Save the Children Australia

2014 EXECUTIVE REPORT CARD

18 March 2015

EXECUTIVE PERFORMANCE ASSESSMENT

Our performance management system was used for the Executive assessment process in 2014. The system facilitates a structured performance assessment process, and ensures they are provided with a written assessment, supported by a conversation.

The performance of the CEO is assessed by the Board Chair and Chair of the Board Human Resources Committee, taking into consideration the key performance indicators (KPIs) set at the beginning of the year. The CEO held an annual performance appraisal with each Executive team member. The annual process is also supported by a half-year review and ongoing feedback throughout the year.

PERFORMANCE AGAINST THEIR KPIS

Paul Ronalds, Chief Executive Officer

As our CEO, Paul is accountable to the Board, Save the Children Australia and its members. His key performance indicators (KPIs) are our organisational strategic goals. Read our 2014 Annual Report to see how he is performing.

Stuart Shaefer, Director, International Programs

Since Stuart only joined us in August 2014, his performance was not formally reviewed in 2014.

Elizabeth Mildwater, Director, Australian Programs

KPI 1: Drive a focus on monitoring and evaluation to ensure scale and impact metrics can be collected, reported and linked to Save the Children Australia's donor proposition.

This year we appointed a program quality specialist for our Australian programs. As a result, we now produce detailed quarterly reporting on all of our Australian programs, allowing us to constantly review our quality and impact. All programs are reviewed every three years, and this year our Kununurra Youth Night Patrol and Youth Service was evaluated. The program was designed to address the growing street presence of children and young people at night, and the associated levels of crime in Kununurra. The program works to build awareness of risk and danger in children and young people to prevent a cycle of juvenile offending and chronic school non-attendance. The review found the project resulted in a significant reduction in street presence of young people from 2013 to 2014 and a decrease in the frequency of street presence by individual young people. The biggest strength of the project is the priority given to hiring and building the capacity of local Aboriginal Staff. The most significant finding is that the project is considered by several stakeholders as improving the safety of children and young people. The review also highlighted that the design was over-ambitious in expected outcomes. A lack of resources lead to limited staffing hours which in turn reduced the number of hours spent engaging parents and caregivers. The project team will revisit the project design and budget in 2015, and agree on priorities for the remainder of the project lifetime.

Mat Tinkler, Director, Policy and Public Affairs

KPI 1: Develop a comprehensive Policy and Advocacy Strategy 2014–15 to be presented to the Board in the first quarter of 2014.

We developed a comprehensive Policy and Advocacy Strategy 2014–15 with three core objectives:

1. To embed policy and advocacy as core business for Save the Children Australia, based on our core values and unique perspective.
2. To identify and implement key policy and advocacy projects across all our areas of thematic priority.
3. To become a campaigning organisation with an integrated approach across all public-facing departments.

We made good progress against objectives one and three in 2014, hiring key staff in campaigns and digital advocacy, launching an online campaign platform and trialling an integrated approach with our No Child Left Behind campaign.

We pursued a number of policy and advocacy projects across our key thematic areas, and experienced success through our work on inequality, especially through the G20 agenda, and our humanitarian advocacy on the Ebola crisis and the Gaza/Israel conflict. We also worked hard to protect and promote the rights of children in mandatory immigration detention on Nauru.

KPI 2: Ensure Save the Children Australia is consistently in the top three most-quoted international non-government organisations in the Australian media.

We had a stunning year for media engagement, reaching a total audience of more than 157 million, nearly doubling our reach of 79 million in 2013. Our media success was due to our agile and creative approach, using spokespeople in parts of the world hit by conflict or disaster.

We also raised awareness of the under-reported food crisis in South Sudan, for which Fairfax journalist Matt Wade won the 2014 Australian Council for International Development Media Award for excellence in reporting on international development issues.

KPI 3: Achieve our financial plan.

In 2014, for the first time, the Policy and Public Affairs team was successful in attracting new income to Save the Children Australia. As a result, in 2015 we will partner with the Bill and Melinda Gates Foundation on a project that will seek to engage federal Members of Parliament on Australia's aid and development program through delegations to overseas aid programs in our region. We will also partner with the Children's Investment Fund Foundation in 2015 on a project that seeks to promote the benefits of nutrition focused development programs in the Asia Pacific.

Nicole Brasz, Director, Marketing

KPI 1: Deliver channel diversification, with no single channel representing more than 60 percent of Regular Givers.

At the end of 2013, our external face-to-face team accounted for 89 percent of all new donor acquisitions. In 2014, we successfully mitigated the risk of our overreliance on this acquisition channel by launching our DRTV and in-house face-to-face teams. By the end of 2014, our external face-to-face team accounted for only 42 percent of acquisitions, with DRTV accounting for 41 percent, and telemarketing, digital and in-house face-to-face accounting for the rest. This new composition has created a stronger foundation for us to grow our supporter base in 2015 and beyond.

KPI 2: Deepen our digital capabilities.

Both our website and social media channels showed very strong growth in 2014. Both social media and our website outperformed their KPIs, with social media ending at 75,000 against 41,000 in 2013 and the website ending at 391,000 unique visits against 241,000 in 2013. We also increased our acquisition of new supporters through digital channels, with a 31 percent increase in cash acquisitions and a 1,079 percent increase in regular giving acquisitions in 2014. Investment in our analytical, search and advocacy capabilities contributed to our success.

KPI 3: Build a high-performance culture with improved employee attraction and retention.

Employee engagement in marketing grew from 46 percent to 64 percent year on year. We achieved this through a range of initiatives, including the creation of 'dream teams' to address culture and productivity.

Jason Gerrard, Director, Shared Value

Since Jason only joined us in September 2014, his performance has not been formally reviewed.

Dianne Francois, Director, People and Culture

KPI 1: Build a high-performance culture.

In 2014, we introduced talent-planning and calibration processes that clearly show our employees what a high-performance culture looks like. We reinforced high expectations of leadership behaviours in line with our values and, combined with improved performance management tools, training and processes, we have underlined the importance of accountability in ensuring we deliver on our ambitious goals for children.

KPI 2: Improve employee engagement and retention.

We increased employee engagement from 57 percent to 64 percent – a 12 percent improvement in 12 months. This was driven by improved confidence in our leadership; strong employee connection to our mission and purpose; and improved collaboration and communication across departments.

KPI 3: Strengthen our leadership pipeline.

We have introduced a range of development programs for managers, ranging from Management Induction for new managers to our Leading with Impact program for senior leaders. These programs are complemented by our talent management processes. We have invested in the development of our leaders but also increased the expectation on leaders to develop and manage the talent in their teams.

Alistair Brown, Chief Financial Officer

KPI 1: Implement a new finance system.

Following successful design and build phases in 2013, we tested and went live with our new finance system in the second quarter of 2014. This is a significant change for the organisation, and an important upgrade in the capability of our finance system. The new system has enabled us to produce superior reports and analysis, adding significantly to our ability to monitor and manage our financial results, as well as enabling cost savings within the finance department. We are continuing to assist staff to leverage the full benefits of this investment.

KPI 2: Implement a new operating model for Business Services.

During 2014, our procurement, facilities, IT and process improvement functions were brought together under a new Head of Business Services reporting to me. This role, with the assistance of other support functions such as risk, internal audit, and the Project Management Office, has a strong focus on improving the quality and efficiency of various processes supporting our business.

KPI 3: Strengthen our internal audit and increase focus on strategic risks.

During 2014, we recruited our first internal auditor (previously we used consultants). This has enabled us to increase the number and scope of audits, increased communication between audit and line management, and given us a greater understanding and focus on controls throughout the organisation.

We also focused on developing our understanding and focus on our strategic risks, complementing the already strong focus on operational risks across the organisation. Several workshops were held with management and the Board, and we now have a consistent understanding of our key strategic risks, the owners of those risks within the organisation, and the key mitigating controls.

EXECUTIVE REMUNERATION

Executive Remuneration*	Number of Executive team members
$0 - $150,000	5
$150,001 - $200,000	1
$200,001 - $225,000	1
$225,001 - $250,000	1
$250,001 - $275,000	1
$275,001 - $300,000	0
$300,000 +	1

***Includes salary and superannuation**

EXECUTIVE BONUSES

We do not offer any bonuses or incentives to our Executive team.

EXECUTIVE SUCCESSION PLANNING

Succession planning for all executive positions is discussed on an annual basis by the Board Human Resources Committee and on an ongoing basis by the CEO and Board Chair. The CEO also holds regular discussions with Executives – both individually and as a team – on succession plans for key management roles throughout the organisation.