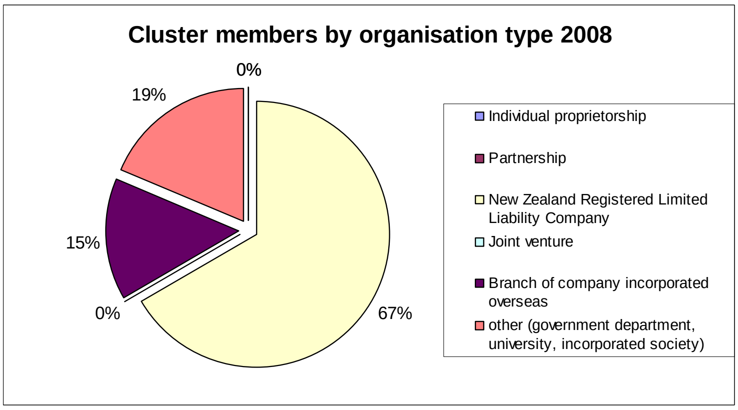
New Zealand Health IT Cluster

Annual Member Survey

2008 Interim Results

We are pleased to compile the interim results from the 2008 Cluster Membership Survey. This builds on the survey results we gathered in 2006 and 2007 and allows us to gauge longitudinal trends. Thank you to all those members that contributed.

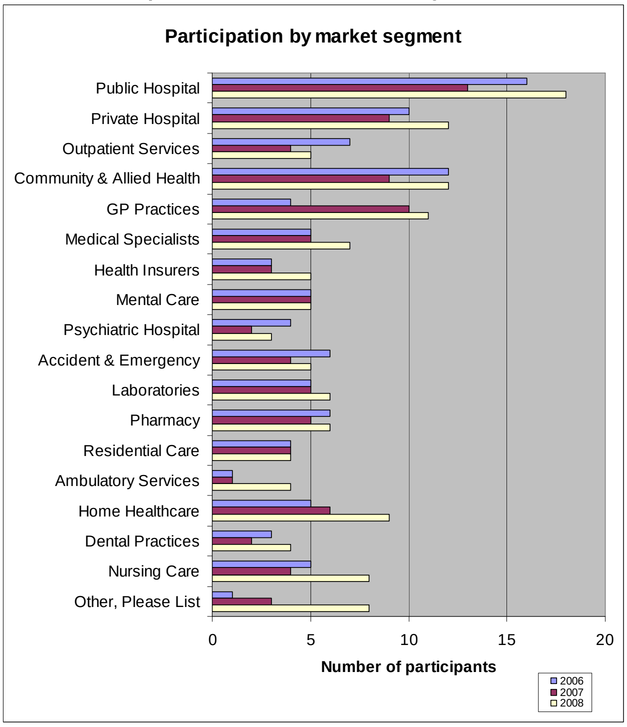
1. Organisation type and structure.

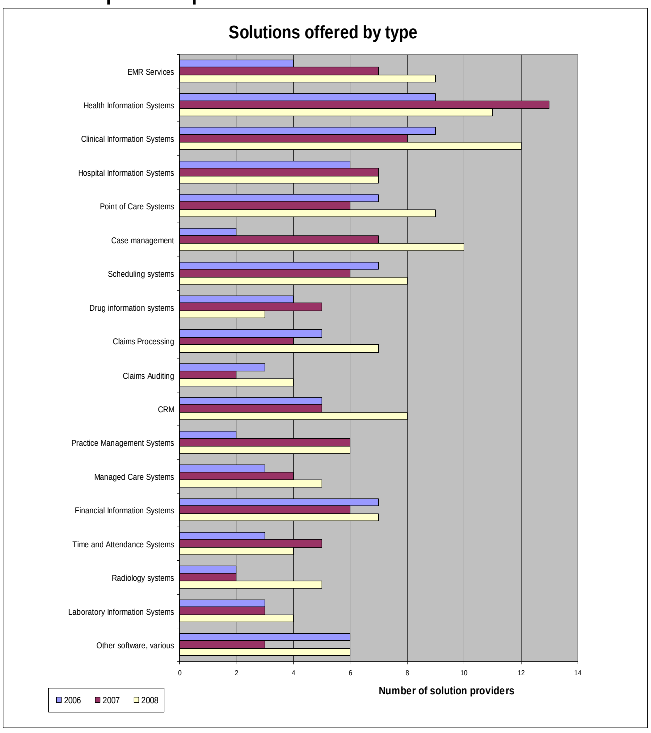


The majority of Cluster members are limited liability companies. Results have been consistent across the 2006 - 2008 period, with results averaging; 2/3 New Zealand Registered Company, 1/6 Branch of Overseas Company and 1/6 Government and Academic Institutions. In 2008 70% of respondents had a board of directors down 5% from 2007

Market segment participation and solutions offered

Public hospitals and community health have the most participants.





A broad range of health IT services are offered by Cluster members with health information systems and clinical information systems being the more prevalent. Packaged and custom software solutions are the most common services offered by Cluster Members.

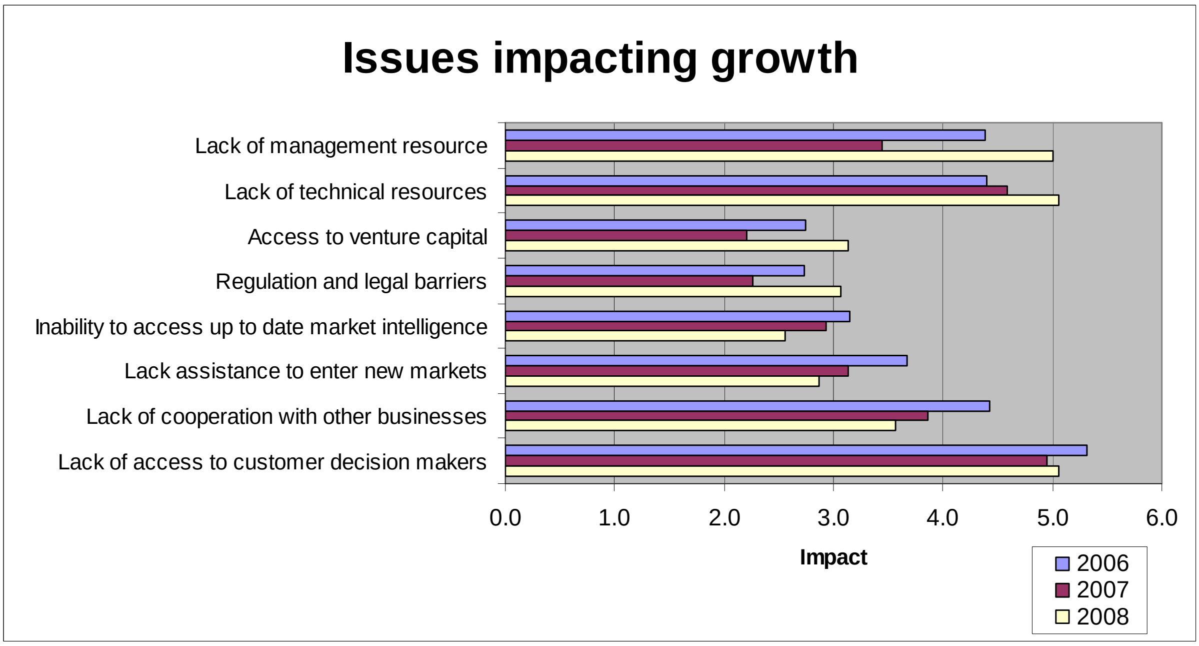
There is a noticeable increase in the number of participants in the community and allied segments. This could be an indication of trends towards increasing use of IT by community care organisations.
There is an increase in vendor members offering research capabilities. More organisations are looking to offer professional services areas with an increase in the number of members offering solution integration and business consultancy services.

2. Business Growth

In 2008 the majority of respondents reported an increase in both national and international revenues. In 2008 the net total increase in New Zealand revenue was $7.8 million compared to 2007 where the net total increase was less than $1 million. Growth in international revenue was very strong with a net total increase of $19 million compared with $1 million dollars in 2007.

3. Planning for the Future

The responses for business planning have been consistent over the 3 years surveyed. 95% of respondents have a business plan with half covering 2 years or more. 50% of business plans have been reviewed within the last 3 months and 80% within the last 6 months. 95% of respondents have a marketing plan and 91% have a technology plan.

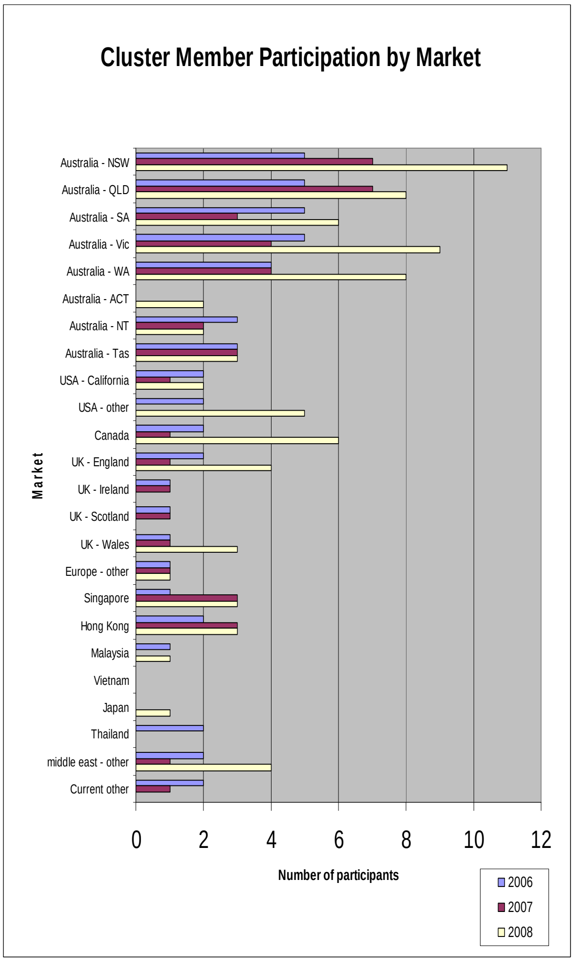


This chart describes the relative impact of the issues restricting the growth of Cluster members, with eight being the highest priority and one being the lowest.
Access to resources continues to be a challenge for Cluster members, especially access to technical resources in the current tight labour market. Lack of access to customer decision makers has been seen as the issue most impacting on growth for the three surveyed years.
27 new graduates were employed in 2008, up from 19 in 2007 and 13 in 2006 of which 85% had bachelors degrees.
81% of surveyed Cluster members indicated they are planning to employ more staff in the 2009 period with 50% looking to employ more sales and marketing staff, 67% more technical staff, and 38% more admin and support staff.

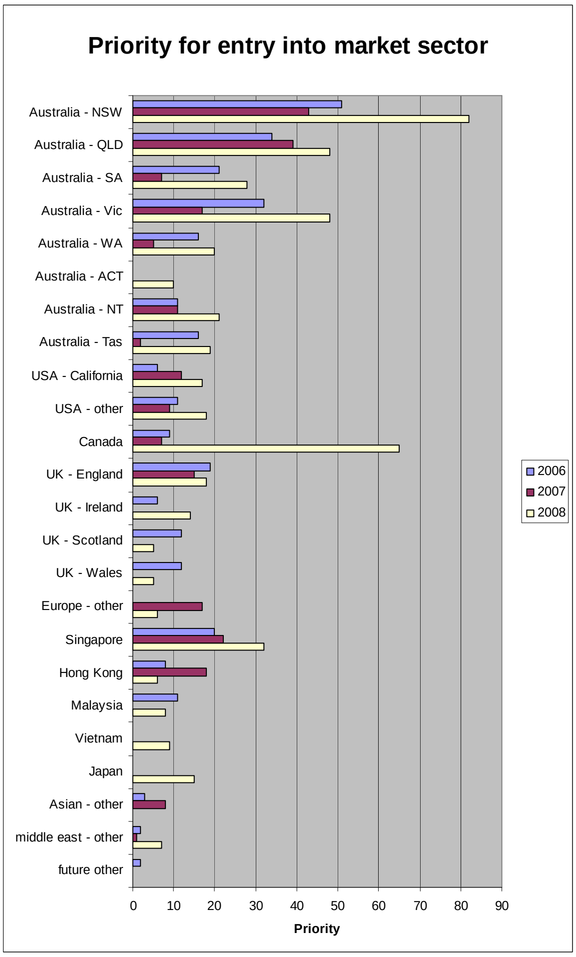
4. Export Markets

Current and planned Cluster member export market participation

Australia is the most common export market, especially the eastern states.



This graph indicates the number of participants in the export market.



This graph indicates the priority that Cluster members have assigned for export into these markets in the next 12 months.

There is continued interest in entering the Australian market, especially the eastern states. There is sustained and increasing interest in Singapore as a market, and there has been a significant increase in interest in the Canadian market.

The export markets that have sustained interest for the 3 years surveyed include Australia, England Singapore, and Hong Kong. The US market continues to show a lower but consistent level of interest reflective of the complexity and size of the US market.

5. Cluster Performance

Event Participation

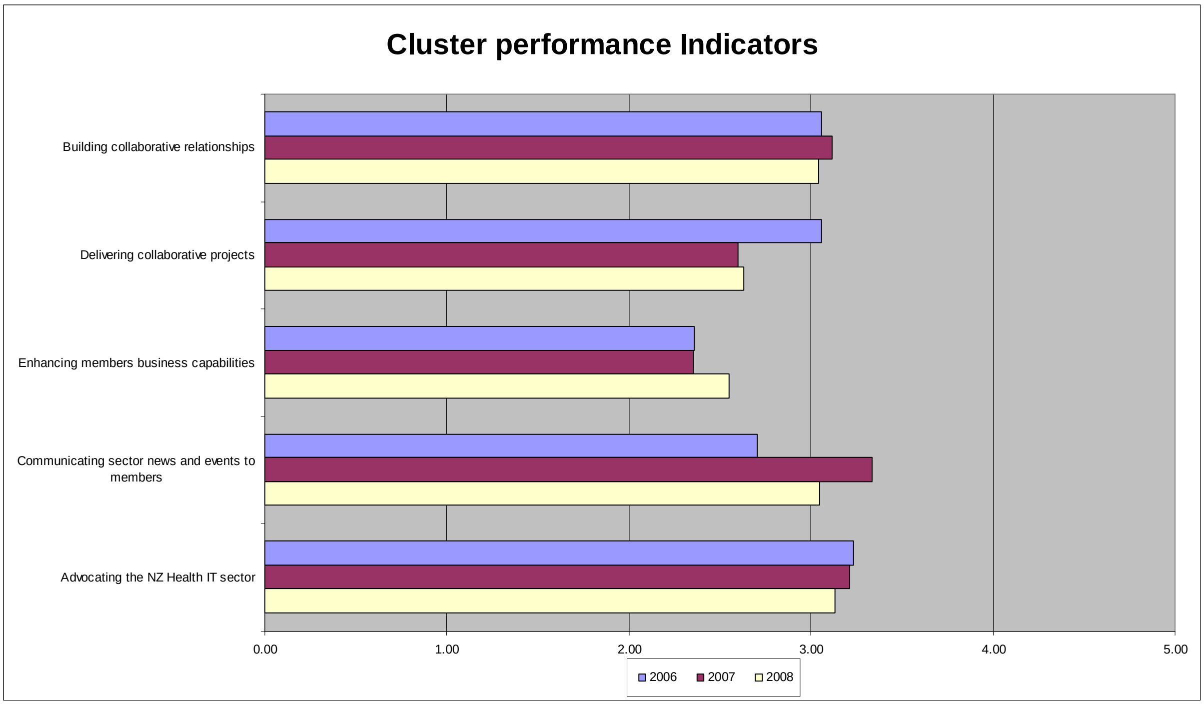
Cluster members have attended an average of 2.3 events in the last year. Members have found the information provided and the opportunities for networking valuable.

Project Participation

Those Cluster members that have participated in Cluster collaborative projects found the experience valuable. It has raised their profile within the community, both locally and internationally while providing them with access to expertise from other Cluster members. However the length of time taken to deliver projects has also been criticised and this is reflected in the performance scores

Cluster Performance Indicators

This graph shows how members have scored the Cluster's performance in 2006 to 2008. 4 is very good, 2 is average and 0 is very poor.



In 2008 the Cluster delivered 2 major collaborative projects; the Consumer Health Portal and e-labs Orders and Results. Further collaborative project opportunities are planned for 2009.
The Cluster continues to perform consistently well at; building collaborative relationships, communicating sector news and events, and advocating the NZ Health IT sector. There is room for improvement in all areas.

Cluster Priorities for 2009

Cluster members have requested:

- More access to key decision makers.
- More opportunities to participate in collaborative projects especially those that would be strategically valuable and will lead to a deployment in a customer site.
- More forums and networking events.
- The opportunity to assist and influence the development of health sector strategies, especially around open architecture, standards and interoperability.