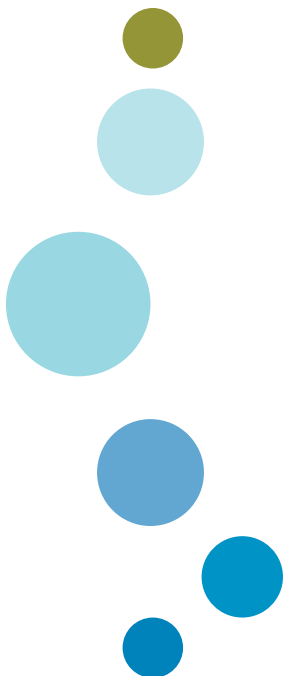
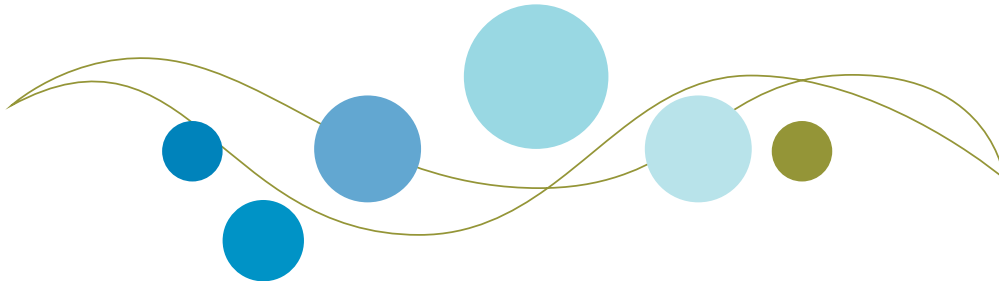


Workforce management strategy



2013-2017



The workforce management strategy 2013 – 2017 has been prepared by MidCoast Water to support the implementation of its strategic objectives.

This plan should be read in conjunction with MidCoast Water's Strategic Business Plan and Delivery Program 2013-17

For more information on this document contact:

MidCoast Water
PO Box 671
Taree NSW 2430

1300 133 455
www.midcoastwater.com.au

Adopted by MidCoast County Council on 24 June 2013

1. Introduction

MidCoast Water understands that workforce planning is a vital strategic activity designed to support the organisation achieving its objectives and long term strategic vision. By ensuring the right adequately skilled people are in the right place at the right time will contribute to MidCoast Water's continued growth and sustainability.

Since inception in 1997, MidCoast Water has developed its own culture and identity. With our prime function initially being the delivery of water and sewerage services to our community, it has now evolved to encompass the management of the entire water cycle.

As the organisation has grown, so have the skills and abilities of our staff through MidCoast Water's commitment to providing workplace learning and development opportunities.

While our Strategic Business Plan sets out our future directions to 2037, this Workforce Management Plan will focus on the resources required to achieve our Delivery Program over the next four years.

2. Workforce profile

Despite covering a large geographical area, MidCoast Water operates with approximately 190 employees, working in specialist teams to produce high quality output. While the majority of employees work in traditional Monday to Friday roles, a proportion of our workforce are required to be available 24 hours a day/ 7 days a week to enable service continuity.

A critical component of our strategic planning is ensuring that sufficient resources are available to undertake the activities set out in the Delivery Program and Operational Plan. To achieve this we must ensure the availability of resources with the right mix of skills and capabilities either within our workforce, or through the mechanism of outsourcing.

The following analysis examines the current workforce demographic and assists in determining the various challenges that we face in the near future.

2.1 Gender based analysis

The analysis below shows the gender balance across the organisation is male dominated, which is especially evident with regards to the outdoor workers. MCW continues to encourage females to consider applying for these roles.

The gender balance within the number of indoor staff is within reasonable equity.



The percentage of male to female managers is consistent with our overall gender balance across all staff.

2.2 Age based analysis

The following analysis shows that a majority (56%) of MidCoast Water’s employees are aged between 36 and 55. With 22% of employees over 56, we can reasonably expect at least a 25% turnover of key personnel within the next 10 years.

This provides us with a significant challenge to maintain our current skill levels, along with corporate knowledge, while continuing to provide opportunity for internal promotion as positions become available.

While MidCoast Water remains largely a skill and knowledge based industry, the current levels of young workers (particularly trainees) are extremely low. MidCoast Water’s trainee programs were placed on hold during the global financial crisis. The effects can be clearly seen in the analysis with less than 4% of our entire workforce aged under 25.

Total Workforce Age Breakdown

Age group	Total number of employees	% of Total employees	Number of Indoor staff	% of Indoor staff	Number of Outdoor staff	% of Outdoor staff	Number Managers	% Managers
< 25	6	3.2%	3	4.1%	3	3.4%	0	0%
26 - 35	33	19.9%	15	20.3%	17	19.1%	1	4.8%
36 - 45	53	28.8%	23	31.1%	25	28.1 %	5	23.8%
46 - 55	52	28.3%	22	29.7%	23	25.8%	7	33.3%
56 - 65	37	20.1%	9	12.1%	20	22.5 %	8	38.1%
> 65	3	1.6%	2	2.7 %	1	1.1 %	0	0%
Total	184		74		89		21	



Total Workforce Gender Breakdown

Gender	Total number of employees	% of Total employees	Number of Indoor staff	% of Indoor staff	Number of Outdoor staff	% of Outdoor staff	Number Managers	% Managers
Female	39	21.2%	33	44.6%	1	1%	5	23.8%
Male	145	78.8%	41	55.4%	88	99%	16	76.2%
Total	184		74		89		21	

2.3 Length of Service based analysis

MidCoast Water has traditionally had very low turnover of staff, with current employee turnover rate for the last 12 months being less than 2%.

This is demonstrated in the fact that around 60% of our entire staff base has over 6 years of service, with almost 40% of our staff having worked with us for over 20 years.

These figures indicate that the current trends in length of service reflect a stable workforce. This is confirmed by employee surveys where the majority of employees indicate that they are not currently considering leaving MidCoast Water.

In the past two years, MCW has employed an average of 3% per annum of new staff, approximately half of these positions cover replacements for maternity, parental and other long term leave.

Employee Length of Service

Length of Service	Total number of employees	% of Total employees	Number of Indoor staff	% of Indoor staff	Number of Outdoor staff	% of Outdoor staff	Number Managers	% Managers
< 1	20	10.9%	13	17.6%	7	7.9%	0	0%
1 - 2	20	10.9%	8	10.8%	11	12.4%	1	4.8%
3 - 5	37	20.1%	18	24.3%	17	19.1%	2	9.5%
6 - 10	36	19.6%	14	18.9%	17	19.1%	5	23.8%
10 - 20	39	21.2%	13	17.6%	20	22.5%	6	28.6%
> 20	32	17.4%	8	10.8%	17	19.1%	7	33.3%
Total	184		74		89		21	



2.4 Contract Labour and Plant/Equipment

The use of contractors assists MidCoast Water to undertake non-core activities, such as routine work using resources available in the local area, and to engage highly specialised skills that are used infrequently.

Considerations for the use of contractors include:

- specific projects where the required skills will no longer be required after the completion of the project.
- the service is difficult or costly for MidCoast Water to deliver because it is very demanding of our resources or its delivery is subject to a wide fluctuation in workload;
- it requires staff that are in high demand or short supply and is therefore associated with high recruitment and training costs;
- the project or service is new, and MidCoast Water does not currently have a high level of experience or expertise in the area.

In line with our Contractor Management Program, MidCoast Water utilises the services of predominately local contractors to fulfil the resourcing gap between our current ability to undertake the work and the workload required to meet levels of service.

In addition to fulfilling the resourcing gap, providing work opportunities to local contractors benefits the local community by assisting local businesses to remain sustainable.

The recent changes to Work Health & Safety legislation clearly identify contractors as workers, therefore creating an additional responsibility for MidCoast Water to identify and control every person that enters our sites. This includes the requirement to manage and ensure that the contractors are sufficiently trained and competent to undertake the work activities requested of them.

3. Workforce Planning

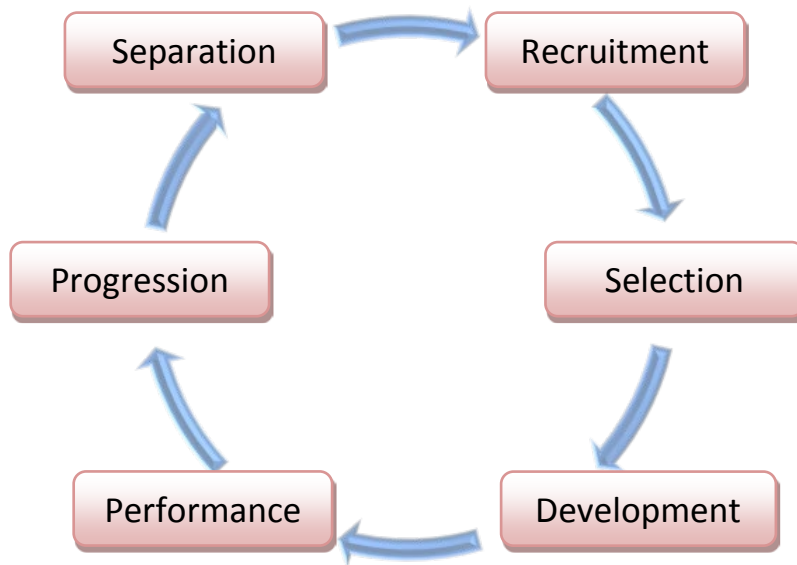
Workforce planning is a key component of the Resourcing Strategy that is part of the Integrated Planning and Reporting Framework. These requirements are designed to ensure MidCoast Water is able to meet the current and future service and operational needs as well as ensuring that it is appropriately staffed to handle the changes and challenges that will need to be faced over the 4 years of the Delivery Program, and more generally throughout the life of our Strategic Business Plan: Future Directions 2037.



3.1 Human Resources Management Plan

The development of a Human Resources Management Plan is integral to the future success of MidCoast Water. This plan should cover the entire employee life cycle from recruitment to separation.

Employee Life Cycle



Recruitment

To attract high quality applicants, MidCoast Water continues to develop as a socially responsible employer with good ethical values in the community.

To assist in the recruitment process, several key processes have been enhanced; the introduction of a user friendly on-line program assists in the processing of applications.

To continually enhance the skill base, MidCoast Water's recruitment philosophy is to establish skill and competency requirements for each position.

In addition to an attractive pay structure, MidCoast Water offers a range of employee benefits and conditions. These include additional superannuation payments and a standard of a nine day fortnight with the potential for flexible working arrangements.

Selection

A critical component of any selection process is the panel itself. Training programs are provided so that any employee serving on a selection panel can participate with confidence.



Development

MidCoast Water invests in ongoing development of our employees to ensure they are enabled to undertake their work in a safe, professional and informed manner.

There are three specific elements to workforce development

- Workplace inductions
- Workplace training
- Personal and professional development

Performance

Managing the performance of our employees is an ongoing commitment. Annual performance reviews are conducted by the managers based around accomplishments and achievements.

Progression

MidCoast Water is committed to providing opportunities where available, for employees to advance their career. This is supported by the Education Assistance Program.

Separation

MidCoast Water has a professional process for the separation of employment. Among the organisation's goals during the separation process is ensuring that knowledge developed throughout the employee life-cycle is retained by the organisation and can be imparted to relevant staff.

Human Resource Information Systems

To better provide management with the information and tools to manage their staff, a range of computer application based systems are either being developed, or considered.

Management Training Program

To support our philosophy of internal promotions, a formal management training program is to be developed. The aim of this program is to provide our managers with skills and knowledge through a variety of mechanisms, including mentoring, and education.

Fitness for work

MidCoast Water is currently in the process of developing a Fitness for Work Management Program to reduce the risk of illness and injury to our employees.



3.2 Equal Opportunity & Diversity

MidCoast Water promotes and supports equal opportunity and diversity in the workplace. Over the past 12 months, we have reviewed and updated our management procedures for providing a respectful workplace. A promotional campaign, along with training in respectful workplace was provided to all employees and managers.

As a regional County Council, MidCoast Water is proud of our achievements in the employment of staff from diverse backgrounds. Approximately 2.5% of staff are originally from non-English speaking backgrounds.

We developed and implemented an Aboriginal and Torres Strait Islander Peoples Strategy in 2007.

Actions taken in the area of EEO & Diversity, include:

- Aboriginal and Torres Strait Islander Peoples Strategy (2007)
- Respectful Workplace Management Procedures (2010)
- Respectful Workplace Training (2011)
- Appointment of EEO Contact Officers (2010)
- Grievance Reporting and Investigation Procedures (2010)



3.3 Work Health and Safety (WHS) Management

MidCoast Water has a strong history of commitment to the Health & Safety of its workforce.

The recent changes to Work Health and Safety legislation provides an opportunity review our WHS management system; identify what is working, what requires improvement, and what, if any areas require management attention.

3.4 Workforce Governance and Code of Conduct

MidCoast Water introduced an updated Code of Conduct to its employees in August 2008. In releasing this document, a series of road shows providing information to all employees were conducted. In addition a MidCoast Water Statement of Business Ethics was drafted and sent to every supplier and contractor.

In 2010, MidCoast Water conducted a series of training sessions on Code of Conduct and Fraud Prevention to all employees.

Following the ICAC Investigation (Operation Jarek) that was conducted against public authorities in 2011, MidCoast Water is currently reviewing our procurement procedures. The need to make the reporting process for the offer of Gifts and Benefits easier and more transparent was also identified.

3.5 Innovation & Technology in the workplace

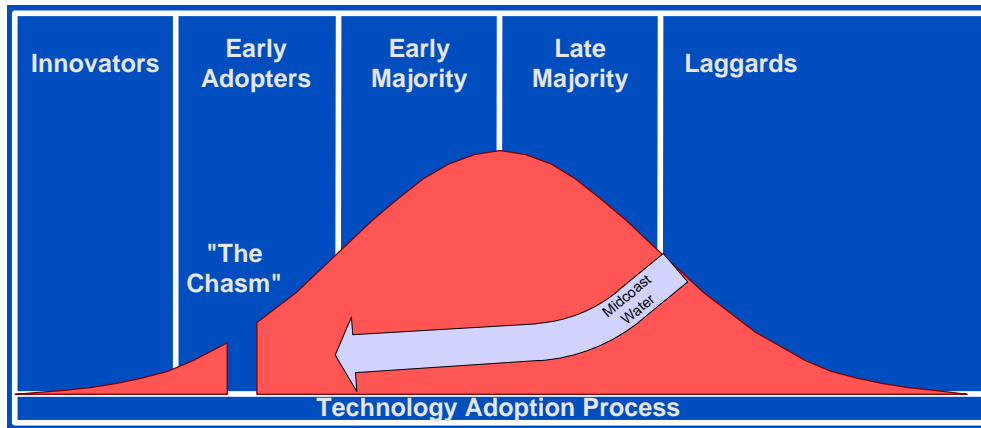
The use of technology to improve our business practices is essential in this modern world of communication. MidCoast Water is currently investigating a range of options to increase communication with the field staff.

Our management team is constantly looking for opportunities for improvements and new innovation for improved work practices.

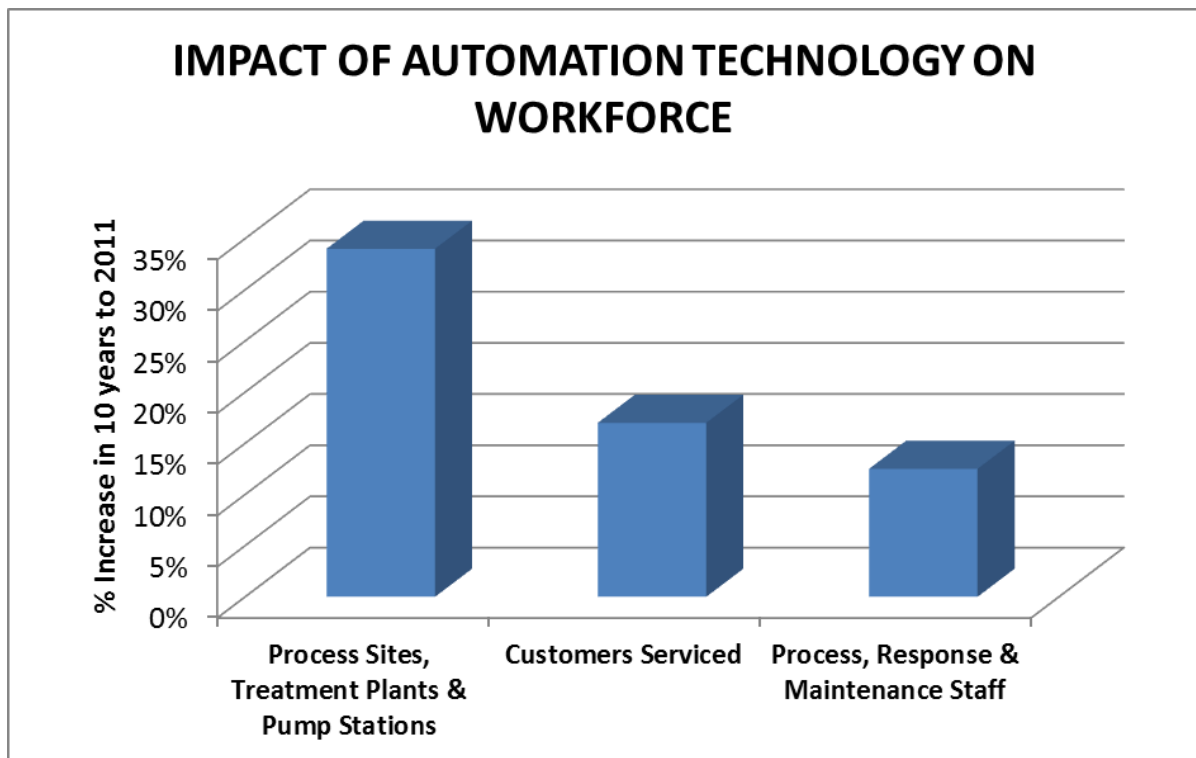
MidCoast Water's philosophies with regards to the adoption of technology include:

- Avoiding vendor lock and product dependence through the development of internal technicians to maintain the systems;
- Continued development of our internal skills
- Open protocols, ensuring communication between our information systems is an essential component of the specifications, regardless of the brand.
- Interoperability, ensuring business continuity through distributed systems designed so the loss of one component will not affect the whole business
- Minimising our exposure to rapid change in technology





MidCoast Water is committed to remaining at the forefront of the technology adoption process. This focus on early adoption will be balanced against exposure to risk by favouring technology with proven success.



In the 10 years leading to 2011, MidCoast Water's customer base has grown by 15% while the number of operational sites has increased by over 30%. However, by focussing on automating site operations where appropriate, MidCoast Water has kept the rate of growth in process, response and maintenance staffing levels at approximately 10% during the same period.



4. Resourcing the Delivery Program

MidCoast Water's Strategic Business Plan: Future Directions 2037 identified five Key Directions. These Key Directions have flowed into the Delivery Program where actions and responsibilities have been detailed.

MidCoast Water has developed a range of multi-disciplinary teams that work in collaboration to manage, deliver and support the strategic outcomes.

In addition to overall key accountabilities, individuals have specific accountabilities to lead and/or support actions set out in the Delivery Program.

4.1 Service Quality and Continuity

MidCoast Water has established a highly skilled team of internal staff capable of designing, constructing, operating and maintaining the delivery of services to the community.

MidCoast Water's current human resources capabilities are adequate for asset lifecycle management, however external resources will be utilised to provide specialist skills to ensure that strategic objectives are met.

MidCoast Water has identified over \$100 million in capital works projects over the next four years and has a range of specialists, including designers, engineers and project managers to manage these projects. The services of contractors are utilised for the delivery of these projects.

In addition, our operators, project administration, WHS officer and other staff are available for project support.

The monitoring and reporting requirements of service quality and continuity are undertaken by sufficiently qualified internal staff.

4.2 Sustainable Resource Management

The capacity to develop and implement programs that continue to support the responsible use of water is resourced internally across the functions of environmental impact, strategic operations, planning and public relations.

4.3 Business Health

While the current resources are appropriate to deliver the main components of the program, specialist resources, including trainers and auditors will be engaged to compliment the program.

4.4 Community Leadership

The resources to deliver this objective will be undertaken utilising internal staff.

4.5 Readiness for Change

The resources to deliver this objective will be undertaken utilising internal staff. The actions identified are integrated into the overall responsibilities of the Executive and Managers.





Workforce Management Plan



