

# LSE Supporting Economic Growth

# **Final Decisions**

3 April 2025

**Te Kāwanatanga o Aotearoa** New Zealand Government

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# **Introduction from Nic Blakeley**

#### Tēnā koutou,

Thank you for your engagement and participation in this consultation process. I appreciate the supportive feedback on this change proposal which strengthens my view that this structure will actively support MBIE's central role in leading the Economic Growth work.

We received 15 pieces of written feedback, and I have had a small number of conversations with individuals and groups throughout the consultation period. All feedback was gratefully received and carefully considered by me. This feedback has helped shape my final decisions on this change proposal.

Every piece of feedback received was positive and supportive about the rationale and proposed structure. Some of you even raised the desire to stand up the new structure earlier than 8 May 2025 which I see as positive. Based on your feedback, we've retained the overall structure proposed as we believe it will enable us to respond to Government priorities and decisions.

I've made a couple of changes relating to specific positions as a result of your feedback. One relates to movement of a position between branches and the other change is to add another administration position to support the Economic Growth Branch.

We will now steer our focus to embedding the new structure. While the formal systems change may not happen till May I am keen that the new branches get up and running as soon as possible and so the 'go live' date will be much sooner. This will provide certainty and allow new branches to come together sooner to start embedding ways of working and to focus on work priorities.

I want to again acknowledge that change can be difficult and unique to each person. Please continue to consider what support you may need during this process and discuss this with your people leader, GM, or me directly.

Ngā mihi nui

Nic Blakeley

Deputy Secretary, Labour Science and Enterprise

# Implementation and embedding change

Transition, implementation, and embedding are phases which happen after a final decision is made. These phases focus on the critical things we need to do to bring our new organisational structure and ways of working to life.

#### Understanding change to your position

You can see the confirmed changes to your position by reading through the final decision for your branch and viewing both current and new organisational charts. There is more detail about the confirmed changes to individual positions and new positions.

#### How does this affect you?

If the change directly impacts your position, you will receive a letter confirming how you are impacted by the final decision and what the next steps are. If the final decision confirms minor changes to your substantive position your People Leader or your General Manager will discuss the practical timing of these changes with you.

#### Change process

Find out more about MBIE's change process on page 17.

#### Let us know

If you notice any inconsistencies in the organisational structure represented, please advise your people leader or email <u>LSEchange@mbie.govt.nz</u>. These decisions have been shared with the Public Service Association (PSA).

#### Implementation approach

The next steps for implementation include advertising new positions. While the structure won't formally go live in MBIE systems until 8 May, I would encourage

teams to start working together earlier and in a way that supports our focus on economic growth and tourism and hospitality.

## Implementation timeline

| Activity                                 | Indicative Timeframes |
|--|-----------------------|
| Final decision released                  | 3 April 2025          |
| 'Go-live' of new structure               | 22 April 2025         |
| Structure implementation in MBIE systems | 8 May 2025            |

# Confirming our case for change

#### Background

The consultation document outlined the case for change which was focussed on aligning our economic expertise following the addition of the Economic Systems Leadership branch to LSE at the end of last year and the need to ensure we were well set up to deliver on increased demands in the economic growth and tourism and hospitality work programmes.

The recent sprint to produce the 'Going For Growth' illustrated how MBIE will need to work collaboratively, at pace, and with a clear focus on delivery across all portfolios to support the Government on its bold economic agenda.

This change process needed to be pragmatic to allow us to respond to increased portfolio work programme demands with minimal disruption. While it is likely that the Economic Growth branch will need additional resources to support business engagement and service ministerial groups, the initial starting point was to align existing positions and grow as needed.

Given the corresponding growth in the Tourism and Hospitality work programme I proposed that we revert to having a stand-alone branch for this portfolio. It would mean each branch would be able to focus on servicing one Minister thereby streamlining the provision of advice and support for Ministers.

## **Design principles**

The design principles informing this change proposal were:

- Group like functions together
- Make the necessary change
- Clarify the connection between our functions and portfolios
- Focus capacity and capability towards core services
- Anticipate our future needs

#### **Desired outcomes**

Design principles directly relate to the outcomes we aim to achieve through change. In summary, the desired outcomes sought are:

- We are organised to deliver on the Government's Going For Growth
- The impact of change is minimised
- Adapt as needed over time and be flexible
- Balance policy specialism and flexibility

#### Success measures

Success measure outlined for the change proposed include:

- Consistent and ongoing satisfaction of Ministers
- Achievement of deliverables under "Going For Growth" and the Tourism and Hospitality work programme.
- The new branches have effectively enabled MBIE to leverage the considerable expertise and knowledge of our people
- LSE people can see a direct line of sight form the work they are doing to Government
- The change continues to support our flexible policy workforce approach

# Creating an Economic Growth branch and a Tourism & Hospitality branch

## Summary of changes proposed

It was proposed that the new Economic Growth branch will be responsible for providing advice and support to the Government on its economic growth priority. It will play a lead and coordination role across both MBIE and external government agencies in driving work programmes that contribute to economic growth. It will bring together expertise from the current Economic Development and Tourism branch, along with that of the Economic Systems Leadership Branch, thereby providing critical mass and a dedicated focus on economic growth.

This proposal was to move existing teams and roles with an economic focus into the new Economic Growth branch. While this branch is initially small, it is expected to grow as the work programmes become established. There would need to be ongoing consideration around strengthening secretariat and business engagement functions.

The tourism-focused roles will form the Tourism and Hospitality Branch dedicated on the Tourism and Hospitality portfolio. With the incoming Government, this portfolio was broadened to include hospitality, and the work programme is now a sizable one, being delivered at pace. Having a dedicated branch will streamline advice and support to the Minister for Tourism and Hospitality, ensuring we are best set up to deliver on Government priorities in this area.

The key changes proposed were:

• Creation of a new General Manager position for the Economic Growth branch and direct reassignment of the current GM Economic Development and Tourism to this position.

- The positions currently in Economic Systems Leadership move into the Economic Growth branch, including the EA for the General Manager Economic Systems Leadership, the two Policy Director roles, the Langa Le Vā team and the Economic Strategy and Insights team.
- The vacant General Manager Economic Systems Leadership position will be disestablished.
- The Economic Development Policy team, one Policy Director (depending on their current work programme) from the Economic Development and Tourism branch will also join the Economic Growth branch.
- A new General Manager position for the Tourism and Hospitality branch is created and the General Manager Economic Development and Tourism role is disestablished. The General Manager's EA will move to Tourism and Hospitality.
- Positions in the Major Events, Investment Management Performance, Environment and Economy, Tourism Stewardship and Systems, Destinations and Regional Economy teams will form the new Tourism and Hospitality branch along with two Policy Director positions (depending on their current work programme)

# Your feedback on the proposal

The following table summarises feedback we received about the proposal.

| Feedback themes                                 |   | Response   |
|---|---|--|
| Overall positive<br>support for the<br>proposal | • Support to establish a new Economic Growth Branch and a<br>Tourism and Hospitality branch: Feedback was very positive<br>overall about the proposal to establish the two new branches.<br>Most people saw the value in having a dedicated economic<br>growth branch in MBIE and a dedicated Tourism and Hospitality<br>branch that can focus on delivering in these priority areas.   | <ul> <li>I am pleased that people supported the proposal and could see the<br/>benefits of having branches with a dedicated focus. Most feedback was<br/>focussed on how the branches are set up.</li> <li>Comments on resourcing levels, maintain connections and prioritising work<br/>programmes are addressed in response to feedback below.</li> </ul>  |
| Administration<br>Support                       | • Lack of administration support: Several submissions raised concerns over the proposed Economic Growth branch having no administration support with the PA/Team Administrator currently shared with Major Events and proposed to move to the Tourism & Hospitality branch. Feedback suggests the Economic Growth branch will likely need an additional resource in the administration space to support the mahi of the branch.   | <ul> <li>We agree with this feedback and acknowledge that the proposed<br/>Economic Growth branch will need additional support managing the<br/>administrative tasks and responsibilities.</li> <li>We will therefore create a new PA/Team Administrator position in the<br/>Economic Growth branch, reporting to the Manager Economic<br/>Development Policy.</li> </ul>  |
| Resourcing                                      | <ul> <li>Inadequate resourcing: Feedback highlights concern around under-resourcing of the Economic Development Policy team considering their current capacity and workload. The position FTE allocation of the Economic Development Policy team does not reflect the reality of the actual people FTE in terms of part-time employees and those on secondment. The team experienced an increase in ministerials workload and significant pressure to meet the Ministers expectations and there are single points of expertise in some policy areas.</li> <li>Lack of indication of future resourcing: Some feedback noted that while the proposal indicated there was likely to be additional resource added to support business engagement and the ministerial groups the proposal was not sufficiently clear on this.</li> </ul> | <ul> <li>This feedback has been considered and acknowledged. We understand the proposed organisational charts for Economic Growth do not reflect the reality of FTE capacity.</li> <li>We aim to maximise our capability with this new structure and a priority for the new GM and EG leadership team will be to ensure priority work areas are resourced.</li> <li>The additional resourcing for the business engagement function is progressing with a six-month pilot that is currently being recruited for. This will give us an indication on the long-term need for this function. Building the secretariat support for the ministerial groups is the next focus and this work will continue now the structure of the branch is confirmed. We expect to update you on standing up these roles in the next week or so.</li> </ul> |

| Direction of<br>Workstreams                                  | • Clarification of workstream direction for economic growth:<br>There was feedback on the direction of team roles and<br>functions. There were questions as to what the specific vision is<br>on the workstreams teams will be responsible for. There was<br>comment about whether the change proposed will have a<br>substantial impact on how the branch works.   | • The proposal did not provide a new vision for the economic growth branch<br>as it will be the role of the new GM to bring the branch together around<br>the common purpose of supporting economic growth. This will include<br>how work programmes are prioritised and delivered. A key principle for<br>the change was minimal disruption. |
|--|---|---|
| Feedback on the<br>role of the Director<br>Group Initiatives | • Feedback proposed that this role would be better placed in the Economic Growth branch rather than the Tourism and Hospitality branch due to the economic focus of the role and the relationship lead for the MBIE-Tūhoe settlement commitments being in Economic Growth.  | • Having reflected on this feedback I agree this makes sense and the position will now move to the Economic Growth branch reporting to the GM Economic Growth.  |
| Opportunities not<br>addressed by the<br>proposal            | • Some feedback highlighted the opportunities there are for MBIE<br>and LSE to support government on economic growth and there<br>was a sense that the proposal misses an opportunity to build<br>capability in key areas including, working more in partnership<br>with operational areas, integrating Māori economic<br>development policy more in the EG branch, building economic<br>intelligence etc | <ul> <li>I agree, there is more scope to build our capability and work more across<br/>MBIE to provide economic advice and support to the government. This<br/>change proposal was about ensuring we have the right structure and focus<br/>to enable us to do that.</li> </ul>   |
| Retaining<br>knowledge across<br>both branches               | <ul> <li>Feedback noted the connections and knowledge built up by<br/>having economic development and tourism together and a<br/>desire to maintain knowledge transfer once the new branches<br/>are established.</li> </ul>  | • Building on the strong connections between these portfolios is something we need to retain with the new structure, and we will be encouraging ongoing engagement between these branches. At this stage there is no plan to physically move the branches so having them continue to work together on level 6 will support this.              |
| Langa Le Vā  | <ul> <li>Feedback noted there have been several recent change<br/>proposals, the strength Langa Le Vā has in the Pacific and asked<br/>about the role of the Directors in further supporting Langa Le<br/>Vā.</li> </ul>  | <ul> <li>I acknowledge and I am grateful for the way teams have continued to<br/>deliver their work. I see Directors have a role in connecting work across<br/>teams in branches and they have a key role in connecting relevant policy<br/>across all areas.</li> </ul>  |

## **Consideration of feedback**

The feedback was positive on the overall scope of the changes. People understood the rationale for the changes and supported the proposal. There was comment on the amount of change and whether another structural change was necessary in this instance. I've reflected on this and, on balance, decided to proceed given the significant recent change in work programmes and the scope of work over the next while. We need to be set up well to respond. There was also feedback on the need to bring the economic development work in various teams into a more cohesive and aligned programme, ensuring we mitigate against having subject matter expertise in individuals only. This is useful feedback and something the new GM of the Economic Growth Branch will work on addressing as the branch gets stood up.

There was feedback on the resourcing levels across the branch, particularly in the economic policy teams as well as supporting the economic growth work with secretariat support and business engagement support. I acknowledge that teams appeared better resourced on the organisational charts than in reality. One of the drivers of this proposal was to bring together dispersed expertise so we could maximise our capability. The approach has been to get the right structure and then to grow if needed over time. I signalled we would be looking to add functions to support the ministerial groups and business engagement, and this is still progressing. As a result of feedback on the shortage of administration support in the Economic Growth branch, a PA/TA position has been added to support the two policy teams.

As a result of feedback outlined above, I have made two changes to the proposal. These two changes are:

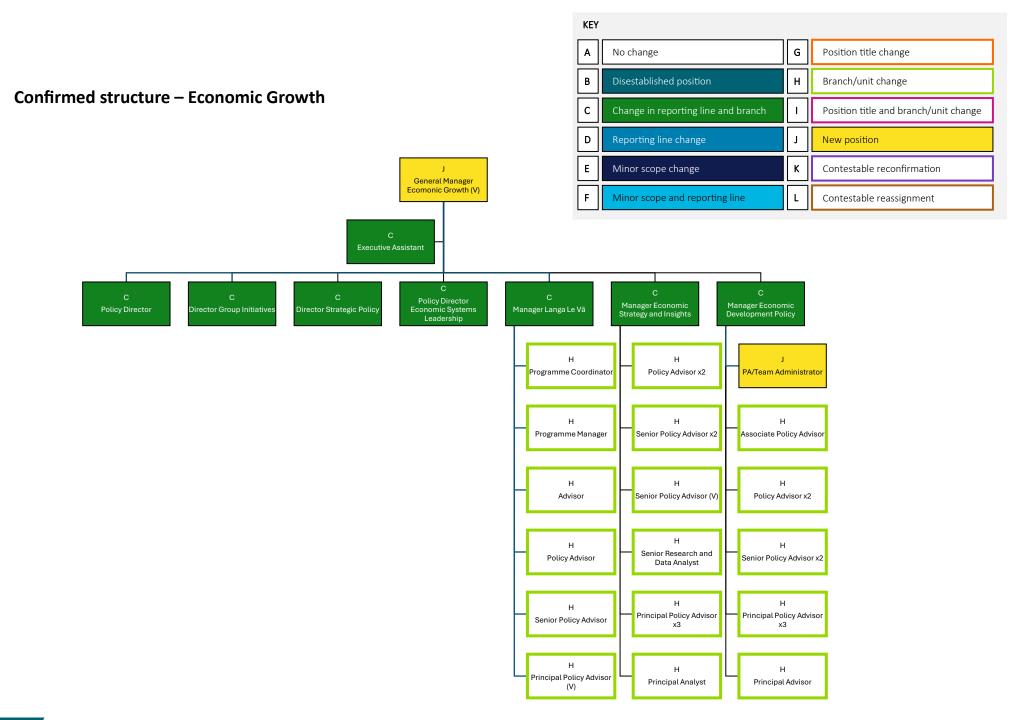
- The Director Group Initiatives position will now move into the new Economic Growth branch rather than the Tourism and Hospitality branch.
- I have created a new PA/TA role to support the Economic Growth Branch. This position will report to the Manager Economic Development Policy

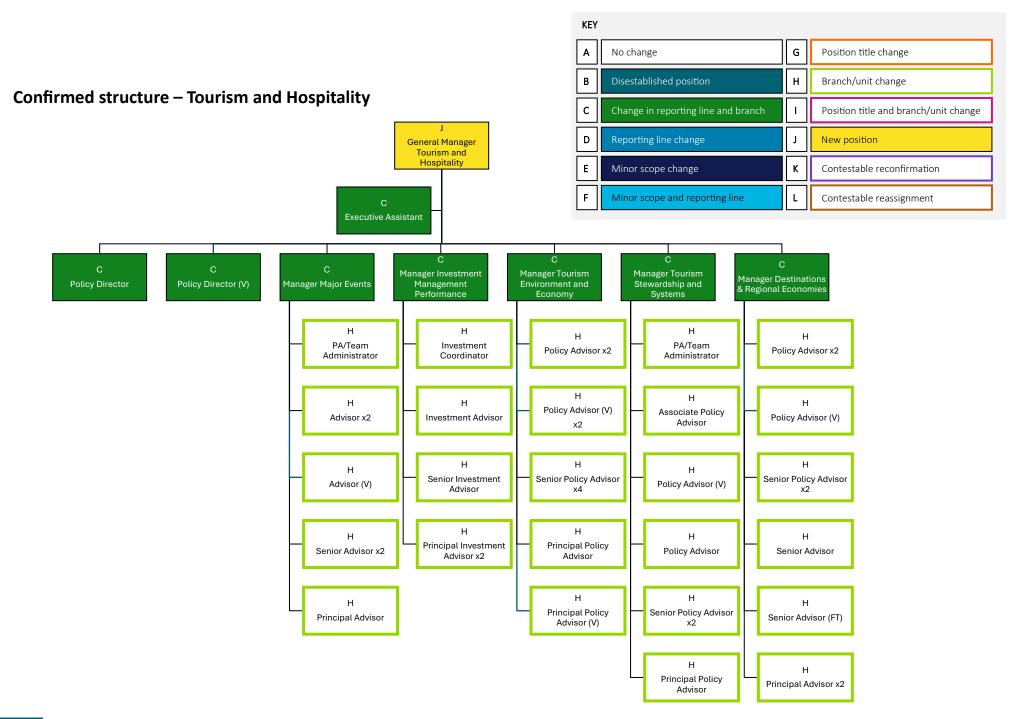
and support the Economic Development Policy team and the Strategy and Insights team.

## **Confirmed changes**

Therefore, the confirmed changes in the new structure are:

- Creation of a new General Manager position for the Economic Growth branch and direct reassignment of the current GM Economic Development and Tourism to this position.
- The positions currently in Economic Systems Leadership move into the Economic Growth branch, including the EA for the General Manager Economic Systems Leadership, the two Policy Director roles, the Langa Le Vā team and the Economic Strategy and Insights team.
- The vacant General Manager Economic Systems Leadership position will be disestablished
- The Economic Development Policy team and one Policy Director (depending on their current work programme) from the Economic Development and Tourism branch and the Director Group Initiatives will also join the Economic Growth branch.
- A new General Manager position for the Tourism and Hospitality branch is created, disestablishing the General Manager Economic Development and Tourism role. The General Manager's EA will move to Tourism and Hospitality.
- Positions in the Major Events, Investment Management Performance, Environment and Economy, Tourism Stewardship and Systems, Destinations and Regional Economies teams will form the new Tourism and Hospitality branch along with two Policy Director positions (depending on their current work programme).
- A new PA/Team Administrator position will be created in the Economic Growth branch.





# Summary of changes

## **Overall confirmed changes**

| Confirmed changes   |                   |
|---|-------------------|
| Number of positions to be disestablished (including vacancies)                          | 2                 |
| Number of new positions   | 3                 |
| Number of positions with minor changes such as minor scope, reporting line, branch etc. | 79                |
| Overall change in number of positions   | Increase of 1 FTE |

## New positions

| Position title                          | Reporting line                                  | Branch                  | Status    | Salary band |
|---|---|-------------------------|-----------|-------------|
| General Manager Economic Growth         | Deputy Secretary Labour, Science and Enterprise | Economic Growth         | Permanent | 23F         |
| General Manager Tourism and Hospitality | Deputy Secretary Labour, Science and Enterprise | Tourism and Hospitality | Permanent | 23F         |
| PA/Team Administrator                   | Manager Economic Development Policy             | Economic Growth         | Permanent | E           |

## Disestablished positions

| Position title                                  | Reporting line                                  | Branch                         |
|---|---|--------------------------------|
| General Manager Economic Systems Leadership (V) | Deputy Secretary Labour, Science and Enterprise | Economic Systems Leadership    |
| General Manager Economic Development & Tourism  | Deputy Secretary Labour, Science and Enterprise | Economic Development & Tourism |

## Reconfirmed with minor changes

| Position title   | Branch                         | Description of change   |
|--|--------------------------------|---|
| Executive Assistant<br>Director Strategic Policy<br>Manager Langa Le Vā<br>Manager Economic Strategy and Insights<br>Policy Director Economic Systems Leadership   | Economic Systems Leadership    | Change in branch to Economic Growth<br>Change in reporting line to General Manager Economic Growth  |
| Programme Coordinator<br>Programme Manager<br>Advisor<br>Policy Advisor x3<br>Senior Policy Advisor x4 (1xV)<br>Senior Research and Data Analyst<br>Principal Policy Advisor x4 (1xV)<br>Principal Analyst |                                | Change in branch to Economic Growth   |
| Policy Director<br>Director Group Initiatives<br>Manager Economic Development Policy<br>Associate Policy Advisor<br>Policy Advisor x2  | Economic Development & Tourism | Change in branch to Economic Growth<br>Change in reporting line to General Manager Economic Growth<br>Change in branch to Economic Growth |

| Senior Policy Advisor x2                  |
|---|
| Principal Policy Advisor x3               |
| Principal Advisor                         |
| Executive Assistant                       |
| Policy Director x2 (1xV)                  |
| Manager Major Events                      |
| Manager Investment Management Performance |
| Manager Tourism Environment and Economy   |
| Manager Tourism Stewardship and Systems   |
| Manager Destinations & Regional Economies |
| PA/Team Administrator x2                  |
| Investment Coordinator                    |
| Associate Policy Advisor                  |
| Advisor x3 (1xV)                          |
| Investment Advisor                        |
| Policy Advisor x9 (4xV)                   |
| Senior Advisor x4 (1xFT)                  |
| Senior Investment Advisor                 |
| Senior Policy Advisor x8                  |
| Principal Advisor x3                      |
| Principal Investment Advisor x2           |

| Principal Policy Advisor x3 (1xV) |  |
|-----------------------------------|--|
|                                   |  |

# **Appendix 1: Confirmed change process**

Consistent with MBIE's employment agreements and recruitment policy, the following information summarises the standard change processes which will apply to any changes confirmed as part of the final decisions.

This includes reconfirmation, reassignment and selection.

## Reconfirmation

This is where your substantive position is "reconfirmed" because in the new structure your current substantive position remains substantially the same and you are the only person able to be reconfirmed to the role. Examples include - change in reporting line, title, a minor change in work content.

For reconfirmation to apply:

- The position description for the role you are being reconfirmed into is the same (or substantially the same) as what you currently do, and
- Salary and other terms and conditions for the position are no less favourable, and
- Location of the position is in the same local area (note: this need not necessarily mean the same building and/or the same street).

If your substantive position has been reconfirmed as part of the final structure, you will not need to take any action as you will automatically be reconfirmed into the position.

## **Affected status**

If you are a permanent employee, you will have affected status if, after final decisions are confirmed, your substantive position is disestablished, and you are not reconfirmed or offered direct reassignment into a position. Please note, you will not be considered affected if your substantive position is confirmed as having a change in business group, reporting line, job title or work location (where work location is within the "same local area" or region).

## Reassignment

As part of the consultation process if you were proposed to be "*directly reassigned*" into a different but comparatively similar role this decision will be communicated as part of final decisions and if relevant you will receive an offer of reassignment.

For direct reassignment to apply:

- The new or revised position description has been assessed as comparable to your current position and any change of duties are not so significant as to be unreasonable taking account of your skills, abilities and potential to be retrained; and
- You have the required skills, knowledge, experience, and abilities to undertake the position, as well as the potential for retraining on any new or unfamiliar aspects of the position; and
- The salary and other terms and conditions for the position are no less favourable; and
- Location of the position is in the same local area (note: this need not necessarily mean the same building and/or the same street).

## **Review process**

If you disagree with the application of this process, including for example your reconfirmation or direct reassignment into a position as part of the final structure, you have the right of review. This process is set out in your employment agreement. You are encouraged to reach out to your People Leader at the earliest opportunity if you have any concerns so these can be worked through with you on a case-by-case basis.

## Secondments and acting arrangements

If you are currently on secondment or acting in a different position, there may be decisions confirmed for that position as well as your permanent substantive position.

However, you will only be considered an affected employee if your permanent substantive position is significantly impacted.

People will continue in their temporary position until the end of the term currently in place unless otherwise advised.

## Process for casual and fixed term employees

Casual and fixed term employees, by the nature of their employment agreements, will not have access to the change processes set out above.

Upon completion of the change management process for affected permanent employees, any remaining vacant positions in the new structure would be openly advertised through standard recruitment and selection processes and any casual or fixed term employees would then be able to apply.

# Appendix 2: Support through change

Work is a big part of your life. Please ask for support when you need it and remember to be understanding towards your colleagues who may be feeling anxious or distracted. Consider the people you feel most comfortable to reach out to for support as you navigate change, including your whānau – family, friends, kaimahi – colleagues, community and networks.

## Wellbeing support and resources

As you navigate and support others through change, remember that you can access the Employee Assistance Programme (EAP) which offers you and your whānau free, confidential counselling services.

• Employee assistance programme

In addition to EAP, there are a range of people and resources to support you at MBIE:

- Talk to your People Leader.
- Contact your union delegate or representative (<u>PSA</u>).
- Reach out to the <u>Wellbeing</u>, <u>Health and Safety Team</u> who can provide a confidential conversation and access to specialised advice.
- Connect with our <u>Employee-led Networks</u> which help MBIE people connect, engage and learn, and can advocate for the needs of their network members.
- Consider our <u>hauora wellbeing allowance</u> which enables you to claim a contribution towards the cost of health and wellbeing services.
- Call or text <u>1737</u> to access free counselling services.