



Counties Manukau District Health Board prioritise to protect service quality

We have helped
Counties Manukau
District Health Board:

- Enhance its existing process to deliver repeatable results
- Align a wide range of stakeholders
- Evaluate investments equitably while balancing clinical and non-clinical outcomes

Client background

Counties Manukau District Health Board (CMDHB) is responsible for funding and delivering health and disability services, through a range of hospitals and specialist clinics, to more than 500,000 people in Auckland, New Zealand.

Client challenge

Given the economic climate, there has been pressure on the New Zealand public health sector to reduce capital expenditure and investment in facilities. CMDHB needed to find new ways to balance its budget while maintaining or improving the quality of services. They also needed to develop closer regional coordination to reduce service overlaps.

At the start of 2010, CMDHB departments submitted funding requests for new and replacement capital equipment and infrastructure. These initial requests exceeded the available budget by 300%. The CMDHB leadership team recognised the need for a new approach to decision making that would balance clinical outcomes, maintain an efficient district health board (DHB), and gain stakeholder acceptance of funding allocation. A robust process was needed to ensure clinicians and management could understand each other's needs and perspectives when agreeing how to allocate the finite funding and resources.

How we helped

Catalyze engaged with CMDHB to design and implement a rigorous, equitable capital requirement prioritisation process. The new process fitted within CMDHB's existing asset and capital governance processes, enabling smooth integration into their procedures.

The agreed process employed two phases of Decision Conferences, facilitated by Catalyze. In the first phase, individual Decision Conferences were held for each of the clinical services departments, the Information Technology function and Facilities. Each department successfully prioritised its own spending requirements, using a common approach. The individual, prioritised funding lists provided a consistent starting point for the second phase of Decision Conferences. In this second phase, the individual funding lists were reviewed and combined into a cross-organisational, prioritised list. Crucially, the open and inclusive Decision Conferencing approach meant the final list had the support of an aligned group of stakeholders. The CMDHB leadership had a transparent and equitable way of allocating funding and resources within the overall budget constraints.

During the first year, CMDHB identified that there should be a more in depth review of their IT requirements. Catalyze was engaged to work with the IT service function to analyse how their current and potential services could be prioritised and aligned to better support CMDHB's strategic intent.

The Catalyze approach and process has now been in use for over 3 years with modifications being applied to each annual cycle, ensuring continuous business improvement while increasing the scope of the process to cover more budgets.

Enabling Effective Decisions

The CMDHB leadership team has successfully prioritised expenditure to maximize realisable benefit for their finite resources. This has allowed CMDHB to:

- Agree an affordable set of budgets for 2010/11, 2011/12 and 2012/13.
- Identify what not to buy, as well as what to buy.
- Align stakeholders in support of funding allocation decisions.
- Better understand 'value' and maximise value-for-money.
- Understand and agree its needs, priorities and the value delivered by each service line.
- Make explicit trade-offs between clinical and non-clinical outcomes.

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At Catalyze we help organisations to achieve their objectives, by translating strategic intent into deliverable operating plans and optimised business investment portfolios. We do this by applying our expertise in strategy, with proven tools and methodologies that enable informed decision-making and establish clear organisational priorities.

Catalyze was founded in 2001 in conjunction with the London School of Economics and Political Science, and we work with major public and private sector clients on a global basis. Our processes and tools have been independently reviewed and validated by the UK Treasury and the National Audit Office.