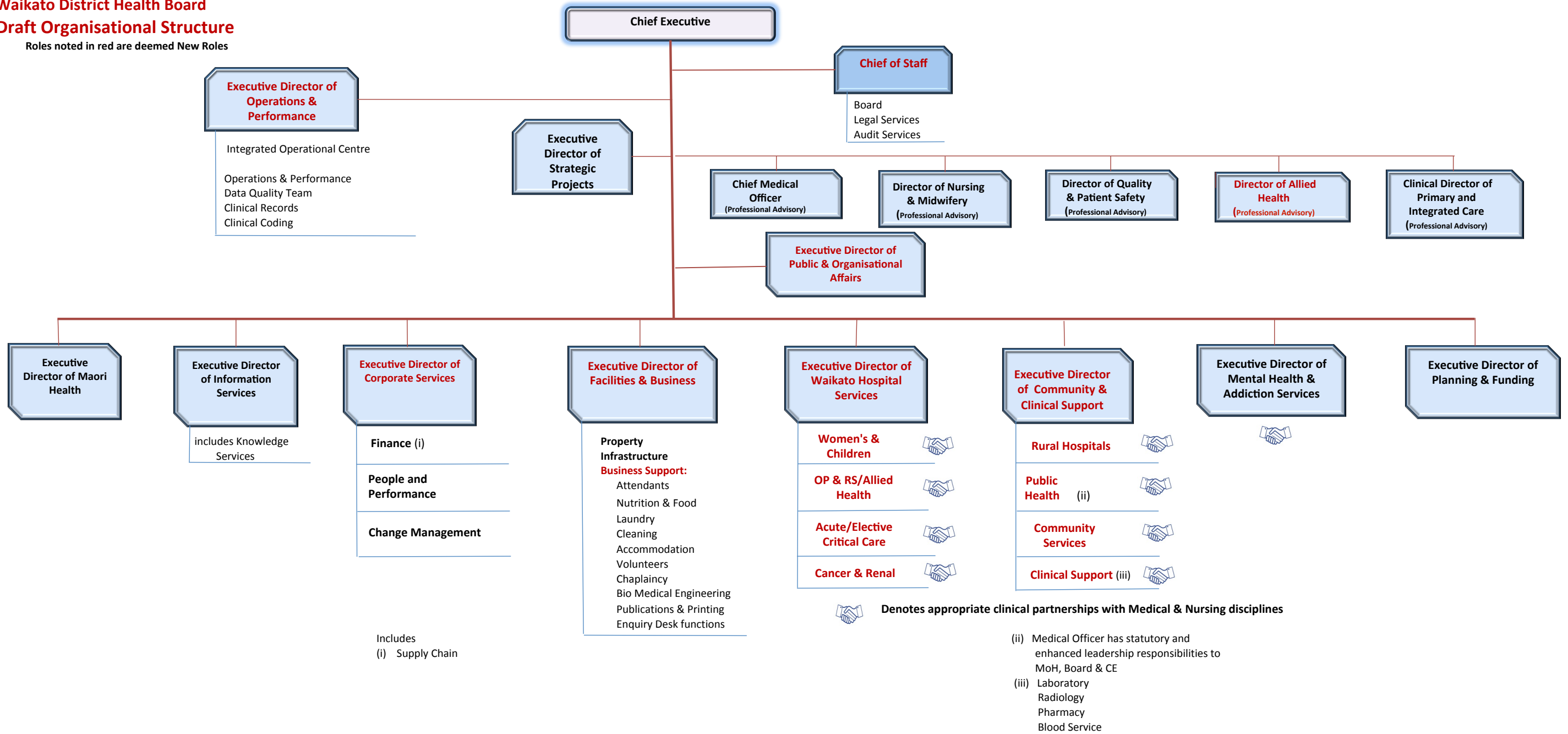
7. Roles reporting to CE will be prefaced with “Executive Director”, other than Professional Advisory roles which have the title “Director”, and “Chief of Staff”.
8. Clinical services roles, as defined in Appendix B, reporting to Executive Directors will be prefaced with “Director”.
9. Non clinical direct reports to Executive Directors the job titles are still to be determined.

6 May 2015

APPENDIX B

Waikato District Health Board
Draft Organisational Structure

Roles noted in red are deemed New Roles



Appendix C

Draft Job Descriptions – Purpose only

The following describe the purpose only of the intended new Chief of Staff, Executive Directors – clinical services and Executive Director of Public & Organisational Affairs, Executive Director of Operations and Performance and Executive Director of Corporate Services.

Not all new roles are listed as further input from the CE's direct reports will be sought.

| Chief of Staff | Purpose of the position |
|---|---|
| | <ul style="list-style-type: none">• To work closely with the CE and Executive Group to assist them to meet their collective objectives.• To provide sound strategic and tactical advice to the CE and / or Board on any matters coming before them.• To act as a point of contact between the Executive Group in day to day operations, resolving issues where appropriate while ensuring that the CE is aware of information critical to meeting the overall objectives of the DHB.• To act as a point of contact between the DHB Executive Group and the CE in day to day operations, resolving issues where appropriate, whilst ensuring that the CE is aware of information critical to meeting the overall objectives of the DHB.• To actively influence all CE direct reports (both clinical and non-clinical) to collaborate harmoniously and effectively.• To actively foster partnerships and relationships with other DHBs and key stakeholders, including the primary care sector and agencies, to ensure Waikato DHB is optimally positioned to meet its overall objectives.• To identify situations where opportunities or risk may be present in the way in which the organisation operates.• To provide oversight to projects critical to the organisation.• To act for the CE in their absence if no alternative arrangements have been made and in any case in day to day decisions. |
| Executive Director of Operations and Performance | Purpose of the position |
| | <ul style="list-style-type: none">• To be the single source of advice to the Executive, Ministry of Health, the Board and other stakeholders on non-financial metrics which describe the performance of Waikato DHB.• To drive greater accuracy in the compilation of non-financial metrics across Waikato DHB.• To drive the removal of obstacles to increased production and/or efficiency of production across Waikato DHB.• On a day to day basis to engage with all services, including theatres to maximise the Waikato DHB's ability to meet acute demand while also meeting elective targets.• To develop and drive an organisational approach to maximising safe production within available resources.• To manage clinical records, clinical coding and the operations and performance team. |

Executive Director of Corporate Services

Purpose of the position

- To be responsible for the Chief Financial Officer of the Waikato DHB who manages All standard financial processes associated with a district health board of the size and complexity of Waikato DHB including:
 1. Accounts payable
 2. Accounts receivable
 3. Payroll
 4. Treasury
 5. Management Accounting
- To manage the supply chain including
 1. Procurement
 2. Purchasing
 3. Inventory and distribution
- To manage the Human Resources and Organisation development activities of the Waikato DHB.
- To be the single source of advice to the Executive, Ministry of Health, Board and other stakeholders on financial metrics which describe the performance of the Waikato DHB.
- To hold the relationships with Audit NZ, Health Alliance and HBL.
- To ensure, in conjunction with IS, that all information systems associated with the above activities are current, secure and operating to best practice.
- To manage the Change Team and ensure it adds value in improving organisational processes and structures.

Executive Director

- **of Waikato Hospital Services**
- **of Mental Health & Addiction Services**
- **of Community & Clinical Support**

Purpose of the positions

- To effectively and safely manage the clinical and / or clinical support services coming within the scope of the position.
- To work closely with other Executive Directors to provide coherent patient-centred models of care across the Waikato DHB.
- To work closely with primary care and other districts / regions to provide coherent patient-centred models of care across sectors and across boundaries.
- To work in partnership with identified clinical companions and model joint decision making to the wider organisation.
- To put in place structures and processes that achieve standards of patient safety and quality commensurate with a high-achieving tertiary institution.
- To foster an open and inquiring approach to service delivery which welcomes innovation and improvement.

Executive Director

of Public & Organisational Affairs

Purpose of the position

- Primary Role - To be responsible for building, maintain and developing relationships with the stakeholders of the Waikato District Health Board.
- Alliances and Relationships –
 - to identify alliances with other DHBs, particularly in the Midland region that will support the aims and activities of Waikato DHB.
 - To enhance relationships with other health industry organisations and in particular Ministry of Health and other related government departments.
 - to build and enhance existing relationships.
 - to create new relationships.
- Advocacy –
 - to represent the interests, views and governance decisions of Waikato DHB to stakeholders.
- Communications and Media –
 - communicate the interests, views and governance decisions of Waikato DHB to stakeholders.
 - when delegated by the Chief Executive, to be the official spokesperson for the DHB to external media organisations.
 - maintain and expand the DHB's social and internal media networks.
 - ensure that wherever possible the processes of the DHB are available to the public at large, to assist their engagement with the DHB.
- Establishment of Waikato DHB Foundation Trust –
 - primarily responsible for the Waikato DHB Foundation Trust.
 - the Trust is to be established to assist and facilitate Waikato DHB in delivering health services to the Community.
 - the Trust is to seek, gather and allocate funds from the Waikato community and associated organisations for the purpose of improving health services in the Waikato region.
- Management –
 - to lead and take responsibility for DHB Relations team.
- Analysis –
 - analyse significant government and international health related reports.
 - advise Board, CE and his direct reports on such analysis.
 - assist in the formulation of the views and governance decisions of Waikato DHB.

Appendix D

EXPLANATORY STATEMENT BY THE CHIEF EXECUTIVE REGARDING PROPOSAL FOR CHANGE TO EXECUTIVE STRUCTURE AT WAIKATO DHB

Introduction

In 2014 I advised that a review would be undertaken of the organisational structure of the Waikato DHB covering my direct reports and the direct reports to the Chief Operating Officer.

The reason for doing this was that the Waikato DHB had reached a natural review point in its history. There were various dimensions to that as follows:

1. I was appointed effective 21 July 2014.
2. The Ministry of Health, at the Board's request, prepared a report for the incoming Chief Executive in mid-2014 which made suggestions of relevance to the structure of the organisation.
3. The quality culture and structure required modernisation and enhancement.
4. The organisation has significant financial pressures which require greater attention.
5. The General Manager Human Resources left the organisation in early August 2014.
6. The Chief Operating Officer stepped away from her role on 6 October 2014 to take a role working with primary care and subsequently left the organisation.
7. In response to this change, the General Manager Planning and Funding was appointed Interim Chief Operating Officer from 6 October 2014.
8. The significant building programme on the main Hamilton campus has been completed and the Director of the Project, Ian Wolstencroft, had been retained in a part-time role to assist with upgrading buildings which are earthquake prone.
9. There was a need to switch emphasis from re-building the Hamilton campus to ensuring we are working as effectively as possible within it focussing on system and process reform.

The review process took longer than I would have preferred. There were a number of reasons for this. However, one of the main reasons was that it's difficult to undertake a review of this nature without getting into discussion about the structure below the executive level, particularly in regard to clinical partnership. We spent some time challenging ourselves as to whether for the sake of coherence and transparency we should include some detail about change at lower levels. We ultimately decided that if we did this we risked making the change too complex and less likely to be accurate in its assumptions. The Waikato DHB's strong commitment to clinical partnership will be advanced through change at other levels subsequent to this review.

The proposal for change has now been released.

This paper comments on important elements of the process and proposed structure to provide more context.

Principles Underpinning the Review

There are a number of principles which underpin the way in which I believe the organisation should be structured. These are:

1. Waikato DHB must be structured to engage readily and honestly with all sector colleagues including the Ministry of Health, Primary Health Organisations, NGOs and other providers, Midland regional district health boards and other district health boards nationally. It must also be transparent to its communities.
2. Delivery of health services for which Waikato DHB is responsible must be done where it can be done best whether at other district health boards, private providers or primary health.
3. The Chief Executive must have the ability to develop and maintain a five to ten year view of the organisation.
4. Regional relationships with other district health boards need to be strengthened.
5. Clinical partnership must be real and ubiquitous involving not only professional advice but also management working hand-in-glove with clinicians.
6. Waikato DHB must be able to drive production across the organisation as a whole to enhance performance in all services in a coordinated and coherent way.
7. Waikato DHB must gain control of the data it holds to ensure its accuracy and use it to best advantage.
8. Waikato DHB must develop and maintain a culture which is supportive of its strategic direction.
9. Improving quality must be a top priority.
10. Waikato DHB must be able to adjust to changing demographics including an aging population and rural depopulation, as well as addressing the changing nature (including aging) of its own workforce.
11. Waikato DHB must strengthen its commitment to public health through prevention and promotion.
12. Waikato DHB must enhance teaching, training and research as a tertiary district health board.

Process to Date

We have had a round of informal consultation with the holders of most positions affected by the review.

The Director of Board Governance and BPO Project Director met on my behalf with the holders of positions reporting to the Chief Operating Officer. They were invited to describe:

1. Their structure and how it worked for them
2. How that structure could be improved
3. How the wider organisational structure and roles could be improved.

The Director of Board Governance and the BPO Project Director and I also met with the holders of the positions reporting directly to me. We extended to them the same invitation described above.

I met personally with a number of senior clinical staff from all professions.

Chief Operating Officer and Health Waikato

There are two general questions which I have been considering since I arrived and which were integral to the review:

1. Whether there is any value in branding the services delivered by Waikato DHB as “Health Waikato”.
2. Whether the position of Chief Operating Officer should continue.

With respect to the first question, Waikato DHB funds a wide range of services in addition to those it delivers itself. Accordingly there is some merit in recognising through the Health Waikato branding that from a delivery perspective Waikato DHB is one provider among many funded in this region. A degree of separation between funder and provider is after all a pre-requisite to the fair and transparent funding of services.

However, Health Waikato is an artificial creation. It has no separate legal personality. Its support services are derived from the Waikato DHB and it has no choice about that. Ultimately we all exist to provide services to the patient.

Regarding the question of whether we continue with “Health Waikato” as a concept I am proposing that this is put to one side while we consider the following:

1. Strengthening purchaser/provider separation;
2. Seeking regional partners for planning and funding; and
3. Strengthening the performance framework for NGOs, PHOs and Waikato DHB as provider.

With respect to the role of Chief Operating Officer, again there are benefits and risks. The main benefit is to bring a degree of cohesion to the patient-facing services of the Waikato DHB at a very senior level which leaves the Chief Executive free to deal with the longer-term issues of the organisation.

The main risk is that the reports to the Chief Executive as a group and the reports to the Chief Operating Officer as a group, develop and function in ways that do not align well. The seniority and size of the positions in the two groups is after all similar.

There are also cost implications in maintaining the role of Chief Operating Officer.

On balance I concluded that the risk of divergence between the two teams is greater than the benefits to be derived from the role. I am therefore suggesting in the proposal that the position of Chief Operating Officer be disestablished.

Clinical Partnership

Clinical partnerships are essential to the effective running of a successful district health board.

The proposed structure contains suggestions around this. These are as follows:

1. The professional hierarchies would converge at the level of Executive Director. Thus the Executive Director of Waikato Hospital Services, the Executive Director of Mental Health and the Executive Director of Community and Clinical Support respectively would manage all staff within their services. Notwithstanding this, the Executive Directors would also be expected to identify one or more clinical partners to act as confidante and sounding board. These would be named individuals known to the organisation but ultimately still reporting to the Executive Director.
2. Under the proposal Directors reporting to the three Executive Directors referred to above would work in conjunction with clinical partners. The partnerships would report to the Executive Director. Precisely how the partnerships will be organised will be determined after this review in conjunction with the Chief Executive, assuming the proposal is adopted. The way in which the partnerships operate would be formally documented.

Professional Advisors

The debate about whether the professional advisors for all professions (medical, nursing and allied health) should report to the Chief Executive is an enduring one. It is proposed in this case that they do in fact report to the Chief Executive.

In improving clinical leadership within the organisation it is proposed to look at establishing deputies to the CMO within existing FTE after this present review is completed.

Also included in the proposed group of advisors is the Director of Quality and Patient Safety. Given the very close link between quality and patient safety and professional advisors, this addition will strengthen our commitment to quality across the organisation.

Primary Care

A strong integrated primary care system is central to improving the health of all New Zealanders and reducing health inequalities between different groups. The district health boards, primary health organisations and general practices now work together in alliances to meet the health needs of people within their district. To facilitate that engagement, this document affirms the position of Clinical Director of Primary and Integrated Care. An important part of this role is to support our local alliances achieve their goals, and to support primary care in building the capacity and capability required for the future. The role will continue to build on our growing commitment to the wider primary care sector including general practices, primary health organisations, pharmacies, nursing and allied health providers and other primary services.

Telemedicine and the Development of Virtual Care

Community access to healthcare and hospital services is also a focus of Waikato DHB. This is likely to be facilitated at a later date by the appointment of a part-time Clinical Director of Virtual Care. The focus of this role would be the development of a clinical practice model across selected specialities that improves access of patients and general practice to those specialities by using a virtual model of care.

The intention would be to move a portion of the work effort of selected specialities to a virtual mode within five years. In brief, this would allow multiple modern forms of access such as phone, video and email consultations at the initiative of the patient, GP or specialist. Mental health and district nursing would be included.

Teaching Training and Research

Teaching, training and research are essential activities of a tertiary hospital and the relationships Waikato DHB has with the University of Auckland, Waikato University, Wintec and other institutions are of prime importance to it. This proposal has been developed on the assumption that research would be governed through the Director of Quality and Patient Safety.

The Waikato DHB's oversight of teaching and training would, for the future, occur through the Chief Medical Officer and Director of Nursing by way of addition to their roles or through deputies to those roles. Details would be worked out at a later time with the intention of greatly enhancing organisational focus.

Regional Collaboration

As noted above, one of the principles underpinning the review is the need to strengthen regional collaboration, coordination and service delivery. This is proposed to occur through a more explicit focus on relationship building and by further work on a broader regional approach to planning and funding.

Executive Directors of Waikato Hospital Services and Community and Clinical Support.

Under the proposed structure these two positions would be the senior clinical general management positions in the organisation. They would be expected to work extremely closely together (in conjunction with the Executive Director of Operations and Performance) to ensure that patient flow and production work as they should.

Executive Director of Operations and Performance

This new position is proposed as a means of driving patient-centered delivery across the organisation on a day-to-day basis. It would ensure that production meets targets and that the data we present accurately reflects performance.

The idea originated in the comments of a number of those we spoke to. They were concerned that the Waikato DHB continues to operate in silos, and that it is difficult for both the individual patient journey and the production needs of the organisation to cross internal boundaries.

While under the proposal this position would not have line authority over clinical services it is anticipated it would be highly influential in operational decision-making.

There is some excellent work presently being done in regard to making patient flow more efficient. In order for this not to lose momentum the expectation is that during recruitment to this position (assuming it is adopted) the Executive Director of Waikato Hospital Services and the Executive Director of Community and Clinical Support would between them undertake the role.

Public Health

Prevention and health promotion must be a key emphasis of any organisation concerned with the health and well-being of its population. Key issues such as diabetes, smoking, obesity and other chronic conditions must be addressed and the proposal is positioned to address these problems.

Information Technology and Services

Information technology and services would, under this proposal, continue to report to the Chief Executive to recognise the strategic importance of the function and the attention the Chief Executive must give it. The breadth of activity has increased significantly over recent years and now it covers internal systems, systems which interface with the wider community including primary care and support of regional initiatives.

Resourcing to meet these multiple objectives will need to be carefully considered and prioritised.

Executive Director of Corporate Services

The proposed establishment of this role was a logical idea given proposed changes elsewhere in the structure. It reflected the following:

1. The fact that the Director of Board Governance and CFO have been working closely over past years on supply chain improvements and therefore the CFO (as the role presently is) is well placed to take up this work; and
2. The recognition that both the Supply Chain Improvement team and the Change team (within the corporate services group) have expertise which could be deployed to improve HR processes and better match staffing with need. Our sense is that HR may be short-staffed and its processes could benefit from review by experts in process design.

Chief of Staff

This is a role which is relatively common in politics but less so in health. It is proposed to ensure through this role that the Chief Executive has the 'head space' to develop and maintain a five to ten year view of the organisation and to engage meaningfully with the many stakeholders that seek his time.

The role would act as a central point of contact between the Chief Executive and his direct reports. It would seek to understand issues and obtain resolution through the Chief Executive. It is anticipated that many less pressing or significant issues would be resolved by the Chief of Staff as proxy for the Chief Executive in conjunction with the relevant members of the Executive.

Executive Director of Public and Organisational Affairs

My view is that there is a need for Waikato DHB to work on its internal and external relationships and place a strong emphasis and value on achieving this goal. Accordingly I am proposing the appointment of an Executive Director of Public and Organisational Affairs. My work as Chief Executive in this area would continue but I would be supported by this new position. The key point is that the focus would be on relationship-building and not simply communications. The role would also take the lead on inter-agency collaboration required under current government policy.

Executive Director of Facilities and Business

This is a proposed new position that if confirmed, will be appointed in due course. It is fairly self-evident.

Comments

Comments on the structure are welcome. We would appreciate the opportunity to test it against the views of those affected.

Feedback should be forwarded via email to: response@waikatodhb.health.nz

Dr Nigel Murray

Chief Executive

8th May 2015.