

Media release



Murray Irrigation

Monday 14 December 2015

Aligning Murray Irrigation to customer requirements

Murray Irrigation needs to be more aligned to its customers' requirements and mindful of the changes to farm business drivers under varying water allocation conditions.

That was the key message from Murray Irrigation Chief Executive Officer Michael Renehan at a staff Business Plan Update in Deniliquin on Friday 11 December.

Mr Renehan updated all Murray Irrigation employees on where the business is headed and outlined the strategic objectives set by the Board. He also unveiled a new-look corporate structure with strategic and operational teams.

"Murray Irrigation, as a business, is undergoing significant cultural change," Mr Renehan said.

"We need to be more aligned to our customer requirements and mindful of issues that impact them, such as the difficult trading environment with low water allocation.

"As a consequence, a number of initiatives are now underway."

Some of the cost-saving initiatives currently being rolled out include extended staff annual leave and the taking of long service leave, as well as restricted staff numbers operating Murray Irrigation offices over Christmas.

Longer term changes include reviewing the lease/purchase arrangements for motor vehicles, plant and equipment, the renegotiation of supply contracts, utilisation of Murray Irrigation works staff on projects and the cancellation of non-essential services.

"The business has already saved \$1.25M over the first five months and is aiming to take out another \$1.75M by (financial) year end," Mr Renehan said.

Murray Irrigation's organisational structure has been realigned to a number of key outcomes, including:

1. Being more customer focussed;
2. Sharing of resources;
3. Working together as one Murray Irrigation team;
4. Eliminating waste;
5. Becoming a lean organisation; and
6. Modernisation of the assets.

"The cooperation and engagement of staff has been fantastic," Mr Renehan said.

"Our channel attendants have been shown a number of pathways in their career development with any reduction in numbers coming about through natural attrition as people retire or move on.

"Our engineering resources will be working with the PIIOP team to bring cost savings to the business, particularly in planned maintenance and minor project work.

"The consolidation of shared services into one team will extract benefits in terms of customer service and build resilience in the company as we modernise the business."

Mr Renehan also unveiled on Friday three key operating teams for the Murray Irrigation business. They are:

1. Customer Operations;
2. Engineering; and
3. Corporate Services

His Executive team includes Michael Piko (Information and Communications Technology), Cameron Pepper (Finance), Ross Mallett (Corporate Services), Scott Barlow (Customer Operations), Warren Jose (Engineering Projects), Trevor Heise (Engineering Maintenance), Peter De Vreede (MILCast), Perin Davey (Policy, Communications and Compliance), Graham Taylor (Human Resources) and David Leslie (Strategy).

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A new Operational Leadership Team was also introduced. It includes Peter Osborne, David Whelan, Glenn McCalman, Robert Adams, Ian Maher, Merv Membrey, Peter O'Toole, Vicki Holloway, Geoff Mann, Jock Perrett, Michael Pisasale and Nathan Holahan.

"This structure will deliver a framework to achieve benefits in terms of both customer service delivery and cost effectiveness," Mr Renehan said.

"We have a great team at Murray Irrigation, and together with the Board's support, we will work with our customers to provide a breakeven business and a reliable, cost effective water delivery service."

Ends.

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