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The Public consultation (health) Friday 23<sup>rd</sup> Jan 2015, Grand Chancellor.

#### 1.0 Background.

From my experience when one looks at a business unit, the first thing to sort out is the existing internal process and systems. Sadly this is often missed yet it is fundamental for the future.

As a guide to the above statement there is a benchmark and that is called "3% max commercial error factor". In simplistic terms, if in an office environment and the telephone rings more than 3 times before being answered the error factor is exceeded. In any business unit there are two key work role desks where information passes through. One has approx 18 causes of error and the other 22. The data at these two points is easily collectable (1/2 days work for an experienced person) and will give an idea just where the business unit sits. From these two desks the information line leads direct to the work role desks that caused the error. Training can then be determined to eliminate the problem.

#### 2.0 Facts.

In 1984 the then internationally recognised world leading mining company decided that they had to look at their process and systems to take them forward for the next ten years and beyond to ensure they remained in their leading role. I was fortunate to be selected to the international team representing a business units total expenditure process. All final recommendations made to the CEO were accepted, implemented internationally, on time and budget. That business today remains arguably, the world's leader.

In 1994 (10years later) a major Tasmanian Government business unit decided to look at their process and systems. Against external advice they decided to update using internal resources to save costs. The end result was 6 to 10 months late, did not get the functionality they thought they would and budget blown out the door. Eventually the work was stopped by the board.

The point in the above is, if one is looking at change you change your work practices to suit the standard software package, you do not change the standard software package to suit existing work practices. In a software company development office, there is input from the existing users group. The users group have been there –done that – now want the best functionality for the future.

3.0 In my past work roles have reviewed in depth two Tasmanian Government business units and found their commercial error factor Min 13% max 22%. I have also reviewed NZ's largest industry, Gold operation in Canada and the Blair Government (UK) delegation presentation by the South Australian Government and other notable projects.

#### 4.0 Change.

One does not change for the sake of change. There must be a clear well documented path and fully understood by all with no threats to work roles but understood that at the end of the day actual work roles may change. This requirement is achieved via work role desk users, actually documenting the scope of work that covers--

4.1 What must they have to do their job (no alternatives).

4.2 What part of their job would they accept alternatives

4.3 A wish list- how good it would be if we had this (throwing darts)

#### 5.0 The future.

Recognise that every employee has a brain. Logically that person doing a function should know if it was possible to improve and how to do it.

Recognise that hidden resource knowledge by reward. There is a standard mechanism process to extract this knowledge then on acceptance, reward that person with 50% of the first 12 months \$ saving.

In closing must point out my Government experiences are in the past. Am not generally aware of today's position.

Ian Peck

