APEX – Medical Laboratory Workers Delegate Training
3 August 2016
AUCKLAND

CONTENT

1. *Operating Environment*
2. *New Zealand Health Strategy*
3. *Future of Work – Health sector*

SOME OPENING NUMBERS

1. ***20% of core government expenditure is in Health ($16b out of $75b). 2nd highest after Social security and welfare $24b.***

2. ***Over 65s make up 15% of our population and 40% of our current health expenditure***

3. ***Bet 2007/08 and 2013/14, population increase by 7%, over 65s grew by 26%***

Operating environment – 2 megatrends

1. Rise of consumers & social changes
    a. Demographics & mobility
    b. Expectations & values

2. Advances in knowledge & technology:
    a. Speed & Scale
    b. Size & Significance
    c. Convergence

Operating environment - COMPLEX

- Multiple drivers
- Constant change
- Smaller window
- Converge
- Unpredictable

- Volatile
- Fast pace
- Disruptive
- Scale
- Impact

Operating environment - statistics

1. **Population – Auckland in 2020, Japan (127 to 95 by 2040), China (1.33b to 1.4b)**

2. **Telephone(75y), Radio(38y), TV(13y), Internet(4y), FB(2y), G+ (88d), Angry Bird Apps (35d)**

3. **Top 3 companies 1990 and 2014 – c36b/r250b/wf1.2m..c1.1t/r237b/wf137k**

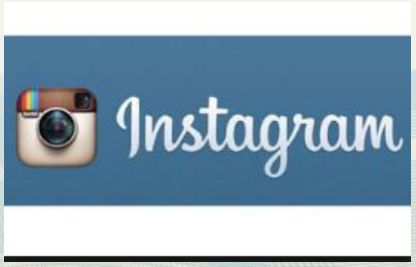
4. **Patient Like me (400K 2016), 23andMe (1.2m 2/16)**

5. **By 2020, 95m low skill jobs surplus, shortage of 45m medium and 40m high skill jobs – McKinsey Global Institute 2012 report.**

Operating environment - Disruptors

1. **Photo industry - 2012.**
    - **Folded after 100 years (140K staff, US28b cap..1996)**

    - **18 months old, 13 staff bought by FB for US$1b**



Operating environment-Disruptors

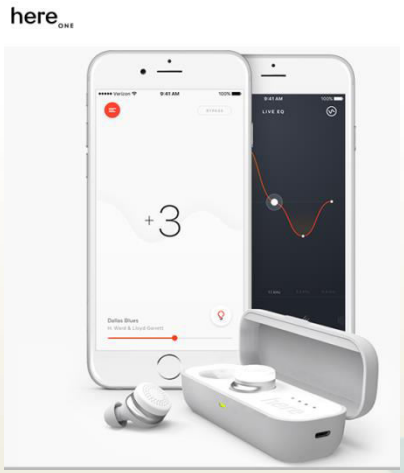
2. Hosting platforms – retail, taxis, books, accommodation

Operating environment – Disruptors

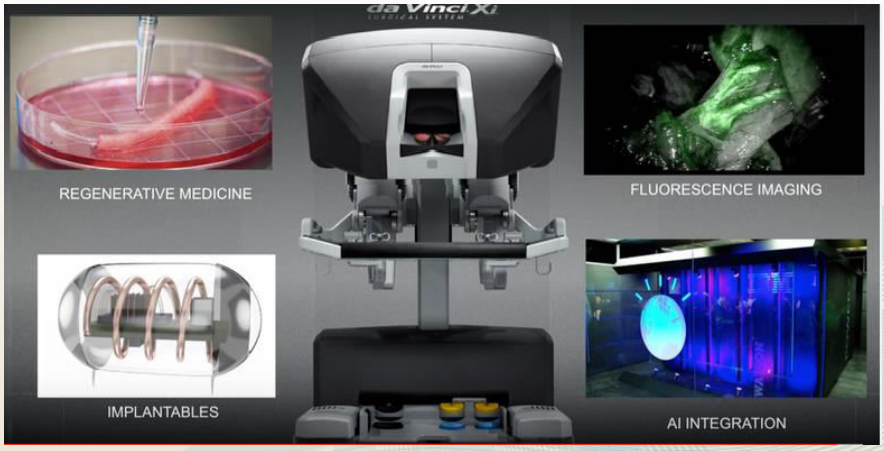
3. Healthcare

babylon
Everyone's personal health service.

DeepMind Health



Operating environment – Disruptors (Robotic surgery now and future)

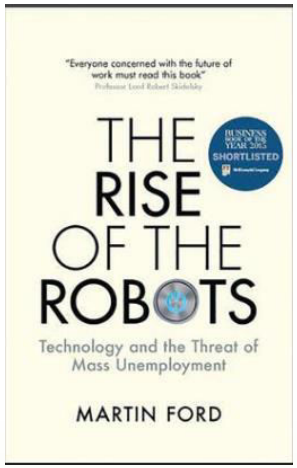


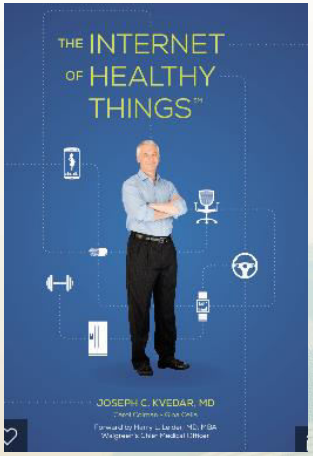
Technology – pace, scale & convergence

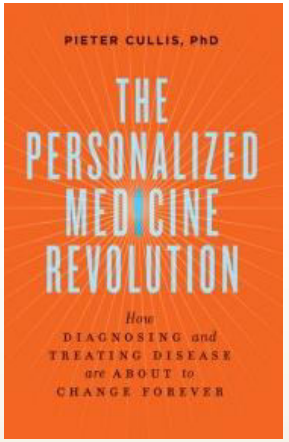
1. **PHYSICAL – robots, 3D printing, new materials**

2. **BIOLOGICAL - genomic, proteomic, metabolomic, microbiomic**

3. **DIGITAL - Cloud Computing, Big Data, IoTs, Bitcoin, Blockchain**







MINISTRY OF HEALTH
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NZ Health Strategy

NZ Health Strategy – 2 parts

Five strategic themes

MINISTRY OF HEALTH
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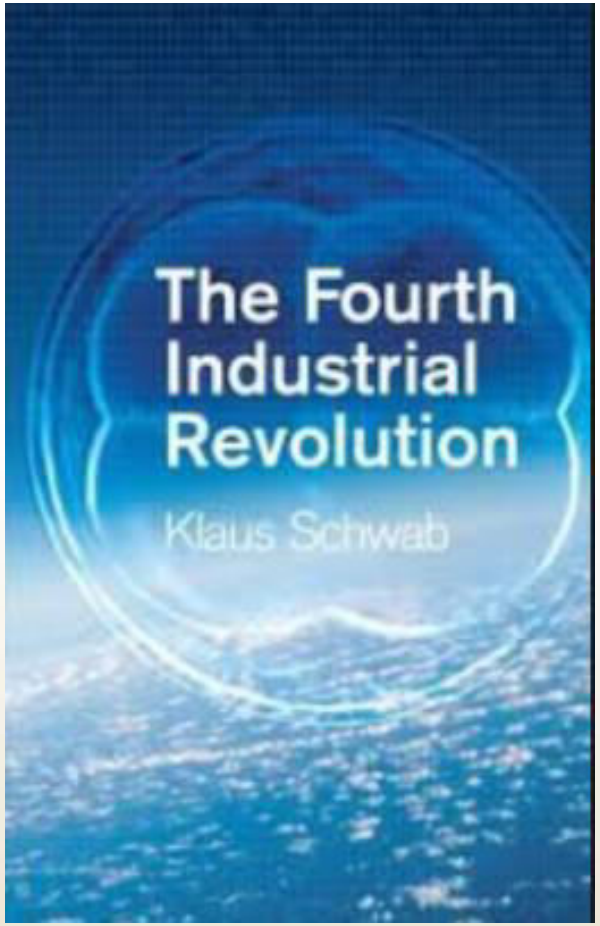
IMPLEMENTING THE NZHS ROADMAP

1. *COMPLEX*
2. *INTEGRATED CHANGE FRAMEWORK*
3. *KNOWLEDGE WORK LEADERS & TALENT*
4. *GOVERNMENT PRIORITIES*

BIGGEST CHALLENGE – Managing Today for Tomorrow

FUTURE OF WORK



1. 1st IR machinery
2. 2nd IR automation & mass assembly
3. 3rd IR computers
4. 4th IR AI, IoTs, Sensors, Machine Learning

Previous Industrial revolution, technological innovation destroys some jobs which it replaces in turn with new ones in a different activity and possibly in a different place…however the 4th IR seems to creating fewer jobs in new industries than previous revolution

FUTURE OF WORK

Organisations will have to be prepared to undergo new learning cycles and adapt themselves to these new challenges, not only to survive, but to succeed.
Head of HR, Healthcare, India

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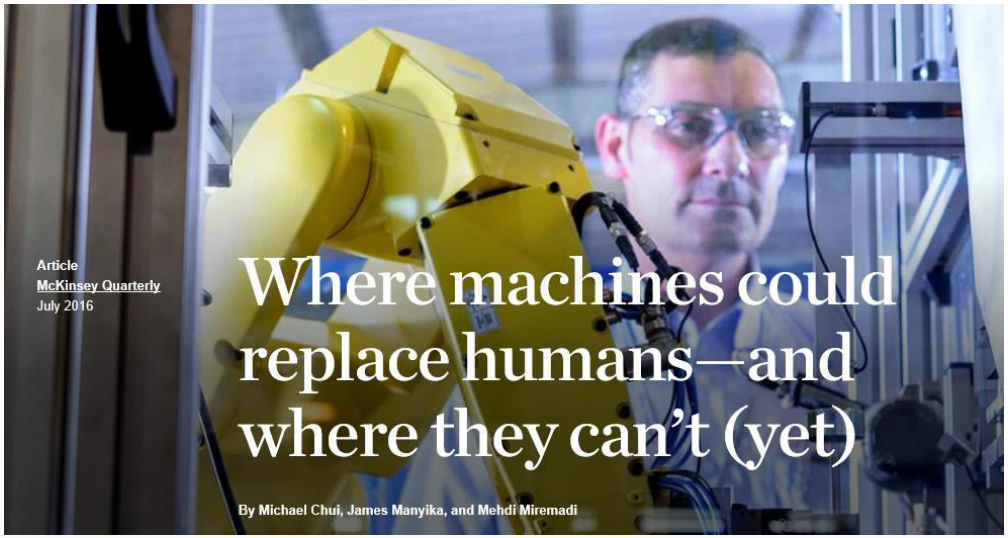
FUTURE OF WORK



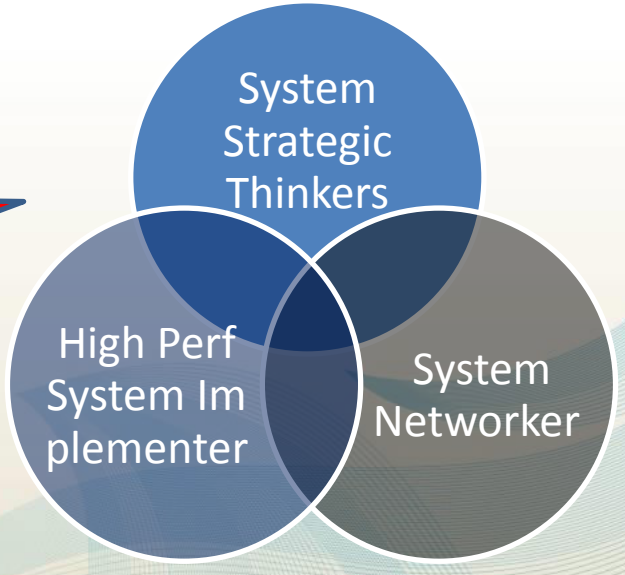
Last year, we showed that currently demonstrated technologies could automate 45 percent of the activities people are paid to perform and that about 60 percent of all occupations could see 30 percent or more of their constituent activities automated, again with technologies available today

Different Leadership Models

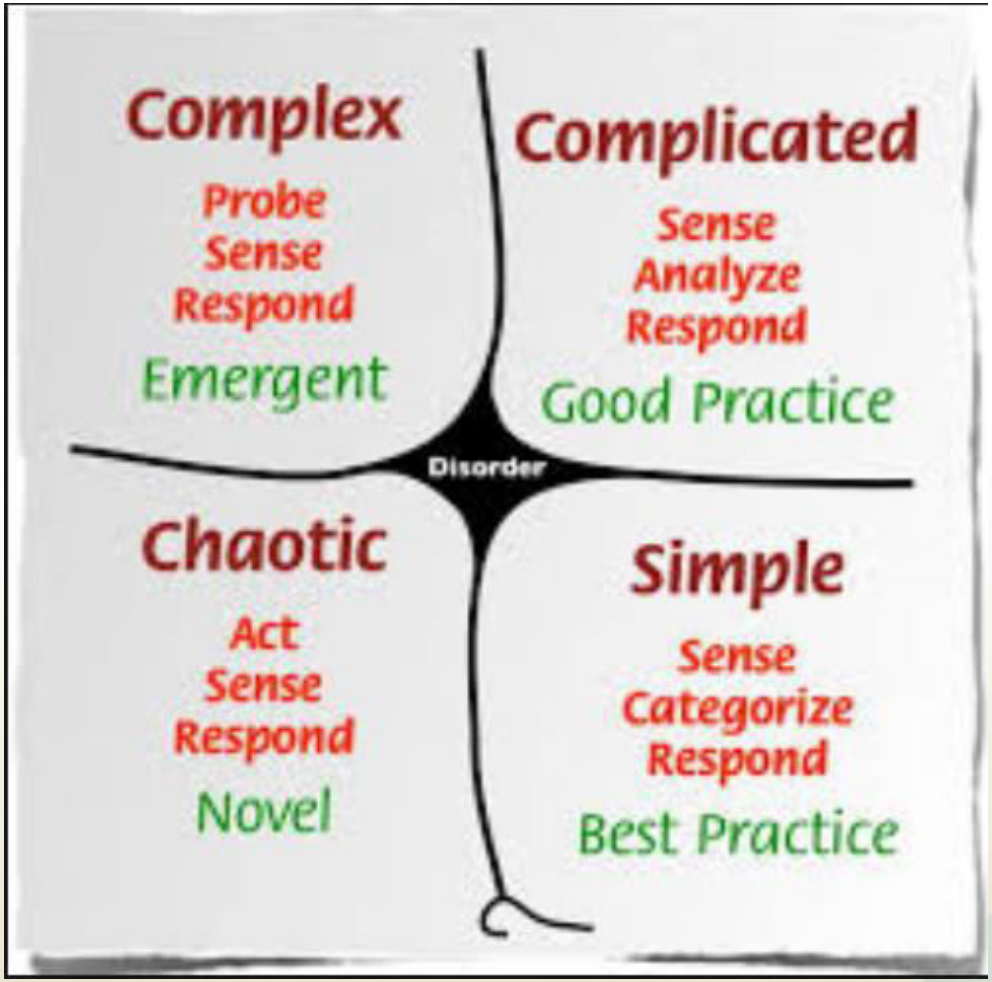
Cottage – master craftsman

Industrial - managers

Knowledge work

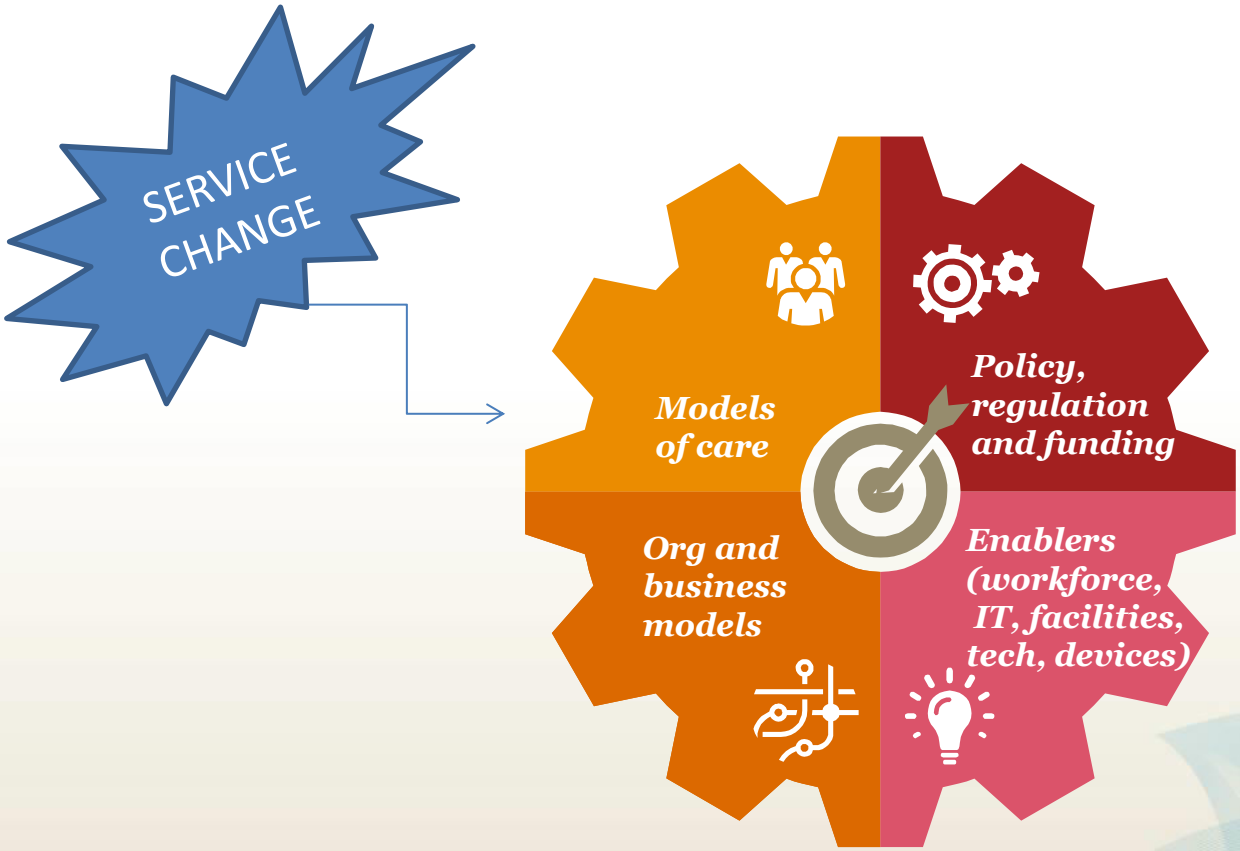


Leaders we Need – Understand Complexity

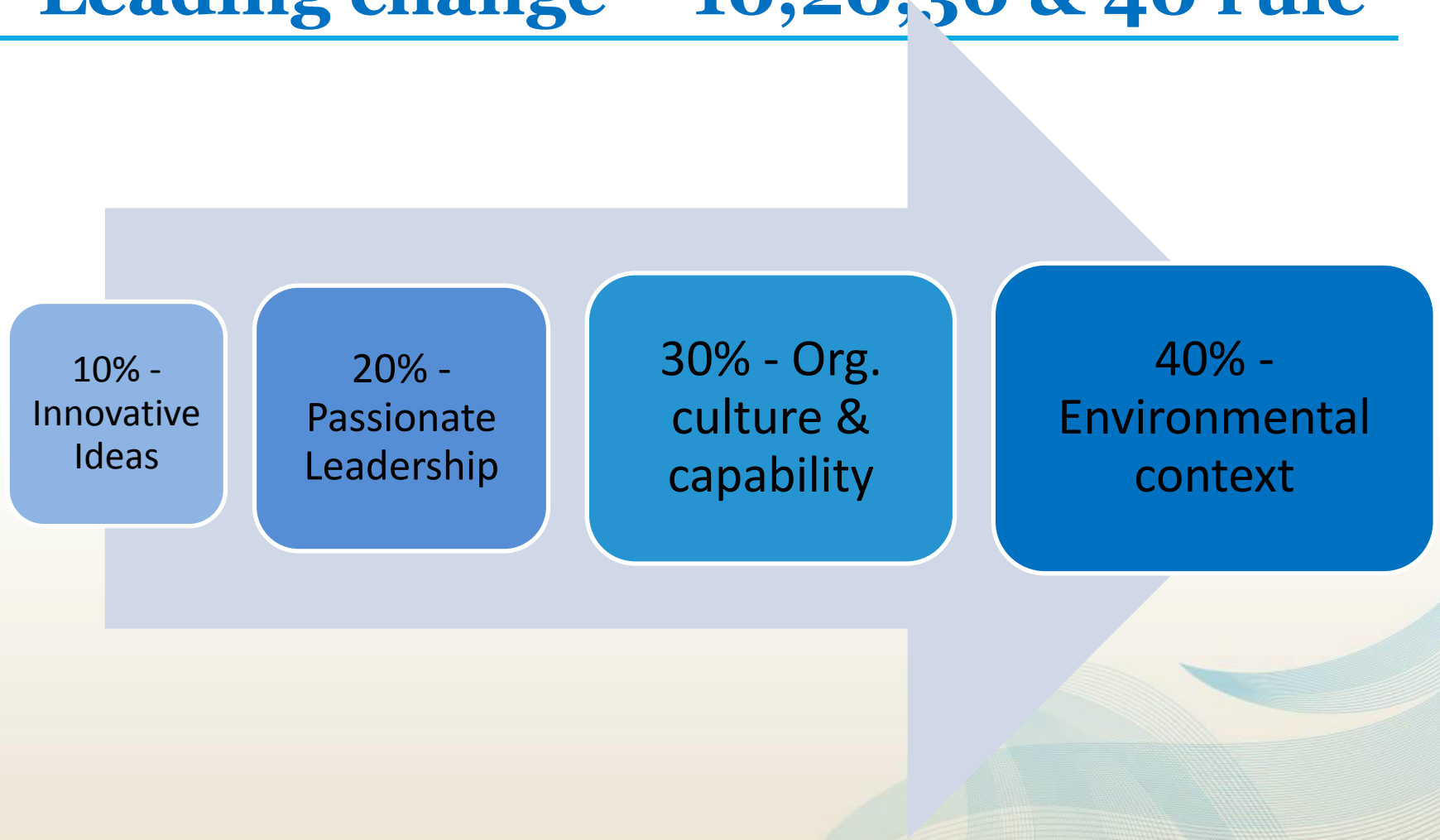


David Snowden – Cynefin Framework

Leading an Integrated change framework



Leading change – 10,20,30 & 40 rule



Leaders We Need – A Profile

1. **Courage, Resilience & Self Control - Character**
2. **Self & Situation Awareness - Character/Skill**
3. **Communicator - Skill**
4. **Learning culture - Value**
5. **Service Above Self - Value**
6. **Team Player – Character/Skill**

"Not just great problem solvers, they deliberately build & leave behind even greater leaders"

Ministry Of Health - change starts with us!!

1. *Align & drive refreshed NZHS*
2. *System leadership – strategically focus*
3. *Better integration & reduce duplication*
4. *Better Partners*
5. *Better Performance Story*
6. *Contribution to broader BPS goals*

CLOSING WORD

Challenges & opportunities we face are complex and require exceptional leadership that can set out a compelling narrative of clear purpose, vision, mission supported by strategies and an operating model that encourages innovation and is strongly underpinned by values and culture that reflects who we are as New Zealanders