

**OUTBACK STORES PTY LTD**

# **CORPORATE PLAN**

**2017 – 2020**



## INTRODUCTION

This Corporate Plan for Outback Stores Pty Ltd covers the period 2016-17 through 2019-20, as required under paragraph 95(1) (b) of the *Public Governance, Performance and Accountability Act 2013*. The Corporate Plan incorporates, and will build upon, Outback Stores' strategic and operational plans.

Outback Stores is a Commonwealth owned company with an independent Board of Directors, which provides retail management services to Indigenous owned stores.

This Corporate Plan should be read in conjunction with the following Vision & Mission statements:

## VISION

Outback Stores aspires to be the national company of choice by being the most efficient and effective provider of retail services that deliver quality and sustainable retail stores.

## MISSION

To make a positive difference in the health, employment, and economy of remote Indigenous communities, by providing quality, sustainable retail stores.

I look forward to working with the Outback Stores Board to achieve its vision over the coming years.

**Michael Borg**

**Chief Executive Officer**

## PURPOSE

Outback Stores is a Commonwealth owned company with an independent Board of Directors, which provides retail management services to Indigenous owned stores.

It has been established to improve access to affordable, healthy food for Indigenous communities, particularly in remote areas, through providing food supply, store management and support services, and as far as practicable, to operate sustainably, competitively and efficiently, and provide employment and training opportunities for Indigenous people.

## VALUES

- **Integrity:** We are committed to the principles of truth and honesty and we are equitable, ethical and professional.
- **Diversity:** We respect and embrace cultural differences.
- **Health and Safety:** Health and safety are fundamental elements in all our activities.
- **Simplicity:** We value and practice simplicity.
- **Quality:** We work to the highest standards believing that Indigenous people deserve the best.
- **Accountability:** We are transparent and accountable to our organisation, stakeholders and each other and we do what we say we are going to do.

## ENVIRONMENT

Outback Stores operates in very complex and remote environments raising significant internal and external environmental challenges. These challenges are unlikely to improve over the duration of this plan and it is important that the business remains agile and can quickly adapt to change.

Key internal environmental challenges include:

- Identifying key stakeholders to enhance the delivery of services to remote areas

Key external environmental challenges include:

- Cultural and community activities
- Population movements
- Adverse weather conditions or natural disasters

Outback Stores operates in 37 locations in across Australia including the Northern Territory, South Australia, Western Australia and Queensland.

## PERFORMANCE

During the period of the Corporate Plan, Outback Stores will manage a network of stores that delivers food security to remote Indigenous communities. Outback Stores will continue to improve the performance of stores through offering sound financial management, Indigenous employment & training and a focus on the sale of healthy foods.

Outback Stores continues to undertake regular reviews of all activities to ensure that existing and new services align with its strategic objectives and Government priorities.

## OUR SEVEN STRATEGIC PRIORITIES

Discussions between the Board of Directors and the Senior Management Team have identified the following seven strategic priorities as a focus for the duration of this plan:

1. We exceed our shareholders expectations
2. We are recognised as a trusted reliable retail provider
3. We have strong partnerships with current and potential store owners
4. We have an effective healthy food strategy
5. We are an employer of choice
6. We are the most innovative retailer in our market
7. We make a surplus before interest

## KEY PERFORMANCE INDICATORS

Employment & training				
	2016-17	2017-	2018-19	2019-
Permanent Indigenous employees enrolled in accredited training programs	60%	60%	60%	60%

Health & nutrition				
	2016-17	2017-	2018-	2019-
Increase fruit & vegetables tonnage (Kg)*	2%	2%	2%	2%
Reduce full sugar soft drink sales as a % of total drink sales by	(0.1%)	(0.1%)	(0.1%)	(0.1%)

\*Kilogram percentage increase

Expand the network of stores				
	2016-17	2017-	2018-	2019-
Increase the number of stores by:	2	2	2	2

## OUR GOALS DURING THE PERIOD OF THIS CORPORATE PLAN

To achieve our seven strategic priorities during the period of this Corporate Plan, we are working towards achieving seven goals.

### Goal 1

#### We exceed our shareholders expectations

##### Action

- Meet the financial and social objectives that the Minister has set
- Align Outback Stores' operations with broader Government policies and programs
- Will respect traditional and cultural objectives and values of the communities with whom we engage

### Goal 2

#### We are recognized as a trusted retail provider

##### Action

- Increase store sales
- Maintain positive relationships with potential clients
- Communities and stakeholders demonstrate a clear understanding of what OBS stands for
- Establish mechanisms to effectively capture customer feedback
- Have the best retail offer in the market
- Circulate positive media stories

### Goal 3

#### We have strong relationships with current and potential store owners

##### Action

- Improve the frequency and effectiveness of store Board meetings
- Increase attendance at store Board meetings by improving the quality of engagement with store directors on a day to day basis

### Goal 4

#### We have an effective healthy food strategy

##### Action

- The Health and Nutrition Policy implemented in all stores
- Increase the overall turnover of fruit and vegetables
- Support community, research and legislative initiatives to reduce the use of tobacco in communities
- Decrease the overall turnover of sugar sweetened soft drinks
- Increase the relative affordability of a broad range of healthy foods

**Goal 5**

**We are an employer of choice**

**Action**

- Offer the opportunity for all employees to enroll in accredited training programs
- Increase staff retention

**Goal 6**

**We are the most innovative retailer in our market**

**Action**

- Reduce the cost of doing business
- Create an environment that nurtures creativity and new ideas

**Goal 7**

**We make a surplus before interest**

**Action**

- Increase the number of stores managed by us
- Develop an income from investments to assist in funding unviable stores
- Reduce the cost of existing stores' operational underpinning
- Reduce the costs to run Outback Stores
- Maximise viable stores and their return to community

**CAPABILITY**

Outback Stores is part of the Prime Minister and Cabinet (PM&C) Portfolio.

PM&C has primary responsibility for Indigenous affairs and most Commonwealth Indigenous-specific policy and programs. The Department works with other Commonwealth departments, state and territory governments, Indigenous communities and organisations, and peak bodies to achieve the government's priorities of getting children into school, getting adults into jobs, and making communities safer.

Outback Stores supports PM&C in these aspects and is committed to providing primary retail management services to remote Indigenous Communities.

Outback Stores aims to attract and retain the best people with a diverse range of experience to meet the strategic and operational outcomes and our purpose.

Our team is committed to knowledge-sharing and continuous improvement, learning from our mistakes as well as our successes. It's an approach that flows through to the way we do business, the way we treat our stakeholders and stay solution focused.

This has allowed us to develop specialist retail capabilities offering market leading expertise in administration, finance, merchandise, information, communication & technology, human resources, training and operations.

## RISK MANAGEMENT

Risk management underpins the achievement of our purpose.

Outback Stores' risk register categorises the company's strategic risks into very high, high, medium and low, and documents actions to mitigate these risks and are referred to when determining the strategic and operational plans.

Key controls for major risk include:

- Risk Assessment;
- Audit & Risk Committee;
- Business Continuity Management;
- Incident Management;
- Fraud Incident Management; and
- Workplace Health & Safety Management.

By integrating risk management priorities in this way, the Outback Stores Senior Management Team and the Board of Directors can ensure the company's efforts are being put to actions that ensure the company's longevity as well as achieving growth and its purpose moving forward.

The risk profile of the company is reviewed quarterly by the Senior Management Team and then by the Board of Directors.

## APPENDICES

Appendix A – Minister's Statement of Expectations

Appendix B – Outback Stores Statement of Intent