

ENERGEX People





ENERGEX leaders are continually investing in the capability and talent of their people and engaging employees in the direction of the business to build a customer-focused, results-driven company that reflects honesty, fairness and empathy.

Building our Core-Skills Base

In Australia, ENERGEX has 2,500 full-time, 150 part-time and 10 casual employees. ENERGEX employs an additional 279 employees in its New Zealand operations.

ENERGEX is committed to attracting, retaining and developing capable, committed employees who are proud champions of ENERGEX. An integrated human resource management approach is applied to recruitment and selection, training and development, performance management, career planning and remuneration to ensure that once ENERGEX has employed the right people, they stay with the company and have opportunities to develop to their full potential.

ENERGEX has a highly skilled workforce, with a large proportion of employees holding either trade, associate diploma, graduate or postgraduate qualifications. Training and career development opportunities are provided to all employees, regardless of their level or professional/technical specialty.

ENERGEX has an employee retention rate of 87% and more than half of its employees have in excess of 10 years' service. ENERGEX also has an excellent retention rate for apprentices. Of the apprentices that completed their apprenticeship in 2003, 93% accepted ongoing employment with ENERGEX.

Recruitment Campaign for Tradespeople

In 2003/04 ENERGEX invested in an expanded recruitment program to build its workforce to deliver a significantly increased capital works program.

A major field and technical workforce recruitment campaign, conducted in a highly competitive labour market, began in June 2004 to ensure tradespeople recruitment targets for the coming year are achieved. A continued focus on field workforce recruitment is planned for future years. ENERGEX also conducted two recruitment drives for apprentices in 2004, adding a mid-year intake. Sixty-one apprentices were employed in 2004 compared with 38 in 2003. ENERGEX offers traineeships and apprenticeships in conjunction with the Queensland Government program 'Breaking the Unemployment Cycle'. It is anticipated that ENERGEX will run a further two recruitment drives for apprentices in 2005.

Given the investment ENERGEX is making in increased annual apprentice numbers, a dedicated Technical Development Manager has been appointed to manage the apprentice program. Two apprentice co-ordinators will support this role, with an emphasis

on conducting a rigorous competency audit program to ensure that apprentices graduate with the necessary competencies. An Apprentice of the Year Award celebrates the learning and growth achievements of the final-year apprentices. Congratulations to the 2003 winner, James Barnes, from South Coast Distribution Services.

EsiTrain Technical Training

EsiTrain is ENERGEX's dedicated technical training unit that provides and co-ordinates most statutory and technical training for ENERGEX. EsiTrain is recognised as a centre of excellence for technical training in the electricity industry. The unit has Registered Training Organisation (RTO) status and manages the learning and development of more than 135 apprentices and technical trainees. During the past year, EsiTrain was registered to carry out electrical licence renewals and gained accreditation to national competency standards for the ENERGEX cable-jointing course and a new electricity-connection officer training course.

During 2003/04, 1,402 employees completed technical skills' training through our EsiTrain unit. Estimated technical training expenditure for the year was \$1.37 million. ENERGEX will continue to invest heavily in technical training during the coming years and is cooperating with other industry employers to maximise the utilisation of existing training capabilities. It will also explore opportunities to increase the rate that skilled tradespeople can be trained and made available to the workforce.

Strengthening our Contact Centre

Employee numbers in our Contact Centre were increased in 2003/04 to improve customer service levels. ENERGEX continues to invest heavily in training for Contact Centre staff, with RTO status to deliver Certificate III level qualifications in Telecommunications (Call Centre). This means that we continue to strengthen the customer service skills of our staff, while also allowing them to gain the best formal training possible for their future career development. In addition to new intakes of trainees, ENERGEX has offered the program to all existing Customer Service Representatives and to experienced Contact Centre Representatives who join ENERGEX. Already, 104 Contact Centre Representatives have attained a Certificate III in Telecommunications (Call Centres), and a further 53 employees are currently completing their certification.

Retention of Contact Centre Representatives is a priority, with high turnover rates typical within the contact centre industry. In 2004, ENERGEX completed a comprehensive review of attraction and retention factors for Contact Centre staff. A range of strategies to achieve best practice employee retention rates within this environment are now being implemented.

Career Management

ENERGEX has strengthened its approach to career management during 2004, developing a new program of career-planning initiatives to be launched later in 2004. The program will encourage individuals to maximise their potential and to take responsibility for their own careers. It will include self-assessment tools, an on-line career-planning tool, thought-provoking guest speakers and an intranet-based virtual career resource centre for all employees.

Workforce Capability Plan

Work began in January 2004 to establish a long-term workforce capability plan that will ensure ENERGEX has the people capability to achieve its business goals and deliver the programs of work during the next five years. Issues such as field workforce requirements, an ageing workforce, the impact of new technologies, industry skill shortages and internal capability to support strategic projects are all being considered in formulating this plan.

ENERGEX is endeavouring to increase its workforce capability in what has become a competitive labour market and a range of strategies have been developed to attract and retain key staff. In addition to the launch of a new look for ENERGEX's recruitment advertising in 2004, initiatives such as career planning, a continuing investment in training and leadership development, the Energising ENERGEX health and well-being program and employee reward and recognition programs are in place to position ENERGEX as an employer of choice.

Like many other Australian utilities, ENERGEX has recognised the challenges associated with an ageing workforce profile. ENERGEX is currently developing an Ageing Workforce Strategy to identify and address the retirement intentions of staff in upper age brackets. Initiatives to assist workers to extend their careers in a safe manner, succession planning and knowledge-management strategies are being developed.

Engaging Employees in Business Direction

ENERGEX places a strong emphasis on ensuring all employees understand the company's business direction, goals and strategies and the important contribution each individual plays in helping ENERGEX succeed.

During the year, ENERGEX communicated its business direction internally through a comprehensive program that included face-to-face workshops led by managers and an employee booklet that highlighted key information from the ENERGEX Corporate Plan and the business priorities for each division. Translating high-level business strategies into local-level action plans is a key responsibility of ENERGEX managers and is strongly reinforced by the company's internal communication strategy.

Leaders' Forums and CEO Forums continue to be a key vehicle for clarifying and sharing important business information with ENERGEX leaders, enabling them to cascade this information more effectively to their employees. Business results and progress are regularly communicated to employees by their managers at local work group meetings and through corporate communication channels.

The skills and abilities of ENERGEX leaders to communicate business direction and goals and to engage their employees in the business are measured and reported annually through the ENERGEX Executive Leadership and Communication Survey. This 180-degree feedback tool was introduced in 2001 and enables us to facilitate improvements in the communication effectiveness of senior leaders.

This year, the Chief Executive Officer increased his schedule of visits to key locations to talk with employees about ENERGEX's challenges, plans and priorities. These visits were well received by employees who welcomed the opportunity to talk informally to the CEO in their workplace.

Employees are also encouraged to demonstrate the ENERGEX customer **care** service behaviours and exceptional customer service is recognised and rewarded through our customer **care** Awards. In 2003/04, a record number of 329 staff were nominated for a customer **care** Award. From these nominees, 18 staff were selected as finalists at the Annual customer **care** Awards celebration dinner.

Leadership Capability and Talent Management

Further developing leadership capability to drive company performance was a central focus during 2004. ENERGEX defines leadership as 'guiding and inspiring others to achieve exceptional performance'.

A number of initiatives have been developed for implementation in 2004 which will strengthen ENERGEX's leadership development and talent management program. These include:

- Establishing an executive talent management group to ensure that structured rotations, cross-skill training and development opportunities occur for key employees
- Implementing an annual talent review in line with ENERGEX's strategic planning process to ensure the company has the people capability to meet emerging business needs
- Establishing performance indicators for senior leaders to adopt in order to ensure they are effectively identifying and developing high-potential, future leaders.

ENERGEX MBA Scholarship Program and Study Assistance Program

ENERGEX continues to partner with the Queensland University of Technology to develop its next generation of leaders and, in 2002/03, launched a Master of Business Administration (MBA) scholarship program for high-potential employees. Fifteen employees were enrolled in the program in 2004, which complements the ENERGEX Study Assistance Scheme.

Accelerated Management Development Program

During 2004, an Accelerated Management Development Program was introduced to develop high-potential employees in frontline field and administrative roles for future leadership positions. This inaugural program provided eight employees with a structured program of business and professional skills development, rotations across a range of operational and project roles, professional development activities and coaching.

Senior Women's Network

The senior women's network encourages women to consider leadership positions and provides opportunities for women to increase their profiles among key senior decision-makers. Since the network was set up in 2001, there has been an increase of 43% of women in executive roles.

Workplace Health and Safety

ENERGEX's significant focus and investment in health and safety education, training, processes and systems helps to ensure the safety of employees, customers and the community.

Despite the inherent risks associated with electricity distribution activities and the significantly increased hazards posed by fierce storms, ENERGEX employees recorded their best-ever safety performance in 2003/04 with significant improvements in the following safety measures:

- Lost Time Injury Frequency Rate (LTIFR) of 3.3 down from 5.5 in 2002/03, indicating the lowest rate ever recorded in ENERGEX
- Lost Time Injury Severity Rate (LTISR) of 86 down from 128 last year, indicating the fourth lowest result ever recorded in ENERGEX
- Lost Time Injuries of 19 down from 29 last year, indicating the lowest annual result ever recorded in ENERGEX
- Days lost due to Lost Time Injuries of 488 down from 782 in 2002/03.

These results can be attributed to the efforts of employees, management and the Board to ensure 'Safety must always come first'. Our achievements in the priority focus areas of workplace and electrical safety reflect ENERGEX's desire to ensure all employees return home safely to their family and friends at the end of each day. Our safety motto is 'Think Safe – Work Safe – Home Safe'.

ENERGEX would like to congratulate the following high-risk work sites for achieving five years without a Lost Time Injury in 2003/04:

- Boonah • Beaudesert • Gympie • Esk

Key safety strategies implemented in 2003/04:

• Set-up for safety success program

This program commenced in early 2003 and has delivered significant improvements in safety performance as shown by this year's Lost Time Injury results. The key objective of the program is to firmly establish a safety-leadership and safety-first culture. The program targets specific workgroups with audit, coaching and system improvement activities. An external audit of the program demonstrated significant improvement in health and safety leadership and safe working practices.

• Risk assessment training

A training package was developed and delivered to ensure workers in high-risk areas were competent to identify hazards and control the associated risks. Audits show the effectiveness of employees undertaking assessments has improved. This provides our employees with the skills to clearly identify hazards and implement controls that will effectively manage those hazards.

Workplace Health and Safety

The ENERGEX approach to safety includes the following important features:

External accreditation, benchmarking and compliance auditing

The ENERGEX Safety Management System is accredited to Australian Standard 4801 and complies with all electricity industry regulatory requirements. Risk assessment processes are in place across the company and are regularly audited by internal processes and external agencies to ensure their effectiveness.

ENERGEX is subject to external compliance audits by the Electrical Safety Office (Queensland Government) against requirements of the Electrical Safety Legislation. ENERGEX will be seeking to have its safety management system accredited in accordance with the *Electrical Safety Act 2002* by the due date of 1 October 2004.

Personal and executive responsibility

All ENERGEX employees have responsibility for safety, with line managers responsible for safety leadership and results. Safety leadership is important to ENERGEX and oversight of safety policy and operations is the role of an executive safety committee – The Safety Reference Group – represented by three key line of business General Managers. The Board Audit and Compliance Committee is responsible for approving and overseeing the annual Workplace Health and Safety Audit Program and for providing a monthly report to the Board.

Employee involvement

Employees are regularly involved in trials of new technologies or processes to ensure they are safe before being implemented. Work Practice Improvement Teams (WPIT) are representative bodies of employees with common areas of interest that provide input on new technology proposals. Safety Operational Committees, each sponsored by a General Manager and composed of ENERGEX employees nominated by their unions, Workplace Health and Safety Officers and convened by the Safety and Risk Manager, also provide comment and feedback on safety issues associated with new technologies, policies or procedures. Change management processes are also used to ensure safe implementation.

Employee awareness

The constant reinforcement of key safety messages, together with targeted safety campaigns, helps to ensure employees are continually aware of the paramount importance of health and safety issues. Examples of communication tools include corporate newsletters, local area newsletters, team briefs, ENERGEX's intranet site, safety alerts and significant

incident advices. Seventy-six per cent of employees surveyed in 2003 agree that 'ENERGEX provides adequate support (training, equipment) for safety in the workplace – up 3% on 2002.

Early each calendar year, the Safety Reference Group initiates the deployment of a mid-financial year safety message to all employees. Statistics show that a significant proportion of injuries occur when employees return from the traditional December – January holiday season. In 2003/04, the safety message to employees was 'Safety – You Hold the Key'. To emphasise the message it was inscribed on a metal 'key' ring as a regular reminder of safety to employees and their families.

Employee training and incentives

All employees are appropriately trained and regularly assessed as competent and authorised (if required) for the work they are to undertake. Key employees have performance agreements in place which incorporate Health and Safety Performance measures such as safety leadership and managing for safe outcomes. In addition, employee recognition schemes reward employees for safety performance and innovation in safety.

In recognition of the outstanding safety performance in 2002/03, every ENERGEX employee received a domestic fire blanket for their homes. To recognise the even better result in 2003/04, all employees will receive a first-aid kit. In this way, ENERGEX links home safety with work safety reinforcing the 'Think Safe – Work Safe – Home Safe' philosophy.

Safety expertise

ENERGEX has 13 employees dedicated to supporting all the line managers in safety through provision of effective safety policies, advice and program development and deployment. In addition, there are three employees providing specialist rehabilitation services. External expert advice on health and safety matters is also sought as required.

Rehabilitation

ENERGEX has a structured workplace rehabilitation program to support employees who have sustained an injury or illness at work and enable them to return to work as soon as possible. The ENERGEX rehabilitation program provides an injured employee individual case management from a qualified ENERGEX Rehabilitation Co-ordinator. Case management includes liaising with medical practitioners on appropriate treatment and establishing alternative duties programs until the employee is fit to return to normal duties.