

AWI RESPONSE & IMPLEMENTATION PLAN: 2009-2012 REVIEW OF PERFORMANCE

RECOMMENDATION	AWI RESPONSE	AWI'S IMPLEMENTATION PLAN
<p>1</p> <p>AWI should consider developing a firm schedule of regular (2-3-monthly) meetings of the executive team, booked 12 months ahead and carrying clear expectations of commitment to attend by all managers.</p>	<p>AWI Agrees with this recommendation.</p> <p>The nature of AWI's business means the senior management team is often out in the field working closely with our stakeholders – whether they be researchers or woolgrowers in Australia; manufacturers, supply chain and trade partners; or international retailers and brands. As a result we're seldom in the same place at the same time, consequently the senior management group would meet quarterly.</p> <p>Despite these quarterly meetings, senior managers work closely with each other and the CEO on an ongoing basis to ensure open lines of communication and delivery of outcomes.</p>	<p>The CEO has been aware of this issue for some time and prior to the completion of the Independent Review of Performance, had introduced a more formal process to ensure the senior management forum is more formal and regular. As a result meetings have been scheduled to follow each Board meeting, at intervals of approximately 4-6 weeks. Senior Managers have been briefed on the importance of these meetings and strongly encouraged to schedule other commitments around these dates, or alternatively attend by video conference.</p> <p>Milestone for Delivery – Implemented by July 2012.</p>
<p>2</p> <p>The Board should consider expanding its' performance review process to include each of the Committees.</p>	<p>AWI Agrees with this recommendation</p>	<p>A performance review of all AWI Board Committee's will be introduced, within this financial year.</p> <p>Milestone for Delivery – Implemented by 30 June 2013</p>
<p>3</p> <p>AWI should review the role and composition of the Science and Welfare Committee, with a specific view to either: discontinuing it; increasing the level of R&D expertise on the Committee through the appointment of external personnel; or replacing the Committee with a multi-disciplinary advisory group that is entirely separate from the Board.</p>	<p>AWI does not agree with this recommendation</p> <p>Since its establishment in 2009, the SWC has driven significant changes in business processes, including those relating to the identification of priorities, consultation with stakeholders, processing of project proposals, their subsequent evaluation, negotiation of contracts, and monitoring and reporting of projects.</p> <p>SWC is advised by management comprising 3 highly qualified scientists in the fields of veterinary science, agricultural science, environmental science, and agricultural economics.</p> <p>The SWC has also established a number of independent advisory groups namely the Wool Carbon Alliance, Dogs Advisory Panel and a consultative group in the Animal Welfare Forum.</p> <p>Management has established seven independent expert advisory panels (ie AWI's expert advisory panels). These include Dags; Education; Wool harvesting; Spatial technologies; Sheep handling; Sheep wheat zone; and Shearing shed conditions. The current role has been to advise management on technical issues which are not available internally.</p>	<p>AWI's SWC Board sub-committee will continue to seek independent external expertise and advice.</p> <p>To demonstrate the communication channels with this range of expertise (including both AWI's expert advisory panels, and the National Wool RD&E Strategy Technical Groups), the SWC will develop a quarterly schedule of meeting with these groups to seek advice and take counsel.</p> <p>AWI will continue to review the necessity of its individual expert advisory panels and scope opportunity for replacement panels on new issues as required.</p> <p>The outcome of reviewing all Board Committees will assist the Board take any further action required.</p> <p>Milestone for Delivery – Implemented by 30 June 2013</p>

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<p>3 ... Continued</p>	<p>AWI's expert advisory panels are dynamic and are established to address issues and provide counsel as required either through industry or grower consultation, or through the receipt of project proposals in specialised fields of research. As such these Panels serve a very important advisory role to management and the SWC. The SWC's role is to ensure alignment with the AWI Strategic Plan and R&D priorities, taking into account the operational constraints and corporate history specifically on technical issues, thereby reducing the workload of the full Board.</p> <p>As a key partner in the National Wool RD&E Strategy, AWI also receives project proposals that have been evaluated externally. This process includes the 2011 National Wool RD&E Strategy Technical Groups (Sheep reproduction, Physical fibre quality, Sheep health & productivity and Adaptation of wool production systems) which developed the proposals and the National Wool RDE Strategy Working Group representing State Departments of Agriculture, CSIRO and the Universities.</p> <p>The SWC conducts a significant workload for the Board.</p>	<p>AWI's SWC Board sub-committee will continue to seek independent external expertise and advice.</p> <p>To demonstrate the communication channels with this range of expertise (including both AWI's expert advisory panels, and the National Wool RD&E Strategy Technical Groups), the SWC will develop a quarterly schedule of meeting with these groups to seek advice and take counsel.</p> <p>AWI will continue to review the necessity of its individual expert advisory panels and scope opportunity for replacement panels on new issues as required.</p> <p>The outcome of reviewing all Board Committees will assist the Board take any further action required.</p> <p>Milestone for Delivery - Implemented by 30 June 2013</p>

<p>4 AWI should continue to develop and refine its monitoring and evaluation framework, and in particular it should develop and embed a series of appropriate key performance indicators by which the company's performance can be tracked through strategic plan, annual operating plan and annual report.</p>	<p>AWI Agrees with this recommendation.</p> <p>Since the 2009 ROP AWI has placed a priority on the refinement/ development and implementation of a comprehensive Monitoring and Evaluation (M&E) Framework. This reflects the priorities of the federal government for all RDCs to increase their capacity and expenditure in this area by at least 5% pa.</p> <p>Given the complexity of the business (ie activities in On Farm, Off Farm & Marketing) and the subsequent variations in the metrics used to monitor these investments, developing one meaningful measure useful for internal business reporting, whilst also making sense to woolgrowers, while meeting government reporting requirements, is no easy task.</p> <p>Since 2009 AWI has developed and refined its M&E framework, and invested in the development and refinement of analytical tools for proposal and project assessment. This process is not complete, and is in fact one of continuous improvement. Critically, there is a high level of commitment to its ongoing development and implementation among the management and Board.</p> <p>As part of this commitment, in 2009, AWI established a new business unit (Market Intelligence & Reporting) responsible for development, implementation and continuous improvement of the AWI Monitoring & Evaluation Framework.</p> <p>The issue of KPI definition, linkage of Strategic Plan objectives, annual operational planning and outcome reporting was identified by AWI staff in early 2012, and communicated to the during the ROP interviews. AWI has commenced associated planning for the 2013-2016 Strategic Plan on this basis.</p>	<p>The process for developing the updated (2012/13 version) AWI Monitoring and Evaluation Framework was initiated in early 2012, and is well advanced with external assistance. This process will be completed by end-September 2012.</p> <p>Other key outcomes planned for FY2012/13 include:</p> <ul style="list-style-type: none"> • Completion of detailed Program Evaluation Plans for all 54 AWI R&D investment programs which exist under the 2010-2013 Strategic Plan, and those planned for the 2013-2016 Strategic Plan, • Public release of 7 external evaluation reports completed in 2011/12 on completed AWI investments, across on- and post-farm R&D, and marketing programs • Further revision of economic assessment tools used for evaluation of investments, including marketing investments <p>Milestone for Delivery - Implemented by 30 June 2013</p>
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