



Future Fit

2023 Health Sector Insight Report



Executive summary

Welcome to the second BNZ Health Sector Insight Report.

This report provides an opportunity for reflection on the current state of the healthcare sector through the eyes of BNZ customers, and it offers insights into what we can expect for its future. This is important because the health of healthcare sector businesses has a direct relationship with the health of New Zealanders – in all the ways that count – from the wellbeing of our people to the health of our economy.

With a new government, health spending will undoubtedly be reprioritised, but it won't change the fact that health is one of the highest valued sectors of our economy. Accounting for approximately 10.03%¹ of New Zealand's GDP, it's funded to the tune of over \$26.51² billion each year.

But, as they say, that's only the tip of the iceberg. We know that our healthcare sector has significant growth potential. So how do we reach it? We begin with deep sector knowledge. This is why we have created this report. We will also achieve our potential with the integration of this knowledge, and connection, across different sectors in New Zealand, and BNZ is well positioned to support that.

In this report, we combine the results of our customer health sector survey with knowledge from across BNZ's Growth Sectors team. Our team brings domestic and international insights from their sectors, along with the wisdom of our customers and connections.

This year, survey results show that business outlook is largely positive among participating customers; one in two indicate strong confidence. This is despite clear headwinds including ongoing

inflationary pressure, with most respondents indicating an adverse impact from inflation. Labour shortage is a persistent issue, felt by three out of four participating businesses, with sector-wide impacts. Staff burnout indicated by participating businesses is still top of the list of labour shortage impacts, suggesting that retention has, or must, become a central focus for healthcare businesses.

New this year, is a view on succession planning. We found that around two in three participating businesses have no succession plan. Unsurprising, perhaps, when the sector has been forced to focus on 'firefighting' these past few years. But nonetheless, a succession plan is important to ensure the stability and continuity of a business. As highlighted by succession specialist Andrew Martin, on page 31, a successful exit is years in the making. Perhaps the time to start planning for your future is now?

As the country's largest business bank, and as a hub of economic activity, we are in a unique position to connect. If you would like advice, support, or connections across the healthcare sector, we warmly invite you to get in touch.

Best regards,

Brandon Jackson
General Manager Growth Sectors
Bank of New Zealand



Brandon Jackson
General Manager Growth Sectors
BNZ

¹ data.worldbank.org/indicator/SH.XPD.CHEX.GD.ZS?locations=NZ

² budget.govt.nz/budget/2023/by/vote/health



Overview

For the survey component of this report, BNZ invited customers from the health sector to answer a series of questions focused on key areas of business impact: workforce shortages, the uptake of technology, succession plans, business confidence, and inflation.

The responses came from owners and business leaders from up and down the country. They represent a diverse group of businesses; from general practice to specialist medical, clinical services, pharmacy, physiotherapy, and many more.

The 2023 BNZ Healthcare survey was conducted in September 2023. Responses were received from n=184 participants. The survey has a slightly larger sample than the inaugural 2022 read.

BNZ's Head of Health, Thom McKenzie, says this year's report highlights key areas of focus for the sector now, and in the long term;

“It goes without saying, the last two years have been particularly difficult. This report shows the significant impact of staff shortages and inflation. It's also clear that those challenges are not going to resolve themselves in the short term. But things can, and will, change. And it will be the sector itself that ultimately becomes the architect of that change.

“To grow, we need to rise above the day-to-day challenges, and invest in reaching New Zealand's long-term potential. This includes investing in technology to free up time, workforce attraction – and retention, climate change adaptation, succession planning, and community empowerment. We invite you to explore all these topics in the pages that follow.”



Thom McKenzie
Head of Health
BNZ



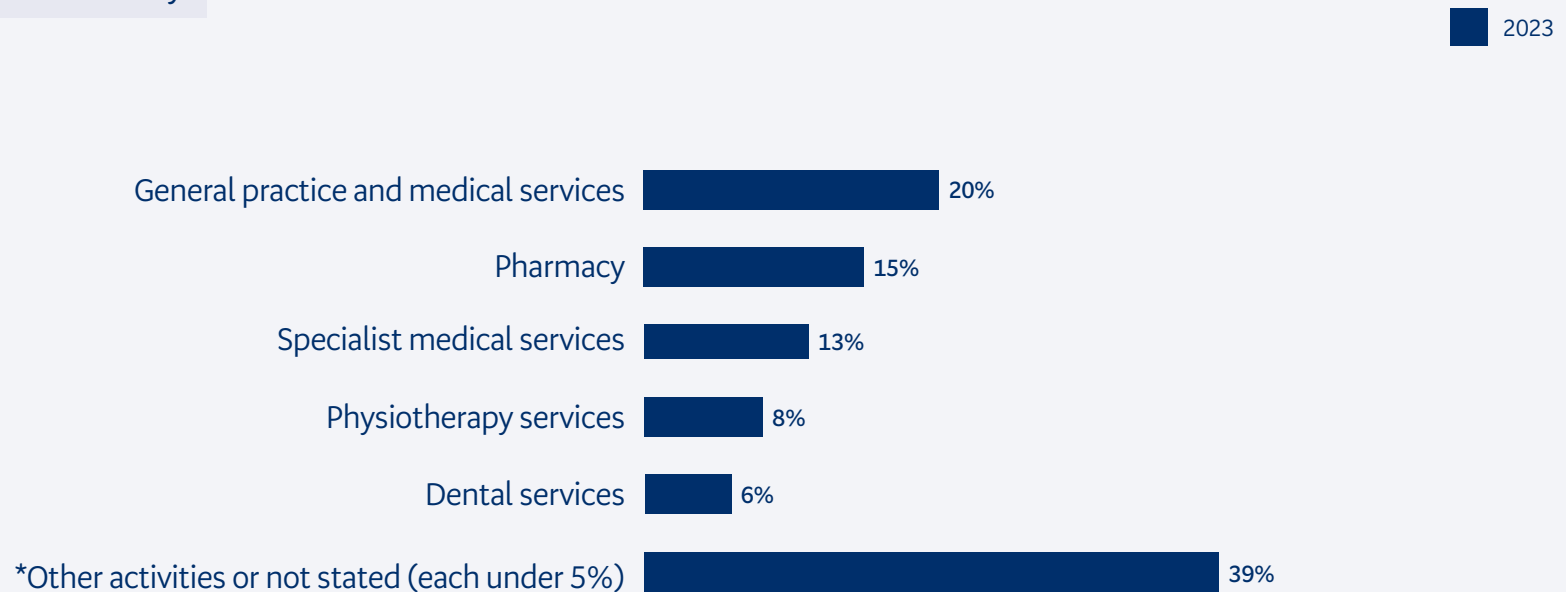
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Survey findings

Setting the scene: whose views are included?

Primary healthcare activity

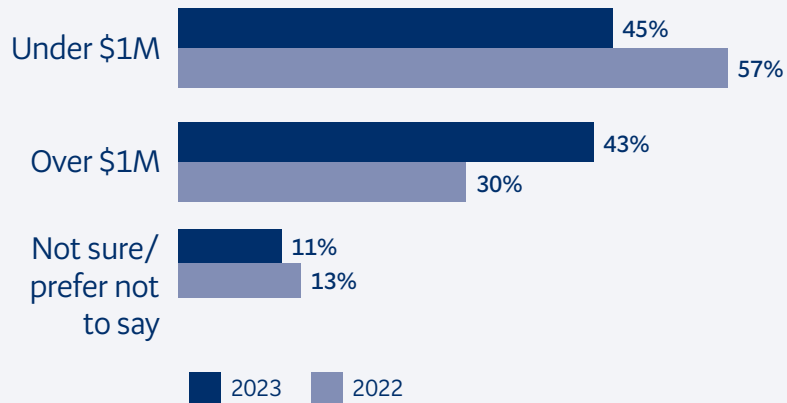


Q: First, we'd like to know a bit more about your business/organisation. What's the primary healthcare activity that best represents your business/organisation?

* Other activities not stated, examples include Chiropractic services, Osteopathy, Veterinary. Each at 4%.

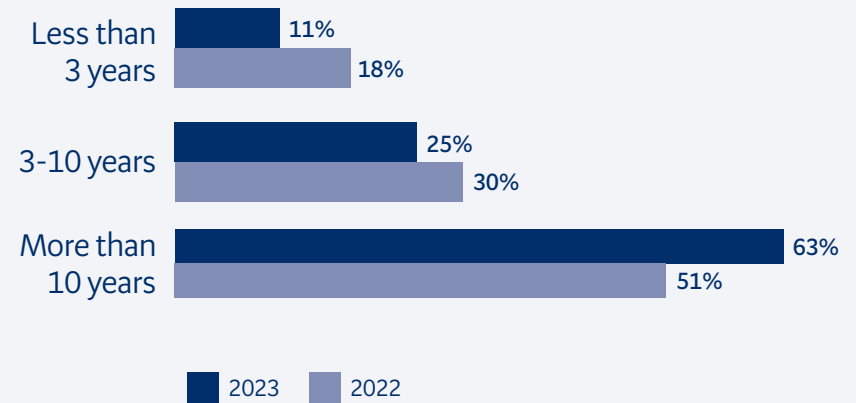
Revenue and business age

Revenue



Q: Which band does your business/organisation's annual turnover fall into?

Business age

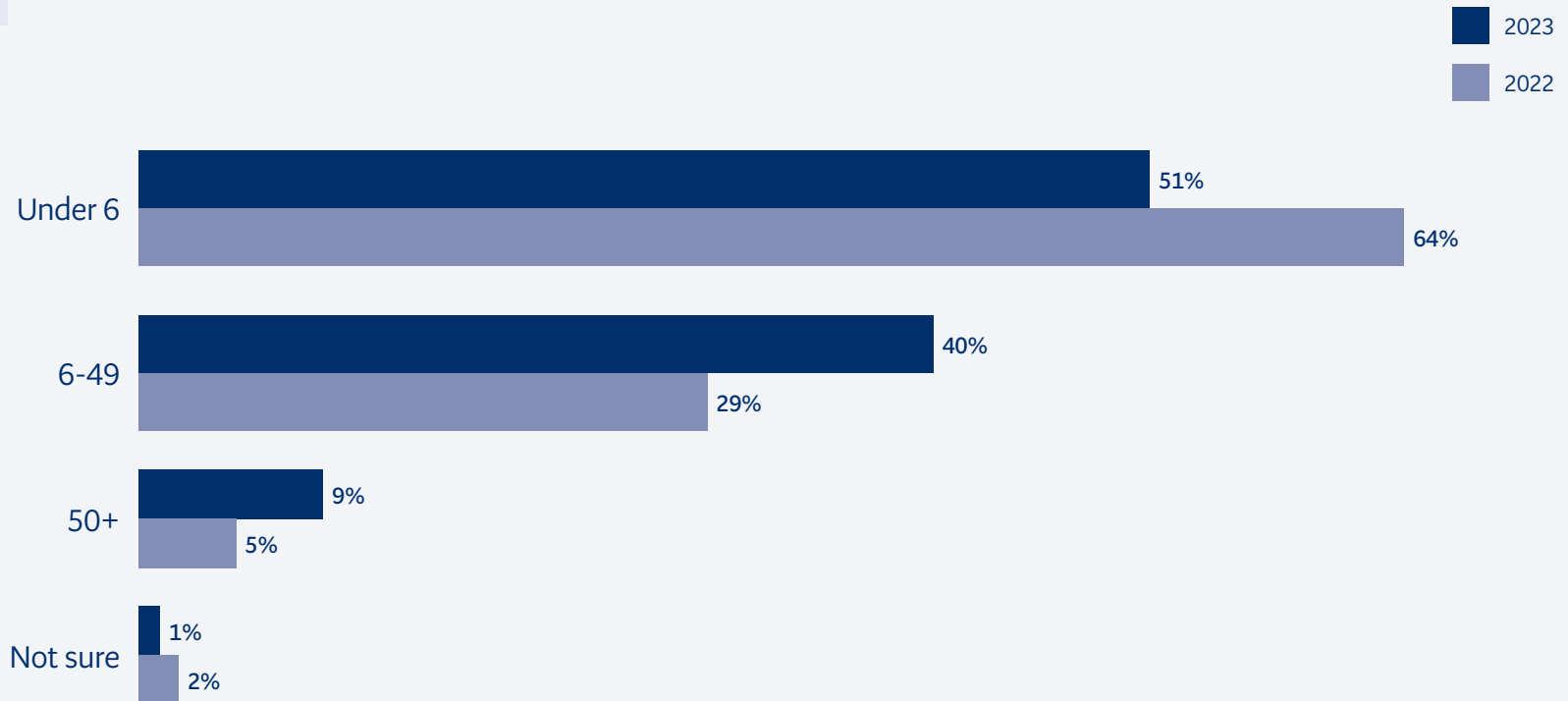


Q: For how long has your business/organisation been operating? If your business/organisation has multiple locations, please select the time frame for the first location.

Just under half the businesses represented in our sample (45%) are under \$1M revenue in 2023. Compared to last year however, there is an increase in those with revenue over \$1M (43% vs 30%).

Business size

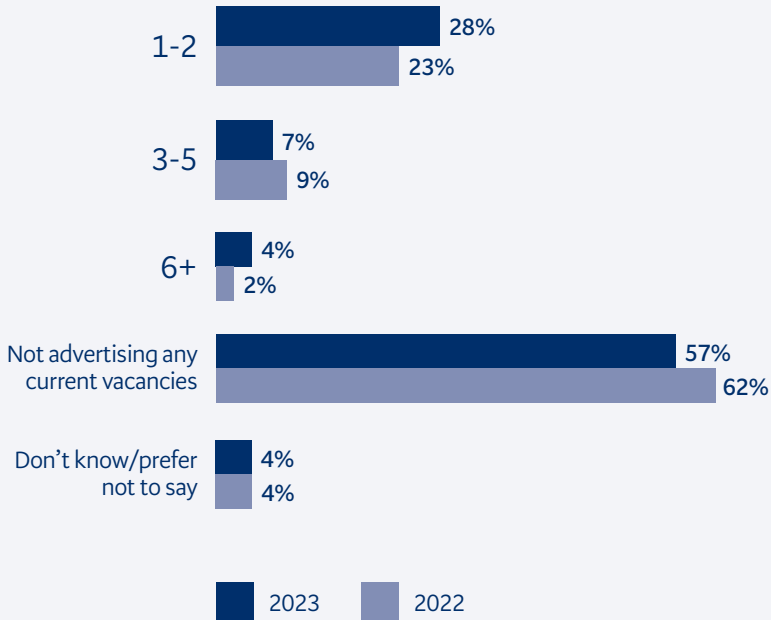
Employees



Q: How many full-time employees are there in your business/organisation? (Including those working remotely overseas) Again, we would like to know this at a national level and not just for the region you know best.

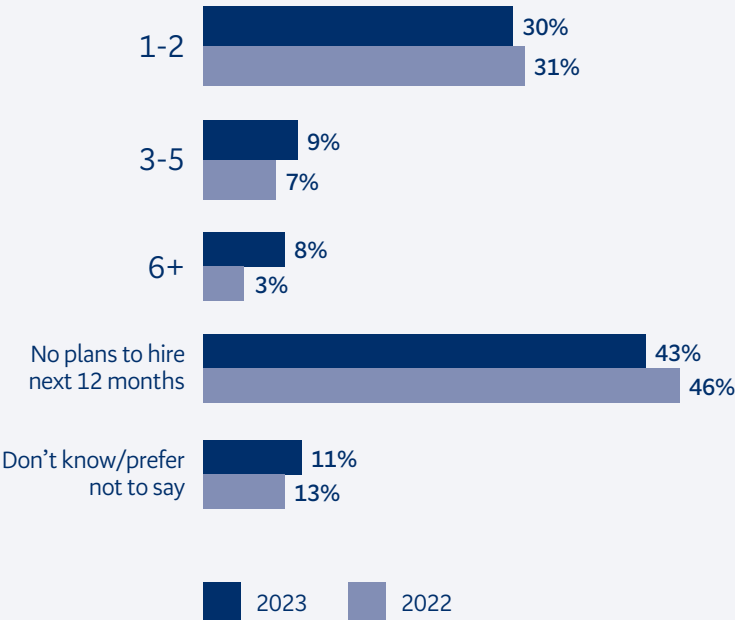
Hiring

Current vacancies



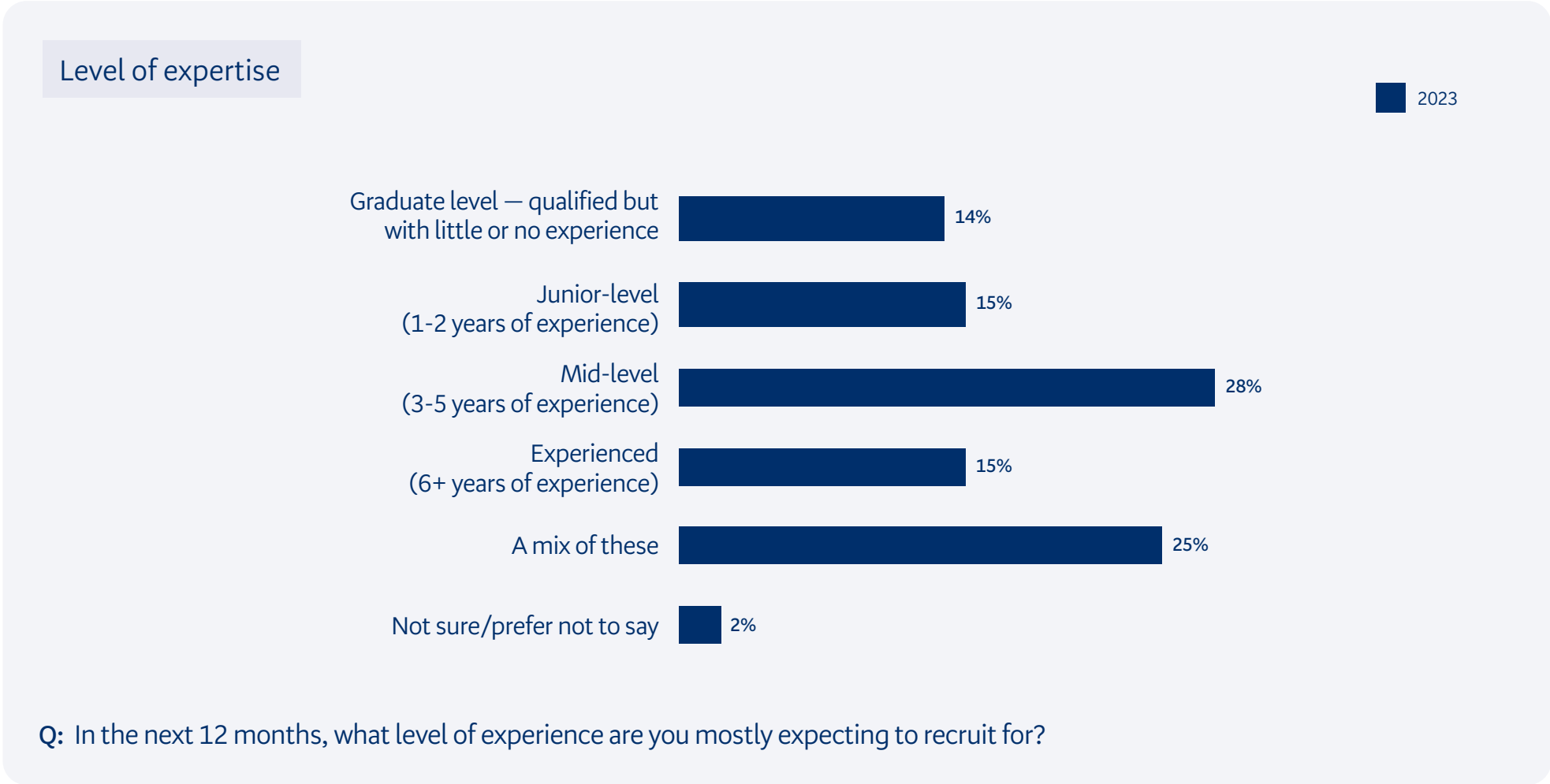
Q: How many vacancies is this business/organisation currently advertising?

Future vacancies



Q: Excluding any vacancies that are currently being advertised, how many do you expect to list in the next 12 months?

Level of expertise



Among participants, most hiring businesses are looking for one or two staff and all levels of experience are in demand.

Hiring

Labour shortage impact

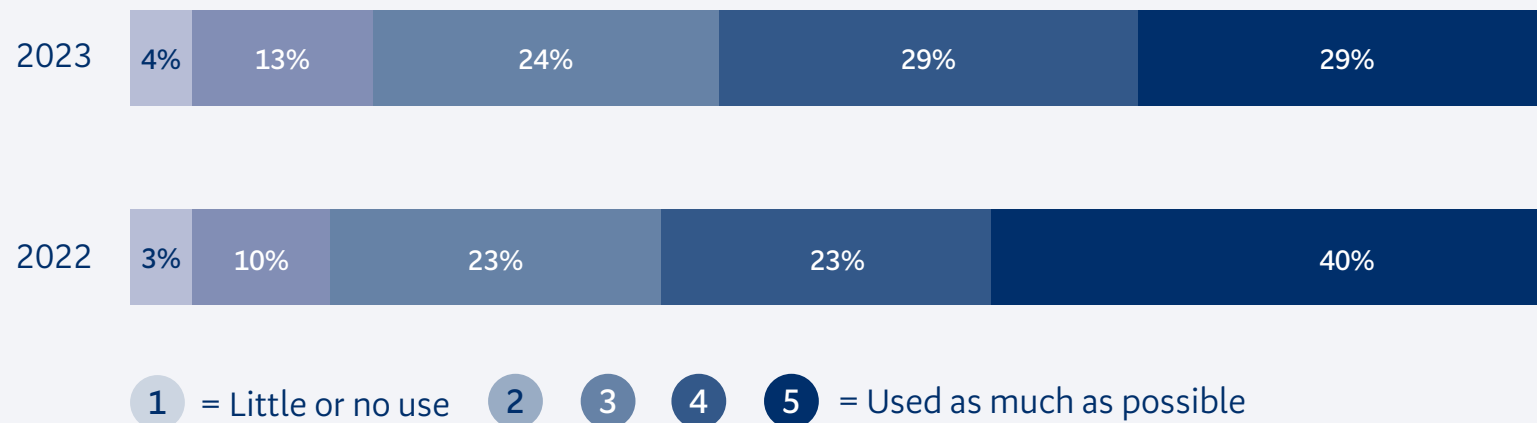


Q: New Zealand continues to face a labour shortage within the healthcare sector. What impact, if any, is this having on your business/organisation? Please select all that apply.

Labour shortages continue to impact 3 in 4 businesses. Concerns over burnout and delays for clients persist alongside greater concerns about financial impact.

Uptake of technology

Uptake of technology

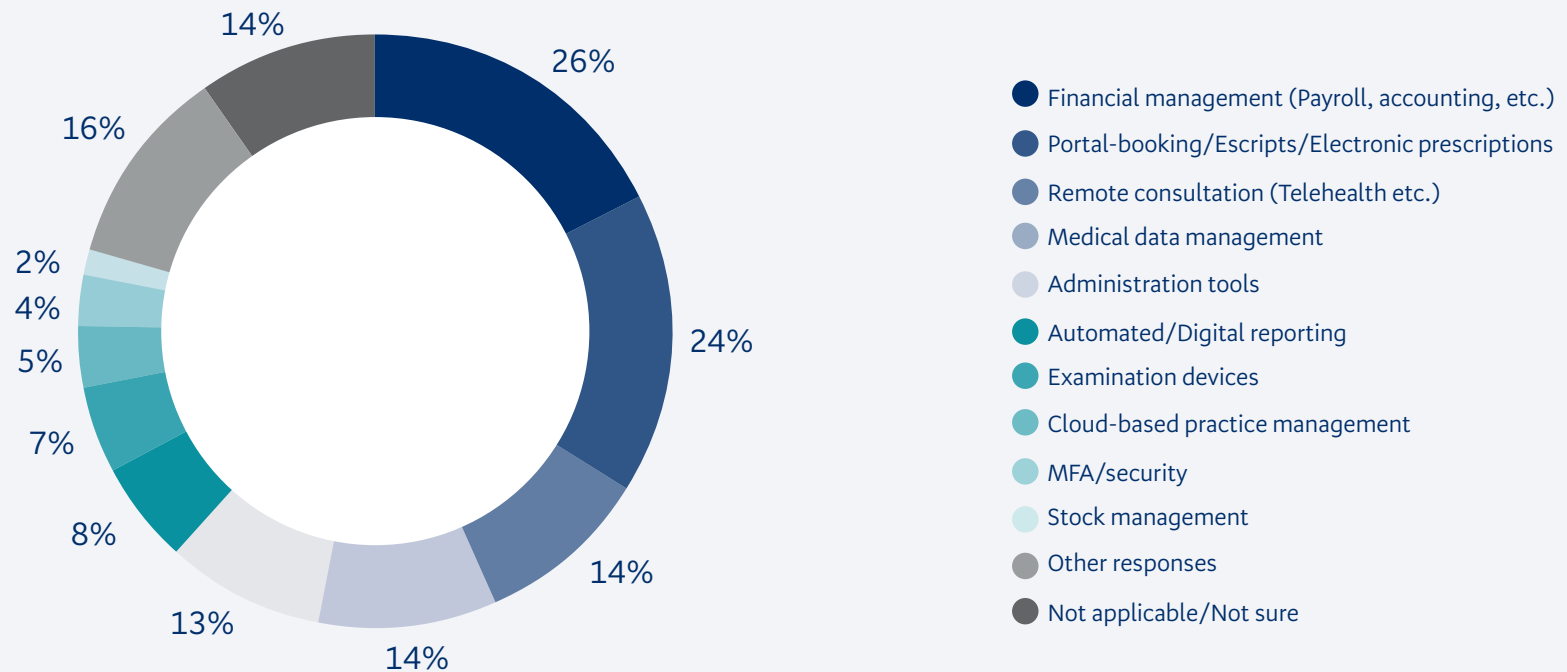


Q: Digital technology can help with general business activities such as accounting or payroll, and industry specific activities such as telehealth, data assisted diagnosis, or medical wearables, and more. Considering all the digital technology available to your industry, where does your business/organisation sit on the scale?

Around 3 in 5 survey participants indicate strong uptake of technology.

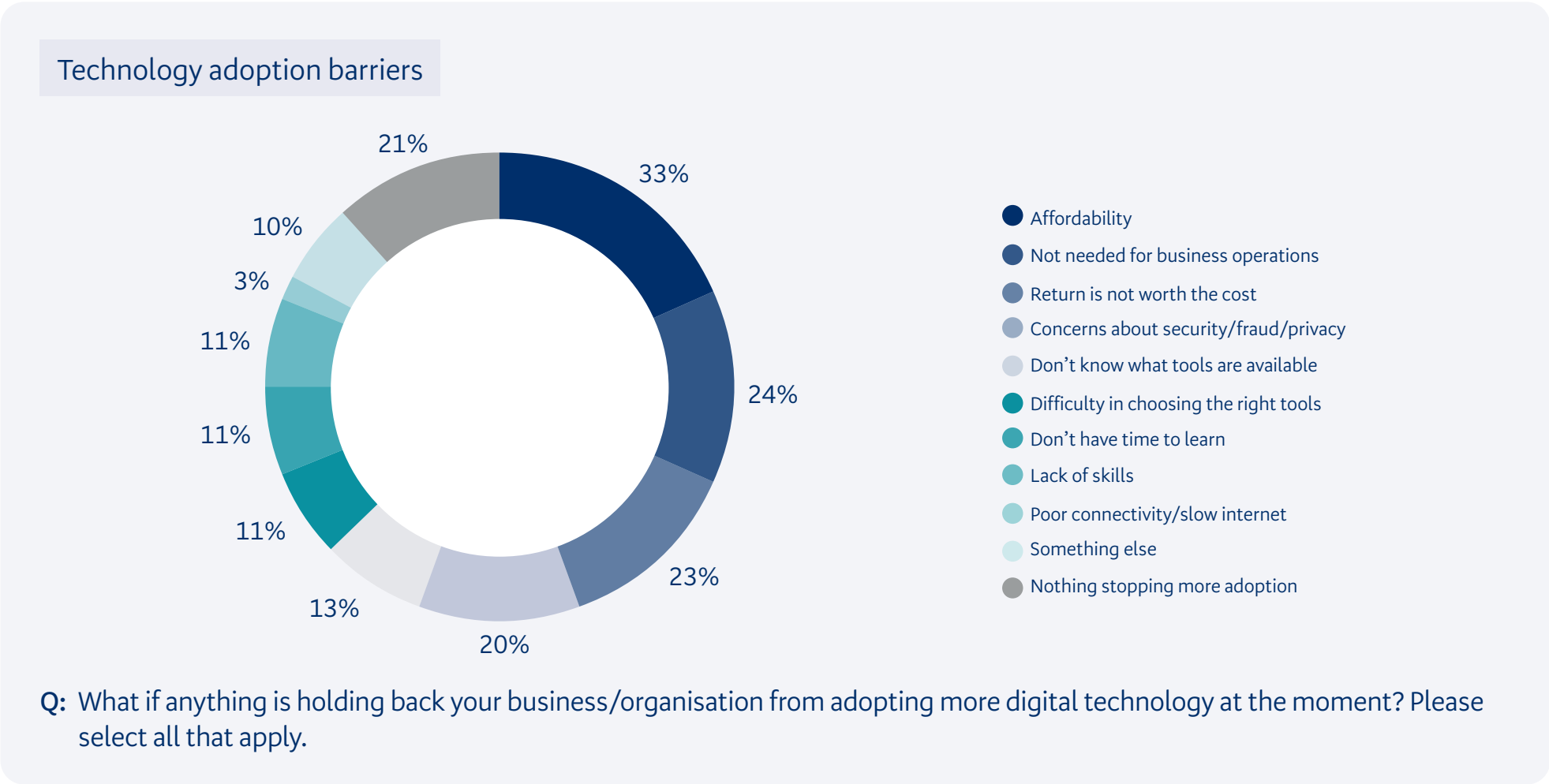
Uptake of technology

Technology types



Q: What types of digital technology has your business/organisation adopted over the last 12 months?

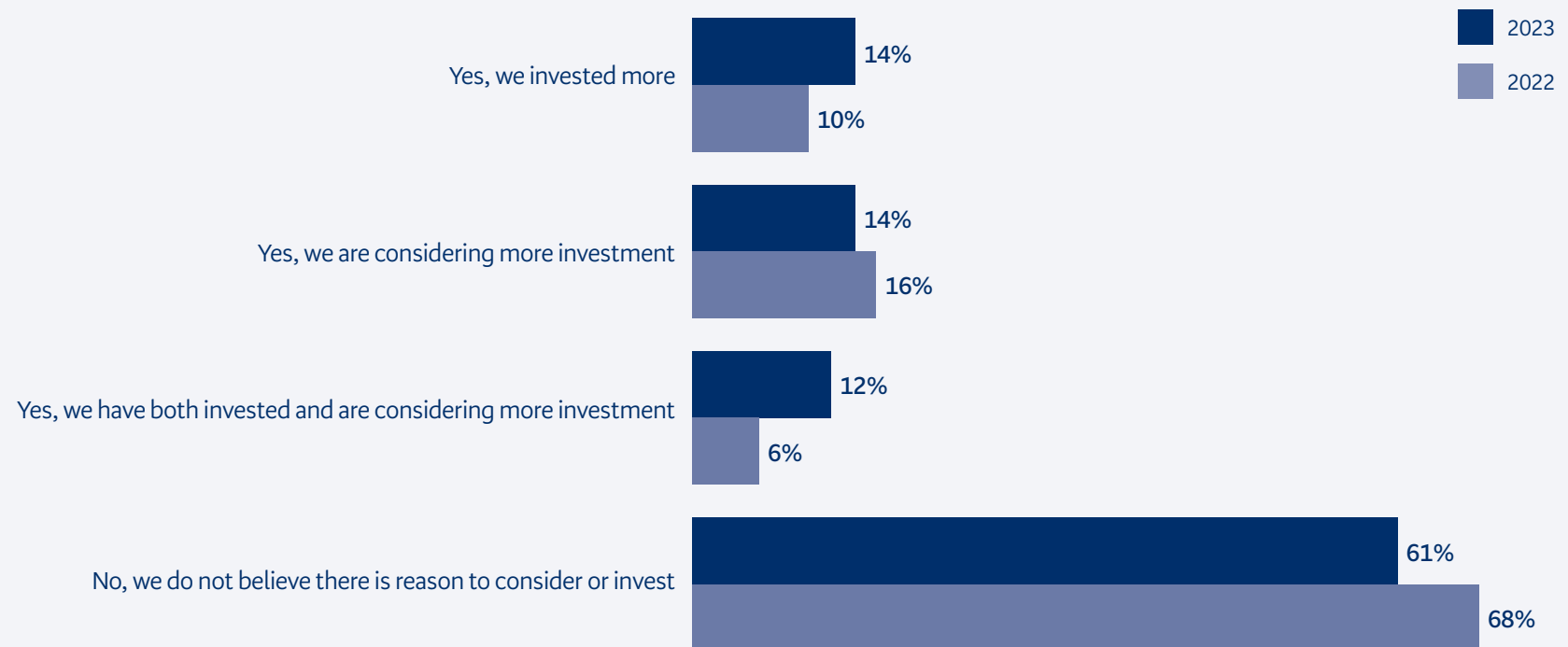
Barriers to further technology adoption



Cost and capability are the two biggest factors holding back further technology adoption.

Investment in technology

Investment in digital technology as a result of labour shortage



Q: Have labour shortages been a reason for your business/organisation to consider or invest more in digital technologies?

Interest in partnering

Interest in partnering

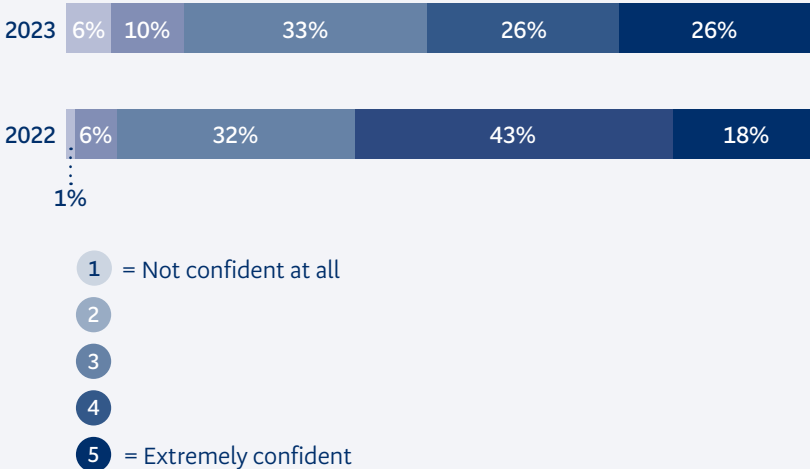


1 = Not interested at all 2 3 4 5 = Highly interested

Q: To what extent is your business interested in partnering with competitors to develop or implement new technology for the greater good of the healthcare sector?

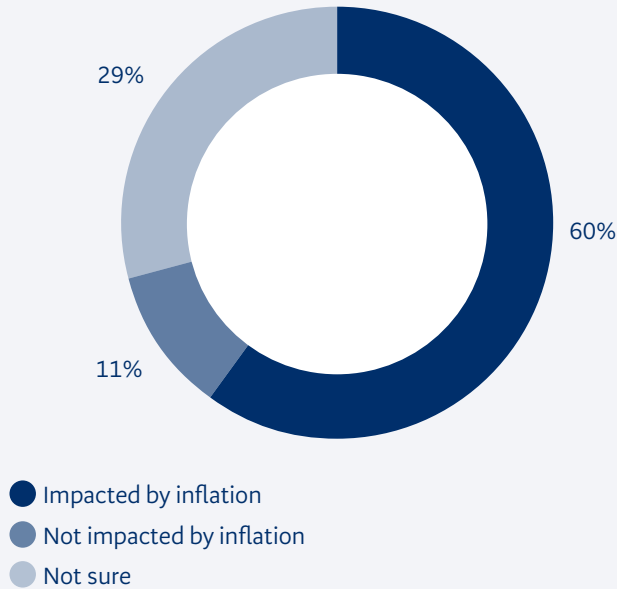
Business outlook

Business confidence



Q: How confident are you in the outlook of your business/organisation for the next 12 months?

Inflation impact



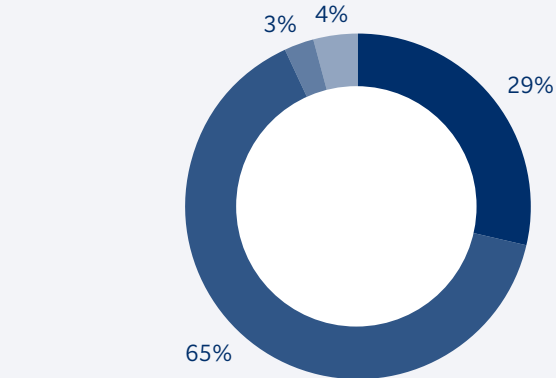
Q: How has higher inflation affected your business/organisation's confidence?

1 in 2 participating businesses are confident about their outlook for the next 12 months, despite most describing how their business has been affected by inflation in some way.

Succession plans

Around 2 in 3 of the businesses participating in our survey have no succession plan, with most of those not expecting a change.

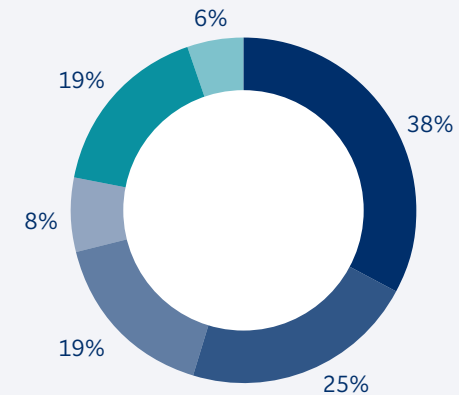
Have succession plan



- Yes
- No
- I'm not sure
- Prefer not to say

Q: Does your business/organisation have a formal succession plan in place for key leadership roles and/or ownership?

Succession plan features



- Business will be sold to a non-family third party
- Family members or relatives will take over
- Existing (non-family) employees will be promoted/take over ownership
- External leadership will be hired
- Something else
- Prefer not to say

Q: Which of the following are features of the succession plan?

Succession plans

Reasons for not planning



Q: What are the primary reason(s) for you not having a succession plan? Please select all that apply.



Workforce

Labour shortages remain a persistent issue across the sector in 2023. According to BNZ's latest survey findings, 39% of private healthcare sector participants report current staff vacancies. This year, just under half of all businesses expect to be hiring in the year ahead, which is not dissimilar to 2022.

The majority of those hiring are looking for one or two staff, and all levels of experience are in demand. This highlights the career opportunities that abound across the sector.

Hiring businesses are advertising domestically, but one in four are still planning to extend their search offshore. Although results are not directly comparable with those from the 2022 survey, directionally it seems the intention to advertise offshore has eased. This may reflect easing of immigration restrictions and greater international mobility post-pandemic. However, there is still a well-reported, sector-wide appetite to support higher levels of immigration for skilled healthcare providers.

BNZ's Head of International Business, Evan Veza, says that New Zealand needs to think about new ways to compete for targeted healthcare sector talent;

“New Zealand needs to think about new ways to compete for targeted healthcare sector talent.”

Evan Veza, Head of International Business Development, BNZ

“There are entrenched challenges that undermine immigration strategy, such as cost of living and housing. We also have demanding work environments and low pay rates comparable to Australia and other countries. However, New Zealand is reactively creeping up on pay rates to address these gaps. Despite these challenges, New Zealand’s pull factor as a lifestyle destination is working. We have no shortage of people crossing the border, but we still have sector-specific shortages that require a more focused strategy.”

“The change in government will bring a fresh look at immigration policy. We need more innovation in immigration to support specific sectors, including healthcare. However, we also need to orientate our approach to what I call ‘optimising the personal economy’ of skilled workers. This means going beyond jobs and salaries, and into the whole ‘economy’ around each person, offering support for everything that people value, such as their family, passions, and aspirations, etc. When a person’s own economy is thriving, they not only settle for the long term, but they also become advocates.”

BNZ’s Head of Health, Thom McKenzie, says the workforce issues will ultimately need to be resolved at both ends of the spectrum – immediately via immigration and retention, and long term with more of a home-grown focus;

“The sector undoubtedly needs better pathways for attracting, and retaining skilled migrants, as well as smart localised training and development opportunities for young professionals. We need a lot more people to enter the healthcare workforce.”



Evan Veza
Head of International
Business Development
BNZ





Nicola-Mary Geraghty
Medical student

Putting down roots

Nicola-Mary Geraghty has a clear vision for her future in New Zealand’s healthcare sector.

She credits Ohakune’s rural healthcare professional community with inspiring her to become a doctor;

“Our local doctors were pillars of the community and our trusted friends. That’s a special connection for both the people in the community and for the doctor to have.”

Nicola-Mary grew up in a close-knit community living alongside extended whānau. She watched as dedicated rural GPs supported elderly family members to meet their healthcare needs in a way that felt personal, attentive, and inclusive of the wider whānau.

Now, with one year remaining of her medical degree, Nicola-Mary is applying her skills, and passion for rural healthcare, to a qualitative research project in Kaitaia. This centres on the whānau experience when a child is discharged from hospital care.

With the support of a BNZ Rural Development Scholarship, Nicola-Mary hopes to gain an understanding of the paediatric discharge advice given to whānau and the effect this has on ‘safety-netting’ for the patient outside the hospital. She aims to identify what information gets through, how it’s understood and whether any possible trauma associated with having a child in hospital limits what whānau can take on board. There’s also an important role for assessing cultural safety and whether discharge advice is given in an equitable way.

As this report was published, Nicola-Mary was halfway through her research, with early results revealing a possible role for standardised processes and for the use of technology to streamline systems and capture data to support continuous improvement.

Following Nicola-Mary’s research and graduation, she says she plans to apply her knowledge and passion here in New Zealand;

“There are no overseas opportunities that keep me close to my family, and for me that’s essential.” She also believes that New Zealand’s rural health and lifestyle experience has a lot to offer;

“As a medical student, I do think about work-life balance. It would be great if I can find that in my future work. And as a woman, who may one day like to have a family, I’m thinking about how medicine will fit around my life. Rurally, I see more opportunities to provide a service to the community, address healthcare inequities, and enjoy a human connection. I think that must be appealing to other graduates, as well as international healthcare professionals.”



Labour shortage impact

The healthcare workforce labour shortage is a widely acknowledged, global issue. In November 2022, PWC conducted a global survey of CEOs, and found that:

“Labour issues were growing in healthcare even before COVID-19, but the pandemic made a challenging situation worse. Today, hospitals and health systems in many markets face a near-critical shortage of doctors, nurses, and other professionals. Some hospitals can fill gaps with contract talent such as traveling nurses, but that’s a short-term solution (at best). Those workers are more expensive, which has financial implications for hospitals, and those pay disparities—where newcomers on short-term contracts make more than the full-time employees with years of tenure—can erode morale. Meanwhile, growing backlogs mean that patients face longer waits for care. The solution is a blend of human-capital and technology measures.”³

According to our survey, four in five of healthcare businesses are impacted by labour shortages. While this remains comparable with 2022, the impacts of these shortages are compounding to create more challenges sector-wide.

Burnout continues to be the number one impact, rising 8% on 2022. Respondents that selected ‘reduced profit/revenue’ is up 11% on last year, along with the price increase indicator that rose 13% year-on-year.

Providers of GP/medical or pharmacy services are significantly more likely than average to indicate burnout, and alongside providers of dentistry services, these businesses are also more likely than average to indicate reduced profit/revenue.

Older or larger businesses are feeling the results of burnout more than younger ones, and businesses aged 10+ years are seeing delayed response/increased wait times.

³ www.pwc.com/gx/en/issues/c-suite-insights/the-leadership-agenda/talent-required-for-healthcare-shortages



The significance of retention

A NAB Behavioural Insight report, highlights the impact of ‘Australia’s Great Resignation’ and calls out healthcare as an industry facing a major retention challenge;

In health services, 36% of those who are planning to leave their role did not intend to return to the same industry (indicating a move to a different or new role, in a new industry).

The report goes on to highlight the areas in which businesses need to focus, to address attrition. The top three, most indicated, reasons to consider leaving a current health services role are:

- Impact on mental health (54%)
- Lack of career growth (40%)
- Burnout (38%)

This suggests an employer focus on areas such as mental health support in the workplace, additional leave benefits, and a focus on career progression pathways, could all have an impact on retention. These findings are similar to our customer’s responses and goes to highlight the retention challenge the sector faces.

⁴ www.business.nab.com.au/wp-content/uploads/2022/02/NAB-Behavioural-Insights-Australias-Great-Resignation.pdf

The significance of retention

Push and pull: Employers should understand the motivating factors that keep people in jobs - and the demotivators that drive people away.

Reasons for considering leaving current place of employment: Health Services



Source: www.business.nab.com.au/wp-content/uploads/2022/02/NAB-Behavioural-Insights-Australias-Great-Resignation.pdf



Digital technology

Well over half (58%) of survey participants indicate a strong uptake of technology over the past year.

Providers of pharmacy services have strong technology uptake relative to providers of GP/medical services, specialist services, or dentistry services. Larger businesses (by revenue or by number of employees), also tend to have stronger uptake.

Many providers of pharmacy or GP/medical services have indicated a decision to use more technology in their business due to labour shortages, but this is not so among specialist service providers.

There are a number of overall drivers for technology adoption, indicated by the investment choices survey participants shared in open ended responses. The top five are dominated by operational support:

1. Financial management
2. Portal booking/Escripts
3. Remote consultation
4. Data management
5. Admin tools.

Barriers to technology adoption

According to survey respondents, cost (affordability) remains the biggest factor holding back further uptake of technology. Findings show one in four of respondents are held back by not seeing a need, and around 20% are held back by concerns over privacy/security, which is up 7% on the prior year. GP/medical services providers are significantly more likely than average to be concerned about patient privacy and security.

BNZ's Head of Technology Industries, Tim Wixon, acknowledges there is still an enormous opportunity in investing in technology, highlighting the importance of overcoming barriers to technology adoption for long-term business sustainability and success;

“The right technology applied at the right time will improve health and service outcomes for patients, and for less cost in most cases. We hope that BNZ can play a significant role in reducing the largest barrier to technology adoption — cost (affordability) — through financing, which can improve the viability of technology investment. On the Technology Industries front, we are actively supporting emerging technologies which, if adopted, will have a direct positive impact on the health industry both in New Zealand and globally.”

According to Aotearoa New Zealand's Digital Health Association, the pandemic has played a significant role in highlighting the need, and accelerating the movement toward, healthcare

information technology systems;

“Digital technologies have profoundly changed the global political, social, and economic practices of the world. Digital health is also transforming healthcare systems, reducing costs, allowing for greater efficiency, accountability, equity, transparency, continuity of care, and improving health outcomes.

For the past two years, the COVID-19 pandemic has overwhelmed healthcare systems and exacerbated inequities, highlighting the need for strong leadership, agility, responsiveness, and mobility in healthcare information technology systems. Digital health has been at the centre of solutions for the pandemic and has advanced the digital healthcare agenda considerably, accelerating the introduction of digital health solutions, and enabling rapid technology development across healthcare systems.”⁶



Tim Wixon
Head of Technology
Industries
BNZ

⁶ www.dha.org.nz/pages/what-is-digital-health



Geoff Sayer
CEO of Medtech Global

Investing to gain

Geoff Sayer, CEO of Medtech Global, says that while technology investment returns are unique to each business, what you will gain should be clear from the outset.

Geoff Sayer's Medtech team are on a mission to digitally transform primary healthcare. Medtech designs technology solutions to boost efficiencies, increase accuracy, and save time so medical practices can put their energy into patient care instead of paperwork.

“When time is central to the economy of your business, the most powerful investment you can make is in technology that saves it.”

Medtech is one of New Zealand's best-known primary healthcare technology businesses. Started 30 years ago, the business has expanded globally. Now the business has a large and growing presence in New Zealand, Australia, the Pacific Islands, and Ireland.

Medtech's patient management system provides a robust platform for the clinical and financial management of medical practices whilst securely integrating with third parties and the Medtech suite of products.

Medeor is one such product, which is specific to the process of managing payments. Developed in partnership with BNZ, the payments technology frees up practice staff time, and speeds up the reconciliation process through end-to-end automation, getting money into the practice account faster. It also allows for the option to accept part-payments, enabling people who can't afford to pay the full amount to manage instalments, all through the system.

This product has been popular alongside the growth in telehealth solutions. When the usual experience of seeing the receptionist

on exit changes, it's not uncommon for patients to forget to pay. With Medeor the entire payments process, including reminders and reconciliation, is automated.

Geoff empathises with the barriers to technology adoption highlighted in this report and has advice for anyone considering investment;

“Assessing affordability comes down to the value of the time you save; is that value in the quality of work you can do? Is it time that results in direct savings on the books, or time that can be used to generate more revenue? There's also an investment in time to get this right for your practice; you need to consider what part of the technology you need for the gains you want and ensure it isn't reinforcing any existing inefficiency in work flow.”

Geoff recommends using the following checklist when assessing the value of new technology for a primary healthcare practice:

- What specific time-savings will I get?
- How can I use time-savings to benefit my business?
- For the same, or less, time, does it:
 - improve safety
 - reduce risk
 - increase accountability
 - increase transparency
 - make it easier for patients/clients to self-serve.

The potential of ‘co-opetition’

The ‘co-opetition’ space - where competitors come together as a sector-relevant cluster to solve common pain points with technology - is gaining global traction.

“It’s early days with this idea in New Zealand. We suspect interest in co-opetition will grow. As more global evidence becomes available, it would not be surprising to see local healthcare businesses cluster for collective gain. This could be a game-changer when it comes to overcoming the biggest barrier to technology adoption; affordability.”

Thom McKenzie, Head of Health, BNZ

Just under half of respondents have not ruled out partnering with other businesses to invest in technology solutions. This group is comprised of those who selected ‘undecided’ (27%) and ‘interested’ (18%). BNZ’s Head of Health, Thom McKenzie, says that overall appetite is likely to grow;

“It’s early days with this idea in New Zealand. We suspect interest in co-opetition will grow. As more global evidence becomes available, it would not be surprising to see local healthcare businesses cluster for collective gain. This could be a game-changer when it comes to overcoming the biggest barrier to technology adoption; affordability.”



Outlook on the future

In this section, survey findings have been combined with insights from within the BNZ Growth Sectors team. The intention is to open a conversation about the future of the sector and inspire long-term success strategies.

Confidence

One in two businesses participating in this year's survey (52%) are confident in their 12-month outlook. This positive sentiment is stronger than might be expected, however, it could be said this is due to healthcare remaining more of a priority for discretionary spending than other categories. It is also a sign of the overall strength of the sector and its future growth potential.

The impact of inflation

While the sector outlook is largely positive, it's important to take into account the significance of inflation, impacting more than half of our respondents. Five themes emerged from open field comments made by participating businesses about the impact of inflation:

- Reduced demand
- Increased costs
- Funding gaps
- Pricing pressure
- Staffing.

Falling demand and rising costs are called out by the New Zealand Institute of Economic Research (NZIER). The burden this is having on investment is aligned with our survey, finding that affordability is the biggest barrier to increasing technology adoption within the sector;

“A small proportion of firms increased their headcount in the June quarter, indicating that hiring remained fairly robust. However, firms have become more cautious about investment, especially regarding investment intentions for plant and machinery over the coming year.”⁷

The climate challenge

Healthcare sector businesses are uniquely placed in the landscape of the climate challenge response. The sector is adapting to deal with the human impact of the crisis — and at the same time — concentrating on the environmental impact of doing business. This is highlighted in Deloitte 2023 Global Healthcare Outlook:

“Climate change represents humanity's single greatest health threat. In addition, higher emissions can trigger weather and environmental issues that, in turn, influence people's health. Responding to these threats requires health systems that are more resilient and sustainable. Health organisations must be prepared to provide care in the wake of natural disasters, ensure the supply of medicine amid weather-related disease outbreaks, and adopt practices that reduce waste.”⁸

It is particularly challenging for small to medium enterprises (SMEs) to address these issues. However, there are new tools to help, including the Climate Action Toolbox. This was created by the Sustainable Business Network with the Ministry for Business, Innovation and Employment, and partners across the public and private sector, including BNZ. It is designed to help SMEs identify ways to reduce their emissions and give them the tools to achieve it. Last year, a carbon emissions calculator was added to the Toolbox, enabling SMEs to calculate outputs and, where needed, apply for green financing to achieve their emissions goals.

⁷ www.nzier.org.nz/publications/qsbo-shows-a-modest-increase-in-business-confidence-and-continued-easing-in-capacity-pressures

⁸ www2.deloitte.com/cn/en/pages/life-sciences-and-healthcare/articles/2023-global-health-care-outlook.html

Outlook on the future

Succession

In 2023, succession was included in the BNZ health sector survey for the first time, revealing 65% of the participating businesses had no succession plan. Most of those indicated they did not have one as they were not expecting a change in ownership/leadership. As might be expected, there were signs that younger or smaller businesses were less likely to have a plan.

These findings suggest an opportunity to increase preparedness for succession – and business interruption – to safeguard equity. Given the need for succession plans to remain current, there is also a risk that those who have them, may not be up to date. This means the proportion without workable plans may be even higher.

When it came time for Dr Sarah Stewart of Four Kauri Medical in Auckland to retire, her plan was clear. She wanted to ‘fill her shoes’ with someone who brought a similar working style to the job. Dr Stewart identified Dr Rebecca Meffin and approached her to consider the step into practice ownership. For Dr Meffin, the opportunity arrived sooner than expected;

“Ownership was always part of my long-term plan. The opportunity to do this came up much quicker than anticipated, but I was keen to make it work.”

Dr Meffin worked with her accountant to do her due diligence and arrange finance. It was through this process that her accountant proposed a BNZ Healthcare Capital Loan solution. This lending option supports the pathway to ownership with up to 100% funding for new shareholders and directors. Instead of securing Dr Meffin’s loan against her home, the loan could be secured against the business;

“It was great that I could keep my personal and professional lending separate, and the process was actually easier than extending my mortgage with my existing bank. With BNZ, it was all done in six working days.”





Andrew Martin (Marty)
Regional Director
Strategic Specialists Group

Five key steps for succession success

Andrew Martin (Marty) is a succession specialist; a business consultant and certified exit planning advisor from the Exit Planning Institute. Marty likens the successful process of exiting a business to preparing for a world cup;

“Teams don’t just turn up on the day hoping for a good result. They put in years of planning and preparation. It’s the same with exiting. Your level of success depends on the work and effort you put in beforehand. You deserve to feel triumphant. After all the effort building your business, you don’t want to walk away with regrets”.

There is no single template for a successful exit. However, Marty says that the following five steps are proven to have a profound impact on success.

1. Know what success looks like

Success is the perfect balance of having a business that is attractive to potential purchases – and at the same time – fulfilling your personal and financial goals. Put time into determining your desired outcome for all.

2. Make it personal (it’s not ‘strictly business’)

You will need to determine if your goals are realistic and consistent. Very often, personal and business goals are inconsistent, even contradictory. Address any tension between the two as early as possible seeking clarity through your financial and business advisors.

3. Understand your business worth

Your profitability (earnings before interest, taxes, depreciation, and amortisation) times the multiple that purchasers commonly pay for businesses like yours will give

you an estimation of what it’s worth. Professional valuations are key here, and it’s important to factor in value versus saleability; which is determined by how easily someone can pick up your business and operate it.

4. Make your business desirable

Approximately 80% of a company’s value lies within its intangible capital. Don’t miss the opportunity to focus on and enhance customer and human (staff) capital, as well as the systems your business runs on. The quality of these is the biggest determinant on how well your organisation operates.

5. Assemble your team

There’s no substitute for professional advice. Once you have a plan, don’t keep it a secret. Work with your advisors so they can help you succeed. This may include some or all of the following:

- Business growth advisor
- Personal wealth advisor
- Accountant
- Lawyer
- Insurance broker
- Funder
- Broker or merger and acquisition specialist



Summary

BNZ's Health Sector Insight Report is clear in showing how several factors continue to challenge the sector, with issues such as staff shortages and inflation having a significant impact on all areas of business. However, the overall outlook is still largely positive.

This report further highlights opportunities for the sector to move forward into 2024, including the following insights from the BNZ Growth Sectors team. This team of sector specific experts bring domestic and international insights — along with the wisdom of customers and connections — to this report.

Opportunities for growth: The sector's focus needs to be evenly weighted on growing and retaining the workforce if the sector is to reach its growth potential.

- There is still significant opportunity for technology to improve business and patient/client outcomes, beyond business operation needs.
- 'Co-opetition' is a future opportunity to address the barrier of affordable technology.
- Health sector businesses designed to meet the health needs of climate change and deliver on sustainable business goals will be better placed in the long term.
- Succession planning (many years in advance) is essential for the overall health of the sector, including the retention of the current workforce.

Thank you
Ngā mihi



Disclosure

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