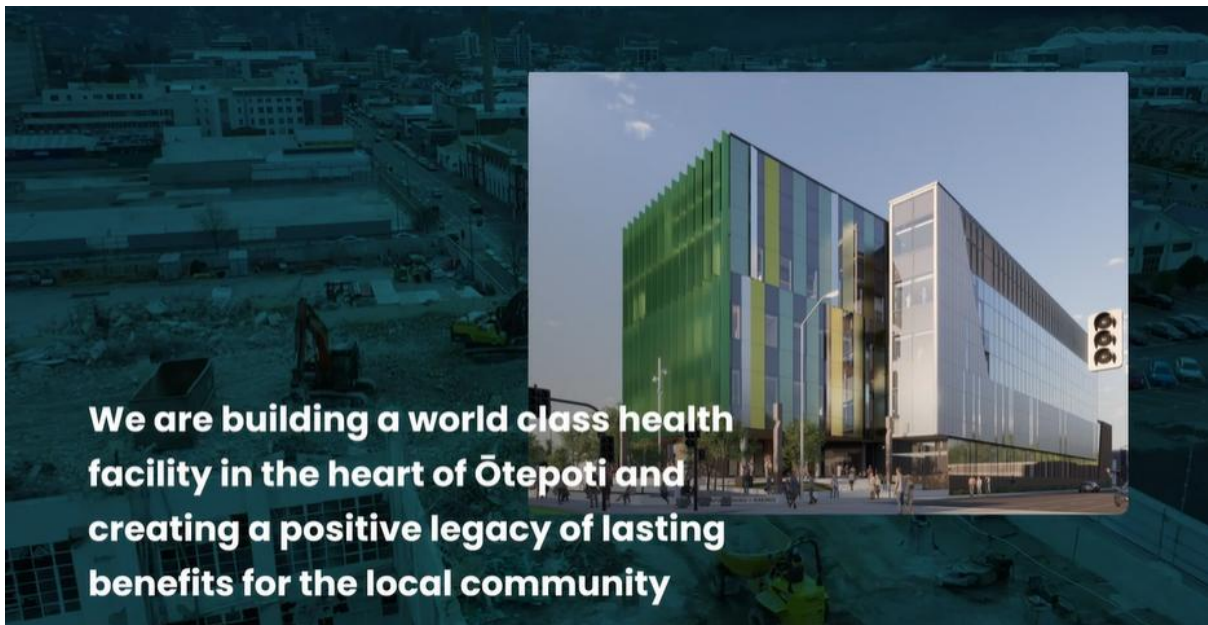


Post Outcomes Contract Report



R13.01635

December 2025

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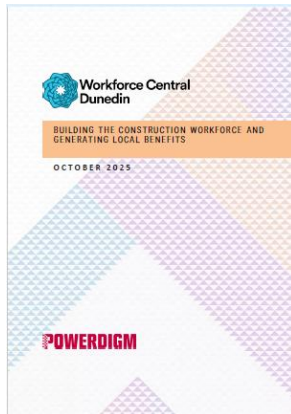
Executive Summary

1. Workforce Central Dunedin (WFCD) is a Job & Skills Hub established in June 2020 to service the workforce needs of the New Dunedin Hospital. The purpose of the project was to reduce the risk to the New Dunedin Hospital build by delivering a strong labour supply to contractors, upskilling existing workers and providing on-site pastoral care.
2. The New Dunedin Hospital is constructed as two buildings, each on its own site and separated by State Highway 88, St Andrews Street. The first building to be constructed is the Outpatients and the second, the Inpatients. Each building has its own main contractor, subcontractors and building timeline.
3. The WFCD Job & Skills Hub was established because, according to the Te Ara Mahi funding application dated 20 December 2019, “The New Dunedin Hospital is Dunedin’s largest ever construction project and New Zealand’s largest ever hospital construction project. It is occurring in a relatively small city, a long way from large population centres. There will be a remarkable opportunity to engage, retain and upskill a diverse range of people.”
4. The Te Ara Mahi application stated that, “Dunedin already enjoys a full range of government employment and training services. What makes the New Dunedin Hospital different is its scale. A workforce requirement of about 900 is anticipated, which by local standards is unprecedented.”
5. The Ministry of Business and Innovation are the primary funders and enablers which breathed life into WFCD. Business South Incorporated is a Charitable Trust and the contract holder who receives and administers WFCDs funds, looks after the hub’s expenses and needs, employs the hub’s staff and supports their initiatives.
6. WFCD was established one year ahead of the commencement of the New Dunedin Hospital build to allow the project to establish early engagement with stakeholders, to establish labour and accommodation supply chain partners, and engage the industry ahead of the build.
7. The WFCD project is intended to operate for the duration of the New Dunedin Hospital build and close when construction is complete. MBIE funding was for 5y 6mo and regarded as seed funding. Thereafter, the WFCD project may be maintained using alternative revenue streams from contractors involved in the New Dunedin Hospital or other projects and through grants and contributions from central government, local government and other stakeholders.
8. Mates in Construction Field Officers have co-located with WFCD at the Job & Skills Hub since March 2022. The presence of Mates in Construction on site significantly assists the New Dunedin Hospital construction site in a range of ways. This includes supporting the work of its contractors, running on-site events and celebrations, and delivering various levels of training to workers on suicide prevention. The Outpatients building site is a Mates in Construction Accredited worksite and has achieved and maintained 80% of workers trained in General Awareness, has 1: 20 Connector trained staff on site and one ASIST trained person.

9. The larger purpose of Workforce Central Dunedin is to leverage off the sheer size of the New Dunedin Hospital build to achieve positive local impact. WFCD's goal is to create a legacy of positive outcomes for the region which endure after the building is complete. WFCD champions the [Government Procurement Rules](#) and operates within the [Economic Benefits framework](#) which features four domains of environmental, social, economic and cultural impacts.
10. Construction delays significantly impacted on the ability of WFCD to achieve its intended outcomes. Construction delays were entirely out of the control of WFCD. Whilst WFCD commenced one year ahead of the construction commencement date, a delay of 18 months of the Outpatients meant WFCD's ability to achieve its contractual obligations on the Outpatients site was diminished until about 30 months into the project. The 4-year delay in the construction of Inpatients resulted in the build falling almost wholly outside the funded timeline of the WFCD project. Despite this, WFCD achieved its targets by widening its scope to include other construction projects and businesses in addition to its primary focus of servicing contractors on the hospital build.
11. Despite these delays, WFCD had a positive impact on getting new people into the construction industry who may have otherwise faced barriers to entering employment or an apprenticeship.
12. An independent SROI report completed by Magnifi showed that the WFCD project has connected people, streamlined stakeholders, and created synergies among local and national groups. This has created tangible outcomes, enabled local businesses and the wider community to benefit from the scale of the build, and addressed needs that would not have been otherwise fulfilled. Magnifi found WFCD's partnerships, strong stakeholder engagement, strategic implementation and unique positioning as a connector to be a catalyst for broader outcomes in the city. See **Appendix 3** for the full Magnifi Report.
13. The independence and neutrality of WFCD gave the local community and businesses an accessible and available place to go to source valuable information about the hospital build and access contractors on site. Industry stated we have saved them time and money because they could use WFCD as a front door to access information and connections they needed. For many, WFCD was cited as the only way to access the contractors or the site.



14. Stakeholders found value in WFCD’s comprehensive pastoral care model. The pastoral care programme on Outpatients impacted positively on worker retention, productivity, and efficiency. It sets a benchmark for worker wellbeing on a construction site. Contractors acknowledged how WFCD’s understanding of the norms within the construction industry caused them to target pastoral care to areas of working life that may be neglected otherwise.



15. In her assessment of the work accomplished by WFCD, Donna Proovost of Powerdigm outlined that, “By taking a multi-pronged approach to labour force development, WFCD has made a difference and delivered on its goals by providing work brokerage service, growing the workforce, strengthening the sector and building community confidence with the hospital build.” See **Appendix 4** for the full Powerdigm report.

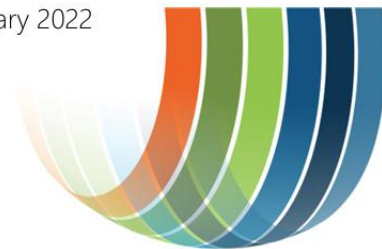
16. Workforce Central Dunedin may report that we have met all the contracted outcomes in the MBIE contract including placing 300 people into employment and training 900 workers. Due to delays in the hospital build, WFCD achieved many of its targets in the wider industry and community and not only within the new Dunedin Hospital.

Introduction

17. WFCD benefited from a large research piece completed by Infometrics which gave a [15 year outlook on construction activity and the supply and demand for workers in Otago](#). This report was singularly the most influential research piece to shape the various phases of WFCD and its overall direction. The initial research document was published in 2019, and in January 2022, the post-Covid19 update was published (See **Appendix 2**.) This research continued to influence practice and direction throughout the duration of the project. WFCD championed this research and shared it widely among stakeholders and interest groups.

Construction activity and the supply and demand for workers in Otago: a 15-year outlook

January 2022



18. WFCD aspires to create a legacy of positive outcomes the wider Dunedin community that lasts beyond the completion of the physical infrastructure of the New Dunedin Hospital. WFCD has worked tirelessly to create this legacy by using the hospital build as a catalyst to help locals into employment, support, train and upskill hospital workers, showcase the hospital build to the education sector and wider community, build capability and connections within the sector and connect local businesses who can help build the hospital.
19. WFCD uses the hospital build as a benchmark to showcase the many different careers needed to build a hospital and work within it, thereby lighting up pathways into careers in the construction industry, trades and health.
20. WFCD is a social procurement partner to HealthNZ Te Whatu Ora who are the buyers of the New Dunedin Hospital. WFCD is a collaborative partner to the Outpatients Tier 1 contractor Southbase Construction (SBC) and their sub-contractors and to the Inpatients Tier 1 contractor CPB Contracting and their sub-contractors.
21. This Post Outcomes Project Report intends to cover all aspects of the Workforce Central Dunedin project and leave an impression of its value to its partners, clients and the wider Dunedin community. Key aspects of this review are:
- a. Compliance with the Children’s Act 2014;
 - b. Project Objectives;
 - c. Achievements;
 - d. Enrolments;
 - e. Expenditure;
 - f. Deliverables and progress against deliverables;
 - g. Major risks and issues;
 - h. Analysis;
 - i. Regional development;
 - j. Statistics;
 - k. Wellbeing;
 - l. Social inclusion;
 - m. Resilience;
 - n. Additionality;
 - o. Timeline;
 - p. Stakeholder map;
 - q. Learnings for future practice;
 - r. The legacy.

Note: Social Procurement Outcomes, Economic Benefits and Broader Outcomes are terms used interchangeably to refer to the use of public funds spent on infrastructure projects to deliver public value beyond the bricks and mortar of the build.

THE WFCD BOARD

22. The WFCD Board has been a consistent group of people most of whom have been with WFCD since its inception. The WFCD Board was a larger group always numbering over



15 persons. The Board met once a monthly basis for 10 months of the year and through 2025, every second month.

23. Board members are represented across local government, central government, stakeholders, industry, Kai Tahu, Pacific People, business groups and social service providers. Each member brought a unique perspective and helped shape the project.

24. It is said without hesitation that the WFCD Board have been a rock for the project, a massive support, brilliant connectors to new opportunities with clear, timely and wise guidance and counsel. The WFCD Board were a stable and agile group whose value cannot be understated.

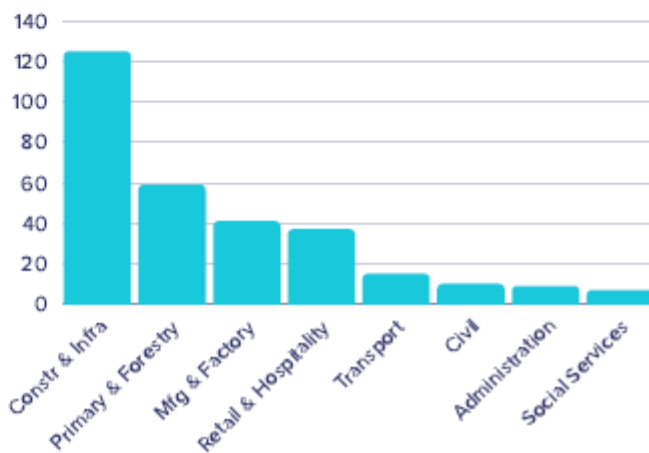
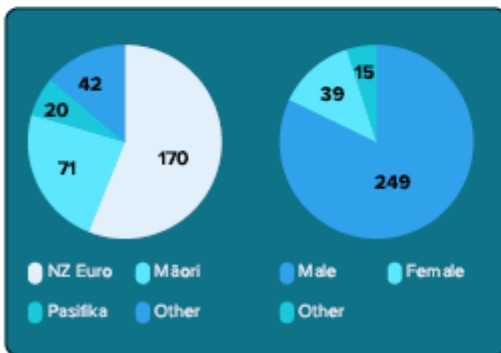


DASHBOARD

WFCD KPI DASHBOARD



Employment Breakdown

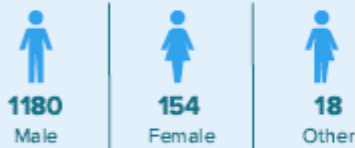


Training Breakdown

Ethnicity

NZ European:	670	50%
Māori:	115	8%
Pasifika:	75	6%
Other:	492	36%

Gender



Training Types



Engagement Breakdown



Pastoral Care Breakdown



Figure 1. WFCD Dashboard as at end of December 2025

25. WFCD faced many **risks**. The two most significant risks identified by the WFCD project which went on to have significant negative impact on the project's performance were:
- The impact on the project functioning due to Covid-19, and;
 - Construction delays.
26. Similarly, the three key issues which characterise WFCD, and which significantly impeded the performance of the project were:
- The location of the hub for the first two years;
 - Slow contractor engagement in the employment and training services offered by WFCD;
 - The loss of strategic partners at key times.
27. These risks and issues are outlined in detail in the Major Risks and Issues section to follow (See update paragraph 78.)
28. The **scope of work** assigned to WFCD to complete under its contractors is outlined in detail in the Project Objectives section of this document. In summary, WFCD was assigned to support Health NZ and its infrastructure contractors who are building the New Dunedin Hospital to achieve social procurement outcomes for Dunedin. Social Procurement Outcomes, Economic Benefits and Broader Outcomes are terms used interchangeably to refer to the use of public funds spent on infrastructure projects to deliver public value beyond the bricks and mortar of the build.
29. Public value occurs in many different forms. For the New Dunedin Hospital, public value took the form of giving locals jobs on the site, taking on apprentices, training locals to take up opportunities, upskilling workers on the site, initiatives to promote careers in construction and trades, giving local businesses parcels of work to give commercial experience, strong pastoral care to enhance staff wellbeing, targeting priority groups for employment and apprenticeships, increasing diversity in the industry, providing a shop window for the wider community to see the project and providing a gateway for businesses and community to access information and key people on the build.



30. The sheer size and scale of the New Dunedin Hospital build has an impact on Dunedin. WFCD was assigned to harness the positive impacts so they may endure over time. In other words, long after the 'bricks and mortar' of the build is completed, Dunedin has more commercial skills in their community, more people employed and in apprenticeships, more people trained, more career seekers looking at a career in construction and the trades, more local businesses that have grown or gained commercial experience, a benchmark of pastoral care on work sites and so on. This is the proud legacy of the New Dunedin Hospital.
31. The broader outcomes achieved by WFCD are reflected in the targeted outcomes for employment and training, the number of enrolments (people who expressed an interest with WFCD to work on the hospital build) and in their engagement activity.
- a. People who formally registered their interest in working on the hospital build are listed as enrolments: 1835.
 - i. Māori
 - ii. Pasifika
 - iii. Disabled
 - iv. Women
 - v. Migrants
 - vi. Refugees
 - vii. Ex-Justice
 - b. From our enrolments, the following number of people were facilitated into employment: 303 against a target of 300.
 - i. Māori
 - ii. Pasifika
 - iii. Disabled
 - iv. Women
 - v. Migrants
 - vi. Refugees
 - vii. Ex-Justice
 - c. Many enrolled candidates who may or may not have worked on the hospital site were trained. Workers on the site were upskilled to take up more complex roles or maintain their compliance with qualifications already achieved. The number of people trained or upskilled: 1352 against a target of 900.
 - i. Māori
 - ii. Pasifika
 - iii. Disabled
 - iv. Women
 - v. Migrants
 - vi. Refugees
 - vii. Ex-Justice
 - d. The main types of training that workers undertook were:
 - i. General Awareness Training regards suicide prevention

- ii. Connector Training in suicide prevention
- iii. Asist training in suicide prevention
- iv. SiteSafe Foundation Certificate for Construction
- v. Sustainability training
- vi. Whakapapa elements of the hospital building site
- vii. Mobile Elevated Work Platform
- viii. Fire Training
- ix. First Aid
- x. SiteSafe Passport for Construction
- xi. Cultural Competency and Awareness
- xii. Working at Heights
- xiii. National Certificate in Cleaning
- xiv. Management and people leadership training
- xv. Forklift operating certificate

32. WFCF received its **funding** from a variety of sources. Primarily, WFCF operated under the Provincial Growth Fund commencing in June 2020 until December 2025. Kānoa administered the WFCF contract and appointed Business South Inc, a Charitable Trust, as the parent company to WFCF. WFCF picked up additional funding along its journey from government agencies and industry who applied their own objectives and outcomes regarding their contribution. The additional funders are Te Puni Kōkiri TPK,) Ministry of Social Development (MSD) and significantly, industry funding from Southbase Construction (SBC.)

33. It is noteworthy that the Te Puni Kōkiri funding was for a piece of work targeted at Māori business as part of their Capability Uplift programme. Stated differently, the TPK funding did not contribute to the outcomes of the MBIE, MSD or Southbase contributions but are included below to indicate its total monetary value to the project.

34. It is also useful to note that MSD funding continues through 2026 and 2027. Only the 2023 to 2025 contribution to WFCF is reflected below. Whilst the funding looks particularly handsome, it is worth noting that the original MBIE funding of \$1,850,000 was over 4 years. The project was extended by 18 months to a total of 5.5 years with no changes to the MBIE funding value. This meant WFCF needed to stretch its funds to last longer whilst meeting the objectives of the co-funders. It is noteworthy that the TPK contract was for business uplift and did not contribute toward MBIE outcomes.

35. A funding summary is as follows:

Funding Source	Value	Proportion of Total Funding
The Provincial Growth Fund, Ministry of business and Innovation	\$1,850,000	65%
The Ministry of Social Development	\$450,000	15.8%
Te Puni Kōkiri*	\$445,500	15.7%
Southbase Construction	\$100,000	3.5%

Total	\$2,845,000	100%
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Table 1. Funding amounts and proportions of overall funding from each source. *TPK funds were a business development contract separate to MBIE and MSD.

36. **Cross collaboration** contacts with stakeholders and partners.
37. The Workforce Central Dunedin project commenced about 12 months prior to the commencement of the hospital build. This early start was intended to give WFCD opportunity to build stakeholder engagement with the hospital build. WFCD had a strong community engagement focus in its first year and built up a large stakeholder base.
38. Over the past 5 years, WFCD was strengthened by the active involvement of stakeholders. Our stakeholders are broadly in categories of government, industry, and community. Their combined support helped the project align with national priorities, deliver workforce and economic benefits and demonstrate cultural authenticity through our celebrations on Philippine public holidays, in our inductions and our everyday work with Pasifika and Māori job seekers and businesses. Support from our stakeholders helped us reduced risk, amplified our impact and achieve outcomes that are likely to remain beyond the life of the hospital build.
39. WFCD is very grateful to its many stakeholders because we could not have achieved our work on our own. Our stakeholders have championed workforce development and community engagement, they have ensured that Workforce Central Dunedin leaves behind a stronger, more connected region.
40. Figure 2 shows the WFCD Stakeholder Map depicting a large group of stakeholders who maintained almost ongoing engagement with the project over the life of the MBIE contract from 2020 to 2025. The middle circle are stakeholders with occasional engagement but who knew of the project’s activity and whom we kept informed. The wider group of stakeholders know about us and have occasional contact or have a problem we can help solve.



Stakeholder Map



Figure 2. WFCD Stakeholder Map.

Compliance of staff as per paragraph 14(6) of the MBIE contract 11 June 2020

41. **Compliance with the Children's Act 2014 and the Children's (Requirements for Safety Checks of Children's Workers) Regulations 2015** are tabulated below. In accordance with the MBIE contract expectations, no staff were appointed who were unable to meet the police checks and compliance with the Children's Act as referenced in Part 1, paragraph 14 (6) of the WFCD contract with MBIE. No staff were appointed without MBIE approval as per paragraph 3(5.)

PROJECT OBJECTIVES

42. Each funder of the WFCD project contracted the WFCD Job & Skills Hub to achieve outcomes particular to their contract.
43. Contracted outcomes of **Ministry of Business and Innovation** for WFCD include:
- a. A minimum of **300** individuals are recruited, upskilled and **employed** on the hospital construction site;
 - b. A minimum of **900** individuals will be **trained** in order to remain in employment;
 - c. Increase employability by upskilling and training local people to progress onto the Dunedin hospital build or other construction projects in the region;
 - d. Improve employment opportunities and pathways through an increase in workforce capacity;
 - e. Reduce reliance on imported labour by developing skills locally;
 - f. Generate wide commitment to employment and training locals in the first instance;
 - g. Promote worker wellbeing and diversity;
 - h. Attract people back into the region and provide placement support to those returning to work locally;
 - i. Foster collaboration, communication, coordination and transparency across industry, training providers, government agencies and the labour supply chain;
 - j. Reduce procurement costs and optimise use of available workforce, reduce downtime costs through a centralised training facility.
 - k. Engage with schools and communities to create pathways into trades via engagement with iwi, Corrections, schools, Polytech and university students, MSD clients, Women in Trades, NEETS, PTEs and others.
 - l. Induct all site workers working over 40 hours on the site. The induction is co-designed with iwi and provides an orientation package to the site. The induction includes Mates in Construction training, sustainability awareness, Ngai Tahu education on the significance and importance of the land to iwi and the community and other training as required by the construction teams on site.
44. Expected outcomes from the **Ministry of Social Development** are:
- a. To enable job seekers to find suitable employment on the hospital build and elsewhere or to use a training pathway to progress to employment.
 - b. All efforts are expected to target job seekers in priority groups, namely, Māori, Pasifika, women, migrants, refugees, people with disabilities, people exiting the justice system, people who are under-represented in construction and people who are long term unemployed or have barriers to employment.
45. While the **Te Puni Kōkiri** contract was not within the original focus of the WFCD project, it helped achieve economic benefits by enabling us to provide training to business

owners and link them to larger contract opportunities. Contracted outcomes from Te Puni Kōkiri include:

- a. Establishing a practical and easy connection point for Māori businesses to explore opportunities in infrastructure projects;
- b. To support and connect Māori businesses to opportunities that arise through the New Dunedin Hospital build, and;
- c. List learnings to embed into future practice which could inform the HealthNZ Investment Group or other regional hospital builds.

46. **Southbase Construction** expected outcomes are:

- a. Induct all workers on the site who will work over 40 hours;
- b. Provide speakers for the Toolbox Talks and follow up programmes;
- c. On-site Services dealing with enquiries and progress broader outcome initiatives with contractors;
- d. Services that Connect Southbase staff to collaborative partners including local Māori businesses to fulfil the requirements of 8% Māori businesses in the supply chain;
- e. Increase Diversity by linking Southbase Construction and its sub-contractors to priority groups for employment;
- f. Engage Temporary Workers through local supply chain partners in labour hire, university students and beneficiaries;
- g. Recently Released Prisoners engaged in employment;
- h. Administration Services regarding reporting on Broader Outcomes, events, initiatives and collate information that will help Southbase Construction's Broader Outcomes story;
- i. Publicity Services in the form of local and national coverage of Southbase Construction's positive contribution to the Outpatients build and the legacy of positive impact;
- j. Referee Services by promoting companies that achieve Broader Outcomes.

47. The above four funding contracts and subsequent expectations of WFCD comprehensively cover the Government Procurement Rules of 2019 where the government's broader outcome expectations are to:

- a. Increase access for New Zealand businesses to government procurement contracts with particular focus on those less able to access opportunities and those working in priority sectors.
- b. Increase the size and skill level of the domestic construction sector workforce and provide employment opportunities to target groups.
- c. Improve conditions for works and future proof the ability of New Zealand businesses to trade.

ACHIEVEMENTS

48. The employment objectives of WFCD are to support local people into employment, with a focus on priority groups who may otherwise experience barriers to employment. A very large proportion of job seekers enrolled with Workforce Central Dunedin are MSD clients.

49. The sheer size of the New Dunedin Hospital build provides a once in a generation opportunity to fill vacancies, fill apprenticeships and source talent from the local community to take up the roles offered. By getting local people into employment on the



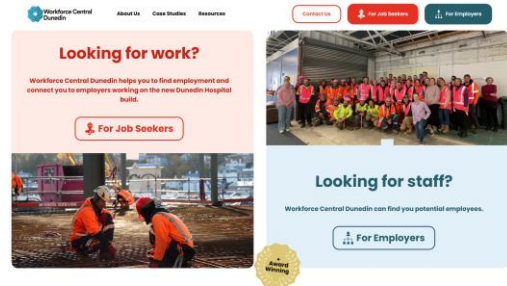
hospital build, WFCD assisted contractors to build capability in Dunedin by giving their workers experience on a complex commercial worksite. Filling junior roles builds capability by giving seniors the opportunity for succession. Employing locals also reduces the reliance on overseas labour and with more people in construction, the region's overall capacity to complete infrastructure projects is improved. Supporting locals to enter employment contributes to the regional economy because locals spend their earnings in and around Dunedin rather than taking their earnings out of the region or the country.

50. Workforce Central Dunedin established a range of strategies to draw interest from job seekers and job changers from priority groups to register their interest in working on the hospital site in the many roles on offer. All interest from candidates is collated on a CRM database called Outreach. Outreach allowed WFCD staff to manage the enrolment through all the stages of recruitment. These strategies are summarised below:

- a. The Ministry of Social Development delivered an important source of candidates for vacancies listed at WFCD. WFCD was fortunate to have an MSD Work Broker seconded to the Job & Skills Hub. This gave the hub indirect access through the Work Broker to job seekers. Vacancies sourced by WFCD were passed onto the Work Broker who readily filled them usually within a few hours or days. The Work Broker was able to apply products and subsidies to MSD job seekers which strengthened the chances of the WFCD referral obtaining the role.
- b. An important source of vacancies has been with contractors on the work site and with contractors on nearby infrastructure projects. WFCD's relationship building with these parties was partially successful. Many contractors arrived to the hospital build with a full labour force. For new staff, most contractors relied on

their existing relationships with labour hire. WFCD mostly accessed roles created by resignations, transfers, roles spontaneously created or growth in demand.

- c. WFCD developed a [website](#) and used social media to draw people towards our registration pages. Employers were able to register their vacancy online in just 5 words with a section for comments of any length. Job seekers were able to register their interest to work in just 4 words. All registrations from both employers and candidates fed automatically to the WFCD database for WFCD to follow up. Many candidate enrolments came to us through our website from job seekers searching online and finding us or being referred to the hub by others.



- d. We used Facebook, Instagram and LinkedIn to reach out to employers and candidates, inviting employers to list vacancies and candidates to enrol as a job seeker. WFCD uses social media for direct access to our clients, to celebrate successes, draw attention to our activities and maintain a following of people who could potentially use our service at some point in their career.
- e. Employers and job seekers were also sourced through Employment Seminars jointly delivered by WFCD and the MSD Connected programme. At Employment Seminars, employers with real vacancies attended a one-hour session where they showcased their business in a short presentation. WFCD and Connected filled the room with interested, job-ready candidates who meet each employer for a few minutes. Employers were encouraged to choose a candidate immediately, make another time to speak to the candidate in more detail or take the candidates details for any future vacancies. At the same time, MSD Work Brokers were available on hand to match job seekers to employers in the room to jobs advertised on our Jobs Board. By the end of each seminar, every job seeker would have met each employer present, shared their story and their CV, picked up a job or a job interview or have a lead towards a job through the MSD Work Broker. We followed up with employers to check they have noted new job seekers from the room and whether they filled their vacancy or have follow ups.

- f. Through expos, WFCD showcased opportunities to school-age students, tertiary students and the public in careers in construction, clinical and non-clinical health positions. We attended or hosted multiple expos through the year and occasionally set up pop-up career shops at schools to reach school leavers who intended to enter work or training the following year.



- g. As part of WFCD's engagement programme, WFCD delivered talks, met with stakeholders, PTEs, community groups and others who could provide leads to potential candidates or vacancies.
- h. A major thrust of WFCD's enrolments strategy was to engage employment and labour hire agencies, community groups, Private Training providers, Industry Training Organisations and any other sector who could supply a candidate when it was needed. In construction, employers preferred labour hire due to the finite nature of their work. WFCD worked alongside various agencies and in many cases, referred our enrolment to the agency for placement once the candidate was given the offer of a job. This programme worked well and gave employers confidence that they could employ temporarily and use the labour hire agency of their choice.
- i. WFCD partnered with Jacobsen, MSD and Flooring NZ to facilitate a Flooring Boost programme to bring suitable candidates to the attention of employers. The Flooring Boost concept was noticed by MSD who created a Building Boost programme and funded a local PTE to run them. The Boost programmes had similar formats where WFCD or the PTE invited employers with actual vacancies to meet interested MSD Job Seekers and talk about what it's like to work in their industry. In the next step, interested candidates returned for a more in-depth interview with the employer. Selected candidates then committed to 6 weeks training to complete MSD paid work experience and gain a Level 3 NZQA pre-trades certificate. The trades programme included two weeks classroom activity and four weeks work experience with one of the employers. Stakeholders donated toolboxes, PPE and equipment for candidates to use through their training. MSD funded paid work experience to employers of trainees and donated tools to put in the toolboxes.

51. In summary, WFCD employed a range of strategies to source quality candidates and a range of strategies to source quality vacancies. The Ministry of Social Development were proactive in seconding a Work Broker specifically to the WFCD Job & Skills Hub. The Work Broker worked fulltime for 2 years at WFCD and shared his time from October 2024 until April 2026. The secondment of the Work Broker was a mighty boost for the WFCD Job & Skills Hub because we were able to use his networks and existing knowledge to attract vacancies beyond the hospital build.

Enrolments

52. Demographic information of enrolled candidates:

- a. WFCD had a high number of candidates who expressed an interest in working on the New Dunedin Hospital. The candidates were mostly European (46%) followed by Māori (9%) and Pacific People (5%). 40% of people did not declare their ethnicity or belonged to ethnic groups not captured. Most of the candidates enrolled were male (80%) with 16% female and 4% not giving their details.

Gender Breakdown (Enrolled)	2020	2021	2022	2023	2024	2025 Totals	Overall total
Male	70	48	76	152	661	459	1466
Female	20	18	18	46	95	71	268
Other	0	28	2	63	7	1	101
						531	1835
Ethnicity Breakdown (Enrolled)	2020	2021	2022	2023	2024	2025 Totals	Overall total
Pakeha/NZ European	63	68	43	105	301	255	835
Māori	15	12	7	19	69	51	173
Pasifika	10	9	2	8	47	21	97
Other	2	5	44	129	346	204	730
						531	1835

Table 3. Update Demographic information of enrolled candidates

EXPENDITURE

53. At a high level, WFCD developed a sinking lid model whereby expenditure was subtracted off the funding total monthly. This was based upon the project drawing down the full value of the funding over the duration of the contract. Early in the project, WFCD established average cost of running the project per month. We used monthly costs to monitor expenditure against a sinking lid of the total funds remaining. An advantage of this was that we could take action against cost drivers and offset months which incurred high cost against months of leaner expenditure. Overall, MBIE funded primarily FTE with a \$100k contingency fund over the duration of the project. Contingency costs built into WFCD contracts by co-funders gave the project a bit more wiggle room for expenses related to initiatives and innovation.
54. Looking at the funding as monthly income, WFCD was **resourced** to the value of \$28,030 over 66 months under MBIE funding. Funding from government and industry co-funders boosted the project's funds to \$34,944 over 90 months if all the funds were applied evenly across the term of the project. Funds were not evenly distributed across the life of the project due to the costs associated with delivering the additional outcomes required by the co-funders during the tenure of those contracts.
55. In terms of the overall health of the project, WFCD was appropriately funded to meet its objectives and deliver upon its outcomes. Contracted funds needed to be consumed through the life of the funding term and consumed on the initiatives and outcomes against contracts WFCD was required to deliver. Overall, WFCD was adequately funded for the first year, had higher levels of expenses through the middle years and is forecast to track as underfunded with sufficient funds to maintain two FTE through 2026 and one FTE during 2027 with limited operational contingency expenses.

	A	B	C	D	E	F	G	H	
2	New Payment Schedule				Spend Profile				
3	Payment number	Date	Payments from MBIE	Cumulative income	Spend	Cumulative Spend	Surplus / Deficit		
4	1	Commencement	\$ 150,000	\$ 150,000					
5	2	19/06/2020	\$ 100,000	\$ 250,000					
6	3	18/09/2020	\$ 100,000	\$ 350,000					
7	4	18/12/2020	\$ 100,000	\$ 450,000					
8	5	19/03/2021	\$ 100,000	\$ 550,000					
9	6	17/10/2021	\$ 30,000	\$ 580,000					
10	7	17/11/2021	\$ 30,000	\$ 610,000	\$ 320,117	\$ 320,117	\$289,883		
11				\$ 610,000	\$ 28,448	\$ 348,565	\$261,435		
12		31/03/2022		\$ 610,000	\$ 107,860	\$ 456,425	\$153,575		
13		31/05/2022		\$ 610,000	\$ 52,653	\$ 509,078	\$100,922		
14		30/06/2022		\$ 610,000	\$ 40,052	\$ 549,130	\$60,870		
15		31/08/2022			\$ 50,841	\$ 599,971	\$10,029	End August	
16	8	16/09/2022	\$ 90,000	\$ 700,000	\$ 27,481	\$ 627,452	\$72,548	End Septem	
17					\$ 25,549	\$ 653,002	\$46,999	End Octobe	
18					\$ 36,161	\$ 689,162	\$10,838	End Novem	
19	9	16/12/2022	\$ 90,000	\$ 790,000	\$ 50,781	\$ 739,943	\$50,057	End Deceml	
20					\$ 31,265	\$ 771,207	\$18,793	End Januar	
21					\$ 37,863	\$ 809,070	(\$19,070)	End Februar	
22	10	17/03/2023	\$ 90,000	\$ 880,000	\$ 37,233	\$ 846,304	\$33,696	March	
23					\$ 27,142	\$ 873,446	\$6,554	April	
24					\$ 26,490	\$ 899,936	(\$19,936)	May	
25	11	16/06/2023	\$ 90,000	\$ 970,000	\$ 27,135	\$ 927,070	\$42,930	June	
26					\$ 31,720	\$ 958,791	\$11,209	July	
27					\$ 32,941	\$ 991,732	(\$21,732)	August	
28	12	15/09/2023	\$ 90,000	\$ 1,060,000	\$ 33,592	\$ 1,025,324	\$34,676	September	
29					\$ 29,763	\$ 1,055,086	\$4,914	October	
30					\$ 29,776	\$ 1,084,863	(\$24,863)	November	
31	13	15/12/2023	\$ 90,000	\$ 1,150,000	\$ 39,273	\$ 1,124,136	\$25,864	December	
32	14				\$ 18,837	\$ 1,143,000	\$7,027	Jan	
33					\$ 22,257	\$ 1,165,230	(\$15,230)	Feb	
34		15/03/2024	\$ 90,000	\$ 1,240,000	\$ 29,890	\$ 1,195,120	\$44,880	March	
35					\$ 33,614	\$ 1,228,733	\$11,267	April	
36					\$ 33,887	\$ 1,262,621	(\$22,621)	May	
37	15	21/06/2024	\$ 90,000	\$ 1,330,000	\$ 32,776	\$ 1,295,397	\$34,603	June	
38	16				\$ 23,537	\$ 1,318,934	\$11,066	July	
39					\$ 25,572	\$ 1,344,505	(\$14,505)	August	
40		17/09/2024	\$ 90,000	\$ 1,420,000	\$ 31,231	\$ 1,375,737	\$44,263	September	
41					\$ 29,524	\$ 1,405,260	\$14,740	October	
42					\$ 28,139	\$ 1,433,400	(\$13,400)	November	
43	17	17/12/2024	\$ 90,000	\$ 1,510,000	\$ 25,437	\$ 1,458,837	\$51,163	December	
44					\$ 20,303	\$ 1,479,139	\$30,861	Jan	
45					\$ 25,153	\$ 1,504,292	\$5,708	Feb	
46	18	15/03/2025	\$ 90,000	\$ 1,600,000	\$ 27,974	\$ 1,532,266	\$67,734	March	
47					\$ 1,600,000	\$ 26,390	\$ 1,558,656	\$41,344	April
48	19			\$ 1,600,000	\$ 31,392	\$ 1,590,047	\$9,953	May	
49		17/06/2025	\$ 90,000	\$ 1,690,000	\$ 23,538	\$ 1,613,585	\$76,415	June	
50				\$ 1,690,000	\$ 27,016	\$ 1,640,601	\$49,399	July	
51				\$ 1,690,000	\$ 27,224	\$ 1,667,825	\$22,175	August	
52	20	16/09/2025	\$ 90,000	\$ 1,780,000	\$ 28,312	\$ 1,696,137	\$93,863	September	
53				\$ 1,690,000	\$ 31,100	\$ 1,727,237	\$52,763	October	
54				\$ 1,690,000	\$ 22,268	\$ 1,749,505	\$30,495	November	
55	21	16/12/2025	\$ 70,000	\$ 1,850,000	\$ 90,155	\$ 1,839,661	\$10,339	December	
56			\$ 1,850,000						

Table 4. The spend against income for WFCD showing that by December 2025, the total funds available from MBIE are likely to be consume.

56. Table 5 below shows the timeline (yellow) with the amounts and duration (in green) of MBIE as WFCDs primary funder and its co-funders. The total funding portfolio from the primary and co-funders is \$3,145,500 over 7.5 years.

57. The original project MBIE funded is a Job & Skills Hub to deliver employment, training, pastoral care, community engagement.

58. For the original project, MBIE granted \$1.85m. The duration of the Job & Skills Hub project was June 2020 to June 2024. A contract variation in 2022 extended the dates of the project from June 2020 to December 2025 with no additional funding from MBIE.

59. SBC (Southbase Construction) contributed \$100k as a co-funder to the MBIE part of the project which supported WFCD to deliver the comprehensive pastoral care programme.

60. MSD contributed \$750k as a co-funder to the MBIE part of the project without adding additional outcomes or targets. This funding has happily extended the termination date of the project beyond the December 2025 project end date.

61. Note that in the diagram below, the two TPK contracts worth \$450,000 in total were for separate pieces of work to do with building capability in local Māori businesses and had nothing to do with the original MBIE project.

		2020	2021	2022	2023	2024	2025	2026	2027	2028
Central Government	MBIE		\$1,850,000							
	MSD				\$750,000					
	TPK				\$45,500					
	TPK				\$400,000					
Industry	SBC				\$100,000					

Table 5. Timeline of the WFCD Job & Skills Hub and funding portfolios.

62. Aside from direct monetary funding, WFCD received significant in-kind support from the Ministry of Health, Ministry of Social Development (both in-kind and monetary funding,) Department of Corrections, Tertiary Education Commission and industry (monetary and in-kind support.)

63. The in-kind support from each agency is outlined in Table 6 below:

Ministry of Health	Ministry of Social Development	Department of Corrections	Tertiary Education Commission	Industry
<ul style="list-style-type: none"> • Premises for a Job & Skills Hub • High level workforce forecasts • Advisory Board member providing support and guidance • Collaboration regards information, careers events, training, support of the project 	<ul style="list-style-type: none"> • Seconded a MSD Work Broker into the WFCD project • Collaboration regards initiatives and events for job seekers • Advisory Board member providing support and guidance 	<ul style="list-style-type: none"> • Collaborated regards employment for ex-Justice job seekers • Advisory Board member providing support and guidance 	<ul style="list-style-type: none"> • Collaborative Partners to support initiatives and events • Advisory Board member providing support and guidance 	<ul style="list-style-type: none"> • Collaborative partners regards workforce needs, events, initiatives, pastoral care, stakeholder interests • Advisory Board member providing support and guidance

Table 6. In kind support contributed by WFCD partners.

64. Part 1, paragraph 6 of the MBIE contract signed 11 June 2020, states that at the end of the PGF cycle, WFCD may be maintained by revenue streams from contractors involved in both the NDH development and other infrastructure projects, as well as grants and contributions by local government agencies and stakeholder organisations. The contract with MBIE suggests that industry contribution to the WFCD project is essential. In this respect, Southbase Construction is the sole industry organisation to have committed funds to the WFCD project in the form of a \$100k grant. Southbase are to be congratulated for leading the way for industry.

DELIVERABLES AND PROGRESS AGAINST DELIVERABLES

65. The Provincial Growth Fund agreement was **executed** on 11 June 2020 and is on track to complete on 31 December 2025 including having achieved or over-achieved on its objectives.
66. WFCD **reporting** progressed to standard and were accepted on time or slightly late after valid reasons were submitted. Reports included:
- a. Monthly reports;
 - b. Quarterly reports;
 - c. Six monthly Case Studies submitted in December or June of each year;
 - d. Full Year Review of each year of the project usually submitted on behalf of the WFCD Governance Board in June of each year;
 - e. This Post-contract Outcomes Report which is the final report to MBIE is submitted in December 2025 ahead of its due date of June 2026.
67. **Resourcing** included all operational costs, travel and contingency costs associated with the project. Four full-time equivalent staff were funded, namely:
- a. Operations Manager,
 - b. Community Engagement Coordinator,
 - c. Training Officer, and;
 - d. Administration Officer.
68. Of the funded staff listed above, the Training Officer role was never appointed through the duration of the WFCD project. In the absence of the Inpatients build, the project did not experience the demand for training coordination to justify an appointment. Training coordination services were absorbed by appointed staff. The funds from the Training Officer FTE were used in other areas of the project including funding employment and training initiatives, operational costs, 50% resourcing a cleaner and taking on a student for one year at 10 hours per week to develop marketing and promotional materials for initiatives, expos and events.
69. An in-kind secondment of a Work Broker from MSD was a powerful addition to the WFCD team. The Work Broker secondment assisted WFCD to achieve employment and training outcomes by sourcing vacancies among employers, job matching candidates to roles, liaising with employers and supporting WFCD employment initiatives.
70. MBIE raised no questions, concerns nor made enquiries regards the **financial** situation of WFCD. Business South Inc, the parent Charitable Trust to which MBIE funds are paid, have provided sound financial management, oversight and administration from an accounting team directed by an outsourced Chartered Accountant. Responsible financial management has been a feature of WFCD budget from the initiation of the project. Finances were reported quarterly with detailed lists of expenses and income provided to MBIE through the duration of the project.
71. WFCD did not develop a separate **Engagement Plan** because engagement was so integrated into operations and responses to the evolving situation that it did not make

sense to separate it out. Engagement was fully reported in all Monthly and Quarterly reports. Engagement was strategised as part of operations. Intentional themes pertaining to engagement were:

Year 1 2020	Community	<ul style="list-style-type: none"> Strong community engagement with a view to building relationships, building a support base for WFCD and promoting opportunities for employment on the soon to be built New Dunedin Hospital
	Contractors	<ul style="list-style-type: none"> Contractor engagement to cement commitment to using the services of the on-site job and skills hub Understand contracted broader outcome requirements Identify and forecasting workforce needs Gain buy-in to coordinate employment and training across the site
Year 2 2021	Community	<ul style="list-style-type: none"> Same as Year 1. In addition, engagement with all groups including labour hire to ready a pipeline of skilled and unskilled labour Large events to showcase careers in infrastructure the trades, Health, IT, etc. Focus on initiatives to build a pool of candidates interested in employment
	Contractors	<ul style="list-style-type: none"> Develop relationships and gain credibility of the project to gain buy-in to the services. Identify workforce needs in infrastructure projects and opportunities beyond the Dunedin hospital. Focus on pastoral care as number of workers on site increase
Year 3 2022	Community	<ul style="list-style-type: none"> Same as Year 1, 2. Focus on career expos, showcasing careers in construction and the trades, tour groups, public meetings, neighbourhood BBQs, pop up career shops and employment initiatives
	Contractors	<ul style="list-style-type: none"> Significant focus on engagement with central and local government for contracts which suit smaller businesses. Initiatives to connect smaller businesses with larger ones for contracts on the hospital build, strong focus beyond hospital build on relevant infrastructure projects to secure contractual opportunities for local businesses, vacancies, apprenticeships. Build on pastoral care ecosystem to support peak numbers of workers on site. Increase initiatives to upskill workers
Year 4 2024	Community	<ul style="list-style-type: none"> Same as Year 3. Maintain initiatives driving employment
	Contractors	<ul style="list-style-type: none"> Same as Year 3. Introduce new initiatives to upskill, stronger engagement with training organisations that could add value to Outpatients contractors
Year 5 2025	Community	<ul style="list-style-type: none"> Scale down focus on community engagement. Retain emphasis on employment initiatives. Retain focus on employment ready pool of job seekers
	Contractors	<ul style="list-style-type: none"> With infrastructure beyond the hospital build completing or nearing completion, focus on Outpatients regards pastoral care, upskilling, initiatives to drive employment.

		<ul style="list-style-type: none"> Focus on stakeholders to carry over to Inpatients, MoU and partnerships for Inpatients was a top priority for Q3 and Q4 of 2025.
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Table 7. Engagement focus over the duration of the project.

72. **Induction developed.** Workforce Central Dunedin co-designed an induction with the Tier 1 contractor, ran pilot inductions and settled on a programme that met contractor requirements for safety, physical and mental wellbeing, met expectations of mana whenua and applied a GreenStar point to HealthNZ’s sustainability target. The induction consisted of a range of key components:

Component	Description	Delivered by	Time allocation
Health & Safety	<ul style="list-style-type: none"> Critical risks, PPE, key managers, general health and safety expectations, reporting incidents, hazards and issues 	Southbase Site Manager	20 minutes
Introduction to WFCD	<ul style="list-style-type: none"> Each worker inducted received a small pack including paperwork, pen, muesli bar, wallet cards and stickers from Mates in Construction Introduction to WFCD and services available 	WFCD	10 minutes
Whakatuputupu	<ul style="list-style-type: none"> Video message from mana whenua about the whakapapa of the hospital site and its significance to local Māori 	WFCD	11 minutes
Greenstar	<ul style="list-style-type: none"> A Green Star awareness programme to outline what actions can be taken on site to support sustainability in the building of the hospital according to the Southbase Sustainability Plan 	WFCD	5 minutes
General Awareness Training, mental health	<ul style="list-style-type: none"> Suicide awareness and commitment to enrol workers in a general programme regarding keeping each other safe on site. This programme is carefully constructed to deliver a dosage of awareness and is a precursor to higher training. 	Mates in Construction	50 minutes
Physical health	<ul style="list-style-type: none"> A real-life accident which happened to the Programme Director on a construction site where his life was in the balance. Message of keeping oneself safe as a priority over taking short cuts to get the job done 	Hospital Programme Director	10 minutes

Table 8. Induction

73. The induction was delivered to every worker who had worked over 40 hours on the hospital site.
74. WFCD delivered an annual review each year at the end of the financial year. This review was drafted by the Operations Manager and a small group from the Governance Board. The full Board reviewed and signed off on the review prior to submission to MBIE. WFCD has submitted all reviews in full.
75. The Business Plan for WFCD was co-designed with the main contractor, Southbase Construction. Southbase Construction contributed to the WFCD project financially through a \$100k grant. In return, we established a 10-point plan to deliver services to their construction site. The plan remained very much the same for the duration of Southbase's tenure on the site as Tier 1 contractor.
76. Previous business plans focussed on setting up collateral regards our business operating model, establishing social media and a website to connect with the community, establishing systems of operation, and building our stakeholder supply chain pipeline of workers in anticipation of the Outpatients build contractors needing workers.
77. Our business plans have been previously submitted annually in our December Quarterly reports. A summary of our Southbase Business Plan for Southbase is below.

	Induction Services	Toolbox Services	On-site Services	Services that Connect	Increase Diversity
Description	<ul style="list-style-type: none"> Brief video from Minister of Health H&S (managed by SouthBase) Mates in Construction GAT Tikanga video Physical Wellbeing Green Star Awareness 	<ul style="list-style-type: none"> Access to primary health, financial advice, learning opportunities, leisure activities, useful information Followed by a programme of work as required 	<ul style="list-style-type: none"> WFCD is available on-site to deal with queries Follow up on toolbox initiatives on an individual level Support and progress broader outcomes initiatives 	<ul style="list-style-type: none"> Augment SouthBase's collaboration with local knowledge SouthBase on WFCD Board Showcase SouthBase's work on the NDH to Dunedin and beyond Showcase SouthBase's Broader Outcomes story 	<ul style="list-style-type: none"> Exceed targets for contracting or employing from priority groups (Māori, Pacific People, Women, Migrant Workers, Rainbow Community, Disabled People)
Delivery	<ul style="list-style-type: none"> Delivered on an as needs basis in person Maximum delivery time 2 hours 	<ul style="list-style-type: none"> As needed 	<ul style="list-style-type: none"> Office hours or after hours as required 	<ul style="list-style-type: none"> Corporate networking events Site tours Leverage local PTEs, agencies, community groups, etc., to achieve Broader Outcome objectives 	<ul style="list-style-type: none"> Ongoing collaboration and engagement with local education providers, business networks and others to support SouthBase's Broader Outcome KPIs
Purpose	<ul style="list-style-type: none"> Augment SouthBase's health and safety obligations Warm, respectful welcome to NDH on behalf of SouthBase 	<ul style="list-style-type: none"> Promote personal development and wellbeing Improve productivity and retention 	<ul style="list-style-type: none"> Have an on-site presence to support Southbase and workers 	<ul style="list-style-type: none"> Provide deep, useful connections To make doing business in Dunedin seamless and easy Engage SouthBase with local capability 	<ul style="list-style-type: none"> Support SouthBase to achieve diversity measures
KPI	<ul style="list-style-type: none"> Induction for all who work on site 40 hours or more MC higher level training for 15% inductees 	<ul style="list-style-type: none"> As needed 	<ul style="list-style-type: none"> As required 	<ul style="list-style-type: none"> Agreed number of tours, events, networking events, BSI involvement, etc., to meet strategic needs 	<ul style="list-style-type: none"> 5% workforce Māori 25% workforce female 5% subbies Māori businesses 1% workforce impaired
	Engage Temporary Workers	Recently Released Prisoners	Administration Services	Publicity Services	Referee Services
Description	<ul style="list-style-type: none"> Services to engage university students as unskilled or semi-skilled workers as required Services to engage short-term contract workers as needed 	<ul style="list-style-type: none"> WFCD will engage Ara Poutama Aotearoa and local NGOs to achieve Broader Outcome targets regards employing ex-Justice 	<ul style="list-style-type: none"> Reporting on progress on Broader Outcomes on behalf of SouthBase 	<ul style="list-style-type: none"> Publicity of SouthBase's positive impact on Dunedin 	<ul style="list-style-type: none"> Promotion of companies who engage in Broader Outcomes
Delivery	<ul style="list-style-type: none"> WFCD can leverage off relationships with local stakeholders and networks to source local talent quickly 	<ul style="list-style-type: none"> Source semi-skilled and skilled talent using local relationships 	<ul style="list-style-type: none"> Attract research to quantify benefits of SouthBase's work Collate information that helps tell SouthBase's Broader Outcomes story 	<ul style="list-style-type: none"> Regular community updates Local press stories about Broader Outcomes Attract national TV coverage 	<ul style="list-style-type: none"> Free promotion of companies to procurement agencies Showcase benefits of Broader Outcomes activities
Purpose	<ul style="list-style-type: none"> Source local available talent on an as needs basis Enhance local capability with opportunities on a commercial build 	<ul style="list-style-type: none"> Achieve the Broader Outcome of reduction in recidivism by providing meaningful work 	<ul style="list-style-type: none"> Create a legacy of Broader Outcomes across economic, social, cultural and environmental domains 	<ul style="list-style-type: none"> Showcase the positive benefits of the NDH build on Dunedin, the region and nationally 	<ul style="list-style-type: none"> Appropriate recognition by public procurement agencies for their competitive advantage
KPI	<ul style="list-style-type: none"> As needed 	<ul style="list-style-type: none"> 20 ex-Justice over 3 years 	<ul style="list-style-type: none"> Timely reports, monthly, quarterly as needed 	<ul style="list-style-type: none"> 10 local press stories per year 3 obtain national or TV coverage 	<ul style="list-style-type: none"> Promotion of SouthBase and all subbies

Table 9. WFCD Business Plan co-designed with Southbase Construction.

MAJOR RISKS AND ISSUES

78. Table 10 below summarises the **main risks** identified over the course of the WFCD project. These are considered main risks because they all materialised to impact on the delivery of services by WFCD. Mitigation action taken was able to prevent any particular risk from being fatal to the project, however, the mentioned risks and issues stressed or restricted the project one way or another:

Year	Quarter	Highest impact Risk	Highest impact Issue
2021	Q1	Premises delayed with NDH delay	Location of hub unsuitable
	Q2	Impact of NDH delays	Covid lockdowns stall employment
	Q3	Broader outcomes not cascading	Layoffs with supply chain hitches
	Q4	Low job volumes impact target	Tier 1 not talking workforce yet
2022	Q1	Industry indicates specialist jobs	Covid lockdown closes hub
	Q2	Acute labour shortage nationally	Pathways to construction harder
	Q3	Outpatients delay announced	External issues impact targets
	Q4	Poor engagement to Br Outcomes	Low volume workers on site
2023	Q1	Low demand for labour on NDH	Broader Outcomes system flawed
	Q2	No entry level jobs on horizon	Low volumes workers on site
	Q3	Achieving targets forecast low	Election 2023 slows employment
	Q4	Sub's not engaged Br Outcomes	Chair DHB resigns
2024	Q1	Under 30 roles forecast for 2024	RSLG terminates loss connectivity
	Q2	Surplus of job seekers no jobs	Low demand for workers on NDH
	Q3	8% Māori target dismantled	Construction nationally in decline
	Q4	WFCD loses client mid-2026	Training outcomes improve fast
2025	Q1	Slowdown in activity Q2, 2026	Start date of Inpatients uncertain
	Q2	No prospect of funding beyond '26	Strong need for an income stream
	Q3	V5 rules soft on broader outcomes	Weak demand for labour
	Q4	New avenues for income slow	Inpatients build too far away

Table 10. Principal risks identified each quarter of the WFCD Job & Skills Hub.

79. Analysis and discussion of some of the principal risks which faced the Workforce Central Dunedin project and how they materialised:

a. Construction delays

- i. WFCD was established to service the workforce needs of the New Dunedin Hospital. The hospital is separated into two builds under two different Tier 1 contractors each with their own contract on separate sites. They are the 4-storey Outpatients building and the significantly larger 11-storey Inpatients building. WFCD was established to service both builds starting with the Outpatients which was due to start about 12 months prior to the Inpatients build. The Inpatients build was intended to commence during the fitout of the Outpatients build with the two builds phased to hand over workers, contractors and WFCD services over from Outpatients to Inpatients as construction progressed. WFCD did significant planning to service the workforce needs of the phasing of the two builds.
- ii. However, the Outpatients was delayed by approximately 18 months. To mitigate the risk of WFCD unable to achieve employment and training outcomes from the NDH build, WFCD engaged other infrastructure projects in the wider Dunedin area, namely, the ACC build, the Otago Regional Council build, the Polytechnic Trades Training Centre, George Street Redevelopment, various Kāinga Ora housing complexes, the Kiwirail Sheds and Southern Laboratories.
- iii. The results of diversifying to other builds were that WFCD had some success placing a small number of workers into employment with George Street Redevelopment. WFCD had good success with Kāinga Ora where

they subcontracted smaller businesses WFCD referred, but we had no success with employment. Tier 1 contractors of the other builds reported they had sufficient resources to manage their own workforce matters and declined all offers to engage with WFCD. WFCD placed workers primarily into engineering and manufacturing.

- iv. It was celebrated when Southbase Construction commenced work on the Outpatients site in January 2023. The WFCD hub relocated from the Project Management Office into a Job & Skills Hub located on the Outpatients building site. The hub commenced delivering services to Southbase and their contractors. Over 2023, demand for services from WFCD grew steadily as the steelwork progressed and the fitout started.
- v. With WFCD resourced to deliver services to both Outpatients and Inpatients, it was known that demand for service from Outpatients was never going to be sufficient to achieve all the employment and training outcomes. The original phasing Outpatients and Inpatients delivered a benefit to WFCD where the hub could deploy and test workforce management systems on the Outpatients site knowing that their hub's services will be fully used during the Inpatients build.
- vi. As delays of Inpatients continued, WFCD achieved what it could from Outpatients and other employers in Dunedin. When WFCD was established, it was not known nor planned for that the Inpatients would be delayed by four years to June 2026 and that the Provincial Growth Fund contribution to the WFCD project would end at about the time the Inpatients build started. As it turned out, the WFCD Job & Skills Hub delivered services in the absence of its main client, the Inpatients.
- vii. With the Outpatients contractors as a main client, contractors were meant to notify WFCD when they required skilled or highly skilled labour. WFCD made every effort to engage contractors and support their workforce growth. However, the volumes of entry level roles, apprenticeships and labour roles made available to WFCD were significantly lower than forecast.
- viii. Figure 3 below outlines the high-level labour forecasts of Outpatients and Inpatients. This forecast was finalised in September 2020 and used by WFCD to outline its work programme for employment and training. Whilst construction delays and other factors meant this forecast did not occur as indicated. By way of explanation, the first peak of the graph was forecast at its highest in Q1 of 2024 to reflect the increase of worker numbers during the Outpatients build. The second peak projected worker numbers on site on the Inpatients build in Q4 of 2025.

NEW DUNEDIN HOSPITAL - HIGH LEVEL RESOURCING PROJECTIONS

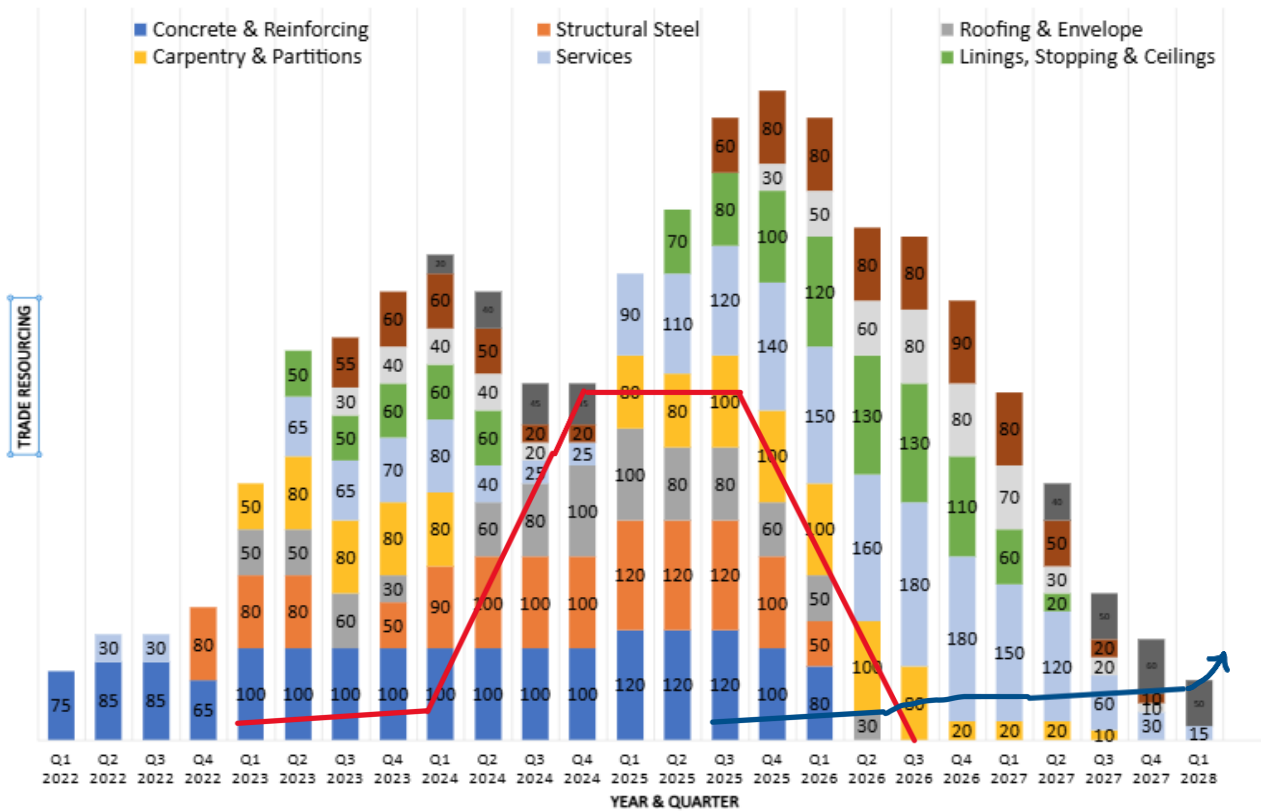


Figure 3. High level workforce resourcing projections, September 2020, Ministry of Health.

- ix. In reference to Figure 3, construction delays and the purposeful building of componentry off site to improve health and safety by decreasing the high numbers of workers expected on site, caused the graph to change. The peak of worker volumes on Outpatients (the red line) build was marginally less, causing the peak to slightly flatten. More significantly, the overlap of the Outpatients and Inpatients build (blue line) separated incrementally over time with incremental delays to the point where the Outpatients build was almost entirely complete prior to the Inpatients starting. Explained differently, the Outpatients build will be in its final completion phase and overlap only with the pile capping on the Inpatients site.
- x. Table 11 below shows the timeline of the WFCF project. The red bar indicates the duration of the WFCF Job & Skills Hub and the Green and Blue bars indicate the Outpatients and Inpatients build respectively. The original dates construction was proposed to start and complete are indicated by the dotted lines.

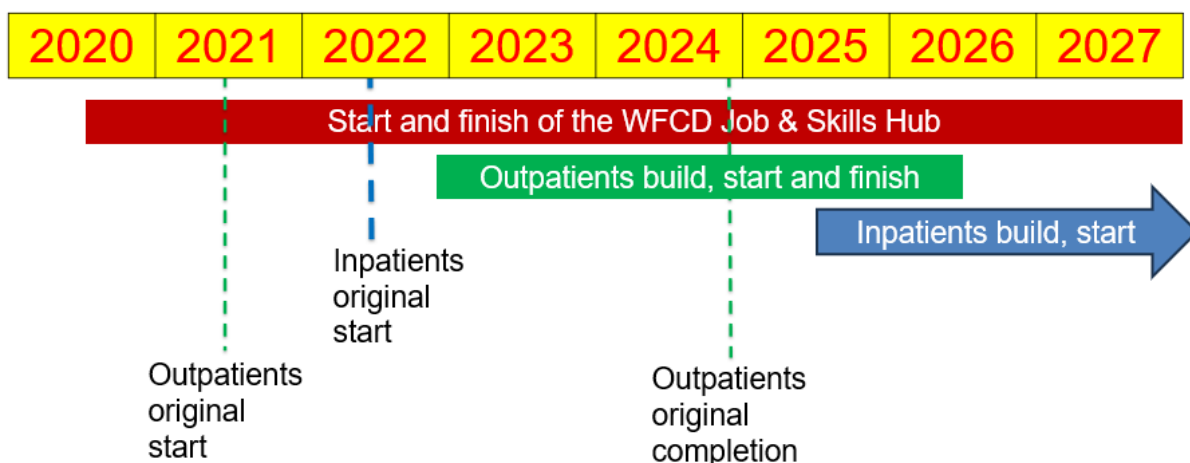


Table 11. Timeline of the WFCD project alongside the Outpatients and Inpatients builds

- xi. In summary, construction delays resulted in WFCD not being able to service its intended client within the PGF funding timeline. This was not forecast and entirely out of the control of WFCD. Despite this, WFCD achieved its targets by diversifying across other projects and businesses in the community serving their workforce needs.
- b. Analysis and discussion of some of the **principal issues** which faced the Workforce Central Dunedin project and their impact on the Job & Skills Hub outcomes:
- c. **Location of the hub.**
 - i. When WFCD was originally established, intentions were to locate on the site of the New Dunedin Hospital (NDH.) However, with delays of the build caused by COVID and other factors, WFCD was located at the Project Management Office for 2.5 years from its inception in June 2020 until December 2022. This venue was an excellent office space with plentiful informal contact with NDH project managers. However, for WFCD as an aspiring hub, in-person contact with job seekers, employers and community was restricted by swipe-card access to the building, no signage, no event space, limited meeting spaces and no training spaces.
- d. **The social procurement system is not working effectively yet**
 - i. The Government Procurement Rules are the standards of good practice for government procurement (Government Procurement Rules, 5th Edition 2025, p 8.) The Government Procurement Rules require that through their procurement, government agencies *must* achieve public value, or Economic Benefits (Government Procurement Rules, 5th Edition 2025, p7.)
 - ii. WFCD found that despite the rules, the relative newness of broader outcomes among government agencies, multiple issues facing the client agency including issues unknown to us resulted in a focus on matters prioritised much higher than delivery of broader outcomes. Fortunately,

the Tier 1 contractor engaged with and partly funded WFCD. The main results of this engagement and funding were pastoral care and to a lesser extent, employment and training outcomes achieved on the Outpatients site.

- iii. WFCD experienced barriers in the implementation of broader outcomes which restricted the ability of WFCD to achieve its contracted outcomes. Some of these frustrations were:
 - 1. WFCD found it difficult to engage contractors to use the employment services laid before them on the site through WFCD because of a range of factors including that contractors arrived with a full workforce and subsequently relied on established relationships with their own workforce supply partners.
 - 2. A second frustration was that procurement rules allow achievement of social procurement outcomes to be accomplished nationally. Therefore, outcomes achieved in other regions meant the contractor did not need to achieve broader outcomes on the hospital build and, in that sense, did not need to engage with our employment services.
 - 3. WFCD gave submissions on the draft Procurement Rules V5 to mitigate these and other factors.

e. WFCD lost a range of many of its key strategic partners.

- i. Changes in Health NZ made saw key partners move on who championed the WFCD project and the implementation of Broader Outcomes. This also brought about a change in processes which made Health NZ less accessible to the WFCD project.
- ii. The loss of RSLG in March 2024 closed a source of strategic and useful information for WFCD regards sourcing new partners, new clients and leveraging central and local government to implement Broader Outcomes.
- iii. WFCD is a partner to the District Health Board. The DHB Board terminating in 2022 saw WFCD lose a vital to senior leaders.

f. The Outpatients site was never forecast to yield sufficient outcomes for WFCD to achieve its targets.

- i. Covid lockdowns and vaccination uptake brought about an oversupply of labour some of whom were skilled and semi-skilled. WFCD quickly had an oversupply of job seekers enrolled and no vacancies to fill. Following COVID, the construction industry experienced a slow start and layoffs of labour. Some small businesses closed in and in general, business confidence was low, and employers were reluctant to hire new staff or replace vacancies.

g. The employment situation changed quickly from high vacancies and low labour supply to low vacancies and high labour supply.

- i. In late 2022 and early 2023, New Zealand experienced a period of high unemployment and undersupply of jobs. WFCD had plentiful people looking for work and few vacancies.
- ii. In the months leading up to and after the October 2023 elections, the employment market continued to experience quiet where businesses were either not employing or working with temporary labour to fill gaps. This resulted in WFCD services not being used by contractors.
- iii. It seemed that nationally, New Zealand went through a period of oversupply of labour in through 2024 apparently driven by cost efficiency layoffs in the government and related sectors and a low activity in the building and construction sector.
- iv. Toward late 2024 and throughout 2025, WFCD had more workers than vacancies. Over late 2025 and through 2025, the favourable settings allowing a larger influx of migrant labour resulted in visa holders being the preferred workers employed by the construction sector, primarily workers from the Philippine community.

h. Covid-19.

- i. Covid-19 featured lockdowns, supply chain disruptions, loss of jobs, low employment, loss of business confidence, re-alignment of engagement, some businesses closing permanently or changing their businesses model, postponement of training and other features of the construction industry in the past two years have slowed employment and training in the sector.
- ii. WFCD experienced periods of up to four months where the project could not maintain momentum on its employment and training targets.

80. To maintain momentum with the WFCD project, the risks and issues required creative and bold initiatives to ensure the project performed against its contracted employment, training, pastoral care, engagement and other outcomes. Since activity in construction was low, WFCD diversified by placing job seekers with employers in other sectors like engineering, manufacturing, horticulture, retail and hospitality.

81. The **single largest risk** to the project was the construction delay. In summary, WFCD was established in June 2020 with purposeful lead time to build engagement, supply chain partners, resources and capability in readiness of the New Dunedin Hospital build. But then, the project was delayed which resulted in new strategies, clients and objectives to achieve employment and training outcomes. Delays were not announced in single decisions, rather, delays were announced over multiple iterations of decisions meaning WFCD had to plan for the short and the long game.

82. The delay of the Inpatients by over 3 years has resulted in the WFCD project ending its contracted life with MBIE 6 months after the build programme started with its main Tier 1

contractor, CPB Contracting. This most certainly impacted on the projects ability to achieve its performance measures. The outcome is that only about one third of WFCD’s employment outcomes were achieved in construction and about a third of that on the hospital build.

83. The **single largest issue** was the lack of all outcomes available to us on the Outpatients site. There are many reasons for this including the smaller size of the site, most staff supplied by contractors by the time they started at the worksite and some contractors just not needing our employment and training services. There was high engagement from almost all contractors on the pastoral care programme.

ANALYSIS

84. Figure 4 depicts the timeline from the start of the WFCD project on 11 June 2020 until its termination after 5.5 years on 22 December 2025.

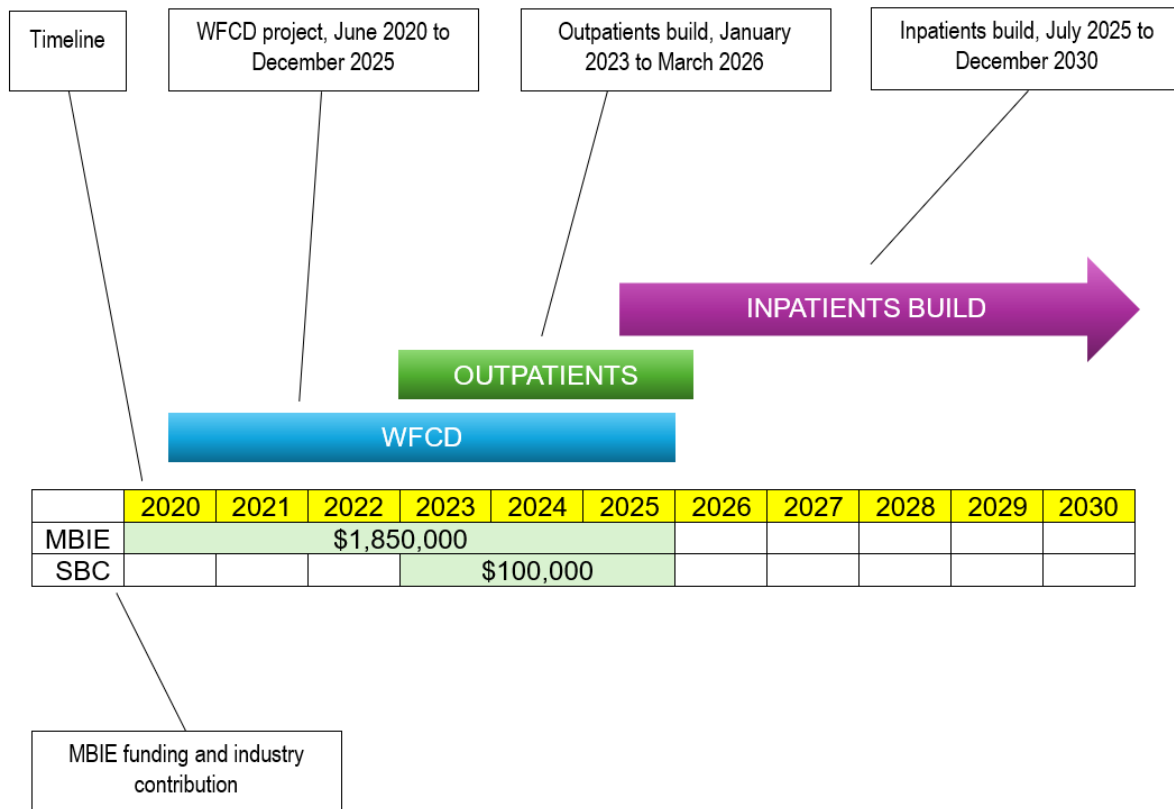


Figure 4. Timeline of WFCD against the Outpatients and Inpatients builds.

85. The funding from MBIE at \$1.85m was significant. This funding was originally intended to span a four-year programme with WFCD seeking ongoing funding from industry to continue operations. On 10th June 2022, the contract was varied to extend the timeline from June 2024 to December 2025. Despite the same funds being extended over an additional 18 months, the project remained appropriately funded because the project reduced from 4 FTE to 2 FTE over 2024 and 2025. MBIE agreed with the strategies undertaken by WFCD to rephase the funds and reduce FTE to ensure the funding enabled WFCD to achieve the key objectives of the project over the new timeframe.

86. The primary purpose of establishing WFCD was to place locals into employment on the hospital build. The funding from MSD was instrumental in enabling WFCD to achieve the target of 300 people into work in the following ways:

- a. WFCD used the MBIE funding to develop a website where job seekers could [register their interest](#) to work on the hospital build. The website put us firmly forward as a construction job placement service using the hospital build as an incentive for a career in construction and trades.
- b. Related to this, the MBIE funding enabled WFCD to purchase an SRM database from a local firm, Outreach. The Outreach database sits behind the website and captures registration information including contact and demographic information about the candidate, a work profile, CVs and cover letters, tagging to a type of work, interview notes from face-to-face interviews, and case notes over time.
- c. The collateral of having a website and database was augmented by social media subscriptions, namely Facebook, Instagram and LinkedIn where WFCD directly reached their target audience to pull people toward the website registration portal.
- d. Using these methods, WFCD attracted genuine job seekers from priority groups and processed these candidates, matched them to vacancies or showcased them to employers. This method of processing high volumes of candidates in a way which is personal and friendly could only have occurred with the level of funding made available by MBIE. This work augmented the secondment of a Work Broker from MSD onto our project because we were able to efficiently supply the Work Broker high quality eligible job seekers and others, some of whom were diverted from registering as a job seeker with MSD.
- e. It is significant that the funding by MBIE resourced WFCD to meet candidates in person to gather information about the candidate and thereby add confidence and value to our referrals.

- f. The MBIE funding enabled WFCD to run employment seminars in collaboration with the MSD Connected programme. Our in-person seminars were highly sought after by employers who could meet selected and screened candidates in person and offer the pre a job on the spot. The seminars had a programme whereby every attendee was interviewed by the employer, could consider a vacancy from the jobs board, could meet a MSD Work Broker or get a lead to a job before they left the seminar. Every job seeker left better off than when they arrived.



g. WFCD ran numerous career events, expos and pop-up shops to showcase careers in construction, women in construction, programmes for Pasifika, tours for Māori trades graduates from the Polytech and local PTEs. The engagement section of our monthly reports gives details of 10 or more events per year to attract priority groups into construction. The MBIE funding was instrumental in assisting WFCD to do this because doing a professional job of conducting expos, career events and pop-up shops is costly. WFCD was able to develop promotional materials, banners, merchandise, professional brochures, competition prizes and suchlike which helped us stand out and reach out.

87. The MBIE funding enabled a second key objective to be achieved regards training and upskilling. Regards training, WFCD carefully targeted training at people in priority groups with training especially where lack of skills or qualifications was a barrier to landing a job. Training was oftentimes subsidised or funded by WFCD where the training programme was the only remaining barrier to a job seeker being placed in a particular role. WFCD occasionally supplied toolbelts, tools or work gear where MSD subsidy was unable to support.

88. With over 40 contractors on the Outpatients site during the peak of the build, the MBIE funding resourced WFCD to coordinate training across the site. WFCD was and remains able to coordinate training across the Outpatients site for all contractors. The process was refined for this site as indicated in Table 12 below.

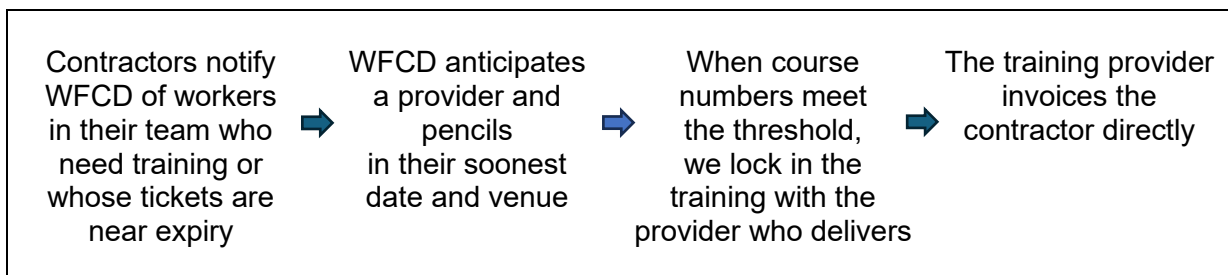


Table 12. How site wide employment coordination has worked.

89. A major enabler of the funding was the provision of pastoral care to workers on the Outpatients site. WFCD is aware we have world class pastoral care which sets a benchmark for construction sites. We have had many comments from workers and managers that they have not experienced pastoral care like they have in Outpatients. To cement our confidence in our pastoral care programme, the WFCD pastoral care ecosystem centred around a Workplace Nurse were finalists in the [SiteSafe Mental Health and Wellbeing](#) Award in March 2025. WFCD was recognised the comprehensiveness and uniqueness of our pastoral care.

90. Occupational Therapy students who did a September 2025 placement at WFCD developed the below diagram (see Figure 5) outlining to workers on the Outpatients the services available to them.

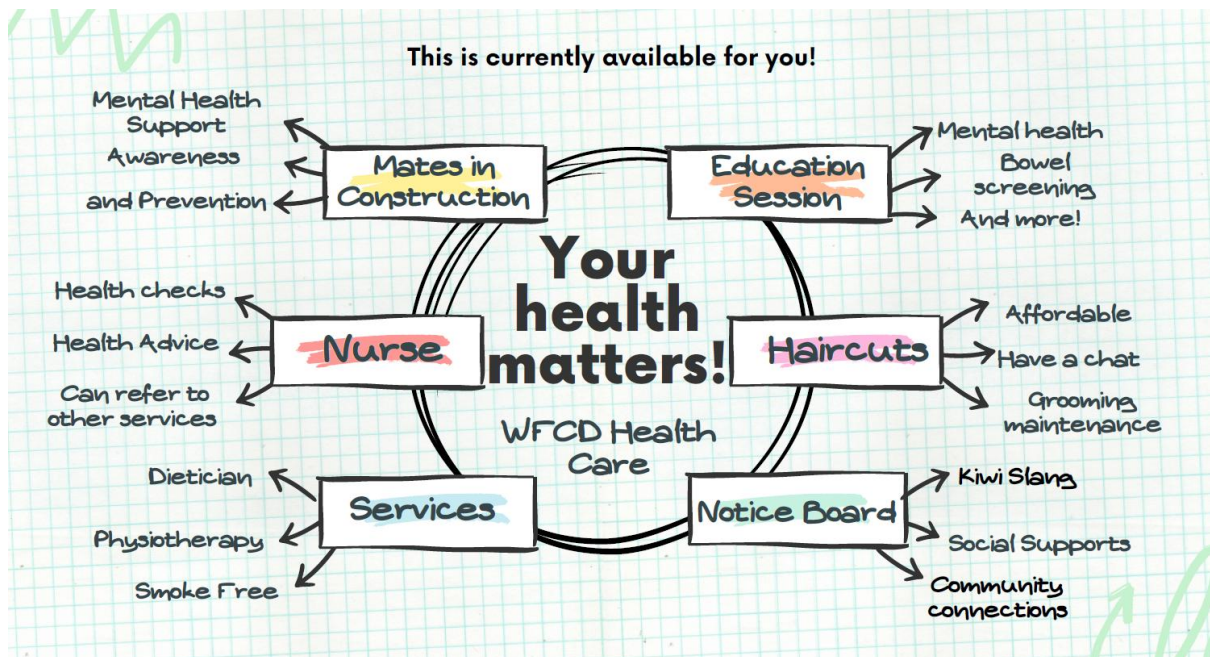


Figure 5. Health Services on Outpatients.

91. In March 2026, the co-designed programme with a private consultant, Legend Transformation of a cultural competency programme for construction bosses are 2026 finalists for the SiteSafe Safety Innovation Award.

REGIONAL DEVELOPMENT

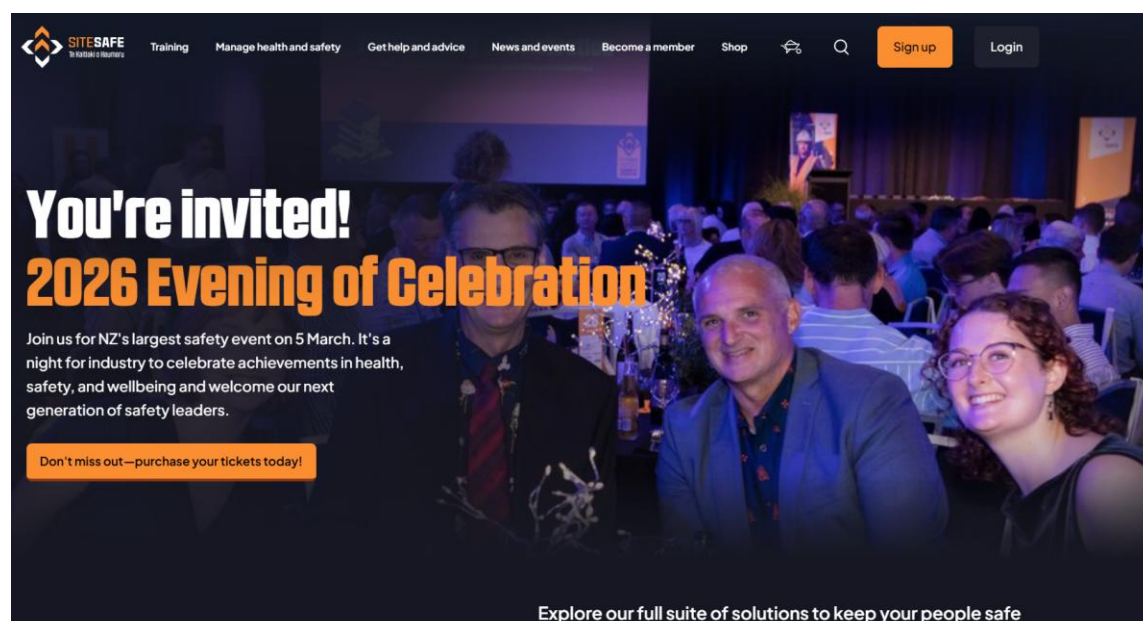
92. WFCD has made a regional impact by increasing participants employability through training and upskilling up to 1352 workers. Some of these people have worked on the new Dunedin hospital build, thereby gaining commercial experience on the most complex construction site available in the region. WFCD has drawn candidates from North and Central Otago to fill vacancies not available to those people in their hometowns.

93. Upskilling has primarily been by way of earning or renewing tickets but also includes cultural competency training, health and safety representative training and leadership training. Since the average time a worker works on the Outpatients was 8 months, workers took their skills with them to other projects and workplaces.



94. An unintended regional influence WFCD has enjoyed is the award-finalist pastoral care programme we developed. At the 2025 Site Safe awards, visuals and a description of the pastoral care programme was showcased to over 200 attendees across construction nationally. This gave WFCD

outstanding exposure to contractors from across many regions in NZ. In other ways, contractors who have experienced the pastoral care offered on the Outpatients work site have met with us to establish how they may replicate the programme on a construction site elsewhere. To support this, WFCD has taken on a group of Intern Occupational Therapy students who examined the pastoral care ecosystem. They gave recommendations regards how WFCD could white label the programme for it to be uplifted and implemented elsewhere. See **Appendix 7** for the full report. WFCD is again a finalist in the Safety Innovation Category of SiteSafe awards for its Cultural Competency programme which was co-designed with Legend Transformation consultants. The competency targeted improving safety on the worksite by improving cultural understanding and communication with Philippine workers.



95. WFCD has had regional influence in an unforeseen way. A hospital contractor had a tender pushed back for work in the North Island on grounds that the tender did not sufficiently outline their commitment to social procurement outcomes. They received approval to re-submit their tender. The contractor approached WFCD to assist them to draft the social procurement part of their tender. WFCD researched this aspect for the contractor, provided evidence of social procurement achievements of the contractor on the hospital build. This tender was resubmitted, and the contractor won the tender. The contractor thanked WFCD for providing the expertise and evidence they needed to demonstrate a meaningful commitment toward broader outcomes. WFCD could not have done this without having developed expertise in social procurement as a benefit of running this project.
96. In 2020, the then Operations Manager of WFCD met with the Career Advisor of Queens Girls High School and they discussed that QGHS is the only girls school South of Timaru that does not have hard materials. The Girls Shed idea was born on the idea to establish a hard materials workshop for girls to use during non-classroom hours. Over the years of WFCD driving for progress, facilitating and coordinating many meetings and consultations, sourcing volunteer contractors and with some large gaps of no progress, the final outcome is brilliant. There is now a hard materials class for students as a subject choice with a fulltime teacher. The school reports they now attract girls to their

school who they would ordinarily lose to other schools who offer hard materials as a subject. The Career Advisor sees this programme as a dream come true for girls to now be introduced to practical subjects and possibly careers in construction, engineering, design and the trades. QGHS will no longer lose students to other schools who offer hard materials and design. This is a true legacy project of regional significance because it will influence generations of students to come.

97. Through conversations with contractors, WFCD assessed the need for workforce across New Zealand for apprentices entering construction and cable layers in particular. In discussions with the Workforce Development Councils, Waihanga Ara Rau and Hanga Ara Rau, WFCD connected key industry stakeholders to these WDCs for the purposes of establishing whether additional qualifications could accelerate apprenticeships in construction and cable laying. Through 2023, the WDCs developed Trade Essentials and Data Cable Laying, both micro-credentials at L3. These new qualifications which did not exist before are now available on the framework.

- a. In the case of [Trade Essentials](#), the qualification targets labourer's trapped in labour hire and gives them the credentials needed to take a step closer to an apprenticeship. The qualification is available to Polytech, PTE and Gateway students.
- b. In the case of [Data Cable Laying](#), the acute shortage of data cable layers was recognised by Hanga Ara Rau who developed this new qualification. The qualification may result in Data Cable Laying being an apprenticeship as it is in Australia. This qualification may be used by the electrical and IT sectors to segway new entrants into this growing field.

98. In short, these two qualifications did not exist before and as a result of industry and WDC collaboration through connections set up by WFCD, NZ has two brand new qualifications on the NZQA framework ready to train up a future workforce.

STATISTICS

99. See page 5 for the dashboard. In summary, WFCD has employed 303 workers and trained or upskilled approximately 1352 workers on the New Dunedin Hospital including a smaller group of Gateway students from local high schools.

WELLBEING

100. The WFCD Board commissioned a private and impartial agency to review the WFCD project and provide an indication of its impact on the community in Dunedin and the region. On p11 of the [Magnifi Generating Jobs, Social Return on Investment \(June 2025\)](#) document, the findings are a 1% improvement in das on the hospital site, attributed mainly to:

- a. Training delivered on site where possible to reduce downtime including that WFCD is accredited to deliver SiteSafe Foundation Passport training.



- b. Access to primary health care on site to reduce downtime of workers leaving the site for health care or from neglecting personal health. Contributing toward personal health care by negotiating free physiotherapy at the Otago University Student Clinic and discount at the optometrist.
- c. Running job seminars for employers on site so they may meet a group of candidates, speed interview and then make a recruitment selection. This is more productive than having labour hire supply labour which oftentimes does not work out because the new hire doesn't turn up to work or leaves after a short time.
- d. Giving free access to flu jabs, covid jabs, blood glucose screening, support to quit smoking and other initiatives that improve worker health and impact productivity.
- e. Running a strong programme of mental health awareness in partnership with WHS Health Consulting and Mates in Construction to ensure ready access to mental health support.
- f. Diversion of people from the hospital Emergency Department through early intervention in health.
- g. Providing a barber service on site to give people family time back on their weekends and reduce cost to workers.
- h. Contributing toward a positive work culture by connecting workers to local social sports, churches, community leaders, making a range of games accessible on site, having a quote of the week, giving free electrolyte drinks and doing small but meaningful things to contribute to a positive workspace.

- i. WFCD has placed an additional 303 local people from priority groups into employment who would not otherwise have achieved the employment. By working closely with contractors to monitor workforce needs on the build, WFCD has filled vacancies with talented locals from priority groups including MSD, before they are advertised on the open market. This has made a significant positive contribution to employment in the small city of Dunedin by increasing the pool of local people who are now in employment and are more capable of filling future employment vacancies.
 - j. By placing additional people into the local construction workforce, WFCD has made inroads into reducing contractor's reliance on importing migrant labour. WFCD advocates strongly for locals to be employed among construction contractors by outlining the benefits of slightly higher wage costs but strongly offset by not having to pay visa fees, flights, give accommodation allowances, allow blocks of time off to return home, medical time off due to not having access to primary healthcare, etc. WFCD has strong connection to local labour supply agencies and has negotiated a better price point to contractors on the hospital build, waiving of finder's fees and other benefits.
101. WFCD organically grew a pastoral care ecosystem which began with an induction programme featuring General Awareness Training delivered by Mates in Construction. The pastoral care programme grew organically to include all the features outlined below. How this wellbeing programme contributed to regional wellbeing:
- a. Contractors from other sites have seen how the WFCD pastoral care programme supports wellbeing and taken ideas for their own worksites.
 - b. WFCD were finalists for the SiteSafe Mental Health and Wellbeing Award in 2025 where the programme was showcased to about 200 people present at the SiteSafe Award Evening in Auckland. People from Auckland construction sites have since made contact to ask us more information.
 - c. WFCD has presented to a group of health professionals called, "Total Worker Health in Action," where the wellbeing eco-system was presented and the main Contractor joined the presentation to explain the positive impact on the site. The pastoral care eco-system on site centres around a Workplace Nurse from WHS Consulting and includes many facets outlined below.
 - d. A small group of four Occupational Therapy students from the Otago Polytechnic did an internship placement at WFCD where they evaluated the wellbeing programme and made recommendations for this programme to be packaged and implemented on other sites. See **Appendix 7** for the OT students report.
102. Features of the pastoral care wellbeing programme are:
- a. Games. WFCD purchased several group games which are placed in the staff canteen for people to enjoy during breaks. Games include Cornhole, Table Soccer, Snooker, Chess, Draughts and Table Ice-hockey. Workers have a lot of fun playing these games during breaks and taking part in informal competitions

and challenges.

- b. Barber. The on-site barber gives free haircuts to workers and provides an ear for them to talk freely and confidentially. The barber is a trained counsellor. The barber delivers a relaxing service which allows workers to feel a sense of dignity and care. Workers receive mental maintenance as a form of monthly opportunity to talk to a trained counsellor about work and home stresses and feel supported without having to explicitly seek mental health support.



- c. MiC Training. General Awareness Training is attached to our inductions, which every worker on site who works longer than 40 hours attends. The work WFCF has done in partnership with MATES has meant that our site is accredited by MiC. WFCF hosts Connector Training and posts promotional material on notice boards and strategic places on site to make it easy for workers to get to know and find Connect and ASIST trained people on site.

- d. MiC Events. Events such as “Fly the Flag” for suicide prevention day raise awareness about mental health and where you can go if you need support. Events like this often offer free barbecues to workers

which demonstrates appreciation and care for them.

- e. Workplace Nurse. Our on-site nurse is a free service for anyone on site. The Workplace Nurse provides screening tests which many smaller contractors may not otherwise have access. She also gives health information and refers people on to relevant primary and secondary care, for example, nearby GPs, Physiotherapists, Dentists, Optometrists, or Urgent Care.
- f. Smoke Free. A representative of Smoke Free NZ comes on site as part of the Nurse’s Healthcare Ecosystem. He has successfully supported a number of workers on site to quit or work towards quitting smoking.
- g. Celebrations. WFCF has numerous celebrations of key events meaningful to workers like Philippine Independence Day, International Migrants Day, Māori Language Week, Pink Shirt Day, World Day of Cultural Diversity, Sāmoan Language Week, Thank Your Cleaner Day, White Ribbon Day, Fly the Flag, World Suicide Prevention Day, Mental Health Awareness Week and other celebrations. This not only highlights what is important to workers but gives a good reason to run a fun activity with a stakeholder who usually provides a BBQ lunch. We have had the Otago Rugby Club, many varied supply chain partners and guest speakers attend our ToolBox Talks and events to add value.



- h. **Notice Board.** Over 2/3 of the workforce are people from outside Dunedin. To support these people, WFCDD hosted a group of Occupational Therapy students from the Otago Polytechnic who researched and developed a notice board under the four pou of Te Whare Tapa Whā. The notice board features social sport contacts, churches of various denominations, community connectors, doctors who can accept new patients, entertainment and the like to newcomers to the city.



- i. **Stroke Foundation:** We periodically invite the Stroke Foundation's Health15 mobile blood pressure screening van to the site. The Health15 van has two clinicians who test the blood pressure and heart rhythm of every worker who wants it. They give free advice and follow up vouchers to anybody who requires a follow up blood pressure check. People who have concerning blood pressure are referred immediately to their GP or the Urgent Doctor service for same day follow up. Approximately 250 workers have been screened on site over the three visits.
- j. **Health Expos:** WFCDD holds on-site health expos periodically where health professionals set up a small expo in the staff canteen over morning tea and lunchtimes. Aside from all the services provided by the on-site nurse, workers have been able to attend the expos and receive a range of free services and personal health checks, for example:
- i. Blood pressure and heart rhythm checks;
 - ii. Prostate screening from a blood test;
 - iii. Hearing screening;
 - iv. Eye test;
 - v. Dietary advice from a dietician;
 - vi. Diabetes screening;

- vii. Flu jabs;
- viii. Covid jabs;
- ix. Hepatitis C screening;
- x. Smokefree counselling and health lunch function screening;
- xi. Health information and advice from professionals;
- xii. Toolbox talks from various professionals and a GP.

SOCIAL INCLUSION

103. Student to Workforce. Like the Gateway programme where students do work experience in a business to learn about that industry, WFCD offered students who are not in Gateway a similar experience. Despite obstacles of schools struggling to release non-Gateway students for one day a week, WFCD had some businesses take students in groups to introduce them to the industry over a few hours including a tour of their premises. Our most successful placement was a student who did a placement in a local hardware store and rotated through all the departments in the store from sales, administration to the back dock. Our goal was to foster the schools' relationships with participating businesses, so WFCD did not have to act as broker going forward. This has happened for numerous schools and businesses, and the programme is working well.

104. Cultural competency. Contractors on the Outpatients site observed that health & safety messaging was not being carried out successfully. This was observed to be more problematic among second language English speakers, primarily Filipino workers. WFCD explored many different options including having safety messages translated, bringing in Filipino speakers to brief staff and having a translator on the screen during ToolBox Talks. These interventions worked but were not sustainable. WFCD



engaged a cultural consultant who worked with us over some months to co-design a cultural competency programme for supervisors on the site. The programme focussed not only on Filipino and other cultures, but had a strong focus on the NZ culture, language and behaviours which don't contribute toward clear communication. Five programmes were delivered across the site to contractor supervisors who felt the training made a strong contribution to their understanding of how their own culture interfaces with others. This programme went on to be a finalist in the Business South awards in 2025. This programme has also gone on to be a finalist in the SiteSafe Safety Innovation (Small to Medium businesses) Awards for 2026.

105. TPK Contract. Uplifting Maori businesses in a tailored way by conducting Capability Uplift sessions with business owners to identify pain points and provide support in areas of need. This contract supported Maori business owners to thrive and grow, improving their capacity to tender for larger govt contracts. WFCD achieved all its

targets with Te Puni Kōkiri.

106. [“Do Business With Maori” video](#). WFCD developed this video within the TPK funding envelope to raise awareness of subconscious bias against working with Maori and draw attention to the positives that set Maori businesses apart. This aims to grow the success of Maori businesses and get their name out there.
107. [“Whakatuputupu Project” video](#). This flagship video was developed under MBIE funding alongside the Ōtakou Runaka. The video is shown to all workers on the hospital worksite at induction. The video encourages all workers on site to respect the land they are working on and understand its significance to local mana whenua. This video also gives a Ngai Tahu greeting and thank you to those working on the project. It explains the whakapapa of the hospital site and discusses the contribution of Mana Whenua to the design and healthcare model of the NDH.



108. [“KUMA” video](#). Developed within the TPK funding, this video advertises the KUMA Māori business collective and raises the profile of all local Māori businesses. The video also encourages Maori businesses to join in the collective strength and support Māori business growth and provide a sense of community.



109. [KUMA Partnership award](#). Within the TPK contract, WFCD won an award from the KUMA Māori business collective. The award acknowledges the work that WFCD has done to connect Maori businesses to larger contracts and contractors on the Dunedin

hospital site and in the wider Dunedin area.

110. Cultural Competency training. Training to support Filipino workers, as they make up approx. 50% of the workforce. This has encouraged acceptance and inclusion of this group as well as aiming to optimise their participation in the building of the hospital.
111. International Migrants Day and Filipino Independence Day. Celebrating days such as these to show appreciation and inclusion for our migrant workers. Such celebrations support workers to feel a sense of home and community.

112. Notice Board. Placed in the smoko room for prime visibility. It gives info about Dunedin church and community groups, landmarks, primary care centres, etc to ensure that migrant workers can make the most of local services and find a sense of community. The Notice Board was developed by Otago Polytechnic Occupational Therapy students using Te Whare Tapa Whā model.



113. Smoko Room Games. Games around the smoko room like pool, cornhole, cards, etc create an opportunity for workers to socialise and recharge on breaks in a way that is fun and inclusive.
114. Translation Services. Resources such as the daily briefing, toolbox talks, promotional posters, etc were translated into Tagalog to ensure maximum understanding from the Filipino community. This meant that Filipino workers would not miss out on opportunities on site because of a language barrier, as well as optimising Health and Safety.
115. Mahi for Ukraine. WFCD was a keynote speaker at a Ukrainian community event. We linked Ukrainian jobseekers to employment opportunities or support that would help them take a step towards employment. Numerous employment outcomes have come from our support of the Ukrainian community in Dunedin.
116. Pacific Trust Otago. Work with Pacific Trust Otago has helped to create a pipeline for Pasifika businesses, sole traders and job seekers into opportunities in the construction industry. This includes linking them to the NDH.
117. Corrections. WFCD has spoken at the Department of Corrections to those within the facility to encourage motivation to successfully enter the construction industry. This has contributed to uplifting these people to want to grow and succeed when they enter the community. We have also directly worked with individuals within the corrections system to support their employment journey.

118. Women in Construction. In collaboration with PlaceMakers, NAWIC, Queen's High School and others, we have held various events and tours to encourage women to look at careers in the trades. We have held workshops and even helped to enable a hard materials class at Queen's to help young women to feel confident that they can achieve highly in a male dominated field.



119. Signing the Flag. We encourage inclusion on site by having everyone who has worked on the Outpatients build write their name on a MiC flag. This creates a sense of community and collaboration, as well as feeling like their work is being recognised.

120. Hiring of our Cleaner. At the time the main contractor was considering a cleaning contractor to keep our office spaces, staff canteen and onsite facilities clean, WFCD proposed hiring a person from the disabled community as a cleaner. They agreed and our cleaner will celebrate 3 years of working on this site in March 2026. She is being paid the living wage and has been receiving upskilling and support to ensure her future employability. Through WFCD, she achieved a National Certificate in Cleaning L3 through Career Force and has been trained on-site by Dimio Cleaning (previously Spotless.) Her employment with us means that she is a contributing member of society and is able to thrive and grow into an asset in the workforce.



121. Syrian Refugees. In collaboration with the Red Cross, WFCD encouraged a group of Syrian builders who had no work in their field of expertise to start their own organisation. WFCD connected the team to the main contractor of Kāinga Ora housing, and they won a contract to paint houses in Oamaru. This is an example of how WFCD was able to use its networks and connections to facilitate a small group of Syrian refugees working at supermarkets to become business owners and do they work they love. Milwaukee donated tools to the new business to give them a fresh start.

RESILIENCE

122. WFCD has had a national impact. WFCD were instrumental in developing two qualifications with the Hanga Ara Rau and the Waihanga Ara Rau Workforce Development Councils. These qualifications were developed from discussions brokered by WFCD between industry and the WDCs. New Zealand now has two

qualifications which did not exist before because of relationships between industry and WDCs brokered by WFCD. The qualifications are an outcome of workforce planning for the New Dunedin Hospital build where particular skills are forecast to be in high demand:

- a. **Trade Essentials.** This 25 credit micro-credential was developed because many labourers struggle to take time out of the workforce to do Level 3 qualifications which can take up to one year. It provides a stepping stone into the construction industry so newcomers can arrive ready to work, productive and demonstrate entry level skills. Trade Essentials will also accelerate a labourer's pathway to an apprenticeship.



- b. **Data Cable Laying.** This 60 credit micro-credential provides the data cabling industry with people who can install data cabling into medium to large commercial and industrial buildings. It is an entry level qualification designed to provide a pathway into cable laying which either did not exist or was an unknown trade.



New Zealand Certificate in Data Cabling (Level 3)
New Zealand Certificate in Data Cabling

123. WFCD has met with the Nelson Regional Development Agency and Te Tai Tokerau on numerous occasions to support the work they are doing ahead of their regions having a new hospital constructed in their regions. In both cases, the agencies have reported that the experiences, insights and practical suggestions from WFCD have influenced their work in a positive way.
124. Relevant to the above, WFCD met with Land Information New Zealand and discussed with them what realistic broader outcome expectations look like for a tender they were developing in the North Island. The LINZ procurement manager was working on improving their broader outcome expectations and linking it more strongly to local iwi. WFCD provided expertise and examples of what was happening on the New Dunedin Hospital build which they could use to inform their thinking on their own tender.
125. A contractor on the Inpatients site tendered for a contract in Lower Hutt and were pushed back. Feedback to them was they needed to strengthen the broader outcomes component of their tender. They approached WFCD who researched and developed a response to the broader outcome requirements of the tender. The contractor resubmitted their tender and were accepted. We learned from this experience that WFCD are becoming subject matter experts in broader outcomes through our knowledge of social procurement and work achieving public value outcomes from infrastructure investment. The National Manager thanked us for our

contribution and stated that our work gave them the final piece of the jigsaw to win the tender. This organisation can use this proposal as a template for their future use or return to us any time for assistance. We were grateful for this piece of work because our small hub in Dunedin created impact in the North Island.

Workforce Central Dunedin

What is a STONEMASON

About The Role

Stonemasons work with stone to construct or renovate buildings, fittings, and paving, or to create monuments.

They talk to clients and design plans for stonework while providing quotes. Stonemasons split, cut and shape stone to then set in place.

Qualifications

- Length of training in Stonemasonry usually requires 2-3 years of training
- This may vary if you then choose to specialise in a given field

Skills They Use

- Stone-Cutting
- Design Skills
- Building Practices
- Diamond-Cutting
- Stone-Polishing
- Different types of stone knowledge

Related Careers

- Monumental Masons**
Uses traditional and modern-day stone mason tools to carve and chisel stonework designs, headstones, memorial benches, and graveside statues.
- Landscaping**
Landscape design, develop, maintain and remodel gardens and landscapes. Similar skills translate to this role such as developing designs, and basic planning with clients.

SSS

\$23 - \$40 per hour

126. Workforce Central Dunedin has made a difference in two significant areas for rural schools. Firstly, WFCD supplies a cluster of Central and South Otago schools a Career of the Week A4 poster which explains lesser-known and some well-known careers in construction. The South Otago High School Career Advisor prints and pins each poster on the wall in the corridor outside her classroom each week for students to see what's new. She also makes the posters available to other schools via the CareerWise website. Secondly in Balclutha, WFCD hosts a Career Expo annually to bring exposure to the variety of careers available to students in the rural areas where they are exposed to less variety of career options. At the 2025 South Otago Career Expo, over 50 stall holders

showcased opportunities to 5 nearby high schools.

127. WFCD reaches out beyond its sphere of influence by hosting and speaking at “Business After 5” events in Oamaru and Central Otago. At these events, WFCD showcases opportunities for local businesses to get involved in the hospital build. Key information on build timelines, workforce needs, the size of parcels of work and the upcoming type of contractor needed is all explained. WFCD gives points of contact to local businesses so they may connect to contractors of interest to them. In this way, WFCD contributes toward resilience by opening the shop window for locals to see and become involved in this generational build. The sheer scale of the project means there is a wide variety of opportunity with much bespoke and technical work required by small, agile and capable local businesses.
128. WFCD has presented quarterly at Secondary Transitions Working Group functions hosted by the Ministry of Education. WFCD has hosted one of the functions on the hospital site in late 2023. These events are where the Ministry of Education brings industry, business and education together under the NELP Goal 4, the Future of Learning and Work. WFCD explains the anchor project of the hospital build and the large variety of exciting careers and roles that are required now and will be required in future hospital builds in regions North of Otago.
129. WFCD has hosted many tours and talks including engineering collectives, school principals and career advisors, MSD Work Brokers, school students of all ages, government officials from HNZ, TPK, MBIE, WDCs and others. This is a great opportunity for people to engage positively with the work programme and understand the sheer size, significance and potential the hospital build has for local social and economic stimulation.

ADDITIONALITY

130. Additionality refers to an assessment of whether project outcomes would have occurred if the project was not established. In March 2025, WFCD contracted Magnifi to give a statement of WFCD's additionality. Magnifi was engaged to give an impartial and objective review of the impact of WFCD on the Outpatients worksite and wider industry.
131. The Magnifi report was completed in June 2025 and included interviewing over 30 Workforce Central Dunedin stakeholders, reviewing quarterly reports and other documentation, reviewing case studies and examining reported statistics.
132. In summary, the report found that:
- a. Workforce Central Dunedin has delivered \$5.04 value for every dollar invested by its main funding contract through MBIE (Magnifi, June 2025, p7.)
 - b. WFCD has achieved its employment target of 300 and exceeded the target of 900 trained and upskilled employed workers (Magnifi, June 2025, p6.)
 - c. WFCD is considered a cannot-do-without point of contact and shop front to the Outpatients build due to its access to contractors, Health NZ and other key information needed by the community, stakeholders, businesses and the education sector. It reports that no other organisation or agency has achieved what WFCD has to connect contractors, the client, stakeholders, government agencies, various sectors in the community and industry (Magnifi, June 2025, p9.)
 - d. The full [Magnifi report](#) is available in **Appendix 3** and is augmented by the [Powerdigm](#) report in **Appendix 4**.



TIMELINE

133. The Job & Skills Hub of WFCD has operated under the guidance and funding of MBIE for 5 years 6 months from June 2020 to December 2025. The hub has achieved all its contracted obligations and those of co-funders, Ministry of Social Development, Te Puni Kōkiri, Southbase Construction and numerous in-kind contributors. Given the significance of the funding and the support the hub has given to New Zealand's largest hospital construction project, a timeline which catalogues milestones is a fitting contribution. See **Appendix 6** for the full timeline.



WFCD TIMELINE



Figure 6. High level timeline of the WFCD project. See Appendix 6 for full timeline.

LEARNINGS FOR FUTURE PRACTICE

134. WFCD has a range of learnings to offer industry and future Job & Skill Hubs. Our key learnings for future practice are mainly systemic recommendations rather than operational practice.
135. Locally led, sector focussed Job & Skill Hub models deliver stronger outcomes:
- WFCD's success stemmed from its focus on the New Dunedin Hospital build and broader construction workforce needs.
 - Job seekers saw a clear career pathway and understood what training aligned with actual job demand.
136. Coordination independent from its funder drives efficiency and accessibility especially for people seeking a point of contact:
- External to the construction site, WFCD operated independently but was funded by government allowing it to broker relationships across industry, local businesses, agencies, employers and community groups. Many legacy outcomes of the WFCD project stem from its unique positioning across communities giving it access and credibility among a broader range of stakeholders than any other project or organisation. Since WFCD is government funded, it has no local or national political barriers to engagement and no conflict of interest roadblocks.
 - Internally on site, WFCD was a single point of coordination across the construction site which improved the delivery of employment and training.
137. Multi - faceted workforce development is essential to connecting workers to employers:
- WFCD combined job brokerage, pre-employment training, service delivery, sector coordination and pastoral care.
 - This holistic model addressed both supply (job seekers) and demand (employers) while improving retention and wellbeing.
138. Human-centred design enhances outcomes:
- WFCD's placed the wellbeing of workers first with a strong emphasis on pastoral care. This included health checks and morale-building activities to improve worker wellbeing and productivity.
 - Our overall approach was especially effective for unemployed job seekers and in some cases, the hard-to-employ groups like NEET youth and ex-Justice



job seekers.

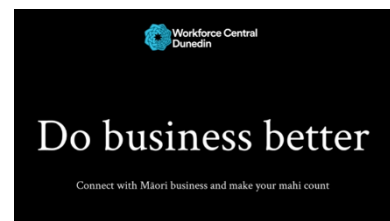
- c. Innovative pastoral care (e.g. on-site nurse checks, morale-building activities) improved worker psychosocial health and reduced absenteeism.
- d. WFCD's approach was recognised nationally, including being a finalist in the SiteSafe Mental Health and Wellbeing Awards and being a finalist in the SiteSafe Safety Innovation for 2026.

139. Flexible funding from a variety of sources enabled innovation and better enabled cross-sector collaboration:

- a. WFCD adapted to project delays by training workers ahead of need in preparation for jobs later, seeking opportunities beyond its main client and ramping up initiatives to support worker wellbeing. This shows that flexible, multi-year funding allows responsiveness to changing conditions.
- b. WFCD's ability to leverage co-funding from MSD, Te Puni Kōkiri private sector partners and in-kind support was key to sustainability especially beyond the contracted timeframe of the main funder.
- c. WFCD was not tied down to one activity. Whilst we were contracted to deliver employment, training, pastoral care, engagement and suchlike through MBIE, we worked on business capability uplift and connections to contractors through Te Puni Kōkiri and to delivering workers from a substantial and talented workforce through MSD. WFCD was truly able to work in the domains of business capability, community uplift, cultural enhancement, sustainability and still achieve its contracted employment and training outcomes.

140. Strategic procurement can unlock local benefits:

- a. WFCD facilitated connections between major contractors and local businesses particularly Māori businesses. This demonstrated how proactive procurement can drive regional economic development among smaller local businesses.
- b. Te Puni Kōkiri's investment in Māori business capability was a standout example of how WFCD supported capability building and contract access for Māori businesses. WFCD won an award from a local Māori business collective for its outstanding contribution to Māori pakihi.



141. Embedded community engagement builds trust.

- a. WFCD built community confidence in the hospital build by acting as a shop window to the hospital build, a gateway for information and realising innovative opportunities.

- b. WFCD's ability to give locals, businesses, community, schools and government departments visibility of the hospital build helped align public perception with government goals and increased local participation, particularly by stakeholders.
142. Impact measurement strengthens the case for investment:
- a. WFCD tracked outcomes like job placements and training completions to achieve an estimated \$10 million annual economic gain and \$5.4 million in benefit savings (Magnify, 2025.)
143. Infrastructure projects can be catalysts for regional growth:
- a. WFCD showed how workforce hubs which are linked to major builds, like the Dunedin Hospital, can make connections to regional labour markets and deliver long-term social and economic benefits. WFCD contributed in all four broader outcome domains.
144. The WFCD model is scalable and replicable for future construction and infrastructure builds.

RECOMMENDATIONS FOR FUTURE PRACTICE

145. Workforce Central Dunedin offers a compelling blueprint for future workforce development practice, especially in the context of large infrastructure projects. The construction of the New Dunedin Hospital presented an opportunity to create intentional social, human, cultural, environmental and economic capital required by government contractors as per the government's procurement rules. **It is recommended** that the Job & Skills Hub model is established at other infrastructure builds within New Zealand so that the impact of investment is not lost to the local community in which the build occurs.



Figure 7: Government procurement pre-2018 and post 2018 depicting the added value contribution of broader outcomes to communities through government procurement.

146. The practice of incorporating intentional economic benefits in construction projects begins when the procurement tender is accepted and contains the economic benefits the contractor will deliver. **WFCD recommends** that contractors are held accountable

by the tendering agency so that community benefits in construction may establish in a variety of forms from legally binding agreements to informal commitments to deliver agreed-upon social value outcomes.

- 147. The identified community outcomes or benefits generally fall into four social procurement opportunity areas: targeted employment, training and apprenticeships, inclusion of social value suppliers as subcontractors or businesses in the supply chain, and community development. **We recommend** that New Zealand needs a national verification standard so government agencies who tender have confidence that they are buying with impact and can trust the subcontractor they engage.
- 148. WFCD existed to use the hospital as an anchor programme to build a healthy community that is rich in social, cultural, environmental and economic capital for Dunedin and the Otago region. Our story is that whilst organisations must make profits to survive in tough economic times, they can do so in a way that is kind to people and the community. **We recommend** that government agencies who tender, learn from the New Dunedin Hospital experience that prioritising social procurement outcomes need not impact overall procurement cost. In most cases, prioritising social procurement outcomes enhances profit by sourcing local labour and enhancing the organisations reputation through the social good it does.
- 149. WFCD has run events for contractors to meet other contractors. WFCD has brought groups of people from a variety of industries together in meetings, to network and to meet influential people from government or large businesses. Business owners and senior staff enjoy the feeling they are connected. **We recommend** that large anchor projects be used by future hubs to exploit connections to create synergies from which flows future opportunities, new initiatives, employment and apprenticeship opportunities.
- 150. For any future Job & Skills Hub being established, WFCD has the below **6 key recommendations**:

Key recommendations to future Job & Skills Hubs	
Contract	your broader outcomes initiative into the tender
Identify	a contact person within the main contractor who is on board
Know	the broader outcome commitments the main contractor stated in the tender
Commit	the main contractor to trickle down their broader outcome commitments to subcontractors
Willing	with the willing subcontractors first
Build	relationships with Tier 2, 3, 4 subcontractors especially re coordinating workforce planning and impact activities

Figure 8. Key recommendations from the WFCD project.

151. WFCD has five years' experience in designing and implementing community benefits and social procurement in construction. The project worked with government departments, local government, contractors and the wider construction sector to deliver social value outcomes on construction projects in Dunedin and Otago. Our work includes advocacy, support drafting the economic benefits section of tender writing, project-specific implementation and reporting. **We recommend** that WFCD is supported by government and industry funders because our roots are down, our connections are made, our value is proven.

THE LEGACY

152. Workforce Central Dunedin set out to leave a legacy of positive impacts in Dunedin and the wider community. It turns out that WFCD has had regional impact through rural business connections to the hospital contracts and national impact through the development of new qualifications and support of Land Information New Zealand, Nelson and Te Tai Tokerau hospital build projects.
153. To imagine the impact, consider that every purchase of any amount has an economic, environmental, social and cultural impact, whether intended or not. Imagine the impact of a purchase the size of \$1.8b on one single construction site in a small city.
154. Workforce Central Dunedin set out to maximise the impact of the purchase of the New Dunedin Hospital by Health NZ to create a powerful and positive impact which may endure in Otago and nationally long after the hospital is built. The legacy achievements and benefits of Workforce Central Dunedin are the results of a collective effort involving many players including the contractors and people who build the hospital, stakeholders, the business community, the wider Dunedin community, training and social service providers, the many supply chain partners and people who travel to Dunedin to work on the build.
155. Once the hospital is built, what also remains is the positive impact of its construction in the form of salary and wages earned, careers started or advanced, products and services sold by locals, local businesses who have profited from the build, workers upskilled in commercial work, new apprenticeships, new qualifications, positive engagement with the build and much more.
156. As an outcome of the MBIE Job & Skills Hub contract, here is the footprint WFCD has left behind:

Legacy achievement	Legacy Benefit
303 people employed and who have earned salaries, wages or changed to a career in construction or the trades	Through the intervention of WFCD, more people have earned an income in tough economic conditions
1352 people trained in construction H&S, Fire Training, Elevated Work Platform, Cultural Competency, leadership, First Aid, etc	These people have qualifications to operate more machinery, work in niche areas which gives them a more solid employment future

Legacy achievement	Legacy Benefit
Two qualifications have been developed which previously did not exist due to the demands and requirements of the industry. They are Trade Essentials and Data Cable Laying .	These qualifications now exist on the NZQA framework and are available nationally. Learners can move up from labour hire or join the data industry
Queens Girls High School was the only all-girls school South of Christchurch to not offer hard materials . WFCD worked with Queens Girls Career Advisor staff to start hard materials at the school which is now a subject choice for girls	The school has increased its attractiveness to students because this technical subject is available for the first time in its history
WFCD were Site Safe Mental Health and Wellbeing Award Finalists for delivery of a world class pastoral care programme to workers on the Outpatients site. Workers sourced from all corners of the globe commented that they'd not seen a site with such a comprehensive pastoral care ecosystem to look after staff wellbeing. Many said they have not experienced a site with such a positive and proactive support programme	WFCD has set a benchmark for pastoral care on worksites where workers health, safety and wellbeing come first. Occupational Health Polytech students have reviewed our pastoral care system and made recommendations to WFCD for future practice.
WFCD are Site Safe Award Finalists for 2026 in the SiteSafe Safety Innovation Award .	WFCD has a benchmark cultural competency programme targeting construction companies who employ migrant workers particularly Philippino workers.
Flooring Boost is a recruitment process which puts the employer front and centre of recruitment from the selection from a pool of candidates, through training and in the final selection of talent for flooring apprentices. Contractors have stated this is the best process for sourcing new talent where reliable and long serving staff can be sourced	Flooring Boost introduced 20 new workers into the flooring industry. 6 complete apprenticeships and 3 start apprenticeships in 2025. The Ministry of Social Development applied the concept to construction and funded a local PTE to run a Construction Boost. This attracted new funding to Dunedin. WFCD has had repeat business with contractors who wish to source their next intake of apprentices
The work WFCD did with local Māori businesses attracted the attention of funders who approached WFCD to support the development of Māori pakihi. WFCD assessed local Māori businesses and referred them for upskilling and services within the Te Puni Kōkiri Capability Uplift programme . Māori businesses were connected to opportunities with larger contractors. WFCD communicated their Tūakana-Teina model to Te Puni Kōkiri and how this model was successful in developing Māori businesses, to inform government investment in upcoming infrastructure builds. KUMA, the Otago/ Southland Māori business network,	Māori businesses in Ōtepoti are stronger, have grown or been awarded new contracts through the intervention of WFCD

Legacy achievement	Legacy Benefit
<p><u>awarded</u> WFCD with He Tohu Tangata Tiriti - Te Tiriti Partnership Award for the work we did to connect local businesses to training and contract opportunities</p>	
<p><u>Abdal's Story</u>. WFCD was approached by the Red Cross regards Syrian refugees who were underemployed or not employed. The refugees WFCD met were trades artisans who could not find work commensurate with their skills due to language and proof of qualifications barriers. WFCD initiated a collaborative meeting with a group of local contractors who service government contracts, the Red Cross, training providers and some others. The result was that a contractor offered to support the group to start a new construction business, to nominate one person who could speak English and take on housing maintenance work</p>	<p>From the intervention of WFCD, a new business was born, a group of four Syrian refugees could work in their trade, earn an income and gain independence from refugee support</p>
<p>WFCD learned from a Career Advisor in a remote school that the students did not know what trade careers were available. WFCD launched a Career of the Week where a <u>poster</u> is sent weekly to the school each showcasing a new trade. The career posters were shared between schools and posted on a website available to all schools</p>	<p>WFCD enabled students to learn about less known trades and explore new options beyond school. Anecdotal influence of this initiative is that students love reading about different trades and are more open to working as a tradie once they leave school</p>
<p>Over the duration of the Outpatients build and Inpatient's civil works, WFCD inducted all those who worked on site for 40 hours or more. Within this, workers viewed a <u>cultural video</u> commissioned by WFCD and delivered by mana whenua. The video message outlines the whakapapa of the hospital site and the impact the New Dunedin Hospital will have upon Māori. Every inductee also attended Mates in Construction General Awareness Training which delivered a suicide awareness message.</p>	<p>All workers who worked on the hospital build for over 40 hours have learned the whakapapa of the hospital site and upskilled in suicide awareness which they may apply in their workplace in future years.</p>
<p>The WFCD Student to Workforce programme placed Gateway and other students into workplaces to experience the world of work. This includes tours, trainings and other activities run by employers.</p>	<p>Scholars have used their experiences with us to make future career decisions about where to or not to work.</p>
<p>WFCD co-designed a Cultural competency with a local consultant to deliver to contractor managers and supervisors. The competency focussed on enhancing engagement with the Filipino</p>	<p>The H&S Advisor said, "This improvement in communication is beneficial on multiple levels, and it's evident that the messages are being comprehended more effectively. Additionally the training has empowered our</p>

Legacy achievement	Legacy Benefit
workforce. The programme featured the Filipino culture and features of Kiwi culture that may be a barrier to engagement.	Filipino staff to feel more confident in speaking up during safety meetings and asking questions in their day-to-day tasks.” The Tier 1 contractor plans to take this training to other sites nationally.
WFCD developed a worker catering initiative which has been picked up by a local kaupapa Māori provider and prepared for the Inpatients build. This initiative will offer food to workers on the Inpatients build from mid-2026 onwards. The food is prepared by clients of Southern Youth Development, a social service provider for youth not in employment, education or training. Youth will use the hospitality of food provision to learn important work-related skills like communication, organisation and work ethic.	This programme targets training up 40 youth per year in L3 food preparation and life skills over 10 weeks. Graduates who want to work in construction or trades can be picked up by a hospital contractor. Others will be referred to WFCD, MSD, SYD and other providers who will enable them into employment.
Kia Tū is a Southland initiative run by the Murihiku Regeneration project alongside the Ministry of Education. The programme introduces young people across Southland and Otago to careers by reducing barriers to accessing career information and taking the student on a self-directed pathway facilitated by the school. WFCD has proudly developed resources and delivered them to 3 local schools to pilot.	Should this resource be useful, it can be further developed and implemented throughout Otago and Southland.
WFCD staff have become subject matter experts in broader outcomes. We have used this knowledge to help draft the broader outcomes portion of tenders for contractors seeking new government contracts.	One example is when a large contractor had their tender declined due to the broader outcomes component. WFCD redrafted this specific section and they won a tender worth \$9m. This contract brought additional social procurement to Wellington.
WFCD has been invited to numerous meetings with Nelson Regional Development Agency and Te Tai Tokerau regards advice and learnings as they establish how broader outcomes will be delivered in their regions under their hospital builds.	Both partners have indicated that the advice and learnings from the Dunedin hospital experience through WFCD has given them a strong understanding of how to move forward with their workstreams. WFCD has thereby embedded learnings in the future practice of other broader outcome initiatives nationally.
WFCD has a resource library of many videos and a large amount of photos and footage showcasing role models , Māori businesses, services, events, heroes and more which are freely available in the resources section of our website.	These videos will endure for a long time and continue to share key messages and influence thinking.
WFCD has promoted the employment of people from the disabled community . Our best example is that a lady from a local disabled persons employment agency was	WFCD has funded and supported the cleaner to achieve a National Certificate in Cleaning L3 thereby helping her find work after this contract finishes. She has been

Legacy achievement	Legacy Benefit
employed as cleaner on the Outpatients hospital build instead of the contractor contracting a cleaning service.	recommended to a local cleaning company who indicated they will employ her when her contract ends on this site in April 2026.
Workforce Central Dunedin has either arranged or participated in over 30 career expos . Our largest was a two-day expo hosted by WFCD which featured over 50 stalls including an outdoor area where visitors could ride in an elevated work platform, weld some vinyl flooring, sit inside a digger and more.	Career expos, talks and other engagements leave lasting impact on visitors to the events and influence decision making in careers, subject choices and apprenticeships.
BCITO, Mitre 10, high schools, CCNZ and others have been partners to WFCD delivering women in construction initiatives in the form of tours, workshops, meeting role models and talks.	WFCD has championed women in construction and encouraged women to consider a career in the trades. We have videos of female role models in the trades on our website for an enduring message.
Toolbox Talks have been a regular and powerful way WFCD has brought health and wellbeing messages to workers followed by a programme of testing, education, awareness or referring. Examples are hearing, prostate screening, Stroke Foundation and suchlike.	Some free hearing tests resulted in workers getting hearing aids. High risk people identified in prostate or blood pressure screening were referred to a GP. This impacted the health and wellbeing of workers who often don't have the time or inclination to look after their health.
WFCD ran a number of services and initiatives per year including promoting bike riding to work alongside the Dunedin City Council, finding accommodation for workers, delivering talks, hosting events, providing interpretation services, business after 5pm events, etc.	These services have supported a positive culture of wellbeing on the hospital build site and yielded comments from workers who say they have never experienced such comprehensive wellbeing on any other worksite. Workers we've spoken to want to see this level of care on other worksites in future.
WFCD been a shop window and accessible front door to the hospital build. The impact of how connected we are and how well positioned we are has brought huge benefits. Contractors, members of the public, service providers, agencies and others who don't know where to go to find contractors on the site, be connected to the correct person, understand information about the build or access information or see the site have come to WFCD for that information.	WFCD is a powerful connector and shop front for the NDH site and has enabled people to engage positively with the build, gain contracts or connect to people. Only WFCD has access to the community, government, contractors, schools, tertiary education, WDCs, funding providers, social service providers and others. Reports from Magnifi and Powerdigm outline the many connection services we deliver that have created enduring relationships and partnerships.
WFCD was independently reviewed by Suzanne Stephenson of Magnifi Consulting. Her Social Return on Investment report gives a strong indicator of the additionality WFCD has achieved as an outcome of the hospital build compared to the state of play had WFCD not existed.	See the Generating Jobs, Social Return on Investment Report, Workforce Central Dunedin 2020 to 2025 here .

Legacy achievement	Legacy Benefit
WFCD used privately sourced funding to commission a business report from Powerdigm Consulting . This report is targeted at future funders and contractors who may use our services in the future and need to understand the value-add.	See the Powerdigm report here .
The various Case studies produced by WFCD tell the story of WFCD's impact upon individuals who have started and completed apprenticeships through us, workers and businesses.	Read our case studies here .
WFCD has produced or identified a rich portfolio of resources which have assisted us to tell our story and which supports similar work being done elsewhere. This resource library consists of videos, PDF files, research and templates.	See our resources page here .
Our website	

"On behalf of the WFCD Advisory Board, I'd like to congratulate the team on their success and willingness to walk the extra mile to achieve such great results."

Hon Pete Hodgson, WFCD Advisory Board



Ends

Appendix 1

Definitions

Return on Investment uses financial metrics to calculate the financial effectiveness of the investment, e.g. for every dollar MBIE/MSD/TPK/SBC invested, ## dollars were returned to the investor.

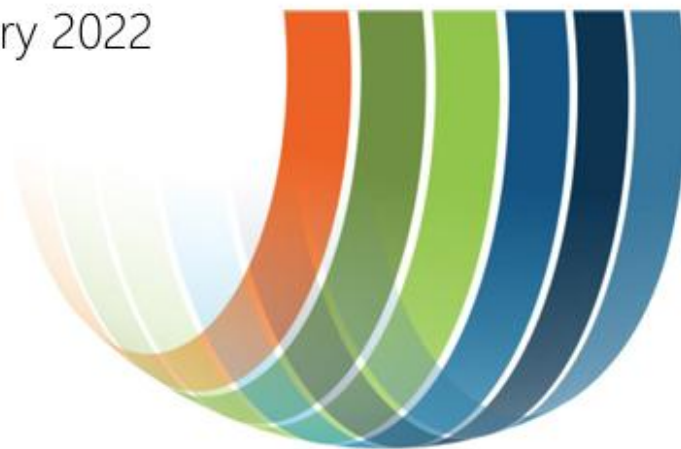
Additionality is an impact analysis with specific benefits environmental, economic, social and cultural. measures whether the project outcomes would have occurred if the project was not established. This is described as social impact. MBIE would want to know if our outcomes are truly additional or would have happened anyway.

Appendix 2

Construction Activity and the supply and demand for workers in Otago: a 15-year outlook, January 2022. **See this report attached or read it [here](#).**

Construction activity and the supply and demand for workers in Otago: a 15-year outlook

January 2022



Appendix 3.

Report from Magnifi, June 2025. See separate attachment or click [here](#).



Generating jobs

**Social Return on Investment Report
Workforce Central Dunedin 2020-2025**



Appendix 4

The report from Powerdigm, October 2025. **See separate attachment or click [here](#).**



**BUILDING THE CONSTRUCTION WORKFORCE AND
GENERATING LOCAL BENEFITS**

OCTOBER 2025

POWERDIGM

Appendix 5.

SWOT analysis of WFCD completed by Otago Polytechnic Bachelor of Applied Management students, August 2025

SWOT REPORT

	POSITIVE	CHALLENGING
INTERNAL	<p><u>Strengths</u></p> <ul style="list-style-type: none"> • Strong position in the industry • Connections to membership groups • Done well in the absence of the main client • Strong support from the Board • Strong support from stakeholders • Additionality Report • Proactive, responsive and accessible • What we do, we do well • Support from MBIE and BSi to identify a clear direction • KUMA Award winners and SiteSafe Award finalists • Current funding until 2027 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Poor prognosis for selling our service • Dependence on funding • Poor contractor engagement • Not written into the contract • Employment outcomes are not on track • Employment outcomes in construction are low • No background in recruitment • No background in construction • Some people in the industry still do not know what we do
EXTERNAL	<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Student to Workforce Pathway • Sell our value through Pastoral Care • Seek a new direction/client • Act as impartial connectors • Supporting women on site • Employment Seminars • 9 scenarios for possible new clients • Move beyond construction 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Outpatients closing at the end of Q2 of 2026 • John Fitchett retiring at the start of Q2 of 2026 • Loss of momentum – in a stage of maintenance rather than development of the project • No clear direction • Only one new initiative to drive us currently • Uncertainty about funding • Reduction in workload • No Inpatients

Appendix 6

Complete WFCD Timeline

Funding Application		2018
MBIE Contract Signed		11 June 2020
PGF Skills and Employment Funding Agreement signed	Nathan Grennell and Hon Pete Hodgson	11 June 2020
Acting Operations Manager appointed	Andy Cowan	June 2020
Opening	WFCD Opened for business	01 Sept 2020
Media	First news item on WFCD	08 Sept 2020
First project lead appointed	Operations Manager	Sept 2020 to May 2021
Mates in Construction	First MiC and WFCD intro to NDH	August 2020
Training	First training under WFCD of 70 people in suicide awareness and asbestos removal	August 2020
Enrolments	People Eol to work on NDH	70 people by August 2020
Board	First Meeting	Oct 2020
Website	WFCD added to Skillsinconstruction.govt	October 2020
First Expo	WFCD attended its first expo with Otago COC	5 th November 2020
Employment	First person placed with Geeves Scaffolding	09 November 2020
WFCD Opening	Official Opening of WFCD	04 Dec 2020 at PMO
New staffmember appointed	Community Engagement Coordinator	Started 16 November 2020 and resigned 06 April 2022
WFCD Logo	Finalised	May 2021
Flooring Boost 1	Initiated	March 2021
Girls Shed	Scoping commences	June 2021
AMPT	Presentation to boost	Dec 2021
Apprentice	First apprentice placed	April 2021
Operations Manager resigns	Resigns	May 2021
2 nd Operations Manager appointed	Operations Manager	Sept 2021
Induction	Online induction of PMO	Sept 2021
Board Chair resigns	Steps down as board chair	Sept 2021
Flooring Boost 1	Seminar 1 for job seekers	17 October 2021
Website	Inspiring Designs Website 1	Launched Nov 2021
Contract Variation		09 November 2021
Interim Chair resigns	Resigns as Interim Chair	Dec 2021
Aukaha staff member	Chair of WFCD Board	Start Jan 2022
Administrator 1	Administrator	10 Jan 2022 to 09 May 2023
Administrator 2	Administrator	10 Jan 2022 to 13 Sept 2022
Flooring Boost 1	3 appointed to jobs	Mid-February 2022
MSD staff worker co-locates	MSD Work Broker	02 March 2022
Intern student from Otago Poly	Student Placement	February to December 2022
Administrator 2 last day	Resigned	13 March 2022

Career Fair Mosgiel A&P	Career Fair A&P Grounds	May 2022
Outreach	CRM Started	May 2022
MBIE Contract Novated		10 June 2022
Flooring Boost 2	New programme starts	21 Sept 2022
First Job Seekers on tour	Skillsec tour NDH	Sept 2022
Southbase	Announced in ODT as Tier 1	Sept 2022
Flooring Boost 2 Dunedin	Completed	Sept 2022
TPK Contract commences		22 September 2022
Flooring Boost 3 Invercargill	Completed	Sept 2022
Outpatients piling	Complete	Oct 2022
Polytech He Toki tour	Of NDH piling	01 November 2022
Outpatients site office	Established	Nov 2022
Ahmed Construction	Receives tools	28 November 2022
BSI project officer	Projects	Nov to Dec 2022
Buildings blessed	Waiariki	19 December 2022
Outpatients foundations	Begin	Jan 2023
Sign MSD Contract	WFCD & MSD	10 February 2023
University student	Social Media Coordinator	Jan 2023 to Dec 2023
Mates in Construction	Field Officer MiC	07 March 2023
Mates in Construction	Field Officer MiC	07 March 2023 – Jan 2024
Building Boost	Sign contract MSD Skillsec	13 April 2023
WFCD BA5	Cromwell	14 April 2023
Administrator 1 last day	Resigned	09 February 2023
PTO Presentation	To businesses	15 February 2023
Cleaner appointed	Cleaning Technician	Feb 2023
Tenure of Business Navigator	Business Navigator	10 October 2022 – 02 Feb 2024
WFCD J&SH Opens	On Outpatients	January 2023
First Job Seeker off street	First walk in job seeker	12 January 2023
WFCD and Southbase	Official Opening	22 February 2023
First Employment Seminar	Connected	01 March 2023
First Outpatients Toolbox	Talk	02 March 2023
Māori business meet SBC	Skillsec	02 March 2023
Website 2 launched	New Website Gummybear	06 March 2023
PNOT	Stadium	17 March 2023
First Public Meeting	Otago Museum	28 March 2023
Pasifika Business Forum	PTO	15 May 2023
Pink Shirt Day	NDH	19 May 2023
OBHS Career Day	Expo	01 June 2023
Public Talk 2	Otago Museum	01 June 2023
Ear health	First health check for NDH workers	01 June 2023
Marketing and Administration	Hub Coordinator	05 June 2023 – 02 Feb 2024
Mana wāhine	BCITO, WFCD, SBC	29 June 2023
SOHS ELT	Visit NDH	18 July 2023
MIC and WFCD	Skillsec	21 July 2023
Local primary school	Tour NDH	28.07.2023
Occupational Therapy Students	Student Placement X 5 students	August to Sept 2023
KBHS	Visit NDH Geography tour	17.08.2023
Girls in Construction Tour	BCITO and Mitre 10	29 August 2023
Employment	100 th person placed	Sept 2023

Pathway Leaders	Tour of NDH	05 September 2023
Fly the Flag	Outpatients	07 September 2023
KUMA Business Awards	Queenstown	30 September 2023
Thank your cleaner day	NDH	24 October 2023
First haircut on site	Jamie the barber	26 October 2023
SOHS Expo	Careers	16 October 2023
Outpatients Notice Board	OT Students	09 November 2023
First signatures on Flag	Outpatients	09 November 2023
Accommodation	Start Spreadsheet for sharing	Dec 2023
Business Navigator promoted	Joins BSI	04 February 2024
Guest speaker	Outpatients safety message	08 February 2024
Neighbourhood BBQ	Inpatients	23 February 2024
Induction	First Outpatients Induction	24 Feb 2024
Prostate Screening	Outpatients	22 February 2024
OGHS tour Inpatients	Inpatients	12 March 2024
Recycle Workwear starts	On site	February 2024
New appointment	Community Engagement Coordinator	11 March 2024
Trade Essentials	Registered on NZQA	March 2024
WFCD in TEC Promo Video	See TEC Site	March 2024
OP Electrical Students	Visit NDH	20 March 2024
Flooring Boost	Flooring Boost 2 Dndn Invers	March to May 2024
OP Carpentry Students	Visit NDH	08 April 2024
Flu Vaccine	Outpatients	08 April 2024
Hearing assessment	Kelvin	03 May 2024
First Induction in Smoko	Group too large for WFCD	10 May 2024
Health 15 1 st Visit	Outpatients	17 May 2024
MiC Accreditation	Outpatients get accredit	May 2024
Min Upston visits WFCD	Labour	May 2024
Data Cable Laying	Microcredential	May 2024
Skillsec	Tour NDH	31 May 2024
Outpatients Façade	First tile installed	18 June 2024
TPK Contract	Terminates	June 2024
Online interpreter	Tagalog	June 2024
UoO Business School	Tour of NDH	June 2024
He Toki Poly visit NDH		August 2024
OCF Instructors visit	NDH	28 August 2024
Workplace Nurse starts	Outpatients	September 2024
First SiteSafe VR Training	Delivered by WFCD	September 2024
Safety n Action school	Training funded by WFCD	September 2024
GP, Dr Zuzi talks at Toolbox	Topic: Melanoma	September 2024
Last pile concreted	Inpatients	25 September 2024
WFCD Hosts Uptempo	With HAR	September 2024
Green Party Visit	Greens	30 September 2024
Thank your cleaner day		16 October 2024
1 year anniversary Barber	Mai Barbers	26 th October 2024
Expo Balclutha	Community	29 October 2024
Fire Training	Largest training group	October 2024
Health 15 2 nd visit	Outpatients	19 November 2024
Salvation Army talk	Ladies Group	November 2024

International Migrants Day	Philippine Food	December 2024
Employment Māori	48 th Māori placed	February 2025
SiteSafe Awards Finalist		05 March 2025
WFCD visits Auckland hubs		06 March 2025
Cultural Competency	Training Delivered	13 March 2025
Magnifi Contract starts	External review	March 2025
VHNZ and WFCD Seminar		27 March 2025
WFCD turns 5 years old		11 June 2025
Flooring Boost 4	Invercargill	09 October 2025
WFCD MBIE Contract	Ends	18 December 2025



Appendix 7.

Report from Otago Polytechnic Occupational Therapy students on their review of the WFCD pastoral care offerings on Outpatients, 2025.

Enhancing Access in the Workforce Central Dunedin Health Ecosystem

1. Introduction

Workforce Central Dunedin (WFCD) is a health and wellbeing initiative designed to support workers on major construction projects in Dunedin. Currently, WFCD offers a range of services including an Occupational Health Nurse, Mates in Construction, WellSouth dietitians, University School of Physiotherapy Clinic, 50% off at Specsavers, a mental health-trained barber, and Southern Stop Smoking. These services aim to promote equitable access to healthcare and improve overall workforce wellbeing.

This report investigates barriers preventing workers from accessing these services and explores strategies to enhance engagement. Key findings from the worker survey reveal that the most significant obstacles include difficulty getting time off work, financial challenges, and lack of awareness about available services. Managers' survey responses suggest that workplaces are generally flexible with time off, indicating that perceived barriers may stem from communication gaps rather than policy limitations. Both surveys highlight the need for clearer information, cultural responsiveness, and proactive engagement.

Recommendations include establishing a nurse-led clinic for routine check-ups and prescriptions, improving visibility through posters and digital communication, and providing education on how to access healthcare and time off. Expanding this model to other sites would require additional nurse-led clinics, partnerships with local providers, multilingual resources, and culturally appropriate care, including Māori and Pacific health models. Managers emphasized that on-site services, regular health briefings, and easier appointment booking for temporary workers would most improve access.

By addressing these barriers and implementing the recommended strategies, WFCD can strengthen its role in promoting worker health and wellbeing, while creating a scalable model for future projects.

2. Background Research

The workplace is a key setting for supporting health and well-being, as many adults spend much of their time there. Even though work environments have changed in recent years, the workplace still offers a valuable opportunity to promote health. Workplace health programs can improve overall well-being and quality of life (Kirsten, 2022).

Both employers and employees benefit from such programs. Employers often notice higher motivation, better productivity, and lower healthcare costs, while employees experience improved health and life satisfaction.

As occupational therapists, our main goal is to promote health and well-being through occupations (WFOT). Occupations are the everyday activities people do in their lives (WFOT). Work, as one form of occupation, gives people a sense of purpose and meaning. Taking part in occupations is an important factor that affects health and quality of life (Stadnyk et al., 2010, as cited in Durocher et al., 2014).

Engaging in meaningful occupations helps people develop a sense of identity, purpose, and connection with others. Activities such as work, leisure, and social participation strongly influence mental, physical, and emotional health. Since well-being is a basic human right, everyone should have the opportunity to engage in occupations that promote health and wellbeing, based on their individual needs and preferences (Hammel, 2017). As Townsend and Wilcock highlighted, limiting a person's ability to take part in work is an issue of social injustice (Townsend & Wilcock, 2004, as cited in Durocher et al., 2014).

The Canadian Model of Occupational Participation provides a framework for understanding the meaning of an occupation to an individual, the conditions necessary for it to be carried out meaningfully, and the ways in which opportunities for initiating and sustaining participation can be enhanced and maintained through contextual or environmental change. It considers the micro, meso, and macro contexts, and how these levels influence the capacity of individuals, groups, or communities to access, engage in, and sustain occupations (Egan & Restal, 2022).

Building on these concepts, several international models show how workplaces can be designed to better support health and participation. The Healthy Workplace Model (Fig.1), created by the World Health Organization (WHO) in 2010, brings together worker health, health promotion, and community involvement. It looks at both physical and mental health, personal strengths, and the connection between companies and their communities. This model encourages ongoing improvement and can be used in different types of workplaces. It also highlights that health programs should be part of a company's main plan, be well-managed, and include workers' opinions, especially through groups like unions.

In the same way, the Worker Well-Being Framework (Fig. 2), developed by the National Institute for Occupational Safety and Health (NIOSH) and the RAND Corporation in 2018, describes worker well-being as a broad idea that includes both work and personal life. It focuses on five main areas: job satisfaction, workplace rules and culture, safety and environment at work, health, and life outside of work, such as home and community. Together, these models give useful guidance for understanding, measuring, and improving well-being through better workplace programs and policies.

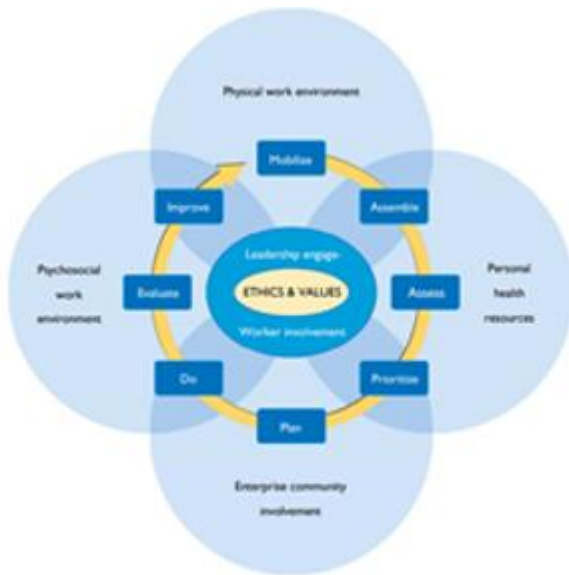


Figure.1 Healthy workplace model



Figure 2 Worker Wellbeing Framework

Insights from Secondary Sources

This section reviews how other workplaces implement wellness programs that could support WFCD in enhancing their healthcare ecosystem. Insights from other workplaces on how they support employee health and wellbeing can serve as valuable references for reflecting on the current healthcare ecosystem. These insights can help identify areas for improvement and guide the adaptation of effective strategies to enhance overall workforce wellbeing.

Accident Compensation Corporation (ACC): supports employee health and wellbeing through a comprehensive approach focused on mental health, injury recovery, and positive conduct. It has invested in Mentemia, a digital platform founded by John Kirwan, which offers personalized tools like online coaching, self-guided programs, and mood tracking to help employees manage stress and build resilience.

For injured staff, ACC provides rehabilitation support, personalized care plans, and financial assistance during recovery. Employees can manage their recovery through MyACC, while employers use MyACC for Business to support their teams.

ACC also upholds high standards of workplace conduct through clear anti-bullying and harassment policies, reporting procedures, and a Code of Conduct that ensures respect and professionalism across the organization. A review article from Victoria University of Wellington (2025) shows that proactive actions, like anti-bullying policies and codes of conduct, can lower bullying and harassment by about 20–23%.

Fonterra: Fonterra provides comprehensive health and wellness support for its employees through a range of programmes and initiatives that promote physical, mental, and emotional wellbeing. Taking a holistic approach, the company supports both the mental and physical health of its people through accessible services, flexible options, and community-focused initiatives. These include access to medical insurance, wellness programmes, and flexible working arrangements where possible. Fonterra also provides strong mental health support

through its Employee Assistance Programme (EAP), which offers confidential counselling services to employees, contractors, and farmers. In addition, the company runs initiatives such as *Healthy Minds*, which aims to normalize and destigmatize mental health conversations by creating safe spaces for people to connect, and *GoodYarn* workshops, which train staff to openly discuss mental wellbeing with colleagues, family, and friends.

Fonterra's Better You platform and mobile app, available to all employees and up to five family members, provides a diverse and growing range of wellbeing resources and monthly challenges with special offers and prizes designed to support overall health. The company also partners with the Rural Support Trust to enhance access to wellbeing services for farming families. Beyond mental health, Fonterra offers insurance discounts based on employment type and location, as well as various leave options, including the ability to purchase additional leave, enhanced parental leave benefits, and long service leave, supporting employees throughout all life stages.

Employee recognition is central to Fonterra's culture, with programmes such as the Te Mātāpuna Awards celebrating individuals and teams who exemplify the company's core values of Good Together, Better Every Day, and Every Drop Counts. Furthermore, Fonterra encourages employees to contribute to community initiatives and causes that matter to them, reinforcing its commitment to making a positive impact beyond the workplace. Recognising the importance of work-life balance, Fonterra offers flexible working arrangements such as hybrid roles and adaptable hours helping employees meet professional responsibilities while being present for life's important moments.

Fletcher Living: Fletcher Living is a building company specialising in residential and apartment developments in major New Zealand cities, including Auckland and Christchurch. Their aim is to create not just homes, but vibrant places for Kiwis to live and thrive in all their richness, beauty, and variety (Fletcher Living, 2025). As a group, we gained insights into Fletcher Living and the initiatives they provide to support worker health and Hauora (wellbeing). We learned that they offer an annual health check for all workers, ensuring each person receives a wellbeing assessment every year. This enables the company to monitor worker health and identify any physical or mental concerns that may require intervention. Fletcher Living also provides appropriate personal protective equipment (PPE) to prevent injury or illness on-site (Fletcher Living, 2025). They believe these measures help maintain a healthy workforce as the health, safety and Hauora of their workers is their main focus.

Coastal Health Greymouth: Coastal Health in Greymouth is a small, nurse-owned and led business. In 2015, four nurses and a practice manager bought their local GP practice to maintain local healthcare options. The nurse/ directors now oversee the employment of GPs, nurses, and administrative staff, giving the practice a more holistic approach compared to a traditional GP-led model. They also manage a local occupational health portfolio, providing services to a range of businesses—from small to national companies—across a large area along the Coast, typically within a 100-mile radius. Most of the nurses have completed postgraduate Advanced Adult Assessment training and independently manage acute conditions, chronic illnesses, and routine medications using their own clinical templates.

Their Occupational Health work further strengthens ties with the local community, with many long-term and returning clients, allowing them to build strong, lasting relationships with both staff and companies. Long-term and returning clients allow for trust-based relationships, making it easier to have honest and sometimes difficult health conversations, especially with men who may otherwise avoid discussing their health. Clients feel listened to and comfortable, viewing their medicals as a positive experience rather than a company obligation. Seeing people in their own work environment provides valuable context and helps identify factors that may not be apparent in a clinic setting. The nurses can proactively promote healthy lifestyles and often identify potential health issues before they become more serious. This service mainly works with individuals but uses their expertise to promote healthy lifestyles and provide recommendations within the community. Some businesses request only basic assessments such as audio and spirometry tests while opting out of more comprehensive screenings like musculoskeletal or vision checks. However, broader assessments offer a more complete picture of workers' health and better long-term outcomes. This information was provided by Occupational Health Nurse Sue Griffin, who supports the workplace health services and contributed insights into current service access and utilisation.

3. Survey Methodology

We aim to understand how workers access and use existing health services, and to identify additional services that they would find beneficial. As part of our project, we wanted to create a survey to gain insight into the perspectives of the workers. Our aim was to understand what they already know about the healthcare services available to them, how they currently engage with these services, and what barriers they face when trying to access care. Gathering this information would help us identify gaps in knowledge or accessibility and guide the development of strategies that better support worker wellbeing and equitable access to health resources.

To ensure the ethical integrity of our data collection process, we designed our survey to be completely anonymous. This approach protected the privacy of participants by ensuring that individual responses could not be identified or traced back to specific workers. Maintaining anonymity was crucial to minimise any potential risk of harm and to prevent misuse of data in ways that could negatively affect participants in any way. Prior to the administration of the survey, we provided a clear explanation of its purpose, outlined how the collected data would be stored and used, and informed participants of their right to choose whether or not to take part. This process supported informed consent and transparency, aligning with ethical research principles.

In designing the survey, we chose a multiple-choice format to make completion efficient and to increase response rates, recognising the time constraints faced by workers during their shifts. To allow for more detailed qualitative data, we also included optional spaces for open-ended responses where participants could elaborate on their experiences or provide additional insights. This combination of quantitative and qualitative data collection methods strengthened the overall validity and depth of our findings.

Given the high proportion of Filipino workers employed at the Dunedin Hospital build site, we translated the survey into Tagalog to enhance accessibility and ensure comprehension across language barriers. This step reflected our commitment to inclusivity and cultural responsiveness, enabling all workers to engage meaningfully with the survey content.

Data collection took place in person during the morning tea break, a time chosen to maximise participation while minimising disruption to work activities. This approach facilitated a strong response rate and provided opportunities for participants to ask questions or seek clarification.

Upon completion, all survey responses were compiled and entered into a spreadsheet for organisation and analysis.

We created an additional survey to capture the perspectives of managers. This survey was anonymous to encourage open and honest responses. Given managers' busy work commitments, it was distributed online via email.

4. Survey Results and Analysis

All Survey results and graphs can be found in appendix A-G. The number of responses we had back from workers survey was 56 and the number of responses for the managers' survey was 7.

Ethnicity:

Based on the survey results we found that almost half (27/56) of participants identified as Filipino, followed by (23/56) who identified as NZ European and 9/56 as Māori (appendix C). Participants were asked about the main reasons (appendix E) they might not access healthcare or the WFCD healthcare ecosystem. The findings showed that 33/56 reported difficulty getting time off work as the biggest barrier, while 15/56 cited financial challenges, and 7/56 indicated they were unaware of the available services.

Awareness of WFCD services:

The survey also explored awareness of health services offered through WFCD (appendix B). The most recognized services were the nurse (45/56), Mates in Construction (44/56), and the barber (38/56). Smaller percentages of participants were aware of services such as Southern Stop Smoking, dietitian, and physiotherapy. These results highlight both the key barriers to healthcare access and the need to improve awareness of less-known services among workers due to some services being known and other under used like the physio. This can be improved by increasing visibility of how the sessions are displayed or sending reminders about a health events coming up.

Best way to let workers know about the WFCD services:

One of the survey questions we asked workers was: "What is the best way to learn about health services or other events you can choose more than one" (Appendix F). From this question, we were able to gather feedback on how workers prefer to be informed about what healthcare is available to them. The results showed that 30/56 would like to receive an email notification when a healthcare event or service is coming up. Having a handout or notices on the notice board followed closely, with 26/56 for both options.

What else would be beneficial to Hauora:

We also asked a question about what workers thought would be beneficial for their own and their workmate's Hauora (wellbeing) (see Appendix D). The results showed that 28/56 said support with finding a local General Practitioner (GP) would be helpful. A further 22/56 wanted assistance with contacting other health services such as podiatry, chiropractic, and psychology. Additionally, 17/56 indicated that support with obtaining prescriptions or medication would be beneficial.

As a student group we were also able to get alongside some of the workers and have some informal conversations about what WFCD offer for them and what they think about it. One of us (a student) was able to partake in an informal interview conducted with the occupational nurse. She mentioned that the most common conditions encountered during consultations are diabetes and high blood pressure. Many Filipinos do not have a local GP and often come to her asking for prescriptions. She explains to them that they need to register with a local GP to obtain prescriptions, but they usually just nod in response. It seems they may not fully understand, possibly due to a language barrier.

Filipino workers were also inquired about their concerns of accessing health service. They said that although many of them have been in the country for over a year, most are still unaware of how the healthcare system in New Zealand works. They mentioned that they were not properly informed about how the system operates, especially in relation to their situation as Filipino workers on work visas.

In our project, we noticed that some workers are not fully aware of the healthcare services available to them. During their induction, WFCD introduced themselves and explained the health services they offer to support workers' wellness. However, some workers have since forgotten about WFCD and are unfamiliar with the team. Others asked how to contact them or where their office is located. This indicates that there could be a lack of consistent communication and information sharing with the workers. According to the survey, the occupational nurse and the barber are the most well-known service providers, as workers regularly see them visiting their hub to provide services.

Managers' Survey Results

For the managers' survey, our community partner distributed it to various contractor managers working under Southbase Construction. A total of eight project managers from different contractors responded.

Many respondents identified a lack of awareness and worker reluctance ("unwilling to go," "not wanting to use annual leave") as key barriers preventing workers from accessing available services, rather than logistical issues like cost, transport or time off. Most workplaces report being flexible with time off for appointments, indicating supportive management practices.

According to managers' survey, Workers typically can request approval from their manager or supervisor either verbally, in writing, or via an application form to take time off for appointments. Most workplaces are flexible, requiring early notice for scheduling and timesheet adjustments.

Organizations believe that on-site health services, regular health information, and agreements with local providers to enroll workers would most improve access to health services during the hospital build.

Managers suggested that improving worker health include creating an environment where everyone feels safe speaking up about injuries, stress, or other health concerns. The goal is to learn from incidents, not assign blame. By promoting openness, supporting access to health services, and fostering a safe environment, we can build healthier, happier teams and safer workplaces. This is a long-term change that develops over years, not just within a single job or team.

5. Conclusion

WFCD has established a strong foundation for worker health and wellbeing through accessible on-site services such as an occupational health nurse, mental health support, dieticians, physiotherapy, and smoking cessation programs. These initiatives reflect best practice principles seen in other successful models, including Te Whatu Ora's emphasis on sustained wellbeing programs, Fonterra's holistic approach to mental and physical health, Fletcher Living's proactive annual health checks, and Coastal Health Greymouth's relationship-based occupational health services. WFCD's visible presence on-site and informal engagement with workers are clear strengths that should be maintained and expanded.

However, the findings indicate that WFCD's profile among workers needs consistent reinforcement. Many workers are unaware of the full range of services or how to access them, and some have forgotten what WFCD represents. This gap suggests that communication strategies must be more frequent, visible, and culturally responsive. Occupational therapy theory and the WHO Healthy Workplace Model both stress that health initiatives should be embedded into workplace culture, address psychosocial factors, and ensure equitable access to meaningful occupations. Applying these principles will help WFCD move beyond service provision toward creating an environment where health and wellbeing are integral to daily work life.

A key insight from this project is the critical importance of a dedicated hub where workers can rest, connect, and recharge during breaks. This space is more than a convenience—it is a wellbeing intervention. Research and feedback show that such hubs foster Hauora by enabling social interaction, reducing stress, and providing access to health information in an informal, approachable setting. When workers have a safe, comfortable place to eat, talk, and access resources, they are more likely to engage with health services and maintain positive mental health. This, in turn, improves morale, productivity, and overall workplace safety. Maintaining and enhancing the hub—and replicating this model at future sites—should be a priority, as it aligns with evidence-based approaches like the WHO Healthy Workplace Model and Te Whatu Ora's emphasis on sustained wellbeing programs.

Key findings:

- Workers want practical support with GP enrolment and prescriptions, highlighting a need for clearer pathways to primary care.
- Perceived barriers such as time off persist despite managerial flexibility, indicating that education and communication around workplace processes must improve.
- Managers recommend on-site clinics, partnerships with local providers, and easier booking systems for temporary workers to enhance accessibility.
- Both workers and managers stress reducing stigma and promoting openness around health issues as essential for long-term wellbeing.
- The presence of a dedicated hub is critical for supporting Hauora. Feedback and research show that a comfortable space where workers can sit, connect, and recharge during breaks promotes rest, social interaction, and informal access to health information. This hub not only improves morale and engagement but also aligns with evidence-based models like the WHO Healthy Workplace framework and Te Whatu Ora's emphasis on sustained wellbeing programs. Maintaining and enhancing this hub—and replicating it at future sites—should be a priority.

Recommendations:

To enhance access to healthcare services for workers, WFCD should establish an on-site clinic operated by a Nurse Prescribing Practitioner. This clinic would provide convenient access to routine health check-ups and repeat prescriptions, reducing delays and improving continuity of care.

Increasing visibility and awareness of available services is equally important. A visually engaging poster outlining the WFCD health ecosystem should be displayed prominently on the notice board by the doors workers pass as they leave the hub or return to site, ensuring consistent exposure at key transition points. This should be supported by regular digital updates and health briefings.

Improving workers' understanding of how to access time off for health-related needs is essential. Targeted awareness campaigns and educational initiatives should use a multi-modal approach—workshops, digital resources, and printed materials—to ensure all workers clearly understand how the New Zealand healthcare system operates and how to enrol with a General Practitioner (GP). Collaboration between WFCD and managers will be critical to reinforce these messages and promote long-term sustainability.

A central recommendation is the maintenance and replication of a dedicated hub—a space where workers can sit, connect, and recharge during breaks. Evidence from WorkSafe NZ (2021) and Anxiety New Zealand (2021) shows that such spaces support hauora by promoting rest, social interaction, and informal access to health information. Research confirms that when workers feel well, have time to eat, and engage socially, they demonstrate higher morale, better engagement, and improved productivity (Albulescu et al., 2022). In high-pressure construction environments where deadlines and budgets dominate, ensuring workers' wellbeing through a hub is not just beneficial—it is essential for safety and performance.

Expanding on-site clinical presence can be achieved by:

- Adding more nurse-led clinics or extending clinic hours to cover multiple shifts, ensuring workers across all rosters have access to healthcare.
- Employing part-time or rotating healthcare professionals such as physiotherapists and mental health practitioners to broaden service availability.
- Building partnerships with local health providers—including GP practices, urgent care centres, and physiotherapy clinics—to offer priority appointments and continuity of care.
- Implementing regular health monitoring through annual or biannual checks (blood pressure, hearing, respiratory, musculoskeletal screening) to identify risks early and support proactive intervention.
- Introducing ergonomics and injury prevention initiatives such as manual handling training, ergonomic assessments, and quick-access physiotherapy to reduce workplace injuries and improve recovery outcomes.

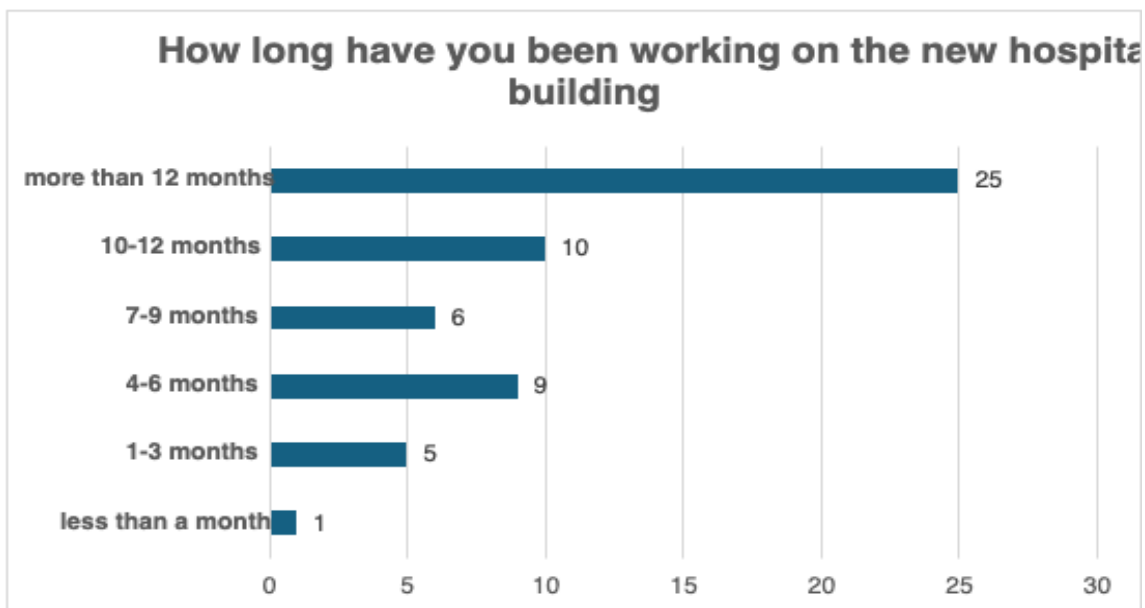
Promoting a strong health promotion culture is also essential. This includes incorporating wellbeing messages into toolbox talks, displaying health-focused posters, and offering incentives to engage workers. Managers should lead by example and actively promote the use of available health services.

Finally, providing multilingual materials and culturally appropriate care, including Māori health models and Pacific approaches, ensures inclusivity and supports a diverse workforce. If this pastoral care system is expanded to other construction sites, consultation with local iwi should be undertaken to establish culturally responsive and collaborative partnerships that reflect the needs and values of the local community.

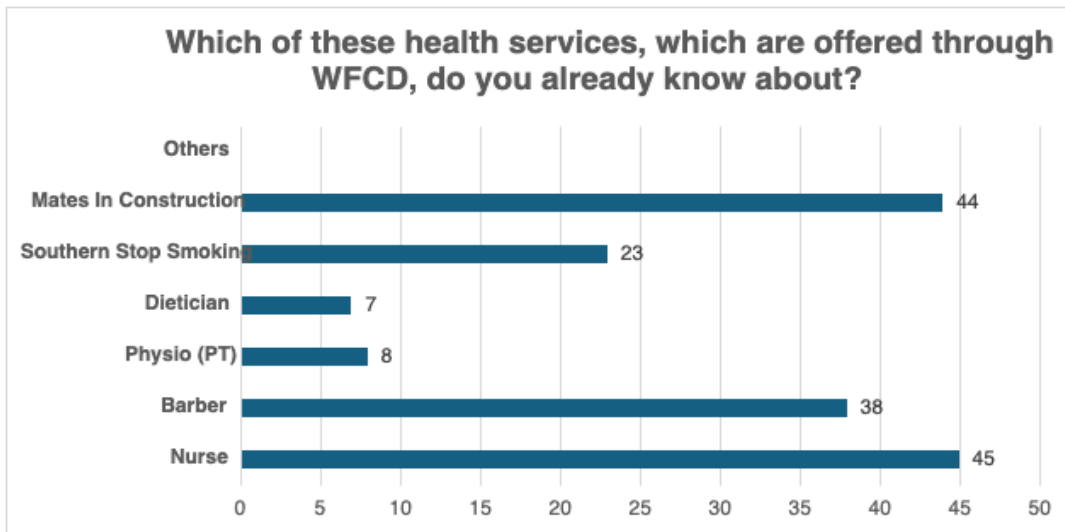
By combining these strategies—on-site clinical care, consistent communication through visual boards, cultural responsiveness, and wellbeing-focused spaces—WFCD can strengthen its impact and create a scalable model for worker health across future projects.

6. Appendices:

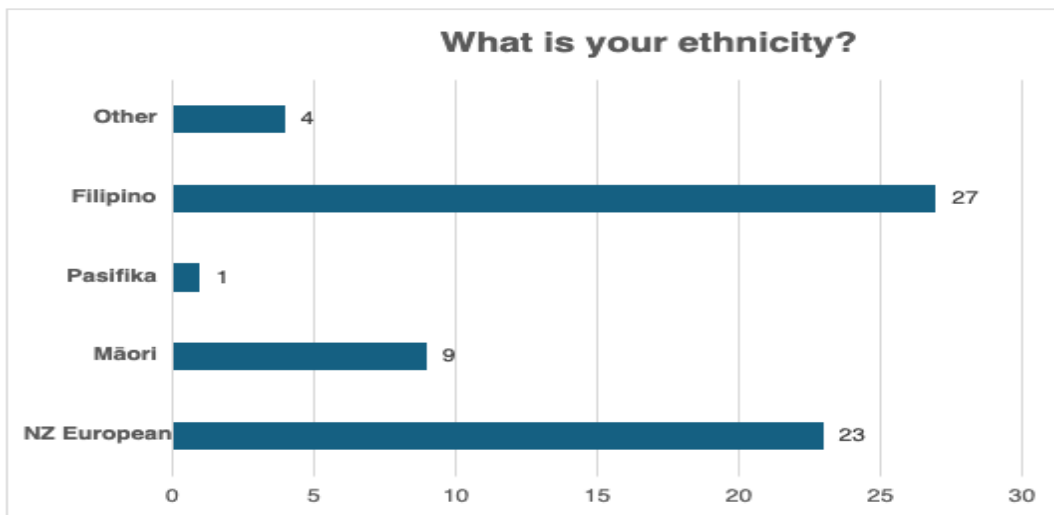
Appendix A:



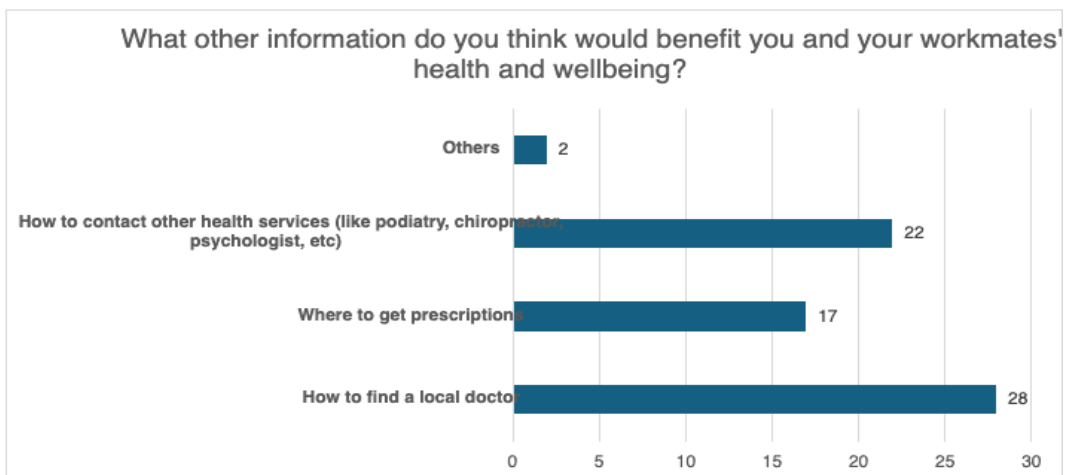
Appendix B:



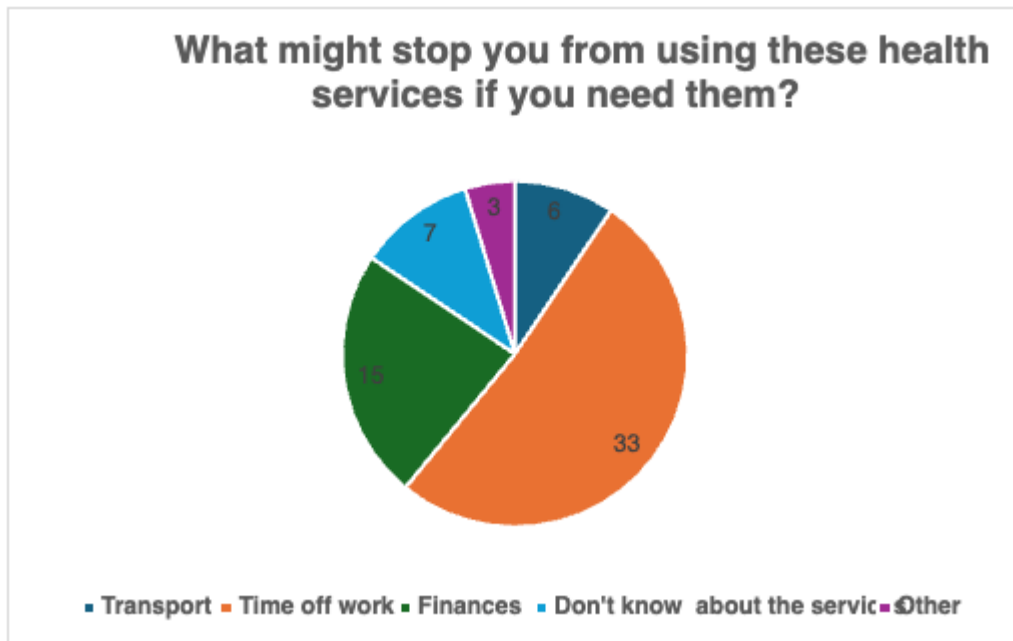
Appendix C:



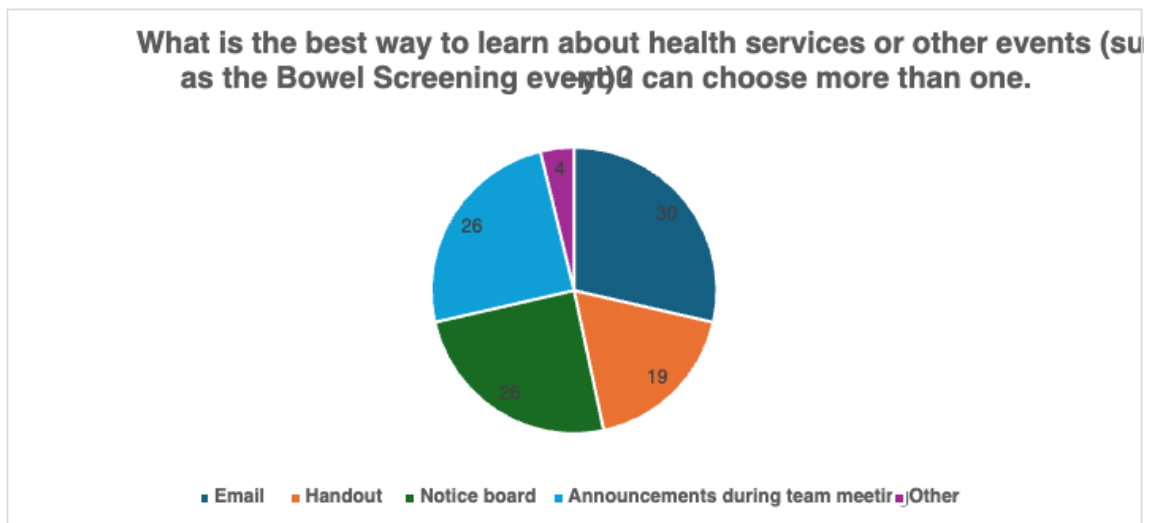
Appendix D:



Appendix E:



Appendix F:



Appendix G:

Q1 How long have you been working on the new hospital building

(Gaano ka na kataagal sa trabaho sa paggawa ng Dunedin hospital?)

less than a month	1-3 months	4-6 months	7-9 months	10-12 months	more than 12 months
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q2 What is your ethnicity? – tick box

(Ano ang iyong etnisidad? - i tik ang kahon)

NZ European	Māori	Pasifika	Filipino	Other
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

'Other' write here:	
----------------------------	--

Q3 Which of these health services, which are offered through WFCD, do you already know about? – tick box

(Alin sa mga serbisyong pangkalusugan na inaalok ng WFCD ang alam mo na?)

Nurse	Barber	Physio (PT)	Dietician	Southern Stop Smoking	Mates In Construction	Others
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If 'Other', please explain	
-----------------------------------	--

Q4 From the above health services offered through WFCD that you already know, list all that you have used.

(Sa mga nabanggit na serbisyong pangkalusugan inaalok ng WFCD na alam mo, ilista ang lahat ng iyong nagamit.)

--

Q5 What other information do you think would benefit you and your workmates' health and wellbeing? If there's more than one suggestion, tick all that applies or write your own.

(Ano pang mga serbisyo sa tingin mo ang makakatulong sa kalusugan at kagalingan ninyo ng mga katrabaho mo? Kung mahigit sa isang mungkahi, lagyan ng tsek ang lahat ng naaangkop o isulat ang sariling mungkahi na wala sa mga kahon.)

How to find a local doctor <i>Paano magkaroon ng doktor dito sa Dunedin)</i>	Where to get prescriptions <i>(Paano makakuha ng reseta sa gamot)</i>	How to contact other health services (like podiatry, chiropractor, psychologist, etc)	Others
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If 'Other' please explain	
----------------------------------	--

Q6 What might stop you from using these health services if you need them? – tick box
(Ano sa tingin mo ang mga hadlang sa paggamit ng mga serbisyong ito kung kinakailangan mo?)

Transport <i>(pagpunta sa lugar ng serbisyo)</i>	Time off work	Finances	Don't know about the services <i>(hindi alam ang mga serbisyo)</i>	Other
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If 'Other', please explain	
-----------------------------------	--

Q7 What is the best way to learn about health services or other events (such as the Bowel Screening event)? – you can choose more than one.

(Ano ang pinakamaigi na paraan para malaman ang mga serbisyo o iba pang mga kaganapan (tulad ng bowel screening event)? – maaari kang pumili ng higit sa isa)

Email	Handout	Notice board	Announcements during team meeting	Other
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If 'Other', please explain	
-----------------------------------	--

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Appendix 8

Reports from Applied Business Management students on the future of WFCD to change from a funded to a revenue business model. There are two reports, one from each Otago Polytechnic Intern.

These reports are not yet finalised by the Otago Polytechnic and will be circulated with the final report.

REPORT FROM Business Management Intern from Otago Polytechnic.



School of Business

Coversheet - Individual

Bachelor of Applied Management/Graduate Diploma/NZ Diploma in Business

Date	29/10/2025
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Executive Summary

This report investigates how Value-Based Service Design (VBSD) could benefit Workforce Central Dunedin (WFCD) as it aims to transition from a funding model dependent on recurring grant cycles to that of a sustainable hybrid-revenue structure. The research responds to WFCD's challenge of maintaining relevant as the government contributions supporting their operations conclude in 2025. This termination of contract conflicts with the organisation's capabilities as it continues to deliver social and community impact through workforce development beyond its proposed use-case of acting as a Job and Skills hub for the Dunedin Hospital Build (DHB) (BSI, 2025)

A mixed-method case study approach was applied, incorporating semi-structured interviews with three stakeholder groups (WFCD staff, employers, and job seekers) supported by internal document analysis and an industry review informed by Porter's Five Forces. The study draws on Service-Dominant Logic (Vargo & Lusch, 2015), which frames value as co-created through stakeholder interaction, and (Andreassen et al 2016)'s concept of dual-value creation, which identifies a relationship between organisational performance and stakeholder benefit.

The findings emphasise that WFCD’s success depends on strengthening organisational capacity, digital systems, and measurable evaluation processes. Embedding VBSD principles into everyday operations enables WFCD to enhance accountability and innovation while preserving its human-centred ethos , positioning the organisation as a sustainable connector within Dunedin’s evolving workforce ecosystem.

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Background of organisation and project

Workforce Central Dunedin (WFCD) is a Job and Skills Hub located in Central Dunedin, operating as a subsidiary of Business South Incorporated (BSI). Established in 2020, WFCD was created to support workforce recruitment and training for the Dunedin Hospital Build (DHB)—one of the region’s most significant infrastructure projects. Its purpose aligns with BSI’s wider objective of promoting sustainable growth and organisational agility across Otago and Southland through regionally focused workforce initiatives.

WFCD’s operations were initially supported by government funding through the Ministry of Business, Innovation and Employment (MBIE), the Ministry of Social Development (MSD), and Te Puni Kōkiri (TPK), with additional investment from Southbase Construction. This funding model provided stability during the hospital project but created a dependency on externally driven financial support. Approximately 70% of WFCD’s operating budget remains reliant on government grants, restricting autonomy and innovation in long-term service delivery.

As the New Dunedin Hospital Build (NDHB) nears completion, the termination of government funding poses a significant threat to WFCD’s long-term viability. The organisation’s reliance on project-based funding cycles reinforces its vulnerability to political and economic shifts, constraining development toward self-sustainability. These structural limitations threaten organisational stability and risk employer disengagement should WFCD be unable to demonstrate greater operational independence.

This dependency forms the catalyst for the research project, which investigates how VBSD can benefit WFCD’s transition toward a hybrid-revenue model. Applying principles of co-creation, stakeholder alignment, and outcome-oriented design, the study looks to communicate how WFCD can strengthen organisational resilience and sustain long-term relevance within their niche operational environment. Insights gathered from academic literature and stakeholder perspectives surrounding resilience and income diversification, further inform the generation of recommendations that remain both constructive and contextually ground.

Furthermore, the findings also contribute to broader discussions wherein semi-public organisations may aim to achieve sustainability whilst balancing their social and community objectives. This broader context establishes the foundation upon which the present research project is positioned.

Project Aim and Research Question

Given these organisational and structural conditions, the aim of this research is to investigate how Value-Based Service Design (VBSD) can support Workforce Central Dunedin (WFCD) in addressing the structural and financial constraints it faces as it transitions toward a hybrid-revenue model following a merger. WFCD's reliance on government funding and limited autonomy restricts its capacity to adapt to industry needs and diversify income streams (Zhang et al., 2023). This study explores how VBSD—through its principles of co-creation, stakeholder alignment, and outcome orientation—can enhance service delivery and build organisational resilience (Trischler et al., 2018).

The central research question is:

What are the challenges and benefits of applying Value-Based Service Design (VBSD) within WFCD?

To support this aim, three sub-questions guide the investigation:

1. How do WFCD's staff, employers, and job seekers define and measure value in their interactions?
2. What organisational constraints influence WFCD's ability to apply value-based approaches?
3. How have comparable organisations adopted VBSD to strengthen sustainability and stakeholder engagement?

The research findings aim to identify practical mechanisms; co-creation processes, value-measurement tools, service-delivery models which can be reworked to be contextually applicable, to communicate how VBSD principles can be operationalised and strengthen WFCD's organisational resilience.

Literature Review Summary

Theme 1: Value-Based Service Design – Operationalising Principles (462)

Value-Based Service Design (VBSD) redefines organisational understandings of value, shifting emphasis from efficiency or transactional exchanges to co-creation between stakeholders (Andreassen et al., 2016; Yu et al., 2017). The framework's core principles: participatory design, stakeholder alignment, and human-centredness, define the basis of what (Andreassen et al. 2016) calls "dual-value creation" and raises the argument that VBSD can complement organisational performance, whilst improving tangible benefits for parties engaged in the process. From a strategic

perspective, VBSD has been positioned as a capability that strengthens organisational adaptability and long-term sustainability (Andreassen et al., 2016; Kurtmollaiev et al., 2017). Examples such as improved retention and reduced recruitment costs benefits employers, improved employability and career stability benefits job seekers, and increased job satisfaction and capabilities for operational development impacting staff. This perspective poses relevance to WFCD as its operational model is financially reliant on government funding, and remains influenced by the direction its parent organisation, BSI, adopts.

(Rosler et al, 2021) Shows that semi-public organisations are often difficult to apply co-creation to due to their rigid regulatory frameworks, however, some literature suggest that a workaround to this may stem from embedding VBSD as a means to redirect the nature of the organisation from a transactional service provider to an outcome-oriented partner. This reinforces the importance of organisational flexibility and digital competence whilst enabling co-creation within highly regulated contexts (Rosler et al, 2021).

These insights were considered when shaping interview questions with an example being, “When you think about your experience with recruitment or workforce services, what does value look like to you?”. This question looks to identify the tie literature had suggests exists, surrounding the perceived value of services and interactions and the relationship a stakeholder has with the organisation. (Yu et al, 2017) stresses that when staff are asked to define value within the business, they tend to note aspects such as efficiency, whilst employer’s may better associate value with cost saving or retention, and job seekers conversely with employability or wages. This diversity in responses highlights the challenge of finding a middle ground in multi-stakeholder environments, as value is never completely uniformly perceived (Yu et al., 2017). The interview question aims to ask participants to articulate their individual meanings of value as opposed to enforcing a predefined definition.

Similarly, the question “From your perspective, what aspects of WFCD’s current services create the most value?” emphasises VBSD’s influence in capturing lived experiences of value, which can be better defined by (Tuunanen et al, 2023)’s framework which identified micro-levels mechanisms, such as customer orientation and decision making. In asking respondents what they see as most valuable, the data collected can be understood through the lens of these mechanisms and explored with the intention of gauging alignment with the research.

A gap highlighted in the literature is that VBSD’s specific application to workforce development is less studied than that of consumer-facing and digital contexts (Snyder, 2019). This highlights the importance of using interview questions that allow stakeholders to communicate their understanding and experiences of value within this underexplored area.

Theme 2: Capacity as the Foundation for VBSD (532)

VBSD proposes a conceptual foundation for co-creation; however, its success depends on an organisation's capacity to translate principles into practice through systemic readiness, staff capability, and resource alignment (OECD, 2019; Vrbek et al., 2024). Capacity in this context reflects an organisation's ability to rework internal processes, enhance staff competencies, and adopt tools (such as digital systems and evaluative frameworks) to support sustainable and measurable outcomes. For instance, a Customer Relationship Management (CRM) platform can promote collaboration and track stakeholder engagement, while a Social Return on Investment (SROI) framework provides opportunities to assess the social and economic value co-created through service delivery. Earlier literature, such as (Shostack, 1982), framed service design as a technical mapping process emphasising efficiency and touchpoints. Contemporary research, however, argues that enduring value creation depends on an organisation's internal readiness, its ability to support the co-creative interactions that drive participatory, stakeholder-aligned, and human-centred approaches (OECD, 2022). Participatory design involves the active inclusion of stakeholders in shaping services; stakeholder alignment refers to the coordination of organisational objectives with stakeholder needs; and human-centredness prioritises user experience and empathy in decision-making (Andreassen et al., 2016; Yu et al., 2017). These principles rely on organisational capacities to sustain ongoing collaboration and reflexivity. (Lovik, 2016) argues that many service design initiatives fail because organisations overestimate their preparedness, creating what she terms a false sense of readiness. Similarly (Vargo et al, 2016) highlight that the co-creative potential of VBSD is realised only when internal structures can be reconfigured to support shared value creation. (Deligiannis, 2025) Builds on this understanding by suggesting that semi-public entities often face compounded barriers due to externally imposed regulations and funding constraints. These consequently limit the agility required to endure innovation

This theme aligns well with two specific interview questions: "What resources or capabilities do you think WFCD most needs to strengthen in order to deliver greater value?" and "What challenges or gaps have you noticed in WFCD's current services?". These questions explore capacity and constraint, identifying the organisational enablers and limitations that shape WFCD's ability to operationalise VBSD and achieve sustainable, co-created outcomes.

WFCD exhibits similar structural dependencies. Its budget and operational direction remain largely determined by Business South Incorporated and central-government funding. Constraints like these restrict autonomy and limit the development of services aimed at responding to employer or jobseeker needs quickly (OECD, 2019, 2022). (Chakkol et al, 2014) further contend that organisations

reliant on cyclical grants often struggle to adapt to fast-changing market demands, reducing their responsiveness and innovation capacity. Literature on workforce-development services also showcases that insufficient internal resourcing can erode stakeholder trust and engagement while limitations in staffing and capabilities constrain personalised support. Additionally, employers may misinterpret these challenges as diminished reliability and generate negative perceptions toward internal stakeholders (Baldenweg-Bölle, 2022). This misalignment between organisational capability and stakeholder expectation perpetuates disengagement and undermines perceived value (OECD, 2022).

A critical gap in the literature is that while capacity is widely recognised as a precursor to innovation and trust, its application within semi-public workforce contexts remains underexplored (Vrbek et al., 2024; Deligiannis, 2025). Existing findings, predominantly from private-sector studies, may not account for the regulatory oversight and dependency characteristic of organisations such as WFCD. This highlights the importance of examining how capacity influences the operationalisation of VBSD within constrained governance environments. The emerging hypothesis is that the extent to which WFCD can embed VBSD principles will depend on its internal ability to balance systemic readiness, staff development, and resource flexibility.

Theme 3: Innovating Services and Revenue Models (560)

Moving beyond the discussion of capacity, the topic of innovation should be equally noted as an extension of VBSD that's use-cases allow for internal readiness to be reflected into external outcomes. Service innovation allows organisations to reconfigure how value is delivered, aligning stakeholder expectations with organisational sustainability (Reypens et al., 2016). (Crossan et.al, 2017) suggests that earlier literature predominantly viewed innovation as a mechanism best suited to improving efficiency, or competitive advantage, however, some examples of contemporary research has sought to redefine this. (Patricio et al, 2018) for instance, describes innovation as a process value transformation, one wherein service design and co-creation are equally integrated into business practices to promote commercial viability and community trust and acceptance. This perspective anchors VBSD as fundamental component necessary for embedding innovation within organisational practice, accounting for settings wherein success measures are influenced by a number of stakeholders.

Innovation and service design can be seen as interconnected with both frameworks emphasising responsiveness and the need to integrate systemic changes for long-term benefit. (Nenonen et al, 2020) briefly adds to this understanding through their acknowledgement of strategies such as service bundling and tiered membership schemes, stating these have identifiable benefits following their

integration as revenue streams across organisational structures. Similarly (Patrício et al. 2018) proposes innovation to be a systemic process, stating that it strengthens value co-creation by aligning design thinking, stakeholder engagement, and performance feedback loops. Finally (Polese et al. 2017) builds on these points, introducing evaluative frameworks (such as SROI) as a means to demonstrate the visible and measurable impacts of value creation. These studies compile insights and build understanding, with the commonalities amongst them suggesting that effective innovation relies on both organisational agility and stakeholder collaboration.

WFCD's reliance on public funding and alignment with BSI constrains its capacity to diversify possible sources of income. This contrasts private recruitment agencies which maintain independence through revenue-generating models such as placement fees, subscription-based partnerships, and training services (Fu, 2015). Despite this, WFCD maintains its ability to develop through its individual assets. Its established employer relationships, perceived neutrality amongst larger competitors and within its supported workforce, and strong pastoral support are strengths that can be leveraged. The creation of tiered employer memberships, retention-linked service guarantees, and integrated training bundles are outcomes that combine workforce development and recruitment functions and are examples of areas focused on by successful neighbours in the industry (Nenonen et al., 2020). These forms of innovation align with VBSD by balancing stakeholder outcomes with measurable organisational value.

From a stakeholder perspective, innovation is deeply connected to perceptions of value and willingness to invest. An employers' readiness to pay for enhanced or outcome-based services is greatly influenced by how they perceive reliability, the transparency of staff, and impact felt or observed from a monetary standpoint. As such, despite SROI offering a means to measure social outcomes, there is limited evidence on how employers in semi-public service contexts determine financial worth or return on investment (ROI). This gap in data emphasizes the need for research into how employers perceive the monetisation of outcome-oriented recruitment models, and their impact on promoting stakeholder engagement within the industry currently and beyond.

Research Methods section

This research utilises a mixed-method case study approach with WFCD positioned as the principal organisation (Yin, 2018). The case study approach is appropriate given the applied nature of the project alongside the need to explore WFCD's organisational, financial, and stakeholder contexts influence its capacity to adapt to a hybrid-revenue model (Yin, 2018). The mixed-method strategy helps strengthens the analysis by combining qualitative and contextual data gathered through a

document analysis (Creswell et.al, 2018). This method further supports data triangulation in combining qualitative insights with the contextual interpretations of value creation communicated by stakeholders within the industry, producing findings that are both detailed and theoretically informed.

Using semi-structured interviews and document review provides detailed accounts of how value is defined by stakeholders with an industry analysis guided by Porter's Five Forces additionally providing organisational context within the broader recruitment environment. Together these methods develop a comprehensive understanding of the systemic factors (organisational capacity, stakeholder interdependence, and market pressures) that influence how value is perceived and centralised to VBSD. Porter's framework does not act as a form of data collection; however, it is utilised for interpreting how WFCD operates within competitive and structural constraints, clarifying external influences on its ability to apply VBSD.

This approach focuses on gaining a deep understanding of the context rather than producing broad statistical results. The study's focus is understanding how adopting VBSD principles can strengthen WFCD's organisational adaptability, identifying the enabling processes for its transition between operational models, and aligning the expectations voiced by stakeholders with its future internal capacity.

Data collection Method 1: Semi-structured interviews

The primary means of data collection will use semi structured interviews to gather information from three key stakeholder groups, these being, WFCD staff, construction employers, and recent job seekers (Saunders et al., 2023). These groups are representative of the parties most directly affected by WFCD's services and are therefore ideal candidates for communicating how the organisation's value is currently understood, and experienced. A spectrum of biases is acknowledged with the relationships the respective groups have with the organisation impacting how they perceive value in WFCD and its efforts within the workforce.

WFCD staff will have perspectives more accurately tied to the internal capabilities and the organisational constraints alongside existing service delivery practices. Their insights highlight the alignment of VBSD principles, such as co-creation and outcome orientation, with current operations. Furthermore, due to their understanding of internal operations, discussions aimed futureproofing WFCD may identify gaps wherein these principles could be better applied and any limitations that could exist or occur.

Construction employers will provide insights into perceived value to within the industry. Their viewpoints relating to WFCD are supported using Porter's framework with the addition of context-appropriate information incorporating an understanding of competing organisations within the industry. This assists in identifying organisation-specific criticisms and feedback and filtering out what is commonplace within WFCD's operational environment.

Job seekers provide a unique opportunity to share their experiences with WFCD's support, with the likes of placements and training opportunities acting as primary examples research can elaborate on to highlight potential gaps in provision and build on value creation.

Participants are recruited ethically with contact information gathered using WFCD's Operations Manager network of trusted participants used as a mailing list for invitation distribution by the researcher. Interested individuals contact the researcher directly with information sheets and consent forms then sent out by the research in accordance with their communication to ensure a shared understanding that participation is voluntary. Interviews focus solely on WFCD-related experiences and are conducted privately to prevent influence from staff. Responses are de-identified at transcription, and data may be withdrawn up to the point of analysis.

Semi-structured interviews are dually suited to this research as they balance consistency across stakeholder groups and provide platforms for information gathering and categorisation (Saunders et al., 2023). They support the exploratory purpose of the study, generating data reflective of perceptual insights and practical understandings, revealing how experiences are interpreted among different stakeholder groups whilst highlighting individual standpoints.

To reduce the risk of bias or limitations associated with a small sample size (ideally 8-10 participants), the study uses deidentification to protect participant anonymity, incorporate open-ended questions that encourage honest answers, and confirm findings using more than one source of data. A minimum of 3 participants for the employer and job seeker stakeholder groups is proposed, with a census of WFCD staff only resulting in 2 total participants. Due to the nature of WFCD's clients (employers) and job seekers having a likelihood of participation within the DHB, it is expected that a response rate of 4 or more participants would have been a hurdle. Whilst possibly yielding informative data, it would create difficulty given proposed time frame for data collection, as well as skewing an equal representation of data given WFCD's staff are a total of 2 participants.

Data collection method 2: Organisational Document Analysis

As secondary research a document review of WFCD's internal documents (i.e. Social Return on Investment (SROI) reports, operational plans, funding applications, and communications with BSI)

will be used to determine how the organisation utilises its services and how their organisational capacity is communicated to its stakeholders (Yin, 2018).

Document analysis is treated as an additional primary method as the new data for the research is generated through the coding and interpretation of semi-structured interviews. The additionality provided through document analysis captures organisational history and structure whilst communicating the adopted processes that detail its successes, utilizing data triangulation to strengthen the credibility of proposed future developments (Yin, 2018). Access limitations are addressed by analysing only approved materials shared through the operations manager and generalising relevant themes where appropriate.

Looking at how WFCD, and furthermore its parent organization BSI, identifies value provides insight into how VBSD can be operationalised in practice, showing alignment between stated objectives and stakeholder experiences.

Contextual Analytic lens: Porters Five forces

To complement organisation-specific data, an industry analysis guided by Porter's Five Forces will be used to provide a broader perspective that positions WFCD within the greater recruitment and workforce-development sectors (Porter, 2008; Raven, 2024). This framework highlights external factors within the operational environment such as competitive rivalry, bargaining power of employers and job seekers, and the threat of substitutes or new entrants.

Despite Porter's model remaining relevant when explaining market competition, it cannot account for the collaborative and relationship-based elements of value creation that are central to VBSD. Its usefulness is the strategic frame it provides that can assist with identifying external conditions that impact WFCD's capacity to support value-driven services.

Limitations and assumptions

While the chosen design provides depth and contextual understanding, the small sample size and reliance on voluntary participation restrict the extent to which findings can be generalised. The results are as such interpreted and acknowledged to be context-specific, with data reflecting WFCD's environment and similar hybrid organisations rather than the research and recommendations having a universal application. The research also assumes that stakeholder cooperation, digital access, and WFCD's operational stability remain consistent throughout data collection.

Ethics

The ethics application for this research project was submitted in week 5 of the Organisational Research Design course, with the recipients being the Otago Polytechnic School of Business Ethics Committee. Approval has been acquired as it is a requirement before data collection can occur to ensure the project aligns with the guidelines and ethical standards set by the institution. The process involved preparing a participant information sheet, consent form, and a participant recruitment invite.

The Otago Polytechnic School of Business Ethics Committee assessed the application and thereafter granted ethical approval (see Appendix A). Participants received information sheets and consent forms outlining the purpose, procedures, and voluntary nature of participation. To comply with ethical and legal requirements, all participants are provided with clear information detailing the project's purpose, their rights, and are reminded that participation is voluntary. Consent was obtained prior to interviews, and withdrawal was permitted until data analysis began.

Confidentiality is prioritised through the use of the de-identification of transcripts. Furthermore, all data will be stored on a password protected device with access restricted to the researcher and supervisor. In accordance with Otago Polytechnic's requirements, data will be retained for seven years before secure deletion.

Consideration has also been given to Māori participation, with the research respecting tikaka through practising culturally appropriate communication, recognising manaakitanga and whanaungatanga, and upholding the principles of Te Tiriti o Waitangi: partnership, participation, and protection.

In summary, this methodology provides a structured, ethical, and contextually grounded approach to exploring how VBSD principles can support WFCD's transition toward a sustainable hybrid-revenue model.

Discussion

This discussion interprets the research findings to investigate the applicability of VBSD principles in supporting WFCD as it transitions toward a sustainable hybrid-revenue model. The section links stakeholder perspectives with WFCD's organisational context and the structural dynamics of the regional labour market to demonstrate the practical benefits and challenges of integrating value-based approaches into its service delivery (Andreassen et al., 2016; Yu et.al 2017; Yin 2018). The discussion is guided by the central research question: "What are the potential benefits for WFCD in implementing Value-Based Service Design?"

The findings draw on primary data collected through semi-structured interviews with WFCD staff, construction employers, and job seekers, alongside an internal document analysis of Business South's 2024 Annual Report, WFCD's Funding Structure timeline (See Appendix A), and the 2025 Social Return on Investment (SROI) Report. (BSI, 2024; SROI, 2025) Together, these sources offer a comprehensive understanding of how WFCD creates and measures value within its operational environment tailored to supporting the DHB. Furthermore, it establishes a foundation for the industry analysis (Porter, 2008) that concludes this section.

Initial patterns emerging from interviewee responses (supported through quotes in later sections) indicates that WFCD operates as a connector between job seekers, employers, and government partners, producing benefits that extend beyond job placement into wider community and economic outcomes (Andreassen et.al, 2016; Rosler et.al 2021). The data also revealed structural challenges that impact WFCD, including limited internal capacity, high employer influence, and dependence on short-term government funding.

The remainder of this discussion is organised around three key themes that collectively explain how WFCD's current practices reflect and can further operationalise VBSD principles:

- Value Co-Creation and Social Impact
- Employer Collaboration and Market Responsiveness
- Organisational Capacity and Specialisation

Each theme interprets the findings in relation to both theory and organisational application to identify pathways for sustained value creation and long-term impact.

Participant no.	Stakeholder Group	Question Set	Key context foci
P1	Employer	Employer variation	<p>Institutional partnership and the evolution of workforce central's value</p> <p>Structural constraints: accountability, alignment, and sustainability</p>
P2	WFCD Staff	Staff variation	<p>Value creation vs. perception misalignment</p> <p>Sustaining mission under funding and structural pressures</p>
P3	Job Seeker	Job Seeker variation	<p>Navigating uncertainty through guided support and accessible communication</p> <p>Structural barriers and the desire for opportunity, connection, and integration</p>
P4	WFCD Staff	Staff variation	<p>WFCD as a connector, innovator, and legacy builder</p> <p>Structural fragility: resource constraints, reliance, and continuity risks</p>
P5	Job Seeker	Job Seeker variation	<p>Immediate responsiveness and individualised support as a source of value</p> <p>Perceived narrow scope, market barriers, and desire for diversified pathways</p>
P6	Job Seeker	Job Seeker variation	<p>Confidence, connection, and communication as foundations of perceived value</p> <p>Structural weaknesses: fragile employer links, variable reliability, and skill gap</p>
P7	Employer	Employer variation	<p>Training provision saves employers money and improves workforce skill</p> <p>Connector role supports smaller or intimidated businesses</p>
P8	Employer	Employer variation	<p>Limited job opportunities due to contractors' established workforces</p> <p>Need for expanded engagement and construction-specific expertise</p>

This table looks to provide context whilst maintaining anonymity , of the some of the data gathered and generalised through interviews.

Theme 1: Value co-creation and social impact

The first theme explores the mechanisms WFCD uses to generate measurable social value, looking to establish organisational context and reflect on the principles of value co-creation central to VBSD.

The 2025 Social Return on Investment (SROI) Report assessed WFCD's combined social and economic impact, stating that \$5.04 of value was generated for every \$1 invested (SROI, 2025). Its support in getting 254 individuals into employment (resulting in a sum over \$17.5 million in annual wages) and delivering training to 1,121 participants were metrics used to establish grounds for how the organisation measures value (SROI, 2025). These results were reflected by a consensus amongst interviewed participants wherein WFCD was consistently described as a trusted connector for job seekers, employers, and government partners. Job seekers emphasised increased confidence and belonging: "It brings a lot of confidence... knowing that they're looking for people and you've got a good chance of getting the job instead of just showing up as a random" (Participant 6) Others valued being treated "like a person, not a number," (Participant 6) reflecting WFCD's person-centred approach embedded into its business practices. Employers and staff alike also noted the importance of accessibility and reliability, with one participant explaining, "If you're texting a number, you know you're going to be talking to someone... not just a help bot or something" (Participant 1). The availability to provide personal communication and incorporate a degree of responsiveness that is uniquely individual, develops trust that distinguishes WFCD from more transactional recruitment models, oftentimes represented by privately funded organisations.

This relational dynamic contrasts with traditional labour-hire agencies, that typically prioritise placement speed and cost efficiency as a means to focus efforts into profit generation (WFCD Operations Manager personal communication, September 24, 2024). WFCD's relationship-focus builds long-term engagement and promotes trust amongst stakeholders and is more reflective of a public-value orientation aligning with (Rosler et.al 2021). (Rosler et.al 2021) argues that public service value is created when a focus is placed on "continuous ecosystem relationships" rather than discrete service encounters. These are relationships based on reciprocated and replicated interactions between organisations, service users, and government agencies (Rosler et.al 2021). When considering its application to a WFCD context, this is reflected in the long -lasting nature of the partnerships it has formed across stakeholder groups (WFCD Operations Manager, personal communication, September 24, 2024). This insight provides understanding behind the impact of WFCD's operational practices and how these produce outcomes that extend beyond immediate service delivery. The ecosystem that has formed as a result of its non-traditional approach to business, explains why confidence-building, job readiness, and employer reliability are perceived as

shared achievements rather than isolated results with these themes having shown up across a varied pool of applicants (IES, 2022).

The findings further demonstrate how WFCD's stakeholder relationships are intentionally shaped through VBSD principles, where services are co-produced with the collaboration of their stakeholders as opposed to fitting a unilaterally engineered mould designed to be fit-for-purpose and replicated for cost saving (Andreassen et al. 2016; Yu et al, 2017). This human-centred orientation ensures that each interaction contributes to a dynamic cycle of learning aimed to strengthen and improve service experience with the incorporation of feedback dictating changes to individual relationships. Such intentional design aligns with (Andreassen et al. 2016; Yu et al, 2017) who both emphasise that value co-creation occurs when organisational processes enable participation and mutual recognition amongst "actors". (SROI, 2025) justifies this design approach by assessing the resulting social and economic outcomes, and attributing reductions in overall job seeker reliance on the government benefit scheme, and stronger community participation, to WFCD's integrated support model (Bryson et.al 2023). This evidence aligns with (OECD, 2022)'s push for design-led innovation in public service delivery, with WFCD approach showcasing that inclusive, empathetic engagement with stakeholders can generate measurable, sustainable value.

Overall, these findings suggest that WFCD's relational model is dually effective in its ability to connect stakeholders as it is to provide foundational understanding of a framework replicable organisations aiming to sustain social value within hybrid public-service environments. (Wirtz et al 2021) observes that when public organisations align user outcomes with organisational sustainability, they experience value. WFCD's approach to relationship building is a contextually specific example demonstrating how human-centred practices key to aligning organisational perspectives with stakeholder understandings of business (Junginger , 2015).The next theme looks to build on this, examining how employer collaboration and market responsiveness utilize relational dynamics to expand WFCD's influence within the regional labour market.

Theme 2: Employer Collaboration and Market Responsiveness

The second theme examines how the partnerships WFCD's has with employers demonstrates organisational benefits of implementing VBSD. Employer collaboration is critical to WFCD's ability to co-create value within its niche operational environment. Its network of clients is formed and grown predominantly through localised communication, events and micro-interactions (WFCD Operations Manager, personal communication, September 24 2025). Employers repeatedly emphasised WFCD's reliability and relational consistency, with one participant noting that "we've been working with the same contractors for quite a while now, so there's a relationship there – they know who we are and

what we do” (Participant number 4) Another described how direct communication reduced uncertainty in recruitment, stating that WFCD’s staff “actually talk to people, not just send forms” (Participant number 2). These statements strengthen the arguments that collaboration is representative of a shared responsibility between stakeholders, and centres around partnerships built on trust and communication.

This approach to business is reflected in (Rosler et.al 2021)) wherein they argue that value in public service ecosystems is produced through maintained relationships between governmental, organisational, and service users as opposed to being appropriately represented within singular interactions. This collaboration is supported in (SROI, 2025), which highlights how WFCD’s work with employers and job seekers is strengthened through their understanding of site-specific project needs and ability to match candidate readiness with jobs, tasks and duties. Additionally, the funding structure (see Appendix A) acts as a visual representation of coordinated workforce-development partnerships that have been secured in response to labour needs. This change, as well as funding acquired to combat the economic uncertainties has not only managed to secure WFCD’s relevance one year longer, but it also reflective of the value funders and the community have seen the organisation exhibit within their operational timeframe (WFCD Operations Manager, personal communication, 24 September 2025).

Such practices demonstrate (Rosler et.al, 2021)’s concept of “reciprocal adaptation”, as well as the view of co-creation as an ongoing process. This mutual reliance that exists (where candidate preparation is informed through employer feedback and employers trust WFCD to provide work-ready staff) reduces recruitment costs whilst generating social returns through non-transactional metrics such as higher retention and job satisfaction rates (Rosler et.al, 2021).

Despite job-seeker perspectives on employer collaboration remaining limited, the feelings of preparedness and confidence were reflected in interviews with one participant stating that WFCD’s connections and relationship with an employer left them feeling , “ confident... knowing that they’re looking for people and you’ve got a good chance of getting the job” with further comment that it removed feelings of “just walking in somewhere as a random” (Participant number 6). The limitation in job-seeker specific feedback on this theme is supported by academic literature with (Yu et .al, 2017) noting that end-users are often unable to observe co-creation processes, with their roles and perceptions predominantly guided by their individual experiences as a customer. Identifying this boundary in real-world applications demonstrates that the application of VBSD can be seen through relational structures and is not purely limited to outwardly visible benefits.

WFCD's employer engagement is also representative of what (Rosler et.al 2021) describes as, "cross-sector value co-creation" , a collaborative relationship between public service organizations and private employers that creates social and economic outcomes otherwise unattainable through either sector independently with the same number of resources. Evidence from (SROI, 2025) supports this alignment stating that WFCD," partners with employers, training providers, and government agencies to create inclusive employment pathways that meet both industry demand and community need.

Collectively, these findings highlight the organisational and systemic benefits of VBSD implementation for WFCD these being its improved market responsiveness, enhanced employer trust, and encouragement of sustainable employment pathways. They show that its collaboration is grounded in shared values and mutual accountability strengthening its position as a connector and demonstrating their capacity to employ business practices that equally achieve economic efficiency and observable social impact.

Theme 3: Organisational Capacity and Specialisation

While Themes 1 and 2 examined value co-creation through stakeholder relationships, Theme 3 focuses on WFCD's internal capacity to specifically, the operationalisation of VBSD through its structure, resources, and workforce capability. Organisational capacity to adapt to oncoming changes is crucial to succeeding in the business' goal of sustaining value creation beyond individual relationships and transitioning into an environment better suited for systemised practice.

Triangulated evidence from staff interviews, WFCD's funding structure, and (SROI , 2025) shows that WFCD's capacity is not limited by its staff adaptability or competence in creating and maintaining relationships, but rather by limited financial freedom and staffing resources. These factors contribute to overlapping roles responsibilities, with a dependence on short-term grants restricting developments towards a more stable practice. These constraints are further emphasised by contractual obligations to maintain a steady workforce for the hospital build and operate primarily within its BSI's direction of focus, restricting WFCD's autonomy and long-term ability to embed VBSD principles (BSI,2024).

The (SROI, 2025)'s findings are reflective of the team's success, with the two-person operation yielding results such as a \$5.04 of social value for every dollar invested despite operating "close to its functional limits." Staff interviews further reinforce the team's capacity to adapt stating that, "everyone takes on a bit of everything", both as a response to minimising workplace inefficiencies, but also as a result of resource limitations (Participant number 2). A look at the funding structure (see Appendix A) illustrates that approximately 70% of WFCD's operational budget remains grant-dependant, with an overarching consequence thereof being a restrained capacity to invest in

strategic functions, such as service diversification, as well as evaluative functions, such as systemic impact measurement and data analytics (Johanson et. al 2020). The combined interpersonal strength, and structural fragility are both key characteristics (Vrbek et.al 2024) associates with hybrid-government tension. (Vrbek et.al 2024) further discusses how organisations forced to adopt adaptive cultures to combat limited institutional capacity are at greater risk to staff burnout, which when applied contextually, greatly threatens WFCD's service delivery given its small staff numbers and dependence on internal capabilities to remain relevant to BSI's mission.

Building on these insights, (Vrbek et.al , 2024) notes the importance of capacity-building in its role as a cornerstone concept when discussing the integration of VBSD principles with the intention of creating long-lasting organizational practices. WFCD currently benefits from strong personal relationships and adaptive flexibility; however, sustaining these practices long term requires internal adjustments that better support staff capability. This entails a minor focus on recognising and developing staff skillsets and a major focus on improving workload management and clarifying role responsibilities, with specialised tasks outsourced where appropriate. (Lovik, 2016) cautions that organisations where high commitment may act as a pretence for structural fragility are subject to a sense of, "false readiness", a condition which is equally amplified wherein a reliance on funding cycles can present uncertainty and constrain long-term planning. (OECD 2019, 2022) and (Deligiannis, 2025) all note the frequent imbalance hybrid organisations are subject to because of competing accountabilities which aim to prioritise compliance over innovation and limit their freedom to experiment with alternative service approaches or the diversification of revenue streams.

For WFCD to achieve greater operational freedom, it requires the development of formal, internal systems and evaluative mechanisms, providing it with a more evidence-based governance and transforming its adaptive practices into a structured marketable asset (OECD, 2020). Staff identified opportunities to strengthen operational systems and formalise internal processes. One team member noted, "We probably need something a bit more formal – a shared system so we're not relying on spreadsheets and emails all the time" (Participant number 1) whilst another supporting reflection stated that "It's hard to show what we're doing without proper tracking; we can see it day-to-day, but not easily in the data" (Participant number 2) These comments showcase the usefulness of adopting a centralised CRM-style platform to support data consistency and provide metrics for both the immediate and future impacts of WFCD's job seeker placements. They also further align with other observations that "everyone takes on a bit of everything" (Participant number 2) and that staff are "juggling admin, placements, and relationships all at once" (Participant number 4) emphasising the need for clearer role specialisation and system support.

WFCD's dual position within BSI as an operationally autonomous, yet strategically dependant "satellite service" demonstrates the already existing balance required to remain relevant. While approximately 70% of its budget remains grant funded (see Appendix A) its affiliation with BSI does enable it to share in the parent organisations administrative stability and reputational credibility, allowing for greater opportunities to gain insights and expertise that would be otherwise unavailable had WFCD not been a subsidiary.

WFCD's challenge now lies in adapting people-centred strengths into systems that can better learn, measure, and translate their impact across the varied endeavours within and beyond its original scope. Building stronger internal frameworks will allow the team to preserve the personal qualities that currently define its success as reflected in staff interviews and (SROI, 2025) while promoting the stability necessary to innovate and grow (Rosler et.al 2021). Doing this will enable WFCD to move beyond short-term project cycles towards a model that sustains value for its internal and external stakeholders, showing how VBSD principles can create benefits for an organisation already internally supported by staff capacity and concentrated skillsets.

Analytical Lens: Porter's Five Forces and Industry Context

The application of Porter's Five Forces framework as an analytical lens helps generate insights into the external conditions responsible for shaping WFCD's capacity to adopt VBSD into its operational environment. Despite its traditional use-case as a tool for competitive analysis, this application has been adapted to discuss the structural pressures and opportunities influencing the organisation's positioning as it aims to transition from a government-funded subsidiary, to a more hybrid public-private positioning within Dunedin's labour market.

Bargaining Power of Employers (Buyers)

WFCD's primary "buyers" are represented by large construction contractors and government agencies, with this group also having dual functionality as an argument can be made to suggest they share a role of clients, not unlike the job seeker stakeholder group. The influence they hold purely in demand and procurement power greatly impacts the direction of WFCD's scope as well as contractual terms, with associations such as the DHB's consortium and MBIE, both majorly contributing to either funding or project scope, shaping WFCD's operational focus through the use of procurement guidelines that dictate workforce targets and reporting requirements (MBIE n.d). At the current state WFCD's dependency on this dynamic would limit pricing flexibility had the organisation aimed for profit generation, however, their position also strengthens strategic relevance through its interpersonal business practices built on trust and outcome-based value creation, both of which are fundamentals of VBSD.

Bargaining Power of Job Seekers (Suppliers)

WFCD's job-seeker client base, when generalised, do not hold a considerable degree of market power due to a lack of qualifications, inconsistent work histories, and some having been reliant on a form of government-funded placement support, their ability to negotiate employment terms independently is limited (WFCD Operations Manager, personal communication, 24 September 2025). However, WFCD does provide opportunities to enhance this demographic's theoretical supply strength through the availability of small-scale training courses, pastoral support, and upskilling programs accessible to not only their past and current placement-holders but with a further extension to the entire workforce associated with the DHB project. These efforts develop a dual-value relationship wherein improving individual capabilities also has direct benefits to employer satisfaction and project outcomes. This dual-value creation embodies VBSD's emphasis on mutual benefit across stakeholder groups.

Threat of Substitutes

WFCD's substitutes vary due to its interpersonal approach to relationship building and subsequently local knowledge gained through this, serving as key differentiators from transaction-focused competitors. Acting as differentiators to organisations operating as transactional competitors. The organisation's community-focus, human centred model provides social return (SROI report) that cannot act as a one-for-one metric when drawing comparisons between themselves and private labour-hire agencies or national recruitment firms such as AWF, Tradestaff or Onestaff. These do however still pose a moderate substitution risk due to their greater reach and increased financial backing allowing for more opportunities to market prior projects as prospective examples of their successes.

Threat of New Entrants

WFCD's relationship with BSI has provided an easier entry into the market because of access to pre-established administrative structures, and a connection to the parent organisation's reputation both as a former government function (ex- chamber of commerce) and as a rebranded organisation with connections and relationships already built on its past affiliations. This has meant that establishing credibility amongst major contractors is an easier process when compared to new entrants which are subject to relatively high barriers to entry given the limited regional funding pools and regulatory expectations attached to any government contract, particularly those as large scale as the DHB. This does not translate to an immediately inaccessible position for upcoming organisations but does

mean a higher threshold for entry for those who do not have similar support.

Industry Rivalry

A direct rival to WFCD is not as straightforward as in cases where organisations are purely operating for transactional gains. The competition is more-so placed on access and usability of resources such as skilled labour, training subsidies and quality of employer relationships, with WFCD's closest counterparts being that of other Workforce Hubs within the region. This results in a form of co-competition, with other contracts or small-scale organisations collaborating with government initiatives, all competing for access to a funding pool limited by economic restraints.

Collectively, the analysis reveals that what makes WFCD distinct in the regional workforce, is in its strategic application of relationship building with stronger connections built on trust, transparent communication, and an effort to co-create a service delivery specific to its clients. The qualities are reflective of VBSD and remain difficult for conventional practices to replicate or imitate, emphasising the importance of meaningful associations and service diversification, providing a natural link to future research on adaptive hybrid-funding models.

Application, Limitations, and Future Research

The insights generated through this study are applicable beyond WFCD's immediate context, offering practical and theoretical implications for other organisations navigating the difficulties associated with balancing financial stability and social purposes through operational transitions. Applying VBSD principles within WFCD has shown how service design centred on trust, transparency, and collaboration can strengthen social outcomes while improving organisational adaptability. These findings however also showcase the pitfalls and consequent fragility that these business practices can have in resource-constrained environments forced to rely on grant-dependency for financial stability. The organisation's reliance on short-term contracts, limited staffing, and alignment with Business South's administrative systems restricts its long-term autonomy and further emphasises staff belief as to what the future direction should look like. These findings highlight that to leverage the already existing principles of VBSD within WFCD, the organisation requires ongoing commitment to operational development. Increased capacity of staff expertise, the bolstering of digital systems, and the adoption of evaluative tools would provide data-driven evidence of impact, complementing the personal stories and SROI report which currently demonstrates community reach.

Several limitations shape the scope of these findings. The small, qualitative sample size limits generalisability of the research, whilst the dominance of employer and internal perspectives may

have presented a bias, overshadowing viewpoints of the community and number of job seekers impacted. These are shortcomings that could be better addressed with research conducted over a longer period of time and with a greater split in addressing the workforce directly. Contextually, WFCD's position as a government-funded subsidiary transitioning toward hybrid status also means these insights may not be directly transferable to privately financed workforce connectors or satellite contracts.

Future research could use a longitudinal evaluation approach to better understand how value co-creation evolves and whether hybrid funding structures support long-term sustainability (Bryson et.al, 2023). WFCD provides a contextual basis, with findings creating a foundational understanding around the influence VBSD may have on similar organisations, their performance and stakeholder outcomes over time. Equally, it may signify a starting point for similar research, or a reflective piece should more work be done on reflecting the organisations evolution. There is also scope for research exploring the influence of value-based frameworks when considering how policy decisions may impact social procurement and workforce development, that if conducted in conjunction with one another, would provide insights that are far more generalisable to other workforce hubs and benefit the greater community.

Conclusion

This research explored the challenges and benefits of applying Value-Based Service Design (VBSD) within Workforce Central Dunedin (WFCD) as it transitions from a government-funded model to a sustainable hybrid-revenue organisation. The findings demonstrate that WFCD already embodies core VBSD principles with co-creation, stakeholder alignment, and human-centredness already at the heart of its operations and business practices. demonstrated by its trusted relationships with employers, job seekers, and institutional partners. A mixed-method approach, supported by the 2025 SROI Report, and BSI Annual Report act as major contributors to communicating how these practices have produced measurable social and economic outcomes, reinforcing WFCD's value as a connector within Dunedin's workforce ecosystem.

The study did however also identify systemic challenges which limit the full integration of VBSD. Areas such as resource constraints, staff responsibility overlap, and the dependency on short-term grants impede on WFCD's ability to scale existing practices. Additionally, the absence of digital evaluation systems further limits its capacity to showcase measurable success beyond the value instilled and felt by the community it has touched. Despite these barriers, WFCD's adaptive culture and interpersonal strengths have allowed for community trust to develop and present a strong foundation for its transition.

Overall, the full integration of VBSD presents a pathway for WFCD to enhance operational resilience, demonstrate measurable value creation, and maintain stakeholder engagement beyond the DHB. The following recommendations propose practical strategies to operationalise these findings and guide WFCD's development toward long-term sustainability.

Recommendations

The following recommendations draw on the principles of co-creation, stakeholder alignment, and human-centredness while responding to WFCD's immediate financial and structural constraints. Each recommendation aims to operationalise and present feasible actions to support WFCD's transition from a government-funded initiative to a sustainable, hybrid-revenue organisation. Collectively, they can provide an integrated pathway toward redefining WFCD's market positioning within its operational environment, while supporting a future wherein the organisation's contributions to the construction sector are not only relevant, but equally, redefined.

Recommendation 1: From Conversations to Insights

Implementation time (0-12 months)

What

WFCD should adapt its existing Annual Success Conversation Template (currently utilised for yearly staff performance appraisals) into a digital Customer Relationship Management (CRM) and impact-measurement tool. This adaptation would aid WFCD to systematically capture data on stakeholder engagement, job placements, training completions, and retention outcomes without requiring an immediate investment in commercial software and threatening the uncertainty associated with financial security in the next 12 months.

How

1. Update the digital template with each "Priority Goal" field (see Appendix E) converted into quantitative outcome categories aimed at collecting non-anecdotal data. Populate these with categories such as employment duration, employer engagement frequency, and diversity targets achieved.
2. Perform quarterly reviews on data to create performance dashboards that make value visible, tracking both operational and social outcomes to provide insights that can be sector-specific, as well as reflective of the organisation operationally. (4x every 3 months)
3. Integrate the dashboard with Business South's reporting systems to maintain alignment with governance and compliance frameworks. This equally provides information that would either

be naturally outsourced to another staff member, or business professional, reducing the workload of both BSI and WFCD by incorporating visual summaries as a replacement for dedicated sections within report writing. (3-6 months)

4. Use these metrics to support future negotiations for outcome-based contracting with the potential government funders such as Ministry of Social Development (MSD) or private funders breaking into the market. (9-12 months)

Why

This recommendation directly addresses WFCD's need for measurable data, as well as strengthening accountability and transparency to substantiate any future hybrid-funding arrangements. It converts the impact of social outcomes into verifiable data, providing an openly available resource demonstrating value co-creation across stakeholder groups and reinforces the credibility of the organisation's interpersonal way of doing business whilst still measuring public value. The approach is reflective of VBSD's outcome-orientation and transparency principles and builds internal evaluative capability in a financially feasible way with little time needed for integration, laying a digital foundation for a more sophisticated CRM platform to develop.

Recommendation 2: Connecting Talent, Digitally

Implementation time (12-24 months)

What

WFCD should outsource the design of a hybrid digital self-service portal that allows job seekers to register, update their profiles, and manage their employment readiness or status online. Outside of its primary goal of streamlining enrolment and minimising individual workloads, the platform will serve as a active talent-pool system by grouping candidates under categories such as trade, qualification, and availability. This can act as a technological foundation for WFCD's evolution toward a value-based labour-hire model, a resource that if created could be a source of income through employer subscriptions or tiered-access models. Alternatively, it could be seen as an access-negotiable asset when securing future arrangements with funders.

How

1. Develop an accessible, mobile-friendly portal that allows job seekers to register, upload CVs, and record key details such as certifications, site-safety status, and licence class(s).
2. Integrate filters as a means to categorise individuals by skillset and sector, enabling WFCD to identify suitable matches rapidly on an interface specific to their candidate-roll and updating staff with the absence of workers should they choose to leave their employer.

3. Allow employers restricted access to anonymised or profiles for pre-screening, with WFCD staff brokering introductions and ensuring compliance. This additionally still provides WFCD to maintain a relationship between themselves and their candidates.
4. Ensure accessibility across literacy and education levels by offering assisted onboarding, multilingual navigation, and short tutorial videos with shortcuts accessible via links, demonstrating what steps to follow in order to complete a specific task.
5. Tie the portal to the CRM (Recommendation 1) so placement, retention, and diversity data feed directly into performance dashboards and streamline procurement reporting.

Why

This recommendation reduces some administrative burden associated with in-person interviews, enhances accessibility and understandability across individual backgrounds, and shifts WFCD into a more current era of workforce placement with a greater focus on proactive matchmaking.

Automating transactional tasks provides more opportunities to generate and build on employer engagement. Fundamentally, the system acts as a stepping-stone toward a value-based labour-hire model should WFCD look to take on the endeavour in a way truer to their own practices. Using this framework, WFCD could manage short-term placements through service agreements that still prioritise its current human-centred approach to business with retention, wellbeing, and inclusion outcomes remaining a priority.

Areas for Further Research

Despite this study yielding insights into how VBSD can strengthen WFCD's organisational sustainability and stakeholder engagement, several areas require further investigation for a deeper understanding around how to best support the organisation's long-term strategic development.

Exploring the feasibility of social-procurement accreditation

A suggested approach to further research should look to assess the policy alignment of developing a social-procurement accreditation framework for WFCD. Using MBIE's, "Broader Outcomes in Procurement", policy would provide a better knowledge of how WFCD's current employment and training outcomes could be measured against national accreditation standards. Clarification on accreditation status could provide an easier transition into acquiring a funding stream and recognition within public-sector contracting. This addresses WFCD's continued relevance beyond the DHB and is representative of one of the core challenges identified through the research.

Measuring the wider regional impact of VBSD application

A regional study identifying the impact of VBSD principles adoption within workforce hubs and training distributors could help assess the replicability of WFCD's practices across industries. Such comparative research, though extensive, would expand the current understanding of VBSD as a tool for system-level innovation and possibly acknowledge its applicability within a wider ecosystem as a framework to catalyse or elevate operational performance.

Declaration

AI was used throughout this assignment with chatgpt used to refine wording and help refine my recommend section and executive summary. Furthermore co-pilot was used for interview coding .

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REPORT FROM Intern, Business Management Intern from Otago Polytechnic.



CHANGING FROM BEING FUNDED TO EARNING REVENUE

A qualitative analysis on how a government funded project may adopt commercial strategies to earn its own revenue, October 2025.



Executive Summary

Workforce Central Dunedin (WFCD) is a government-funded workforce development programme based in Dunedin and delivered under *Business South* (formerly the Otago Chamber of Commerce). Established through Te Ara Mahi and the Provincial Growth Fund, WFCD connects local people—particularly Māori, Pasifika, women, and others facing employment barriers—to sustainable training and jobs linked to major regional projects such as the *New Dunedin Hospital* build. This applied research examined how WFCD can move from short-term grant dependence toward a self-sustaining, outcomes-funded business model while maintaining its social purpose. It evaluated existing operations, partnerships, and governance arrangements to identify funding and management approaches that ensure long-term viability.

The study was motivated by the pending reduction in government funding from 2026 and the need to secure WFCD's ongoing capacity to deliver inclusive employment outcomes. It sought to identify alternative hybrid business models aligned with New Zealand's *Progressive Procurement Policy* (MBIE, 2023) and the *Construction Sector Accord* (2024), both of which emphasise social value and broader outcomes in public contracting. A qualitative case-study approach was adopted. Semi-structured interviews were conducted with WFCD staff, governance members, and partners including MSD, CPB Contractors, and Stellar Projects. Secondary sources such as the *SROI Report (2025)* and policy documents were analysed thematically and triangulated. The interpretation drew on Resource Dependence Theory (Pfeffer & Salancik, 1978), Public Value Theory (Osborne, 2020), and Hybrid Organising (Battilana & Lee, 2014) to explain how WFCD's social outcomes can be monetised through measurable, fundable contracts.

Findings show that WFCD delivers strong social value, enhancing wellbeing, retention, and inclusion, but lacks mechanisms to convert this impact into income. Reliance on a single anchor project and fragmented funding creates vulnerability. The research concludes that sustainability depends on embedding inclusion and wellbeing measures in procurement contracts, institutionalising *SROI* reporting, formalising strategic partnerships (e.g., MSD and Business South), and diversifying revenue sources.

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Background of organisation and project

Background information on the host organisation:

Workforce Central Dunedin (WFCD) is a regional employment and training hub established to support labour market needs associated with the construction of the New Dunedin Hospital and wider infrastructure projects. Operating as a network of employers, training providers, government agencies, and mana whenua representatives, WFCD's mission is to connect local people with sustainable employment pathways while ensuring a steady supply of skilled workers for critical projects.

WFCD plays a dual role as both a labour market broker and a community development initiative. On one hand, it addresses immediate workforce shortages in the construction and trades sectors by facilitating recruitment, training, and on-site induction. On the other, it provides wrap-around support services such as pastoral care, cultural induction, and retention programmes, recognising that sustainable employment depends not only on technical skills but also on wellbeing and community connections.

Currently, WFCD is navigating a strategic shift from being largely government-funded to developing a self-sustaining, commercially viable model. This transformation requires the organisation to professionalise its internal structures, clarify its long-term value proposition, and strengthen its operational resilience. A critical enabler of this transition is its People & Culture (HR) function. With staff acting as brokers, facilitators, and relationship managers across diverse stakeholders, aligning P&C with WFCD's strategic goals is essential for building the capacity, motivation, and networks required for success.

Introduction to the catalyst:

WFCD operates in a highly complex environment where labour market shortages, community expectations, and project-specific deadlines intersect. The catalyst for this research lies in the organisation's transition from a largely government-supported initiative to a sustainable, self-directed workforce development hub. While WFCD has achieved early success in placing workers and coordinating training, the challenge now is to ensure these efforts remain strategically aligned, scalable, and resilient as funding structures and stakeholder demands evolve.

Research project:

The focus of this research project is aligned with WFCD's new strategic direction—transitioning from a government-funded workforce hub to a financially self-sustaining enterprise through the commercialisation of its service offerings. The research examines how WFCD can restructure its organisational model to generate revenue while retaining its social mission and alignment with Business South's governance framework.

The context recognises that WFCD's existing funding from the New Dunedin Hospital project and government grants is temporary. As this support tapers off, WFCD faces the challenge of developing a business model that integrates commercial income streams, such as employer-funded services, training contracts, and outcome-based partnerships. The project therefore seeks to identify practical ways to convert WFCD's existing strengths—its reputation, partnerships, and proven social impact—into sustainable financial value.

This study investigates how WFCD can reposition itself within the regional labour market ecosystem to offer contractible services that meet New Zealand's Progressive Procurement and Construction Sector Accord requirements for inclusion and wellbeing. By analysing hybrid business models and organisational change frameworks, the project provides a roadmap for how WFCD can evolve into a revenue-generating, socially accountable workforce intermediary capable of long-term growth beyond government funding.

Project Aim and Research Question

The overarching aim of the research project is clearly set out.

Research question is clearly stated with measurable outcome(s).

The aim of this research is to explore how Workforce Central Dunedin (WFCD) can change the way it operates and funds itself to remain sustainable in the long term without relying on large government projects. This includes examining strategies such as forming strategic partnerships with government, introducing fee-based services, and developing alternative revenue streams.

The overarching project will look at gathering insight from the data collection that will come from interviews and content analysis. These insight will help to provide recommendations to WFCD and will help to guide their future in terms of how they decide to generate revenue for themselves as an organisation and become self-sustainable.

Justification and Alignment

This research is justified by Workforce Central Dunedin's (WFCD) urgent transition from government-funded operations to a self-sustaining business model by mid-2026 this is a change that presents both strategic opportunity and significant organisational risk.

The challenge is to find what services can be monetised, how the business can be restructured and what the future will look like for the staff while also making sure their community focus and workforce stability remains relevant.

Research about organisational change says that before a big shift happens, an organisation needs to be ready, have its leaders on the same page, and provide real support for staff. But there are not many real-world studies showing how this works for short-term, networked workforce hubs (like WFCD) that suddenly lose their funding. While theory identifies factors that support successful organisational change, there is little empirical evidence showing how those findings apply to temporary jobs-and-skills hubs such as Workforce Central Dunedin.

For WFCD, this implies the need for cautious, context-specific approaches and small-scale testing of new ideas rather than relying on generic guidance.

This study addresses that gap by producing actionable, evidence-based recommendations on alternative organisational structures, feasible revenue models, and People & Culture

measures that mitigate mission drift and turnover. The research question — *How can WFCD achieve financial self-sufficiency by 2026 without compromising community impact or staff stability?* — directly aligns with the project aim and will guide practical outputs (prioritised business cases, KPI proposals, and a short implementation roadmap) that WFCD can use to pilot and evaluate options.

Literature Review Summary

Framing the problem

The literature on change management (Lewin, 1947; Kotter, 1996; Burnes, 2017; Little, 2014) emphasises that transitions succeed or fail depending on how well change is structured, communicated, and embedded. This shaped my focus on how WFCD can navigate the shift from government funding to a commercialised model without losing its workforce or values. It also justified looking at organisational structures not just as technical adjustments but as changes that affect people, culture, and readiness.

Identifying the gap

Research on commercialisation in public and non-profit organisations (Froelich, 1999; Battilana & Lee, 2014; Ebrahim et al., 2014) highlights tensions between financial sustainability and mission integrity. However, there is little research on small, short-term, hybrid workforce hubs like WFCD, where staffing is minimal, but the organisation coordinates a wide labour market network.

This gap provided the justification for my research question: *What alternative business models will generate revenue for wfcd?*

Reflection on Relevance of Frameworks

At the start of the research, models like Lewin's (1947) three-step process, Kotter's (1996) eight-step framework, and Burnes' (2017) focus on adapting to context seemed highly relevant to WFCD's situation. These approaches all stress the importance of getting people ready for change, communicating clearly, and making sure cultural shifts become part of everyday practice.

However, as the research progressed, it became clear that such prescriptive frameworks did not fully align with WFCD's reality. Unlike large hierarchical organisations with multiple layers of staff, WFCD operates as a lean workforce hub with a small team, heavily reliant on external partnerships and contractual arrangements. In this context, preparing staff for incremental change was less significant compared to answering more strategic questions such as:

What services should WFCD deliver in future?

What alternative organisational structures will help sustain revenue generation?

How can WFCD position itself competitively while retaining community legitimacy?

This realisation led to a strategic pivot in focus. While insights from change management literature were still useful in framing the *human side* of transition, the more practical guidance came from literature on hybrid organisational models (Froelich, 1999; Battilana & Lee, 2014), strategic management frameworks such as the Resource-Based View (Barney, 1991) and Dynamic Capabilities (Teece et al., 1997), and network governance models (Provan & Kenis, 2008).

This shift in thinking allowed the research to focus on what WFCD does well, its strong reputation in the community, wide network of partners, and ability to adapt. At the same time, it also looked at risks like losing sight of its mission or facing governance issues.

Instead of relying on rigid change-management models, the study recognised a gap in the research: there is very little guidance for small, time-limited workforce programmes that suddenly lose funding.

By taking a strategic approach, the research focused on long-term sustainability rather than just short-term processes, the research stays closely aligned with WFCD's real-world situation and its key challenge: how to stay financially stable without losing its social purpose.

Literature Review Summary

The aim of this research was to explore how Workforce Central Dunedin (WFCD) can transition from reliance on government funding to a financially self-sustaining model, while continuing to deliver community impact and retain staff.

The central research question asks: What alternative organisational structures would allow WFCD to generate revenue?

The literature review was structured around three main themes: change management, commercialisation and hybrid models, and organisational development and internal structures. Each theme informed the design of the semi-structured interview questions, ensuring they are both theoretically grounded and practically relevant.

Theme 1: Change Management

Classic frameworks such as Lewin's (1947) three-step model and Kotter's (1996) eight-step model emphasise the importance of creating urgency, building coalitions, and embedding new practices. For WFCD, these frameworks highlight the need for strong leadership, clear communication, and staff readiness during its transition away from government funding. More recent approaches, such as dynamic capabilities (Teece et al., 1997), stress adaptability, sensing opportunities, testing them, and reconfiguring resources.

These insights influenced the inclusion of questions about what elements are needed for change to succeed (Q3), what risks and opportunities exist in shifting to a commercial model (Q4), and what kinds of communication or support build confidence during organisational change (Q5). By linking to change management theory, these questions allow participants to reflect on how WFCD can manage its transition in ways that maintain staff engagement and stakeholder trust.

Theme 2: Commercialisation and Hybrid Business Models

Literature on **revenue diversification** (Froelich, 1999) and **hybrid organisations** (Battilana & Lee, 2014; Young, 2007) stresses that diversifying income streams is essential for sustainability but brings the risk of **mission drift** if financial goals overshadow community purpose. Studies also show that **social capital**—the trust and networks an organisation holds (Putnam, 2000; Barney, 1991)—can be a unique asset when building fee-for-service models.

This literature directly shaped questions about **what services WFCD could charge for** (Q6) and **what services partners might realistically be willing to pay for** (Q7). To capture the risks highlighted in the literature, participants will also be asked about **the opportunities and challenges** of charging for services (Q6.1). These questions ensure data is gathered on both the feasibility and trade-offs of commercialisation, aligning with the research aim of identifying viable revenue options.

Theme 3: Organisational Development and Internal Structures

The **Resource-Based View (RBV)** (Barney, 1991) highlights the value of unique, hard-to-imitate resources such as WFCD's community trust, mana whenua partnerships, and culturally grounded practices. **Dynamic capabilities theory** (Teece, 2007) adds that these resources must be continually reconfigured to stay relevant in uncertain environments. In addition, HR frameworks such as the **AMO model** (Appelbaum et al., 2000) and bicultural HRM research (Edgar et al., 2021; Te Puni Kōkiri, 2021) show that practices like pastoral care, recognition, and tikanga-based induction strengthen retention and engagement.

These ideas influenced questions about **WFCD's relational strengths** and how they could be enhanced (Q7), as well as how the **future structure could help retain and attract staff** (Q8). Finally, questions about **lessons from participants' own organisational experience** (Q9) were designed to capture practical insights on service delivery, HR practices, and governance that could be applied to WFCD.

Strategic Direction and Positioning

While the early literature on change management helped frame WFCD's transition as a process requiring communication and readiness, the more significant contribution of the literature was in shaping the **strategic direction of the research**. Frameworks on hybrid models (Battilana & Lee, 2014), resource-based advantage (Barney, 1991), and dynamic capabilities (Teece, 1997) all emphasised that survival depends not only on internal change but also on positioning — deciding what services to deliver, what partnerships to pursue, and how to differentiate in the labour market. This insight guided the inclusion of questions asking senior management about WFCD's future role (e.g., mergers, hybrid structures, positioning after the hospital build) and about how it can innovate to remain relevant. In this way, the literature shifted the project from a narrow focus on internal staff preparation to a broader, more strategic inquiry into WFCD's future organisational direction.

Research Methodology and Methods

The research used a case study methodology which focused on Workforce Central Dunedin (WFCD). A case study was appropriate because the aim was to gain a deep, contextualised understanding of one organisation undergoing a significant transition. Unlike large-scale surveys or experiments, which prioritise breadth and generalisability, a case study allows for an in-depth exploration of WFCD's specific challenges, stakeholder perspectives, and organisational dynamics. This approach is supported by Yin (2018), who argues that case studies are appropriate when the goal is to understand complex, real-life phenomena in depth and within context.

What alternative Business Model will allow WFCD to generate revenue? is highly context specific. The case study enables the researcher to integrate organisational, cultural, and strategic dimensions that would be lost in broader comparative designs.

Explain and justify your selection of research method(s)

A **mixed-methods approach** was chosen, combining **semi-structured interviews** and **document analysis**.

- **Semi-structured interviews** were selected because they provide flexibility: participants can elaborate beyond set questions, allowing unexpected insights to surface. This is vital in a context where staff and partners may have diverse views on hybridisation, sustainability, and organisational culture. Interviews also capture tone and nuance, which supports understanding of sensitive issues like resistance to change.
- **Document analysis** (e.g., strategic plans, internal reports) were included to cross-check and contextualise interview findings. This method ensures that individual perspectives are tested against formal organisational records, strengthening validity.

Together, these methods are justified because they offer both *rich qualitative depth* (interviews) and *structured factual grounding* (documents), supporting a balanced and reliable analysis.

Describe in detail how the research was conducted.

The research involved the following steps:

1. Participant Selection

Participants were identified using purposive sampling to ensure that those most closely connected to WFCD's transition were included. The study aimed to involve 8–12 participants, representing a balanced mix of internal and external stakeholders. Internally, this included WFCD staff and management who are directly responsible for service delivery and strategic planning, along with Business South staff who provide governance and contractual oversight. Externally, iwi representatives were sought to reflect cultural and community partnerships, while employer and contractor partners were included to capture industry needs and expectations.

Funders and government officials (such as MBIE and MSD representatives) were invited to provide insights into policy and resource constraints shaping WFCD's sustainability. In addition, board members and individuals working on comparable workforce development projects were targeted to share governance lessons and comparative experiences. This combination ensured the research captured diverse yet highly relevant perspectives on WFCD's challenges and opportunities.

2. Interviews

Semi-structured interviews were conducted using a flexible question framework designed to explore WFCD's future direction and sustainability. The questions encouraged participants to reflect on WFCD's current services, organisational structure, and role within the wider workforce ecosystem, while also considering opportunities for revenue generation, partnerships, and long-term positioning. This format allowed participants to share their own experiences and perspectives, while still ensuring that core themes, such as financial sustainability, strategic direction, workforce retention, and community impact were consistently addressed across interviews.

3. Document review

Key organisational documents, including WFCD's strategic plans, Social Return on Investment (SROI) report, funding agreements, and planning papers, were reviewed. This analysis helped build an understanding of WFCD's origins, funding arrangements, achievements to date, and the strategic options being considered for its future.

4. Triangulation

Triangulation was applied by comparing the perspectives of the key interview participants across shared themes. This approach strengthened the validity of findings by confirming where views aligned, identifying consensus for strong recommendations, and highlighting areas of disagreement or uncertainty.

Because the data came mainly from qualitative interviews, triangulation helped ensure that recurring themes were robust rather than based on a single viewpoint. It also revealed where opinions diverged, which is critical for understanding risks and shaping practical strategies.

5. Analysis

Thematic analysis was applied to interview transcripts, while documents were coded against the same themes. Convergence and divergence between sources were mapped to strengthen conclusions.

This study has several limitations that influence how its findings should be interpreted. Because it uses a single case study design focused on Workforce Central Dunedin (WFCD), the results offer depth and contextual understanding rather than broad generalisability to all workforce development programmes. The small sample size of eight to twelve participants may not capture every viewpoint within WFCD or the wider labour market. In addition, the research relies on self-reported data from interviews, which can introduce bias or socially desirable responses despite the researcher's efforts to create a neutral and open environment.

The research is based on several assumptions. It assumes that participants provided honest and accurate accounts of their experiences and that organisational documents, such as reports and strategic plans, accurately reflect WFCD's operations and intentions. It is also assumed that triangulating data sources—combining interviews, document analysis, and secondary data—would help reduce individual biases and strengthen credibility.

Certain factors pose threats to validity. Researcher bias in interpreting qualitative data is always a potential risk; this was mitigated through triangulation and by using direct quotations to ground interpretations. Because WFCD operates in a dynamic funding and policy environment, changes in leadership or government support during the research period could have influenced some findings. Finally, a few stakeholders may have withheld sensitive information about funding or employment matters, which could limit the completeness of the analysis.

Ethical considerations were carefully addressed throughout the project. Informed consent was obtained from all participants, who were fully briefed on the research purpose and their right to withdraw. Confidentiality was maintained by anonymising interview responses and securely storing data. Given WFCD's relatively small size, additional care was taken to avoid including any identifiable quotations. The research also upheld principles of reciprocity and respect, particularly when engaging with iwi and Māori participants, ensuring that the study aligned with tikanga Māori and community values. Approved Ethics form is included in the appendix and referred to, including the appendix number in this section.

Discussion

This study explored what alternative funding and sustainability approaches could help Workforce Central Dunedin (WFCD) continue operating beyond its initial government support. WFCD is a government-funded workforce development programme managed under Business South (formerly the Otago Chamber of Commerce). It was created through the Provincial Growth Fund (Te Ara Mahi) to connect local people with training and job opportunities linked to major projects such as the New Dunedin Hospital.

As the research developed, it became clear that WFCD's main challenge is not choosing between being social or commercial, but ensuring its income sources are stable and diverse. The programme currently depends heavily on funding from government agencies and key project partners, creating risk if those priorities or projects end. Stakeholders expressed concern about this reliance and questioned whether newer revenue ideas—like charging employers or offering paid training—can provide enough long-term stability while keeping WFCD's social purpose intact.

6.1 Revenue Generation

Interview evidence highlights the continuing fragility of Workforce Central Dunedin's (WFCD) revenue structure. The programme operates as a publicly funded regional jobs and skills hub within Business South, combining short-term government contracts with a small subcontractor levy. While this blend has enabled service delivery during the New Dunedin Hospital project, it leaves the programme vulnerable to funding volatility and project timelines.

As Participant 5, explained:

"The only source of revenue for Workforce Central is a \$2 per hour levy on subcontractors for each worker placed. It's modest, but it's something that separates payroll risk from them and creates a contribution."

(Participant 2, interview 2025)

This levy demonstrates how limited employer contributions can complement public funding but also exposes scale constraints. Participant 5 observed that other income ideas remain peripheral:

"We looked at other ways to earn revenue, like offering consultancy on tenders or training, but these are small side-lines compared to the main levy."

(Participant 5, interview 2025)

Public sector partners noted that WFCD's funding was intended as transitional support.

"Funding from MBIE and MSD was always time-bound, and the expectation was that Workforce Central would transition to some form of self-sustainability. The trouble is the hospital delays made that much harder."

(Participant 6, interview 2025)

This pattern mirrors findings in the hybrid-public management literature: over-reliance on "pump-priming" grants without diversified income streams threatens long-term resilience (Battilana & Lee, 2014; Santos, 2012; Jourde & Moreau, 2023). Scholars such as Osborne (2020) and the New Zealand Treasury (2021) argue that sustainability in public-sector programmes requires blending state funding with modest co-investment from industry and anchor institutions, while maintaining public accountability.

Within Aotearoa’s Construction Sector Accord and Progressive Procurement frameworks (MBIE, 2023; Construction Sector Accord, 2024), WFCD’s transition toward a hybrid sustainability model—anchored in outcome-based contracting, employer levies, and service partnerships—represents both policy alignment and operational necessity. Strengthening this hybrid funding mix, supported by clear governance and risk management systems, is therefore critical to WFCD’s long-term financial and organisational resilience.

The Revenue Generation section highlights WFCD’s main challenge—its dependence on short-term government funding and a small subcontractor levy that cannot provide lasting stability. The next section, Employer-Paid Services and Social Procurement, builds on this by showing practical ways to make funding more secure through employer contributions and procurement-based payments. Interviews show that employers gain real value from WFCD’s wraparound services, including worker screening, training, and pastoral support, and should help cover these costs. When these payments are built into contracts or partnership agreements, they become reliable and linked to measurable outcomes rather than depending on goodwill. Together, these sections show that WFCD’s long-term sustainability depends on a shared funding model where both government and employers contribute, balancing social goals with a stable financial base for workforce development.

As Participant 2 explained

“At the moment we don’t charge jobseekers, and I think that’s right. But there has to be some way employers contribute if they are getting screened, trained, and supported staff.”

(Participant 2, interview 2025)

This perspective is supported by research on hybrid public–social programmes, which shows that employer co-investment works best when the value of the service is clearly demonstrated. Examples of this value include better staff retention, lower turnover, and improved compliance (McNeill et al., 2023).

Participant 3 reinforced that such willingness to pay depends on formalising payment within contracts:

“We tried putting a price on the pastoral care package, but most contractors didn’t want to pay unless it was written into procurement as an outcome.”

(Participant 3, interview 2025)

Participant 4 added that embedding WFCD’s services within procurement frameworks could make employer payments more natural and less discretionary:

“If CPB or Business South can bundle Workforce Central’s services into broader contracts, then employers are effectively paying without it feeling like an extra cost.”

(Participant 4, interview 2025)

Recent research supports this approach, showing that including social outcomes in public contracts is an effective way to secure long-term funding and create lasting impact (Loosemore et al., 2021; MBIE, 2023; Construction Sector Accord, 2024). By treating wraparound support services as a required part of procurement, rather than an optional extra, WFCD can align with government priorities and build steady income through employer partnerships.

The findings suggest that WFCD’s sustainability depends on advancing a hybrid funding pathway, maintaining a mix of funding sources. This includes keeping some public funding to support equity goals, while also building employer-paid contributions into contracts that focus on results. This approach helps WFCD stay true to its social mission while also becoming more financially stable.

The government gave money to start Workforce Central Dunedin (WFCD) so it could help local people get jobs on the new hospital project and offer support like training and wellbeing services. This funding was great for getting started, but it was only short-term. Because of that, WFCD became very dependent on government money. People interviewed said most saw WFCD as something paid for by the government, not by businesses. To keep going in the future, WFCD needs a mix of funding—still some public money, but also payments from employers built into contracts—so it can stay stable and keep helping the community even after the government funding ends.

6.2 Strategic Positioning and Differentiation

In the context of Workforce Central Dunedin (WFCD), *strategic positioning and differentiation* refer to how the programme defines and communicates what makes it distinctive within the wider employment and training landscape. Unlike private recruitment firms or general workforce initiatives, WFCD's main point of difference has been its close association with the New Dunedin Hospital (NDH) project. This connection has given the hub strong visibility and credibility—positioning it as the gateway for local people seeking jobs linked to one of the region's largest construction and community projects. The NDH affiliation also enhanced WFCD's appeal to funders, contractors, and government agencies by signalling alignment with public-sector priorities around local hiring and broader social outcomes.

However, relying too heavily on this single project for identity and recognition poses long-term risks. Once hospital construction slows or ends, WFCD may struggle to maintain relevance unless it broadens its brand and partnerships. Over time, strategic differentiation must shift from being project-based to value-based—emphasising WFCD's expertise in connecting priority jobseekers, delivering wraparound support, and integrating social outcomes into procurement. This evolution is essential for sustaining visibility and legitimacy beyond the NDH context and for positioning WFCD as a permanent, region-wide workforce development programme rather than a time-limited project.

“The link to the hospital is the big carrot... businesses who utilise Workforce Central can or may get access to work under the new hospital. But if you take the hospital away, what is Workforce Central?” (Participant 5, interview 2025)

This concern about identity was echoed by another participant, who described the risks of being overly tied to one project:

“They had to get really inventive with their add-on services because they were attached to the new hospital. That was the reason they developed pastoral care, induction packages, and health and safety. But the question is, once the hospital is finished, how do they stay relevant?” (Participant 4, interview 2025)

This strengthens the case for shifting WFCD's differentiation from **project-anchored identity** to **value-based positioning** embedded in procurement. New Zealand policy now expects government buyers and primes to contract for broader outcomes—local hiring, Māori/Pasifika participation, training, mental-health supports—and to measure them through formal clauses and reporting (MBIE, 2023; Construction Sector Accord guidance).

This directly answers Participant 4's observation that “add-on” services, such as pastoral care and induction, struggle to attract payment unless they are contractually specified. Empirical studies of social procurement in Australasia show that intermediaries become financially viable when anchors champion these outcomes and when payment flows are built into contract structures, not left to goodwill (Barraket & Loosemore, 2021; Suchowerska, 2024).

Participants also identified the need for WFCD to differentiate itself from other providers in the region. One explained that many other organisations already deliver similar services in workforce development, Māori engagement, or youth support:

“If you break down workforce development, there are already plenty of organisations doing parts of it. Youth development, Māori organisations, pastoral care – they're all covered by other groups. So what role does Workforce Central really play once the hospital project is gone?” (Participant 5, interview 2025)

Similarly, another participant emphasised that traditional recruitment firms offer a cleaner, more straightforward model, creating challenges for WFCD to justify its value:

“Recruitment companies just supply labour at the cheapest cost. Workforce Central, on the other hand, offers extras like pastoral care or induction services. That's their strength, but it also makes it harder to explain to employers why they should pay when others do it more cheaply.” (Participant 4, interview 2025)

One pathway identified was collaboration. Multiple participants suggested that partnerships under the Business South umbrella could offer strategic security and access to networks:

“The benefits of being under Business South are the massive business connections and community. You can do more together than separate. The question is, how do you leverage that?” (Participant 5, interview 2025)

The literature on strategic alliances supports this view, suggesting that collaboration can help small or vulnerable organisations leverage collective capacity and resources (Das & Teng, 2000; Ireland, Hitt, & Vaidyanath, 2002). However, as one participant noted, the challenge lies in ensuring that collaborations do not blur organisational identity:

“If they go too far into becoming a training provider or merging with another group, there’s always the risk of mission drift – of becoming something they were never set up to be.” (Participant 2, interview 2025)

Overall, participants presented a picture of an organisation with a fragile USP tied to the hospital build, facing stiff competition, but also holding potential for strategic partnerships. The ability of WFCD to position itself as more than a temporary, project-based hub will be central to its long-term sustainability.

6.3 Risks & Governance

The interviews consistently highlighted **risks to WFCD's sustainability** arising from delayed projects, insecure funding, and governance uncertainties. Workforce Central Dunedin (WFCD) faces several risks that could affect its long-term survival. These risks come from three main issues: projects being delayed, funding that is not guaranteed, and unclear governance or leadership processes. When projects are postponed or money from funders becomes uncertain, WFCD struggles to plan ahead or maintain stable operations. Governance uncertainty means that decision-making is sometimes slow or inconsistent, which adds to the organisation's vulnerability.

This matters for WFCD's future because it cannot easily adjust when problems occur. Private recruitment companies can quickly reduce staff, switch to other clients, or change their business focus to protect profits. WFCD, however, has a social purpose — it exists to help people who face barriers to employment. Because of this public and community role, it must continue providing support even when income falls, making it harder to respond quickly to change.

The practical implication is that WFCD needs stronger systems for financial planning and governance. It must build financial reserves, diversify income sources, and make decision-making more efficient. Doing so will help it manage uncertainty without losing sight of its social mission. In short, WFCD's sustainability depends on balancing its community commitments with more business-like resilience.

Participant 5 - described the organisation's precariousness in stark terms:

“If the hospital keeps getting delayed, there is a real chance Workforce Central closes before the inpatient build ramps up. They don't have deep reserves, and everything has been built around the assumption that the hospital demand would come.”

(Participant 5, Interview, 2025)

This reflects the “project tethering” risk, where dependence on a single mega-project exposes WFCD to volatility. The literature on hybrid organisations cautions that sustainability requires **revenue buffers and diversified demand pipelines** to avoid closure when flagship projects stall (Battilana & Lee, 2014).

Participant 5's comment shows, in very practical terms, what happens when an organisation relies too heavily on one project for its income and purpose. He warns that if the Dunedin Hospital project continues to face delays, WFCD might run out of money and be forced to close before the next phase

of work begins. This is because WFCD's funding, staffing, and workload are all built around the assumption that the hospital project will keep generating steady demand for workers. Without that demand, there is no immediate backup plan or financial cushion to keep the organisation going.

This situation directly connects to the idea of **project tethering**, where a social enterprise becomes tied too closely to a single project or client. When that project slows down or ends, the organisation's income collapses. For WFCD, this risk is especially serious because it lacks large financial reserves and has not yet diversified its revenue streams.

To ensure long-term stability, WFCD must reduce its reliance on any single project. One way it does this is by strengthening its governance and diversifying its funding and service delivery, steps that help protect the organisation when major projects like the New Dunedin Hospital face delays or changes.

From a governance and sustainability perspective, this example reinforces the need for WFCD to think beyond short-term project funding. According to Battilana and Lee's (2014) research on hybrid organisations, those that combine social and commercial goals must spread their risks across multiple funding sources and projects. In WFCD's case, that means developing new partnerships or contracts, such as with the council or university, so that a delay in one project does not threaten the entire organisation's survival.

Participant 2 reinforced the problem of resource fragility:

"We can't afford to carry staff if there's no placements. Every week without placements makes it harder to pay our own bills, and then morale drops too."

(Participant 2, Interview, 2025)

This connects to governance risks: social enterprises are often under-capitalised, making it difficult to absorb shocks. Jourde and Moreau (2023) argue that weak integration of risk management leaves organisations vulnerable to both underestimating costs and failing to prepare for systemic changes in markets or policy.

Participant 7 pointed to governance uncertainties around WFCD’s future ownership:

“From the government’s perspective, Workforce Central was always a pilot. The question now is whether it folds into Business South, continues independently, or winds up once the hospital is finished.”

(Participant 7, Interview, 2025)

This raises questions of accountability and long-term positioning. The risk of “mission drift” becomes acute if WFCD is subsumed into a larger entity without strong governance safeguards, as hybrid organisations must maintain **clarity of mission while adopting market-facing practices** (Santos, 2012).

Participant 6 mentioned how governance gaps directly affect revenue generation:

“Until the board makes a clear call on what Workforce Central is—are we a recruitment service, a training provider, or a community outcomes broker—then employers won’t know what they are paying for. That uncertainty is a killer.”

(Participant 6, Interview, 2025)

This illustrates that strategic ambiguity erodes trust among funders and employers. Clear governance signals are essential to stabilise WFCD’s revenue base and secure anchor partnerships.

6.4 Stakeholder Partnerships

Overview

Partnerships and Why They Matter for WFCD

Workforce Central Dunedin (WFCD) depends on strong partnerships to keep running and to earn money. It works closely with the main hospital contractor (CPB), a recruitment company called Stellar, Business South, and government agencies like the Ministry of Social Development (MSD). Each of these partners plays a role in helping WFCD connect local workers with job opportunities and in managing how money flows into the programme.

These relationships are vital because WFCD does not operate on its own, it relies on others to provide access to projects, funding, and employers. Partnerships help WFCD get recognised and paid for the services it provides, such as matching people to jobs and supporting their wellbeing at work. However, there's a risk too: if one of these key partners steps back or changes priorities, WFCD could lose income or momentum.

In simple terms, partnerships help WFCD grow, but too much reliance on them can make it vulnerable. One example of this dynamic is how WFCD depends on prime contractors to promote its services to subcontractors, without any guarantee of uptake.

“...the main contractor people by the name of CPB have indicated that they are very happy to promote us to the subbies. Subbies won't have to uh use us, but they may decide to. And we're hopeful that uh they will and we're hopeful that they get recognition for doing so...”
(Participant 5, Interview, 2025)

Participant 5 explains that CPB, the main contractor, is willing to recommend WFCD to subcontractors but will not require them to use its services. This means CPB's support gives WFCD visibility and credibility but not guaranteed work. This support functions as a signal of trust, by offering WFCD access to subcontractors and employers, but the organisation must still demonstrate measurable value through results such as improved workforce readiness and retention.

In this context, CPB's backing strengthens WFCD's legitimacy and aligns its services with public-sector goals for local employment and broader social outcomes (MBIE, 2023; Construction Sector Accord, 2024).

For WFCD, this means transforming CPB's goodwill into consistent funding streams through employer contracts and procurement-based payments. Ultimately, CPB's endorsement offers a reputational foundation, but WFCD's long-term sustainability depends on turning that reputation into measurable outcomes that prove its value and secure independent financial resilience.

Building on CPB's reputational support, WFCD has developed practical funding mechanisms through strategic partnerships, most notably with Stellar, a recruitment company that enables WFCD to place workers without assuming direct employer responsibilities.

“We wouldn't be the employer. Uh the employer would be Stellar who are a recruitment company... Daniel gets paid 30 bucks an hour. And um uh and Stella charges Daniel out at 35 bucks an hour. And Stella gets three bucks an hour. Workforce Central gets two bucks an hour... it means that Workforce Central Dunedin doesn't have to be the employer, doesn't have to worry about holiday pay...”

(Participant 5, Interview, 2025)

In this quote, Participant 5 explains how Workforce Central Dunedin (WFCD) partners with Stellar, a recruitment company, to manage workers' employment. Who is involved: WFCD, Stellar, and the workers placed in jobs. What happens: Stellar acts as the official employer (“employer-of-record”), paying workers and handling payroll, tax, and leave obligations, while WFCD earns a small hourly fee for connecting workers and providing support.

When it matters: as WFCD transitions toward a commercial model needing steady income without heavy administrative risks. Where this applies: within construction projects like the Dunedin Hospital build. Why it's important: this arrangement allows WFCD to generate revenue safely, avoiding employer liabilities. How it works: through a partnership model that reflects *strategic alliance theory* (shared value and resources) and *resource dependence theory* (reducing risk by leveraging others' strengths). It supports WFCD's sustainability as a hybrid organisation combining social purpose with financial viability.

A. Policy and Outcome Partnerships (MSD and Business South)

WFCD's partnerships with government and regional institutions represent key policy-aligned channels for sustaining revenue and legitimacy. Re-engaging with the Ministry of Social Development (MSD) offers a route to outcome-based funding—where payments are tied to measurable results such as job placements and long-term employment stability.co

As participant 5 explained,

“...we might it might be that we can uh re-engage with the Ministry of Social Development and uh help them meet their targets of getting people off the dole. We've done that before, and it's been somewhat successful.”

This means the Ministry of Social Development (MSD), works with Workforce Central Dunedin, to help people in the community. MSD gets a trusted local group that knows the people and can reach them more easily. WFCD gets a steady way to earn money because it is paid when it helps people into work, not just from short grants that can stop at any time. This makes the partnership good for both. MSD can reach its goals, and WFCD can keep running and support more people over time.

According to Kenton (2025), Strategic-alliance theory explains that partnerships work best when each side shares what it is good at, such as reputation, networks, or funding, so both achieve more together. In this case, MSD provides policy support and resources, while WFCD brings local knowledge and delivery capacity, creating mutual benefit and stronger results.

WFCD's partnerships with MSD and Business South shows how strategic partnerships with the Ministry of Social Development can turn policy goals into tangible results. MSD provides access to jobseekers and policy direction, while WFCD delivers recruitment, training, and pastoral care to help people find and keep work.

“Business South holds the contract; Workforce Central delivers on the contract.”

(Participant 5)

WFCD operates within a well-established and trusted institutional framework, which enhances its credibility and facilitates access to funding opportunities.

“WFCD’s effectiveness stems from its proximity to the community it is close enough to the ground to really understand what people need.”

WFCD is successful because it has strong support from trusted organisations and also understands the needs of the local community. This combination helps it deliver services that are both reliable and relevant to the people it serves. Resource Dependence Theory suggests that when organisations rely on others for funding, they need to actively manage those relationships to maintain their independence (Hillman et al., 2009).

This also aligns with New Zealand’s *Progressive Procurement Policy* and *Construction Sector Accord*, which emphasise social value and “broader outcomes” within public contracts (MBIE, 2023; Construction Sector Accord, 2024). Because of these rules for government contracts, projects should do more than just build things, they should also create social benefits like jobs and training. Through these contracts, WFCD can benefit get paid for helping people into work and providing support services.

WFCD has strong connections across lots of different parts of the community, schools, the polytechnic, job-placement programs run by MSD, and even reintegration services for people coming out of prison. Because of these links, it can find people wherever they are, students, unemployed workers, or people re-entering the workforce and match them with employers who need staff.

“...we can reach into um uh a prison or into a secondary school or um into an existing training program or into the Polytechnic or in onto the street into MSD wherever it is and find people...”

(Participant 5)

This wide reach makes WFCD a valuable connector in Dunedin's employment ecosystem. By linking different community and training pathways, it creates a steady pipeline of job-ready candidates for employers. Research shows that organisations working across sectors add value by turning social goals into practical outcomes, such as improving inclusion and reducing hiring risks (Austin & Seitanidi, 2012).

This coordination reduces the time, cost, and uncertainty businesses face when recruiting, while improving access to work for people who might otherwise be overlooked, but also makes it more valuable to contractors like CPB by providing a reliable and inclusive workforce.

(R. Clarke, Personal Communication).

This ability to connect across multiple networks not only strengthens WFCD's role in the labour market but also highlights how much it depends on collaboration and institutional support to operate effectively. Its success in coordinating between employers, training providers, and jobseekers is made possible through wider organisational partnerships that give it credibility and funding access.

One of the most significant of these partnerships is with Business South, which provides the contractual framework that allows WFCD to deliver its services within major public projects.

“It may be that Workforce Central Dunedin would be just fold into Business South and you know and Business South would take the two employees on into Business South.”

(Participant 5, Interview, 2025)

The executed Otago Workforce Development Programme contract confirms that Workforce Central Dunedin (WFCD) operates within Business South’s governance and funding framework, not as an independent entity. Business South holds the MBIE contract and is accountable for WFCD’s delivery and performance, providing administrative oversight and access to funding (MBIE & Otago Chamber of Commerce, 2020).

Research on partnerships shows that smaller organisations often rely on larger ones for resources and reputation, but too much dependence can make them lose control over their own goals (Ryan-Charleton et al., 2022).

While reliance on larger partners such as Business South helps WFCD operate now, its long-term sustainability depends on developing its own reputation and project pipeline. As one participant explained, proven performance on the hospital project could open new opportunities with future clients, such as the University of Otago.

“...it is likely that there's going to be new buildings erected immediately to the north of the outpatient building... owned by the university. And Therefore, even though my answer to your question was no, you can see that the possibility would exist that work for Central Dunedin would by then be so bloody good at its job, would know the major subcontractors so well, would have a record uh so enviable that the university would say, "Oh, we'll hire these buggers." *(Participant 5, Interview, 2025)*

This suggests that if WFCB continues to perform well on the hospital project, it could secure roles in future developments, such as university or civic construction. Its proven results and trusted partnerships would strengthen its reputation and make it a preferred workforce intermediary. Research shows that organisations with strong performance records often expand into new projects by building on established credibility and relationships, supporting long-term financial stability (Bryson et al., 2015).

6.5 Equity & Social Outcomes

When WFCD supports Māori, Pasifika, women, and others who face barriers to work, more people gain valuable skills and secure steady jobs. This not only improves individual livelihoods but also helps address local labour shortages and strengthens the regional economy.

According to the Ministry of Business, Innovation and Employment (MBIE, 2023), inclusive employment practices play a vital role in meeting skill-shortage needs and promoting sustainable economic growth. By contributing to these government priorities around inclusion and social outcomes, WFCD is in a good place or has a strong advantage because its work matches government priorities to access funding and contracts, this means

WFCD can successfully apply for and receive money or service contracts from the government or partner organisations that reward measurable result. The funding and contracts will be based on clear, proven outcomes such as how many people got jobs, how long they stayed employed, or how much diversity improved.

Under New Zealand's *Progressive Procurement Policy* and the *Construction Sector Accord*, public agencies and major contractors must show that their projects deliver social inclusion and broader outcomes. WFCD helps meet these goals by employing priority groups, improving wellbeing, and supporting job retention.

WFCD turns government policy into measurable, practical results by producing clear, evidence-based results, it transforms inclusion from a moral commitment into an economic value as shown through the 2025 SROI report. It also reflects New Zealand's *Progressive Procurement Policy* and the *Construction Sector Accord*, where inclusion and wellbeing outcomes are recognised as drivers of sustainable growth and public value (MBIE Construction Sector Accord, 2024).

Equity is at the centre of Workforce Central Dunedin’s purpose and success. The organisation was created to help people who face barriers to work gain stable employment while also meeting the labour needs of major local projects.

“All of these good social outcomes were also a reason for Workforce Central Dunedin to exist.” (Participant 5)

“The whole reason we’ve supported Workforce Central is because of its commitment to people who wouldn’t normally get in the door – Māori, Pasifika, women, people that have had challenges.” (Participant 2)

These views show that inclusion is not an added benefit for WFCD but the foundation of its identity. This aligns with what Battilana and Lee (2014) describe as *hybrid organising*, where social goals and business outcomes work together to create both impact and sustainability.

Social procurement turns equity goals into measurable and fundable outcomes by linking inclusion targets to performance-based contracts. In New Zealand, policies such as the Progressive Procurement Policy and the Construction Sector Accord encourage agencies and major contractors to demonstrate social value through diversity and local employment (Construction Sector Accord, 2024).

Research shows that employment targets for Māori, Pasifika, and women in construction can be written directly into government and contractor agreements, creating payment pathways for the organisations that achieve them (Barraket & Loosemore, 2021; Suchowerska, 2024).

WFCD operates as the bridge between these policy intentions and real results on the ground.

“...by giving people who are out of work a job, by getting women involved in construction ... getting Māori and Pacific Island businesses an opportunity to make good progress ...”(Participant 4, Interview 2025).

“A lot of our focus is Māori and Pasifika employment and making sure those groups are supported – otherwise they just get left behind again.” (Participant 2, Interview 2025)

These perspectives show how WFCD translates national inclusion objectives into contract-based outcomes by placing and supporting priority groups in sustainable jobs. This aligns with hybrid-organisation theory (Battilana & Lee, 2014), which explains how social and commercial goals can reinforce each other.

WFCD helps people who face job barriers get work. New Zealand's procurement rules reward projects that hire inclusively and use diverse suppliers. By following these rules and proving it creates jobs and benefits the local economy, WFCD can earn steady income.

WFCD's contribution to inclusion does not end once people are hired. True sustainability also depends on helping workers stay in employment and thrive on site. This is where WFCD's focus on wellbeing and mental health becomes essential. By providing pastoral care, mentoring, and early support, WFCD helps workers overcome challenges that often lead to turnover, creating long-term value for both employees and employers.

“...it is about improving the quality of mental health on site uh for this big construction build because of the suicide rate in the construction sector.” (Participant 5)

“We've had young guys who really struggled mentally and it's been our pastoral care that's kept them going – otherwise they would have walked.” (Participant 3)

Interviewees linked mental-health support to retention and safety. The MATES in Construction NZ (2025) survey shows similar results: wellbeing initiatives lower site incidents and improve productivity. Employers and government agencies commonly co-fund these support to improve workforce wellbeing and project outcomes (MBIE, 2023; Construction Sector Accord, 2024).

From a public-value perspective (Osborne, 2020), such outcomes create tangible benefits for both government and industry by reducing turnover and risk. Wellbeing and pastoral care services save employers money by reducing accidents and turnover, and when built into contracts, they become paid deliverables that generate revenue. (New Zealand Government Procurement, Social Services Procurement Guide, 2023).

WFCD does not just help people get jobs; it also makes sure those jobs *fit* the workers' abilities and personal circumstances.

“...People coming off ACC may not be able to work a full day ... Workforce Central could work with various subcontractors ... 10 hours a week standing and 10 hours a week sitting down ...” (Participant 5, interview 2025)

“We’ve had candidates with health issues – our role has been to match them to employers who are willing to adjust the role. That flexibility is part of what makes us different.”
(Participant 4, interview 2025)

WFCD helps people stay in work by working with employers to adjust jobs to fit their needs, such as shorter hours or lighter tasks. If these services are included in contracts or supported through partnerships with ACC, WFCD can be paid for them. This matters because it reduces accidents and staff turnover, saving employers money.

Research shows intermediaries add value by turning social goals into clear, paid services (Austin & Seitanidi, 2012). Formalising these arrangements reflects Resource Dependence Theory, which emphasises securing resources through structured agreements (Pfeffer & Salancik, 1978; Hillman et al., 2009). ACC’s Workplace Injury Prevention Grants and harm reduction programmes demonstrate that injury prevention and wellbeing initiatives can attract funding when they reduce risk and improve retention (WorkSafe NZ & ACC, 2025).

6.6 Gender Inclusion and Reputation in Tendering

Gender inclusion has become a recognised performance indicator in New Zealand’s public procurement landscape. Under the *Progressive Procurement Policy* (MBIE, 2023) and the *Construction Sector Accord* (2024), suppliers are encouraged to demonstrate measurable outcomes for women, Māori, and Pasifika participation.

“...why don’t you employ 50 percent of the people fixing the hall of residence make sure they’re women ...” (Participant 1, interview 2025)

“We’ve pushed for more women on site and Workforce Central has actually made it happen – that’s something clients notice.” (Participant 2, interview 2025)

“The contractors actually like being able to tick that box – Māori, Pasifika, women – because it helps their tendering. Workforce Central makes that possible.” (Participant 4, interview 2025)

WFCD’s focus on inclusion and wellbeing does not just help people, it also makes its services more attractive in public contracts. Under New Zealand’s broader-outcomes policy, government tenders now reward organisations that deliver equity and social impact. Because WFCD tracks and reports on these outcomes, it adds real value to projects, both socially and commercially. This gives WFCD a stronger position to ask for fair payment or built-in funding when working on future contracts.

The interviews show that equity and wellbeing are central to WFCD’s identity and are key reasons why it is trusted by partners and stakeholders. Research supports the idea that social procurement can turn these values into reliable funding, if they are clearly defined, measured, and built into contracts. By offering services like recruitment, inclusion, training, and pastoral care as part of contract outcomes, WFCD can earn ongoing income through procurement rather than relying on short-term grants. This creates a mixed funding model that supports both financial stability and social impact and aligns with New Zealand’s national goals for inclusive economic development. Clear governance measures are needed to protect this balance.

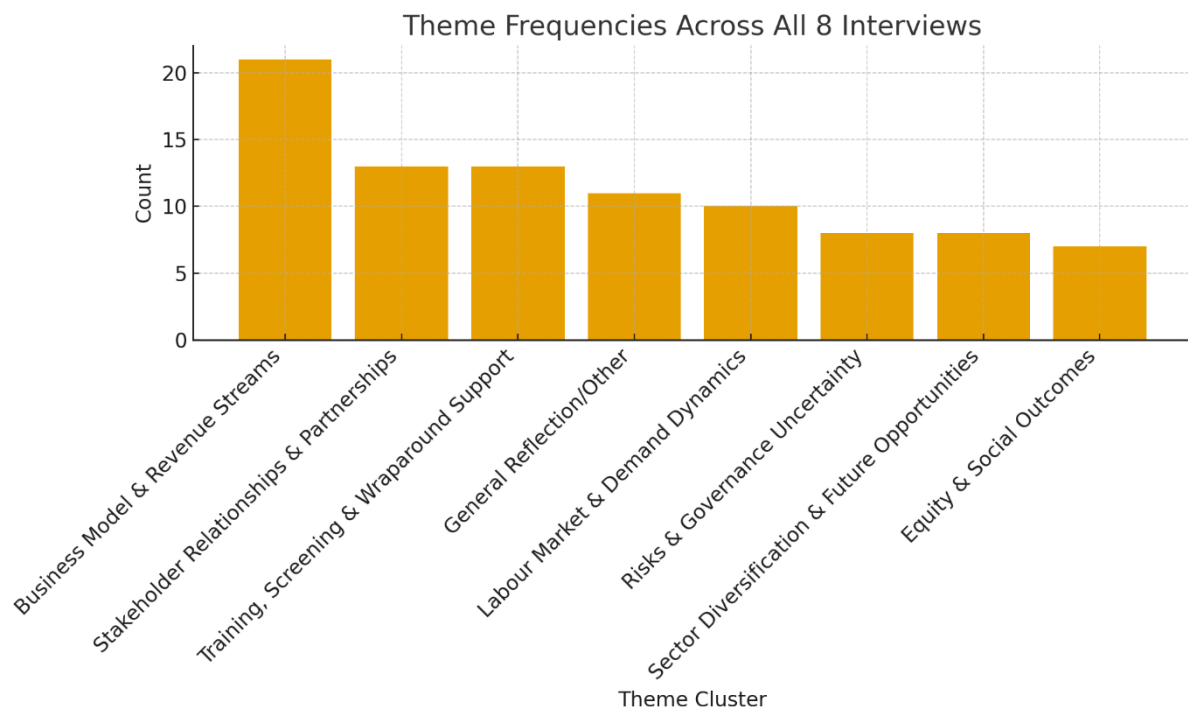


Figure 1 Themes supporting interviews

7.0 Conclusion

This study examined how Workforce Central Dunedin (WFCD) can achieve long-term financial sustainability while maintaining its social mission within Business South’s framework. The findings show that WFCD’s greatest strength lies in its ability to integrate social impact, such as inclusion, wellbeing, and local employment, into measurable, contract-based outcomes.

Evidence from interviews and documents shows that dependence on short-term government grants and a single project (the New Dunedin Hospital) This makes its future uncertain, because if that funding ends or the project wraps up, WFCD could face serious challenges. However, its strong partnerships, proven results through SROI reporting, and trusted reputation especially through Business South, give it a solid foundation to grow. These strengths can help WFCD expand into new areas and attract more stable, long-term funding.

The most realistic way forward for WFCD is a mixed funding model—combining steady public funding with payments from employers and contracts linked to procurement. To make this work, WFCD needs stronger governance, clear roles within Business South, and formal agreements with MSD and key contractors. These steps will reduce the risk of relying too much on one project or short-term funding and help build a more stable future.

WFCD can turn its social impact, like helping people find jobs and improving wellbeing, into reliable income by making those outcomes part of its contracts. This means funders and partners would pay not just for services, but for results. To stay strong and independent, WFCD needs to build solid partnerships, use clear data to show its impact, and set up smart governance systems. If it does this well, it can keep doing good work while staying financially stable. The next section outlines practical steps to help WFCD move in this direction, in line with New Zealand's focus on social value and fair procurement.

Recommendations

This study examined how Workforce Central Dunedin (WFCD) has demonstrated significant social and economic impact as a regional workforce intermediary, achieving verified outcomes in employment, inclusion, and wellbeing. However, its current reliance on short-term project funding limits stability and scalability. To achieve long-term sustainability, WFCD must transition toward outcome-funded, partnership-anchored, and hybrid revenue models. The following five recommendations provide a practical pathway that builds on findings from the research discussion, the *Social Return on Investment (SROI) Report 2025*, and alignment with New Zealand's *Progressive Procurement Policy* (MBIE, 2023) and *Construction Sector Accord* (2024).

1. Formalise Outcome-Based Partnerships

WFCD should convert existing goodwill with funders and contractors into formal outcome-based contracts. Payments should be tied to measurable results—such as job placements, training completions, and wellbeing improvements—verified through WFCD's data and SROI framework. This approach aligns with New Zealand's *Progressive Procurement Policy* and the *Construction Sector Accord*, which reward suppliers demonstrating broader social outcomes.

According to *Resource Dependence Theory* (Pfeffer & Salancik, 1978), reducing reliance on uncertain government grants strengthens organisational autonomy. Outcome-based contracting transforms WFCD's community impact into predictable revenue and reinforces accountability through transparent reporting.

2. Develop a Shared-Funding Model

WFCD should implement a dual-stream funding model that combines base government investment for inclusion outcomes with employer co-funding embedded in procurement contracts. Employers already gain from WFCD's recruitment, screening, and pastoral-care services, which reduce turnover and training costs. Making these contributions a contractual requirement will stabilise income while maintaining shared responsibility for workforce development.

This hybrid model reflects the integration of social and commercial logics described by *Battilana and Lee (2014)* and *Suchowerska (2024)*. It also mitigates mission drift by ensuring that social purpose remains central while cost sharing improves resilience.

3. Leverage Business South as Contract Host

WFCD should continue to use Business South's organisational credibility and procurement capacity to secure bundled service agreements across large regional infrastructure projects. Acting under Business South's umbrella provides access to established networks, procurement systems, and anchor clients such as MSD and CPB Contractors.

This strategy aligns with *Strategic Alliance Theory* (Ireland et al., 2002), which emphasises shared value creation through resource and legitimacy exchange. Over time, WFCD can use this platform to expand regional partnerships and gradually build contractual independence.

4. Embed Equity Outcomes as a Market Asset

WFCD's inclusion work with Māori, Pasifika, women, and people facing barriers should be explicitly framed as a contractible deliverable under social-procurement frameworks. By quantifying outcomes such as participation, retention, and wellbeing gains, WFCD can link social impact to payment mechanisms within government and industry contracts.

This approach operationalises *Public Value Theory* (Osborne, 2020), turning equity and wellbeing outcomes into measurable, fundable value that advances national inclusion goals. It also responds directly to MBIE (2023) and Construction Sector Accord (2024) expectations that projects contribute to social inclusion and diversity in employment.

5. Strengthen Governance and Capability

To support hybrid growth, WFCD should enhance financial governance, risk oversight, and data capability. While governance under Business South provides stability, incorporating SROI and performance metrics into regular board reviews will strengthen evidence-based decision-making. Establishing a cross-sector advisory group could further ensure balance between financial discipline and mission integrity. This aligns with *Hybrid Organisation Theory* (Battilana & Lee, 2014) and *Public Value Governance* (Osborne, 2020), reinforcing WFCD's legitimacy as a socially oriented yet commercially responsible intermediary

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