



Strategic Plan

2003 – 2008



Strategic Plan

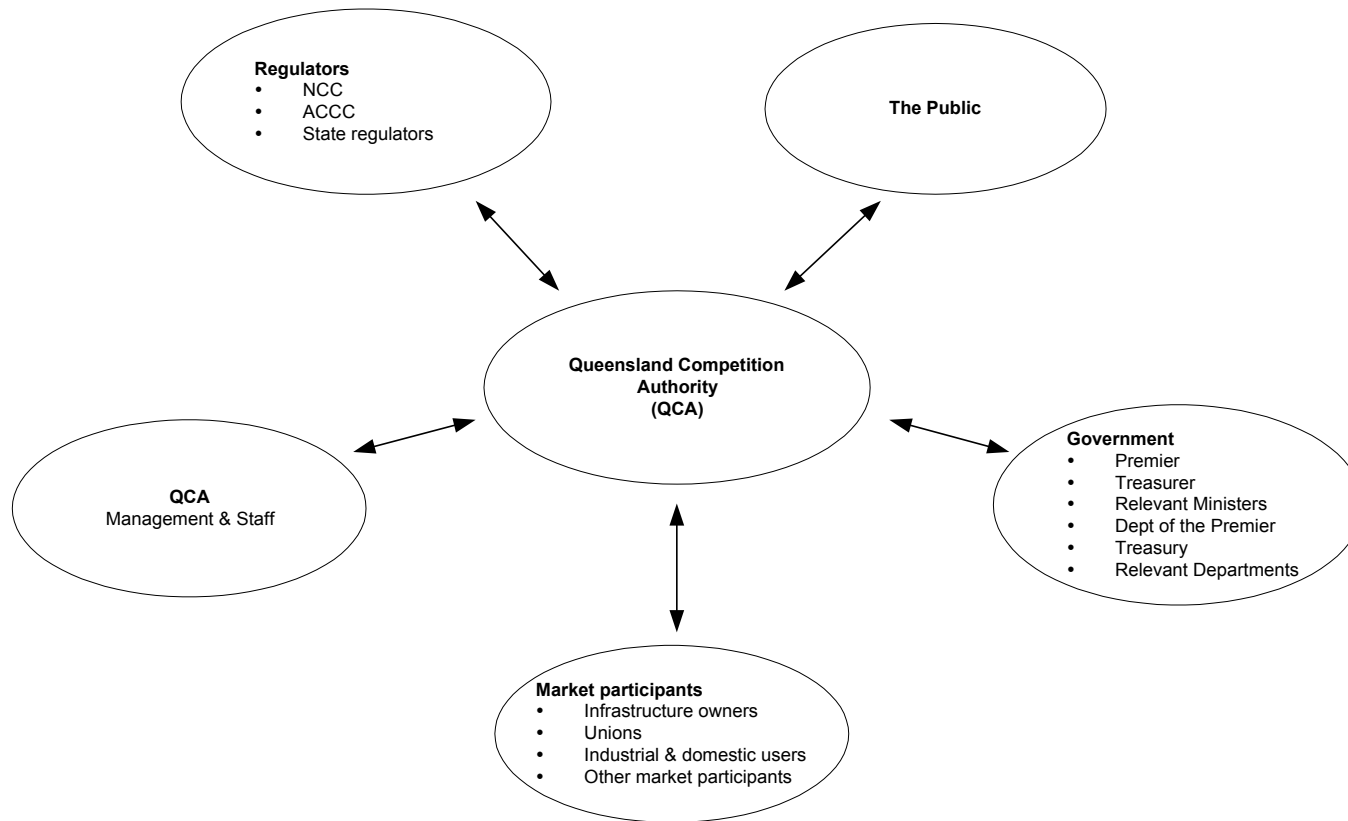
Our purpose and ambition – why we exist and what we seek to achieve

The Queensland Competition Authority is an independent agency that, within the scope of its enabling legislation, exists to improve the economic wellbeing of Queenslanders by:

- Ensuring that users of essential economic infrastructure pay fair and reasonable prices;
- Promoting competitive market outcomes; and
- Ensuring that, where government competes with the private sector, it does so on fair and reasonable terms.

The Queensland Competition Authority will achieve these outcomes by being at the forefront of economic regulation in Australia.

QCA stakeholders – who are they



Strategic Plan

Key stakeholders' expectations of the QCA

Stakeholder	Expectations
<p>Queensland Government</p> <ul style="list-style-type: none"> ■ Premier ■ Treasurer ■ Relevant Ministers ■ Department of the Premier ■ Treasury ■ Relevant Departments 	<ul style="list-style-type: none"> ■ Independence and professionalism. ■ Facilitate sustainable micro-economic reform. ■ Regard to the public interest. ■ Keep the Government fully informed of key issues and outcomes on a timely basis [no surprises]. ■ Value for money outcomes from QCA activities. ■ Give rulings in advance on how the Authority may treat a matter [can cause conflict with legislated role].

Strategic Plan

Key stakeholders' expectations of the QCA

Stakeholder	Expectations
<p>Market participants</p> <ul style="list-style-type: none"> ■ Infrastructure owners. 	<ul style="list-style-type: none"> ■ Independence and professionalism. ■ Open communication with the regulator. ■ Effective participation in the review process. ■ Consistency ■ Understand real market conditions ■ Understand their particular business interests. ■ Give rulings in advance on how the Authority would treat a matter [can cause conflict with legislated role]. ■ Adequate recognition of risk
<ul style="list-style-type: none"> ■ Industrial and domestic users and other market participants (including industry associations) 	<ul style="list-style-type: none"> ■ Independence and professionalism. ■ A transparent process. ■ Practical transitional arrangements. ■ Effective participation in the review process. ■ Understand real market conditions. ■ Engender Government and community support for competition reform. ■ Certainty and consistency over the long term.

Strategic Plan

Key stakeholders' expectations of the QCA

Stakeholder	Expectations
Unions	<ul style="list-style-type: none"> ■ Sensitivity to labour market issues in the micro economic reform process. ■ A transparent process. ■ Practical transitional arrangements. ■ Effective participation in the review process. ■ Certainty and consistency over the long term.
QCA management and staff	<ul style="list-style-type: none"> ■ An organisation that achieves sustainable microeconomic reform. ■ Rewarding and intellectually challenging work environment. ■ Opportunities for personal and professional development. ■ Staff to be recognised for their contributions. ■ An open and responsive organisational culture. ■ An organisation that is progressive and pro-active in all its endeavours.

Strategic Plan

Key stakeholders' expectations of the QCA

Stakeholder	Expectation
<p>The public</p>	<ul style="list-style-type: none"> ■ Tangible benefits of the reform process. ■ Represent the public interest. ■ Value for money outcomes from QCA activities.
<p>Other regulators</p> <ul style="list-style-type: none"> ■ NCC ■ ACCC ■ Other State regulators 	<ul style="list-style-type: none"> ■ Effective communication and sharing of intellectual property. ■ Facilitating microeconomic reform. ■ Independence and professionalism.

Key stakeholders' summary expectations of the QCA

- Independence and professionalism.
- Facilitate sustainable microeconomic reform.
- Have regard to the public interest.
- Value for money outcomes from QCA activities.
- Give rulings in advance on how the Authority would treat a matter [can cause conflict with legislated role].
- Open communication between stakeholders and the QCA.
- Keep the government fully informed of key issues and outcomes on a timely basis.
- Effective communication and sharing of intellectual property with other regulators.
- Effective participation in the review process.
- Understanding real market conditions and particular business interests.
- Sensitivity to labour market issues in the microeconomic reform process.
- Practical transitional arrangements.
- A transparent process.
- Engender Government and community support for competition reform where it is appropriate.
- Rewarding and intellectually challenging work environment.
- Opportunities for personal and professional development.
- Staff be recognised for their contributions.
- An open and responsive organisational culture.
- An organisation that is progressive and pro-active in all its endeavours.

To meet key stakeholders' expectations, QCA must deliver the following outcomes that are consistent with all stakeholder expectations:

- 1 Integrity and professionalism.
- 2 Transparency and accountability.
- 3 Quality reports that deliver workable solutions.
- 4 Effective communication including effective consultation with key stakeholders.
- 5 Value for money outcomes for the Government.
- 6 A rewarding and intellectually challenging work environment.

QCA's core values – what counts at QCA – are:

- Integrity and professionalism.
- Analytical rigour.
- Effective outcomes.
- Open honest communication.
- Teamwork and support.
- Respect for individuals.
- Self-motivation and commitment.
- Workplace flexibility to accommodate both personal and professional priorities.

Strategic Plan

Position assessment – The current score-chart for QCA

Today

Strengths

- Independence and integrity.
- Recognised source of advice for Government.
- Technical excellence in microeconomic analysis and implementation.
- Interesting and challenging work – leading edge research and analysis.
- Library of intellectual property and research.
- Pool of in-house expert resources and intellectual capital.

Weaknesses

- Lack of thorough understanding by some stakeholders of the QCA's role and responsibilities.
- Availability of experienced staff in the marketplace. Excessive pressure on staff due to time constraints.
- Insufficient formal processes aimed at ensuring consistent recommendations and determinations are forwarded to the Board.
- Current silo structure inhibits effective communication and sharing of knowledge.
- Timely response to issues can be hindered by the time taken to receive stakeholder comments, the detailed process and the lack of flexibility of Board meetings.

Tomorrow

Opportunities

- Take a more active role in promoting understanding by stakeholders of the Authority's position on key matters.
- Progressively expand the scope of operations to that of fully integrated regulator encompassing:
 - Setting service performance standards;
 - Licensing industry participants;
 - Monitoring performance; and
 - Public education and dispute resolution.
- Independent economic adviser.
- Improved liaison with Stakeholders

Threats

- Being perceived to be lacking balance in our support for economic reform.
- The impact of the lack of public understanding of the net benefits of microeconomic reform.
- Limited scope of operations spelt out in the legislation.
- Potential centralisation of regulatory functions at the national level (eg Parer Report).
- Perceived or actual loss of organisational independence.
- Dependence upon Government support – funding, policy issues and general matters.
- Failing to meet key stakeholder expectations.
- Loss of key staff and/or staff burnout.
- Lack of knowledge of future work program or load.

The critical strategic factors for QCA's performance:

- Professional expertise, resident in its people

+

- Processes and environment through which to achieve its work outcomes in an efficient and effective manner.

=

An organisation that can deliver workable solutions to improve the economic wellbeing of Queenslanders.

Strategic Plan

The key current issues for QCA

Internal issues	External issues
<ul style="list-style-type: none"> ■ Effective organisation-wide communication. ■ The lack of feedback to staff members regarding their work outputs and style. ■ Improvement in formal processes aimed at ensuring consistent recommendations and determinations are forwarded to the Board. ■ Improvement in staff understanding of the respective roles and responsibilities of QCA Members and the Secretariat. ■ Difficulty in recruiting experienced staff. 	<ul style="list-style-type: none"> ■ Lack of thorough understanding by some stakeholders of the QCA's role and responsibilities. ■ The impact of the lack of public understanding of the net benefits of microeconomic competition reform. ■ Lack of effective relationships with some key stakeholders. ■ The need to balance a consultative process and natural justice with stakeholders growing concern for operative certainty and a wish for rulings in advance.

Strategic Plan

QCA's key strategic intentions

Strategic intent	Justification	Risks	Implementation
1 QCA must operate as an independent agency of Government, transparent and professional in its deliberations.	QCA must be seen by all stakeholders as an organisation of unquestionable integrity and professionalism to fulfil its mandate effectively.	If QCA's status and recognition as an independent agency of integrity and professionalism is not established and sustained, it will not be able to fulfil its mandate effectively.	QCA will operate as an independent agency of Government, with governance processes focused on rigorous independent review of reports and other findings.
2 QCA must deliver reports of consistent quality and in a timely manner to sustain a reputation as an agency of competence and relevance.	QCA's whole reputation will be based on the quality and timeliness of its reports and thus the organisation must focus on this primary outcome from QCA's activities.	If QCA issues a deficient report in any manner whatsoever or fails to meet the timelines required by Government, its reputation may be tarnished and be difficult to recover, thus diminishing the potential future effectiveness of QCA.	QCA will continue to refine and improve its internal quality assurance processes and the core methodologies upon which its work activities are based.
3 QCA must communicate effectively with its key stakeholders, in explaining its role in regulatory issues, its consultation on issues and its presentation of findings.	Stakeholders in every review must not only be effectively consulted but recognise that they have been offered an appropriate avenue for input to any QCA deliberation so that QCA is able to both clearly identify and thus address all key issues but also ensure that its findings address key stakeholder issues.	Failure to capture stakeholder input into the review process will significantly diminish QCA's potential effectiveness as an independent agency of Government.	As part of QCA's work processes, QCA will appoint individual directors and senior staff as relationship managers for all key Government and industry stakeholders to ensure that communication is ongoing, bi-lateral and open, particularly during specific project evaluations and reporting processes.

Strategic Plan

QCA's key strategic intentions (cont)

Strategic intent	Justification	Risks	Implementation
<p>4 QCA must attract and retain personnel of the highest quality in order to satisfy its mandate.</p>	<p>Without personnel of the highest quality, QCA will not be able to fulfil its mandate and establish a reputation as an organisation of the highest professional excellence.</p>	<p>Lack of professional competency within the QCA will place at risk its capacity to both deliver the required outcomes from its work programme and ensure that such reports are of the highest quality.</p>	<p>Key initiatives to attract and retain competent personnel for QCA include:</p> <ul style="list-style-type: none"> ■ A recruitment process designed to identify, recruit and induct people of required competencies and personal qualities relevant to QCA's work programme. ■ An internal performance management process that will ensure that QCA management provide all staff with clear work directions, develop and implement individual professional development plans and receive performance feedback, in line with "best practices" in other leading professional services organisations. ■ An effective reward system incorporating remuneration, professional recognition and development. ■ A work environment that ensures that staff are involved in interesting work

Strategic Plan

QCA's key strategic intentions (cont)

Strategic intent	Justification	Risks	Implementation
<p>5 QCA must balance a consultative process against the stakeholders wishes for rulings in advance</p>	<p>QCA must take into account the requirements for a consultative process and the rules of natural justice for stakeholders and balance this against stakeholders need to be able to operate in a certain environment and their wish for rulings in advance on the QCA's decision on certain matters.</p>	<p>The QCA cannot disenfranchise any stakeholders from the consultation and must meet the requirements of natural justice.</p> <p>Stakeholders may lose their faith in the regulatory environment if they are unable to obtain some direction for normal business operations on how certain matters should be resolved.</p>	<p>QCA to fully consider the implications of these conflicting requirements and to prepare a submission for consideration by Members.</p>
<p>6 QCA should be a contributor to the development of regulation in Australia.</p>	<p>QCA should strive to be active in regulatory developments.</p> <p>QCA should attempt to enhance the understanding of the net economic benefits of microeconomic reforms.</p>	<p>If QCA fails to effectively contribute to the development of regulation in Australia, it is likely to have difficulty in attracting and retaining good people and its independence could be questioned.</p> <p>Failure to generate understanding of the net benefits of microeconomic reform could result the reform process being halted or slowed.</p>	<p>QCA will establish and maintain direct liaison with other Australian and international regulators.</p> <p>QCA will establish a research and development capacity, as well as pro-actively encourage a culture of challenging established principles and stimulating original thought.</p>

Strategic Plan

Strategic intent	Justification	Risks	Implementation
<p>7 QCA must ensure that it delivers value for money outcomes to justify the Queensland Government's investment in its activities.</p>	<p>Not only must QCA be effective in its work outcomes but it must also satisfy the Queensland Government that it is operating within its budget and that its internal processes are efficient in comparison with the operations of a "best practices" professional services organisation.</p>	<p>QCA will not engender ongoing support from the Queensland Government unless it is able to satisfy the test of value for money comparisons.</p>	<p>QCA will continue to operate within its current budget allocations and plan its internal affairs through project teams with budgets and work practices aligned to professional services firm "best practices" processes.</p>

Strategic Plan

Key goals, performance measures and strategies for QCA

Key outcomes	Performance measurement	Key strategies	Major projects
1 Integrity and professionalism.	Stakeholder acceptance that QCA's recommendations and determinations are independently determined and technically based.	Adoption and implementation of QCA's values throughout the organisation.	Ongoing recognition of QCA's core values in all staff performance assessments.
2 Effective communication including effective consultation with key stakeholders.	Stakeholder acceptance that they have been fully and effectively consulted.	The implementation of stakeholder management plans for all key stakeholders including the appointment of a staff member responsible for leading the development and implementation of each plan.	The development and implementation of management plans for all key stakeholders as determined by the CEO. The appointment of a responsible staff member for each plan.
3 Value for money outcomes for the Government.	Benchmarking QCA costs against comparable organisations. Use of advanced IT support and facilities.	Internal costing analysis to enable the cost of key outputs to be assessed as a basis for both future planning and benchmarking against comparable regulatory organisations. Develop leading edge IT systems and resources to assist effective and efficient work output.	The structuring of internal accounting cost processes to capture costs for major QCA activities, to enable evaluations and comparisons to be made. Rolling review of IT systems to ensure they remain at the cost effective forefront of technology.

Strategic Plan

Key goals, performance measures and strategies for QCA (cont)

Key outcomes	Performance measurement	Key strategies	Major projects
4 Quality reports.	Stakeholder acceptance that QCA's reports are both technically sound and readily understood.	<p>Continued improvement in communication techniques and writing styles</p> <p>The ongoing development and application of core evaluation methodologies.</p> <p>The development and ongoing maintenance of QCA's quality assurance processes, including an effective project planning, project management and peer review process.</p>	<p>Develop a standard writing style across the organisation and focus on improving technical writing skills.</p> <p>The documentation and updating of all core QCA evaluation methodologies and precedents as part of QCA's internal knowledge management process.</p> <p>The development of a formalised quality assurance processes based on "best practice" professional services organisations adapted to QCA's own environment.</p>
5 Meeting Timeframes	QCA delivering reports within the timeframes set by Government or the appropriate legislation, subject to delays that are outside the QCA's control.	<p>Establishment of workplans for projects.</p> <p>Milestones to be established.</p> <p>Variations to be reported and adjustments made as necessary to allow for delays due to the consultation process.</p>	<p>Development of a standard workplan structure, including milestones, to be utilised for all projects.</p>

Strategic Plan

Key goals, performance measures and strategies for QCA (cont)

Key outcomes	Performance measurement	Key strategies	Major projects
6 People performance	<p>Effective communication with staff every month.</p> <p>Technical staff turnover < 20% of personnel per annum.</p> <p>Completion of all individual formal staff performance appraisals within one month of the due date.</p> <p>Regular ongoing performance feedback on a regular basis in work teams.</p>	<p>Monthly briefings to all personnel by the CEO.</p> <p>The development and implementation of a formal performance management process for all personnel.</p> <p>The implementation of formal work appraisals as part of QCA's internal quality assurance process.</p>	<p>The continuation of a regular staff briefing process by the CEO.</p> <p>The implementation of a staff performance management process in line with "best practice" models applied by leading professional services organisations (eg PEEP).</p> <p>The development of a formalised quality assurance processes based on "best practice" professional services organisations adapted to QCA's own environment.</p>

Continuing priorities for QCA

- Deliver quality outputs from the current work agenda.
- Maintain and enhance effective relationships with all key stakeholders, particularly the Government.
- Communicate with all key stakeholders, especially in the industry consultation process.
- Attracting, developing and retaining good people.