



2 November 2023

Our reference 2324-0611

Charles Finley

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Tēnā koe Charles

Thank you for writing to the Ministry of Business, Innovation and Employment (MBIE) on 14 September 2023, to request the following under the Official Information Act 1982 (the OIA):

Following your recent restructure, I am interested in the following:

- a - how many business groups were impacted by the restructure*
- b - how much was paid out in redundancy, and to how many people (total and quantity) across the different business groups (if too sensitive to share, just the total across the ministry)*
- c - how many people resigned as a direct result*
- d - how many people were promoted (i.e. went up a pay grade) as a direct result*
- e - how many people were demoted (or went down a pay grade) as a direct result*
- f - further to d - a list of people / positions who went up more than 1 pay grade as a direct result of the restructure (I believe that for those who are now in senior manager roles, tier 4 plus, this should be deemed public information. If you do not wish to share names, please share positions that these people are now in)*
- g - how many vacant positions remain (as of today) across the ministry*
- h - how are you assessing the benefits of the restructure*

Over the last two years, MBIE has taken steps to build our organisation for the future and to ensure MBIE is set up to meet the challenges which lie ahead. The changes are aligned to our people strategy, Te Ara Amiorangi, and create a common sense of connection and direction and encourage collaboration.

On 23 March 2023, MBIE released a change proposal that aimed to address some outstanding structural alignment opportunities. The restructure document focused on building operational excellence across MBIE, removing duplication and encouraging an efficient and effective organisation.

Over 2,400 submissions were received from staff, with additional feedback through team submissions, meetings, and discussions with senior leaders. As a result of this feedback, MBIE released its final decisions in May, ahead of the new structure taking effect on 1 July 2023.

My answers to each part of your request start below. Please note, the data referred to in my response covers the period from **1 July 2023** to **31 August 2023**.

Question A **Groups impacted by the realignment**

Through the recent change, five business groups were impacted.

Three groups had parts of their operations realigned, namely:

- **Immigration New Zealand**, which has responsibility for New Zealand's immigration rules and laws
- **Building, Resources and Markets**, which has responsibility for the regulatory systems around markets, including building, communications, energy and financial markets; and

- **Te Whakatairanga Service Delivery**, which delivers services designed to uphold and promote fair markets, through the provision of services to the public, including Tenancy Services, Employment Services and the Intellectual Property Office of New Zealand (IPONZ).

At the same time two of our groups, Ngā Pou o te Taumaru (which housed our corporate functions including human resources, internal governance, legal and privacy, onsite security, and communications) and Finance and Performance were merged into a single new group named **Corporate Services, Finance and Enablement**.

Question B **Amount paid out in redundancies to affected people, number of affected people**

MBIE's realignment was not intended to reduce the size of MBIE's workforce, but rather to make better use of existing people and resources. In any change situation, our objective is to retain the skills, knowledge and experience we need to achieve our goals.

Most staff retained their existing role, or remained in roles that were either the same or substantially similar, through a process known as **reconfirmation**. This option applies for roles where the following is true:

- The new position description is the same or substantially the same as their current role
- The salary and other terms and conditions of the new role are no less favourable than the old one; and
- The new role is in the same location as the old one.

However, in some instances some positions were filled through:

- **Contestable reconfirmations**, where there is a reconfirmation opportunity but there are more employees who could be considered for reconfirmation than the number of positions available in the new structure.
- **Reassignment** through an Expression of Interest (EOI) process for employees in roles being disestablished. This process allowed affected employees to express their interest in new roles within the confirmed new structure.

Newly established vacant positions at tier 3 level (reporting directly to a deputy chief executive) were advertised internally and filled through our standard recruitment process. The process for filling these roles was merit based, with first consideration given to affected employees who may have otherwise faced redundancy.

As at 31 August 2023, nine staff were made redundant as a result of the realignment. The total amount of money paid out for this was \$473,229.81.

Question C **Resignations as a direct result of the realignment**

I am refusing this question under section 18(e) of the OIA, as the requested information does not exist. There is no document held by MBIE that records this information.

Question D **Number of people promoted as a result of change;** and

Question E **Number people were demoted as a result of change**

In response to **questions D and E**, employees directly affected by change are not promoted or demoted, the positions they hold are usually disestablished and no longer exist. Where an employee is affected by change MBIE seeks to reconfirm them into a position that is the same (or substantially similar) where possible.

Where reconfirmation is not possible MBIE may reassign an employee, where possible, to a position that does not require such a significant a change as to be unreasonable, taking into account an individual's skills, ability,

and potential to be retrained. This process is outlined in MBIE's employment agreements and could involve an employee moving salary bands as a result.

Within this change, both reconfirmation and reassignment processes were contestable in situations where there were more suitable employees than there were available positions.

Where an employee was unable to be reconfirmed or reassigned, they were able to apply for any new positions available as part of the change process or any other vacancy within MBIE.

Where affected employees were reconfirmed or reassigned, or if they applied for a new position as part of the change process, 22 employees went up a salary band and three employees moved to a lower salary band.

Question F **List of roles that went up by a paygrade**

When a role is no longer required at a salary band, it is disestablished as opposed to being moved up or down salary band. As such, I am refusing this question under section 18(e) of the OIA, as the requested information does not exist.

Question G **Vacant positions as at 14 September 2023**

The closest date to your request with available data is 31 August 2023, at which time MBIE had 276 vacant positions under active recruitment.

This is the number of positions being actively recruited for at the time and excludes roles that are no longer intended to be filled or positions no longer required pending manual deletion from our payroll system.

Question H **Assessing the effectiveness of the restructure**

Changes made under the restructure are focused towards making sure MBIE is well set up to deliver on our organisational strategy. Consistent design principles have been applied across the changes undertaken by all MBIE groups, focused towards specific benefits, which are:

- **To be people-centred with a strong focus on our people and customers, so that—**
 - Development opportunities are provided across MBIE
 - Our partnership with Māori is strengthened, alongside our efforts to build Māori capability
 - The people of Aotearoa New Zealand are placed at the heart of the work we do.

- **To focus on operational excellence, so that—**
 - Duplication is removed
 - Operational consistency is achieved across MBIE groups
 - Operations are effective and efficient.

- **To create centres of expertise by grouping similar functions and teams together, so that—**
 - Decisions are made more quickly and effectively
 - Collaborative and coordinated work is encouraged
 - The skills, capabilities, and experience of our people is better utilised.

Additionally, specific benefits were outlined for each change programme at a group-level, as outlined in the table below:

Group	Benefits
<p>Corporate Services, Finance and Enablement</p> <p><i>(formerly Ngā Pou o te Taumarū and Finance and Performance)</i></p>	<ul style="list-style-type: none"> ● Integrate operational corporate services, to— <ul style="list-style-type: none"> ○ Standardise, simplify, and automate key services across MBIE ○ Increase support for large-scale operational services and strategic advice across MBIE ○ Consolidate operational activity to provide greater value for money to customers ● Group similar functions, services, and ways of working into specialist portfolios, to— <ul style="list-style-type: none"> ○ Support stronger collaboration ○ Create equitable spans of control for leaders ○ Increase attention on strategic and future-focused thinking ○ Improve the timeliness, specialisation, and quality of operational and strategic advice
<p>Immigration New Zealand</p> <p><i>(incorporating changes to Te Whakatairanga Service Delivery)</i></p>	<ul style="list-style-type: none"> ● Build centres of expertise across MBIE, to— <ul style="list-style-type: none"> ○ Better integrate the parts of MBIE that operate the immigration system, clarify their accountabilities, and remove duplication ○ Improve capacity and consistency in practice for compliance, enforcement, and investigations functions. ● Create a strong and capable central function, to— <ul style="list-style-type: none"> ○ Improve our ability to respond to change ○ Maximise visa processing efficiency ○ Place customers at the centre of design and delivery of immigration services. ● Relieve pressure from operational leaders, to— <ul style="list-style-type: none"> ○ Strengthen their focus on the growth and wellbeing of their teams ○ Support the progression of new ways of working and continuous improvement capability.
<p>Buildings, Resources and Markets</p>	<ul style="list-style-type: none"> ● Realign functions within the New Zealand Government Procurement¹ (NZGP) group, to— <ul style="list-style-type: none"> ○ Create equitable scope and spans of control ○ Group functional relationships to create the best experience for our customers ○ Reposition roles for greater mobility between teams and career progression. ● Meet current demands of the procurement system, including— <ul style="list-style-type: none"> ○ Making improvements to the data system ○ Strengthening leadership in key sectors, supplier relationships, contract management, and cross-agency collaboration ○ Increasing activity to improve practice and develop supplier capability.

¹ NZGP provides functional leadership to government agencies to support them to purchase value for money services, improve their overall effectiveness and reduce overall costs to the government. You can read more about them on their website, at <https://www.procurement.govt.nz/>.

These benefits were outlined in briefings to both MBIE Ministers and the Public Service Association (PSA) with a commitment to reviewing achievement 12 months after implementation of MBIE's new structure.

More information about these success criteria for two of our groups is also contained in the appendices to this letter:

- **Appendix A**, which refers to Corporate Services, Finance and Enablement
- **Appendix B**, which refers to Immigration New Zealand

Thank you again for writing to MBIE. Under section 28(3) of the OIA, you have the right to refer my response to an Ombudsman for review. You can find more about how to do this by calling 0800 802 602 or by emailing info@ombudsman.parliament.nz

Nāku noa, nā



Jennifer Nathan
Chief People Officer
People and Culture
Corporate Services, Finance and Enablement

Appendix A

Success criteria: Corporate Services, Finance and Enablement



Improve customer experience and access

Be easily accessible and responsive to customers, adapting to their changing need as appropriate

The operating model provides clear entry points and an integrated experience for customers - who are predominately MBIE and not external to the Ministry. We must understand the business of our customers and adapt to meet their context as appropriate.



Integrate our services

Provide integrated, joined up end-to-end Corporate services with integrated feedback loops

The operating model aligns functions to encourage coordinated, end-to-end, corporate services that consider and incorporate customer feedback. The design, management and delivery of services are integrated by design, helping to deliver an excellent customer experience.



Invest in our people

Grow our capability, invest in our people, and provide suitable career pathways

The operating model seeks to provide career opportunities to broaden, deepen or grow skills and progress within MBIE; we invest in learning and development, optimise our capacity and maximise our capability.



Improve our strategic focus

Provide timely, specialist and quality strategic advice along with operational services

The operating model enables the effective delivery of services, supporting customers through their lifecycle whilst continuing to meet the corporate operational needs.



Streamline operations

Reduce duplication of functions across the Corporate Services group to create a stronger focus to serve MBIE customers

The operating model focuses on the core Corporate Services customers and reduces / removes duplication to encourage an efficient and effective service provision.



Empower and simplify decision making

Empower our people to make decisions that best serve our customers and improve our processes to make it easy for staff

The operating model enables decisions to be made at the appropriate level, encouraging trust and confidence with processes that support fast and accurate decisions.

Appendix B

Success criteria: Immigration New Zealand

