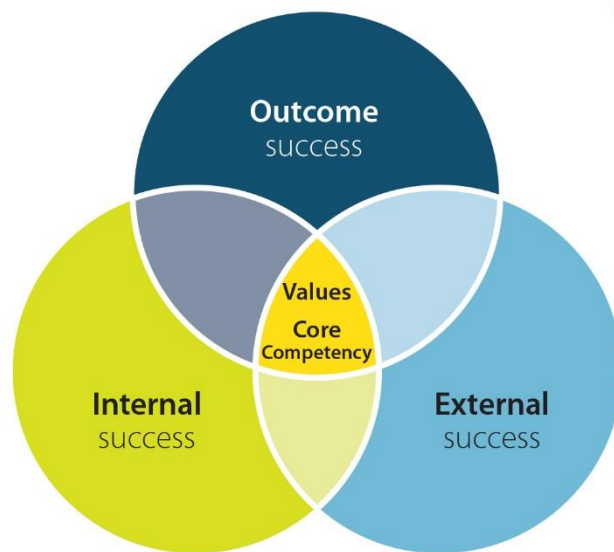


April 2019

Private & Confidential



PHARMAC Change Proposal

Administration Support Function

Consultation Document

Introduction

The purpose of this document is to outline my proposed changes to the structure of the support functions of PHARMAC.

The aim of these changes is to ensure PHARMAC has the right capability and structure to underpin our strategic direction and development. I am confident that what is outlined in this consultation document will optimise our resources and streamline the administrative support available within our organisation.

Accordingly, I am proposing to centralise the Executive Assistants, Team Assistants and Office Administrators within the Business Services team of the Corporate directorate.

I am proposing the Team Assistant Panels role be disestablished and a new position, Contracts Administrator, established. One of the remaining Team Assistant positions is also proposed to be disestablished, reducing the number to four and one will be a 12-month fixed-term position while service needs in the new structure are determined.

A new position, Team Leader Business Services, which will manage the Team Assistants and Office Administrators, is proposed to be established.

In addition, due to the increasing volume of activity required of this position, I propose to split the role of Executive Assistant to CE/Board Secretary. I propose to establish a new role, Board Secretary, to undertake the high-level Board secretariat tasks and activities and provide executive advisory and support services to the Board, to SLT and to me. This means Board support and line management of the EAs to SLT will be removed from the Executive Assistant to the CE/Board Secretary role and providing executive assistance to the Director, Strategic Initiatives will be added. The proposed title for this role is Executive Assistant to SLT, in line with the other EAs and it will report to the Manager, Information Knowledge and Business Services.

These proposed changes will result in a reduction in the number of direct reports of the Manager, Information Knowledge and Business Services.

At this stage, I am not proposing any changes to the positions of PTAC Secretary or Clinical Advice Coordinator but these may be the subject of future consultation.

If approved, the new structure will take effect from Monday, 13 May 2019.

I invite your feedback on what is proposed so I can consider all views before making a final decision. Feedback can be on any/all aspects of the proposed change and can be submitted individually or as a group. Your comments, suggestions and submissions can be emailed to change@pharmac.govt.nz by 5pm on Friday, 26 April 2019.

I look forward to receiving your feedback on the proposal and appreciate your commitment as we work through the process.

I would like to acknowledge that change can be stressful and remind you that confidential counselling and support is available to you through the Employee Assistance Programme (EAP). EAP can be contacted 24/7 on 0800 327 669.

If you have any queries about this process, please talk to s9(2)(a) HR Projects or s9(2)(a) s9(2)(a) Manager Human Resources.



Sarah Fitt
Chief Executive

8 April 2019

Background

In March 2019, PHARMAC engaged an independent contractor to conduct a review of the support team and selected other support positions with similar duties to that of the support team.

The purpose of the review was noted as:

The support team function is made of 13 FTE. The support team function absorbs a little more than 3% of the cost and 10% of the total head count of the agency.

Reporting lines vary depending on the position. This review is to assess whether support is being provided in the right places, whether the reporting structure best supports these positions and the support function required by the teams they support and overall, whether this is appropriate and effective.

The last formal review of the support function across the organisation was completed in 2013. Since then, PHARMAC had grown considerably and now has approximately 130 FTE, almost doubling in size over the last five years or so.

The review was intended to encompass the support team and selected positions and:

- review the existing support team functions, scope and structure, evaluate overall resource utilisation effectiveness and recommend improvements/changes
- identify recommended changes to key processes at the resource level
- identify any potential impact on team structure, either within the team or the allocation of responsibilities amongst teams
- consider the most effective reporting lines and possible implications of any changes

The following positions were included in the scope of the review:

- Manager, Information, Knowledge and Business Services (1)
- Team Assistant Information, Knowledge and Business Services (3)
- Team Assistant Operations (2)
- Team Assistant Panels (1)
- PTAC Secretary and Subcommittee Secretary, Medical Directorate (1)
- Clinical Advisory Coordinator, Medical Directorate (1)
- Executive Assistant to Chief Executive/Board Secretary (1)
- Executive Assistants (2)
- Office Administrators (2)

Rationale for Change

Due to resignations, internal secondments and parental leave, we have a high number of vacancies in the support area at the moment, with permanent roles being filled by temporary or fixed-term staff. In terms of impact on staff, I consider this an optimal time to be conducting this review.

Process

The review was an information-gathering exercise to understand the current state of administration/support across PHARMAC, establish whether the current support function is efficient and relevant to current business needs and what, if any, changes should be considered to improve support services across the organisation.

Interviews were conducted with all staff in support functions, line managers and a range of other staff to gather their views on the support they provide/receive.

Review Findings

While the general feedback from the interviews was mixed in relation to structure, reporting lines, clarity and options, the feedback on the service received was in the main very positive. It was recognised that some type of change to the structure and reporting lines was required but no change to the current level of support was deemed necessary. It was also recognised that with the recent turnover within administration support, it is the right time to effect change.

While the administration support is highly valued, it was noted the support was not consistent across the organisation and clarity was needed to understand the administration support positions.

Feedback suggested there were inconsistencies across the administration/support team at PHARMAC, specifically:

- utilisation of administration and support across PHARMAC and reporting lines
- workloads and processes
- position descriptions and accountabilities

There was agreement that the current reporting lines have created a lack of transparency and clarity around the function and in many cases, the administration support has been used to fill other technical function/administration gaps in line with the individual directorate/team requirements and the individual in the role. This has led to inconsistency of tasks and activities across all administration support positions.

Managers were not always sure of who they could go to and what administrative support was available to them. Equally, administration/support staff were not always clear on who they were able to support or cover, leading to confusion and a sense of disconnectedness.

PHARMAC operates in a dynamic way which has enabled the organisation to shape and change positions as it needs to meet business requirements. This is also prevalent in the administration/support areas, adding to the lack of clarity around scope of these positions, along with the different line reporting.

This perceived lack of clarity and the various reporting lines have led to an imbalance of workload across the team administrators, broader support/coverage and directorates' use of the function.

The inconsistency of content of desk files adds to the lack of clarity and structure. As noted, tasks, activities and weightings of importance have typically been tailored to meet the needs of individual directorates.

During the interviews, the feeling of being disconnected was a consistent theme. The impact of feeling disconnected seemed to create a siloed effect and lack of engagement across the organisation, resulting in a potential lack of commitment across the administration support function for the organisation.

Managers/team leaders supported the need to change, advising that as long as they had administrative support, it did not matter who the support staff reported to. Feedback from line managers was that they do not necessarily understand the TA function and potentially are not managing the TAs as effectively as they could.

PHARMAC line managers have tended to use their TAs in the capacity required for their individual needs which has, in turn, changed aspects of the position. As a consequence, they have taken on more operational/technical administration functions which might be better placed elsewhere or reviewed to bring it into a more broader TA position, e.g. contract support. In the Contracts area, approximately 50% of the operations team administration position is on contract administration. Contracts administration tasks have grown since 2016 and this is expected to continue.

It was noted there was a lack of clarity around how the roles of Executive Assistant and Team Assistant differ and when and how the resources may be utilised and by whom.

Feedback suggests that the Team Assistant Panels position is no longer required due to changes in work processes. However, there are some tasks the current incumbent is responsible for that would need to be reallocated.

There is a concern around where the support positions in the Medical directorate sit in the organisation to ensure they had the appropriate relationships and support to enable the positions to meet performance expectations.

There appear to be a number of standard organisational systems and processes that are either manual or do not exist - on-boarding and off-boarding information, induction checklists and assistance, improved information for new starters on the intranet including standard organisational documents like EA templates, email signatures etc. The establishment of centralised administrative support will ensure that once developed/improved, these documents and systems will be embedded across the organisation.

The Proposal

My proposal is to centralise the support functions of PHARMAC – Executive Assistants, Team Assistants and Office Administrators - to create more consistency, streamlined processes and standardisation across PHARMAC. This will promote a culture of collaboration across the organisation that supports and encourages conversations and planning around the provision of service, workload, activities, capability, performance and career progression.

This will involve the following proposed changes:

- changing the reporting line of the:
 - Executive Assistants
 - Team Assistants
 - Office Administrators
- changing the job title, reporting line and some job functions of the Executive Assistant to the CE/Board Secretary
- changing one of the Team Assistant positions from a permanent position to a 12-month fixed-term position while service needs in the new structure are determined
- reducing the number of direct reports of the Manager, Information Knowledge and Business Services
- creating the positions of:
 - Team Leader, Business Services
 - Contracts Administrator
 - Board Secretary
- disestablishing:
 - one vacant Team Assistant position
 - the vacant Team Assistant Panels position

Organisational Impact

This proposal directly affects staff in the following positions:

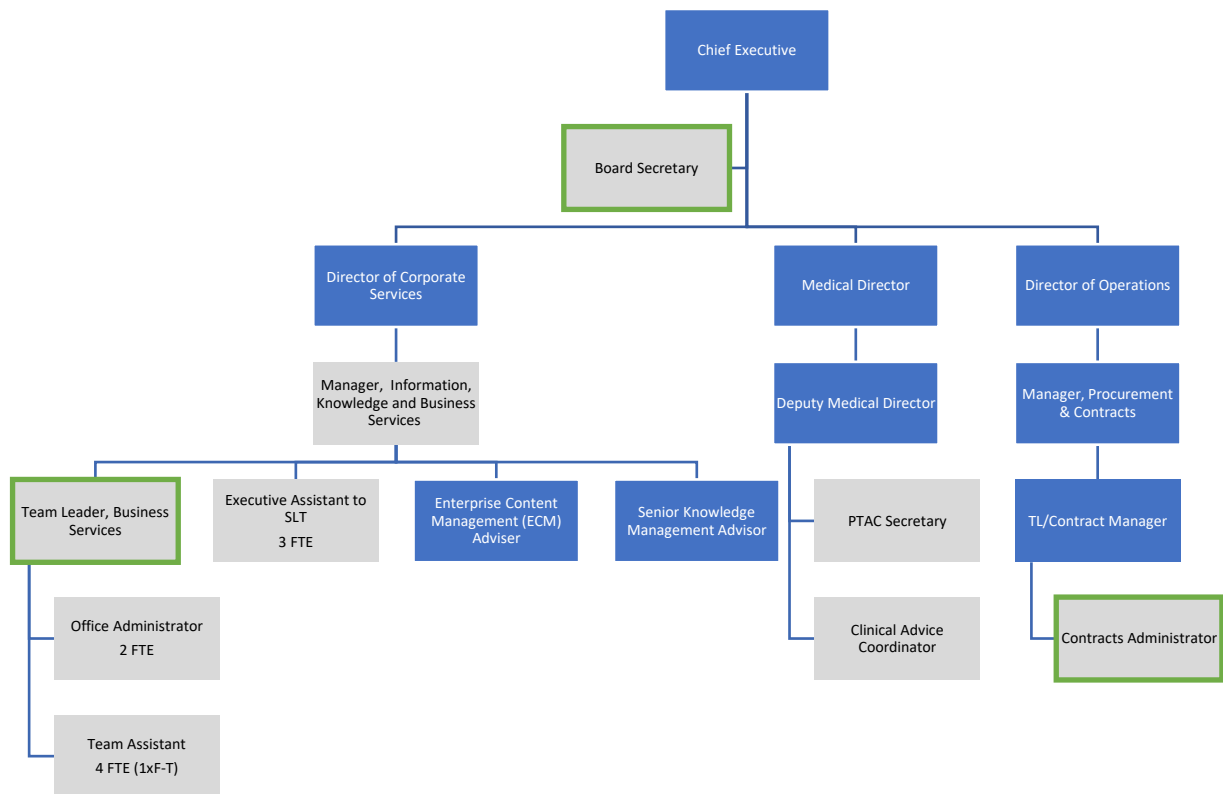
- Manager, Information, Knowledge and Business Services (1)
- Team Assistant, Information, Knowledge and Business Services (1)
- Team Assistant Operations (1)
- Office Administrators (2)
- Executive Assistant to Chief Executive/Board Secretary (1)
- Executive Assistant to SLT (2)

Impacts on other directorates and teams are estimated to be minimal.

Proposed Structure of Support Services

The proposed future structure of PHARMAC’s support services is depicted below.

The positions highlighted in green are the proposed new positions.



Recruitment

An internal recruitment process will be run to fill the vacant and new positions. Any roles not filled through the internal process, will be advertised externally.

Impact Assessment

The table below shows the potential impacts of the proposed changes.

Position	Proposed Change	Impact
Changed Positions		
Manager, Information, Knowledge and Business Services	<ul style="list-style-type: none"> Change in number of direct reports 	<ul style="list-style-type: none"> Permanent staff member confirmed in role
Executive Assistant to CE/ Board Secretary	<ul style="list-style-type: none"> Change of job title Change of reporting line Change of responsibilities 	<ul style="list-style-type: none"> Permanent staff member confirmed in role
Executive Assistant to SLT	<ul style="list-style-type: none"> Change of reporting line 	<ul style="list-style-type: none"> Two permanent staff members (one on internal secondment until February 2020, one on parental leave until March 2020) confirmed in role One fixed-term employee confirmed in role until March 2020
Team Assistant	<ul style="list-style-type: none"> Change of reporting line Reduction from six to four (one to be fixed-term) One vacant position disestablished 	<ul style="list-style-type: none"> Two permanent staff members confirmed in role
Office Administrator	<ul style="list-style-type: none"> Change of reporting line 	<ul style="list-style-type: none"> Two permanent staff members confirmed in role
Disestablished Positions		
Team Assistant Panels (vacant)		
Team Assistant (vacant)		
New Positions		
Team Leader, Business Services		
Board Secretary		
Contracts Administrator		

Consultation Process and Timeline

The table below gives an indicative timeframe for the proposal:

Date	Description
Monday, 8 April 2019	Consultation document released
Friday, 26 April 2019	Consultation period ends
Tuesday, 7 May 2019	Decision document released
Tuesday, 7 May 2019	Subject to consultation feedback, confirmation of new structure and notice of any changes provided to affected staff
Monday, 13 May 2019	New structure operational
Monday, 13 May 2019	Recruitment commences for new and vacant positions