



# Before You Dig Australia

## Transformation Overview

## BEFORE YOU DIG AUSTRALIA – THE TRANSFORMATION

The formation of the new national safety entity, 'Before You Dig Australia' (BYDA) has created a refreshed and streamlined organisation, set to deliver better outcomes for the protection of Australian lives and important infrastructure assets.

Established in Western Australia in 1984 before being duplicated across all States - and previously operating under the banner of 'Dial Before You Dig' (DBYD) - Australia's national referral service for information on underground pipes and cables had been delivered by five separate state entities, along with a national head office. But 35 years later and with a growing need for safety information and advice from major organisations like Telstra, through to home handymen and women right across Australia, it had become evident that there was a need to take another look at how the organisation was operating.

According to BYDA CEO Mell Greenall, the previous organisational structure had become frustratingly cumbersome and wasn't maximising the group's full potential to deliver important safety and damage prevention support for its members.

"While the referral service had always been consistent, what we found was that in trying to deliver that service by effectively six different businesses, we weren't always putting our energy into where we needed to be getting bang for buck and we struggled with issues like a lack of uniform marketing and messaging, depending on which state or territory members and consumers were dealing with," she said.

"And even though we were essentially providing the same service regardless of postcodes, our different pricing structures for our services across those individual markets was also a challenge, particularly for our national members, so it become increasingly obvious we needed to start thinking about change."

But change is sometimes easier said than done and understandably, there was some initial reluctance to introduce wholesale changes to the structure and governance of the well-established businesses.

"It wasn't a matter of us operating badly, it was more a matter of investigating if we could operate better," said Ms Greenall.

"But more importantly, such a radical potential change to a mature operation needed to be driven by facts, data and logic and interrogating the case for change was our first challenge."

So, what was the secret to the successful transformation of six individual business models into one cohesive national entity, and where to now for the newly badged BYDA?

Acutus Director Darren McGowan said a shared commitment to reaching the right outcomes for members and asset protection, and a commitment to dealing with facts with rigor and not emotions, underpinned the evolution.

“One of the keys was that we were dealing with a group who were willing to evolve and potentially change their views based on evidence, even if they may not have all been initially, equally convinced of the benefits of the merger,” he said.

“There’s no doubt there were some robust discussions along the way of the two-year journey, but at every key decision point, we always had unanimous agreement and I think that spoke volumes about people being listened to and respected.”

BYDA Vice Chair and South Australia/Northern Territory region director, Alan Lee said engaging experienced change consultants in the Acutus team had also been extremely beneficial.

“They were very thorough, very detailed and took the time to listen to all of our relevant stakeholders and the process ran very smoothly,” he said.

“I think one of the big bonuses for us now is that we can really focus on our overall, national strategy and growth opportunities and put our collective resources to much better use.”

Creating a transformation committee and working with Melbourne-based strategy consulting firm Acutus, the team’s initial conversations were around challenging the collective organisations’ financial viability and working budgets, but this quickly moved onto a Memorandum of Understanding to investigate the case for transformation, and a potential shift to a truly national organisation. This was agreed to by all the DBYD entities in November 2019.

And if the case for change was found to be valid, the next challenge was how to work through the potential mire of winding up six individual businesses subject to different legal and governance frameworks.

“While it was certainly a challenge and not without some robust conversations, I think where we have finally landed is very, very positive and logical,” he said.

“I think the future for us now is extremely bright and effectively the organisation has been unshackled for some exciting future growth.”

“I think it was very important that this discussion was driven by the State Chairs – as distinct from the national office - and guided by our independent Director Stuart Smith as the Committee Chair,” said Ms Greenall.

“Once we started being led by the data and the logic, the conversation matured very quickly. There was a real sense that we had to get this right and we looked at the rationale behind every decision with a lens that put our members and users first in that process, rather than sliding into State-centric sensitivities.”

The size of the challenge was not lost on the Transformation Committee Chair, Stuart Smith who describes it as more than two years of important, but hard and complicated work that ultimately developed the compelling case for change.

Western Australia region director Kelvin Grace said despite some early hesitancy about how the transformation process would be rolled out, he was pleased with the outcome.

“I think as a national organisation we have transitioned our governance and our cost base across to a much cleaner, simpler and cheaper model and our members will benefit from those changes,” he said.

“With a more agile national structure, now we can really focus on our fundamental strategies around education, growth, operational excellence, industry engagement and advocacy and our core purpose which is zero harm and zero damage.”

Taking on the role of BYDA’s inaugural Chair and Queensland region director, Neil Weatherly also sees a bright future for the refocused organisation.

“Clearly, I think we can now focus on our core business which should be around delivering important information and value to our members and customers regardless of where they’re operating, rather than being bogged down with the unnecessary replication of some of our previous administration and paperwork,” he said.

“I think what we’ve managed to achieve in the timeframe we have, has been quite remarkable and relatively smooth sailing. I can only commend everyone who has been involved!”

For Greg Rotheram, BYDA’s New South Wales/ACT region director, the process couldn’t have been successful without the combined courage to make some hard decisions and for some people, like him, to admit that they may have been wrong.



"I have to admit that I wasn't initially a supporter of the unification of the organisation, but the reality is that I couldn't argue with the evidence that was put in front of me and the result has genuinely exceeded my expectations and I'm a convert. Now I think we're looking at a bigger and brighter future than I ever imagined."

From his perspective, region director for Victoria and Tasmania, Eric Bardy is looking forward to a less complicated decision-making process on key decisions for the new national Board.

"It has always been a challenge trying to negotiate with six different entities with sometimes very different priorities and local concerns," he said.

"Now we have one Board where each region can have an equal voice at the table, and I can see a really positive future for us as one homogenous body."

Independent BYDA director Darryl Worthington has reflected that what has always been a strong safety brand across all construction-based industries, now has a chance to focus on making a deeper connection with the community.

"I see a real opportunity in connecting better with the wider community and getting our safety messages and information out there even more broadly," he said.

"And I think now as a more cohesive, single organisation we potentially also have a much bigger role to play in working with government and being able to advocate and support advances in innovation and technology."

Before You Dig Australia's inaugural CEO, Mell Greenall said she was delighted to be part of a team that had shown the maturity and enthusiasm to tackle such a wholesale change of an organisation.

"I think I've been extremely lucky to work with a board that's been willing to step outside their comfort zone in terms of change and really challenge the operational status quo," she said.

"Collectively we've asked the hard questions, listened to the data and the facts and I believe we've come out as much stronger organisation and I'm genuinely excited to see us deliver an even more significant safety impact across Australia."

The following pages detail BYDA's transformation process in detail.

# Despite DBYD's successes, there was a burning platform for organisational transformation

Why Transform?

## Transformation's "Burning Platform"

- For over three decades, DBYD state and national entities have provided an essential service to our members and the industry, protecting utility assets and preventing harm to people.
- To ensure we remain relevant and provide the best possible service to our members, the combined DBYD boards came together to consider how to challenge the status quo.
- Whilst we have a proud history, effective service, and enviable brand, we were challenged by members on our future focus and efficiency.
- Internally, we also saw opportunity for streamlining the organisation and increasing agility.

## Investigating Transformation

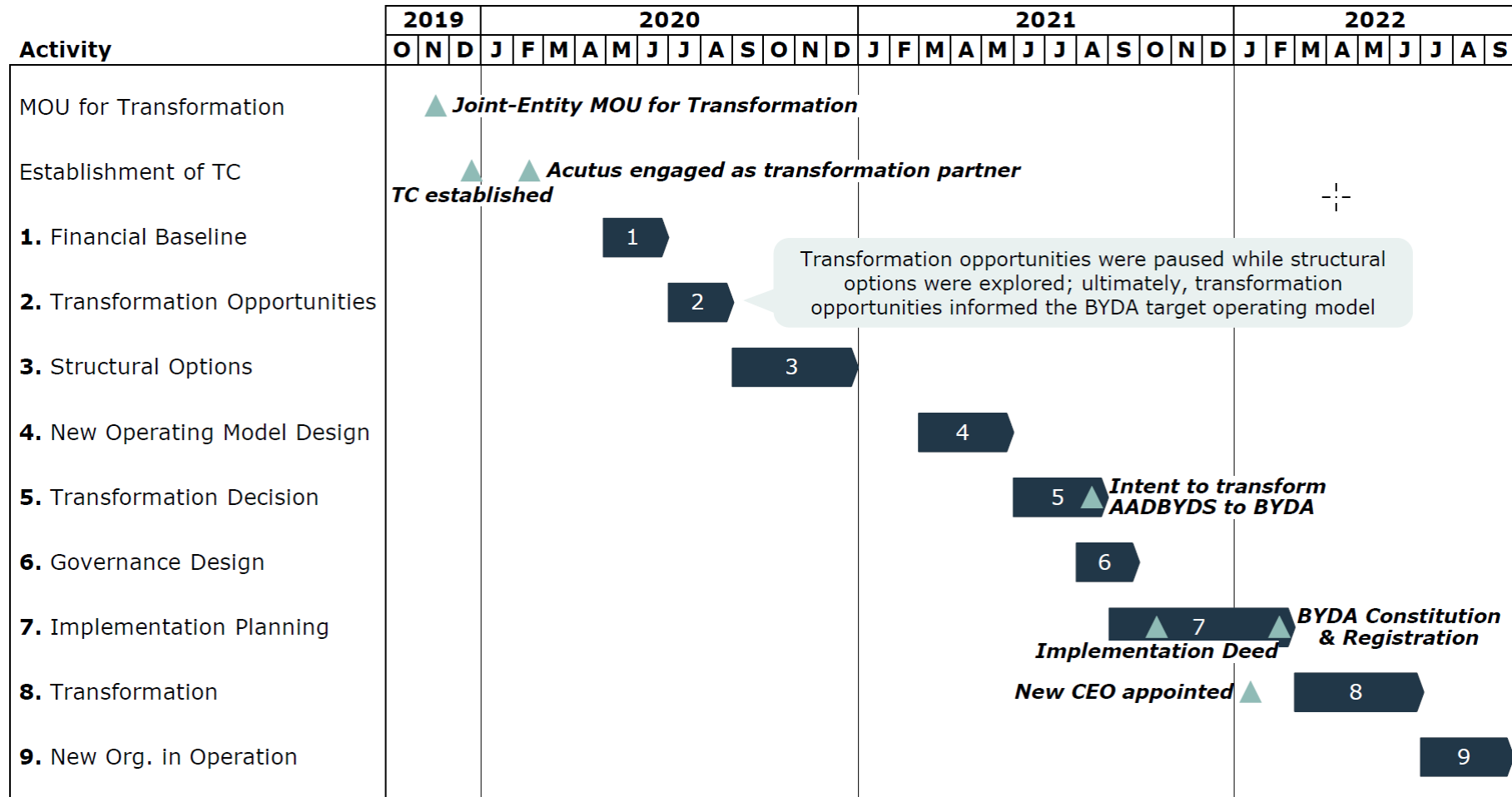
We challenged ourselves to factually investigate the opportunity to transform, creating and signing a joint MoU with the following goals:

- 1. Creation of a Transformation Committee** to oversee implementation and delivery of improved efficiencies and cost reductions and advise on future steps to unification (a Director was nominated by each of the Parties).
- 2. Reduce the DBYD entities' operating expenditure** through cost savings, consistencies, and operational efficiencies in relation to back office / corporate services (QA), pricing structures, business development, relationship management, sponsorship & marketing, projects, education & training, governance, and travel.
- 3. Consider formal restructure and required steps** to create a unitary organisation in place of the current federation of States and Territories will be explored.

# The combined approach was logical and structured

## End to End Transformation Journey

▀ Workstream ▲ Decision / Milestone



# Transformation was underpinned by board decisions

## Key Board Decisions

Decision	When	Description
<b>MOU for Transformation Investigation</b>	Nov 2019	<ul style="list-style-type: none"> <li>• MOU agreed by all DBYD entities</li> </ul>
<b>Letter of Intent – Proceed with Transformation</b>	Aug 2021	<ul style="list-style-type: none"> <li>• After reviewing key documents, DBYD entities agreed to transform AADBYDS to BYDA in order to transform the federated model                             <ul style="list-style-type: none"> <li>– Transformation Proposal</li> <li>– Draft Implementation Deed</li> <li>– Draft Services Agreement</li> </ul> </li> </ul>
<b>Implementation Deed &amp; Services Agreement</b>	Dec 2021	<ul style="list-style-type: none"> <li>• Implementation Deed and Services agreement executed by all state entities</li> </ul>
<b>BYDA Constitution &amp; Registration</b>	Feb 2022	<ul style="list-style-type: none"> <li>• Adoption of new constitution and registration of new company name</li> </ul>
<b>BYDA Standup</b>	Jul 2022	<ul style="list-style-type: none"> <li>• BYDA launched and commenced operation as single national provider of referral service</li> </ul>



# Initially Financial baselines and transformation opportunities were developed

## Transformation Approach



### Financial Baseline

#### Outcome of this Stage

- Clear understanding of the physical / financial / organisational operations of the DBYD entities

#### Key Activities

- We reviewed financials in detail and prepared a baseline for client operations

#### Approach

- We designed and built a financial / organisational / physical baseline

#### Outputs

- Physical / financial / organisational baseline for the DBYD entities
- Target combined operating expenditure baseline set (<\$10m) and agreed to by the DBYD entities

### Transformation Opportunities

#### Outcome of this Stage

- Structured set of transformation opportunities which were quantified and prioritised

#### Key Activities

- Identified and prioritised transformation opportunities across member engagement, marketing, contact centre op's, pricing, education & awareness, non-referral revenue, and BOH op's
- Developed a draft implementation plan, including opportunity owners

#### Approach

- Team quantified and prioritised opportunities
- Agreed transformation plan with key stakeholders

#### Outputs

- Potential transformation opportunities quantified, and prioritised transformation and actions detailed in an agreed transformation plan

# This was followed by the design of structural options and a new operating model

## Transformation Approach



### Structural Options

#### Outcome of this Stage

- Clear defined and articulated structural options the DBYD Boards could consider, developed with input from key stakeholders

#### Key Activities

- Development of structural options for DBYD to consider including description, changes to implement, pros and cons of each option

#### Approach

- Acutus engagement and collaboration with the Transformation Committee (TC) and key leaders for option development

#### Outputs

- Clearly defined structural options

*Note: Transformation opportunities identified in previous Activity 2 were paused while the DBYD understood possible "end state" structure (exc. Edu. & Aware., which progressed in parallel)*

### New Operating Model Design

#### Outcome of this Stage

- Collaborative development of operating model

#### Key Activities

- Development of operating model including: governance model, organisation structure, business capabilities, technology and operating footprint, and financial roadmap and budget

#### Approach

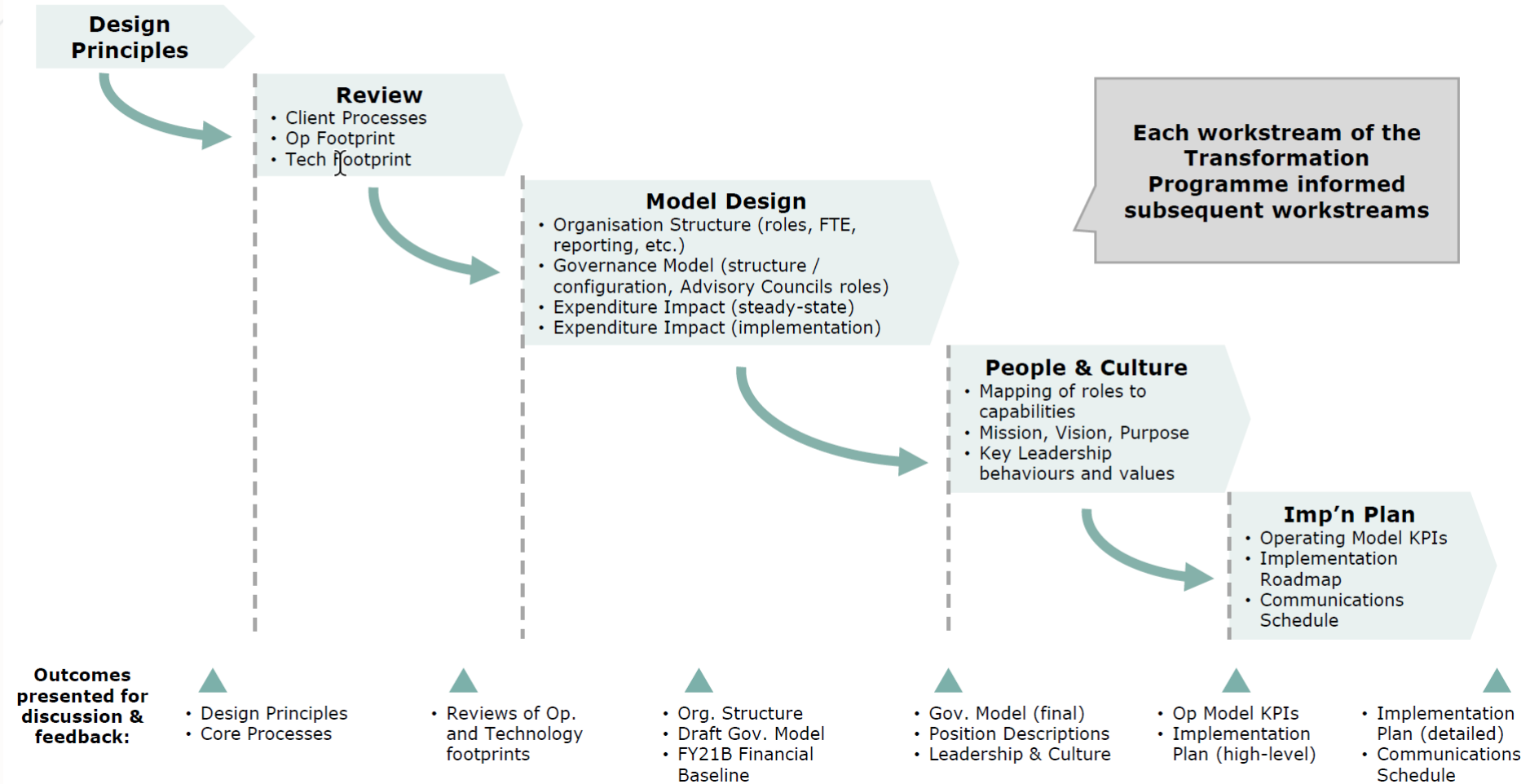
- A combined project team with DBYD secondees worked to design a new operating model

#### Outputs

- Complete operating model proposal for transformed organisation

# A highly structured process was utilised to design a transformed operating model

## Operating Model Transformation – Process & Artefacts



# Stakeholders were then engaged to make transformation decisions and a supported governance design

## Transformation Approach



### Transformation Decision

#### Outcome of this Stage

- Clear decision principles agreed
- Agreed decision making process, balancing need for speed / agility and governance / oversight

#### Key Activities

- Acutus identified and drafted key decision principles and decision processes
- Proposed decision principles and process adopted by TC and DBYD entities to ensure transformation proceeded in an agile but well governed sense

#### Approach

- Interviews with Transformation Committee
- Engage with State GMs and Chairs

#### Outputs

- Agreed decision principles to guide the implementation of transformation

### Governance Design

#### Outcome of this Stage

- Agreed upon new Constitution and Advisory Council charter for the client

#### Key Activities

- Team provided input for DLA Piper's governance design
- DLA Piper undertook the development of the new constitution whilst the project team developed the Advisory Council Charter

#### Approach

- Workshops with the TC and State Chairs to draft the governance design

#### Outputs

- Constitution and Advisory Council charter for the client

As the final step, the implementation plan was developed and executed

## Transformation Approach



### Implementation Planning

#### Outcome of this Stage

- Agreed upon plan for the implementation process at the operating cost target

#### Key Activities

- Implement high priority "do now" opportunities quickly
- Development of implementation details

#### Approach

- Engagement of DBYD for planning of transformation deliverables

#### Outputs

- Plan for delivery of transformation outcome at agreed cost to operating budget
- Clear tracking of benefits and identification of further opportunities / barriers to change

### Transformation

#### Outcome of this Stage

- Delivery of a new Operating Structure as proposed by the Transformation Committee and supported by client organisations

#### Key Activities

- Execution of transformation implementation plan led by an internal DBYD team with Acutus Support

#### Approach

- Team collaborated with key stakeholders for smooth implementation of new organisation design

#### Outputs

- New operating structure and organisation deployed
- Team transitioned from DBYD State Organisations to BYDA

### New Organisation in Operation



# BYDA's transformation was a success due to the roles that key participants in the process played

## Experience with Transformation

### **DBYD Leaders and Team**

- Engaged sponsor – critical role
- Role of Transformation Committee / SteerCo
- TC structure and governance
- Willing to change their mind – open to evidence
- Ignored entrenched interests
- Rapid but thoughtful decision making
- Put members first in thinking and decisions
- Willingness to accelerate process as confidence grew

### **Members**

- Initial catalyst for action

### **Acutus**

- Factual and objective
- Logical and structured
- Stuck to member view
- Addressed challenges head on
- No sacred cows
- Formed joint teams, but knew when not to
- Considerate but driven
- Collaborative but challenging
- Logical journey and flow
- Broad capability for whole journey (no handovers, always up to date)
- Drove engagement of other Professional Service providers when required

## A range of high-value benefits have been identified as outcomes of transformation

### Transformation Outcomes

#### Increased Regional

- Increased focus on local delivery through a regional account management model, that ensures engagement with all members. Territory teams will be centrally supported allowing greater allocation of their time to members.

#### Consistent Model

- Consistent governance, management, and service through an aligned national model.

#### Aligned & Improved Marketing & Education

- Improved quality and consistency of Education & Awareness and Marketing with a single message approach that can be modified for local regulation and conditions.

#### Damage Prevention Focus

- Increased focus on damage prevention with investment in damage prevention and drive to acquire damage data from members / users.

#### Flexible & Agile

- Flexible, and agile organisation more focussed on members than internal administration. Streamlined decision making processes and redundancy and flexibility built into the model – ability to scale up when regions require.

#### Specialised Functions

- Specialisation in key roles – dedicated people providing a consistent national service, versus multiple part time efforts.

#### Consolidated Assets

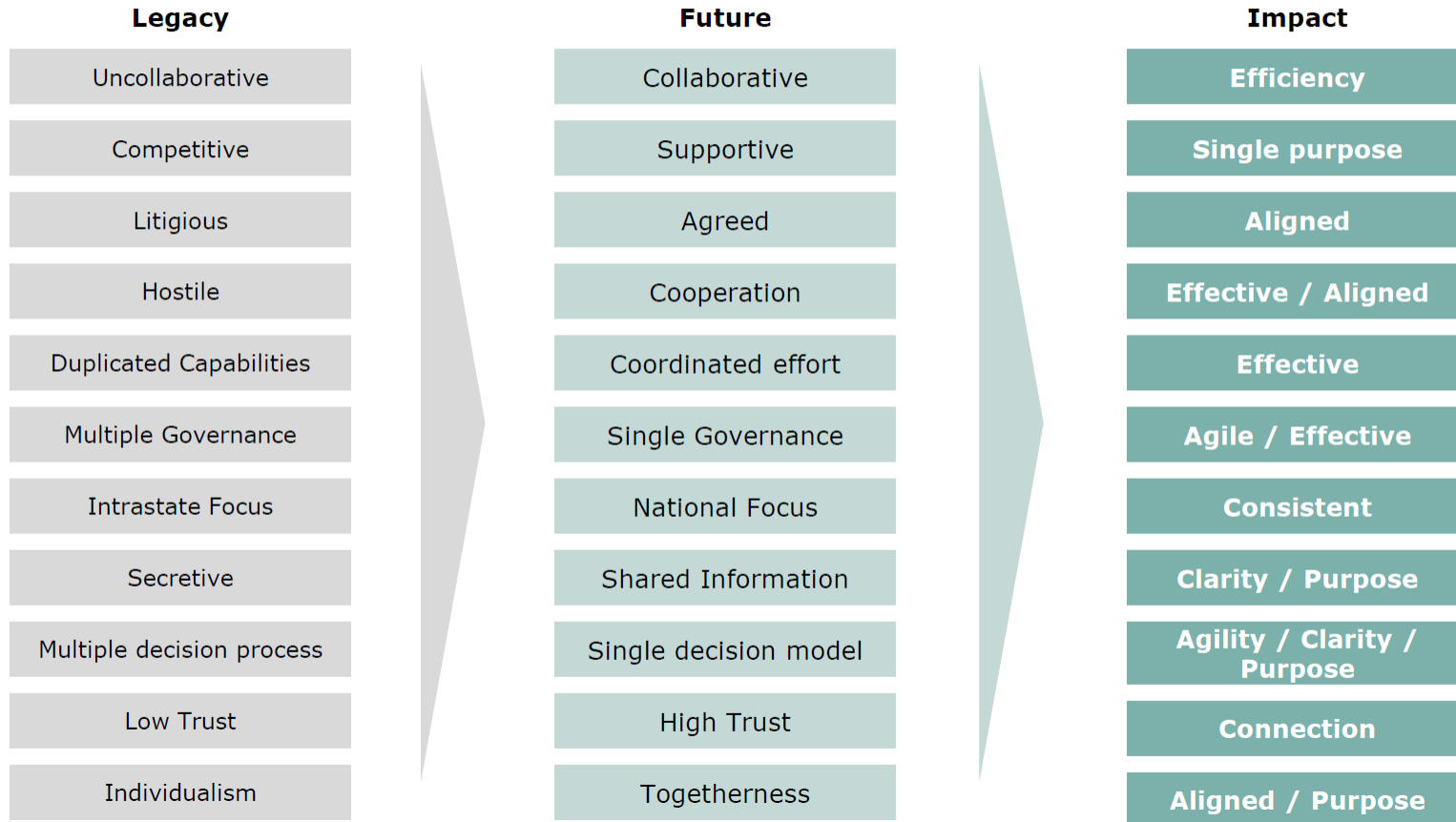
- Consolidation of assets to provide ability to make fewer, bigger impact investments in key areas such as awareness and damage prevention.

#### Cost Efficiency

- Reduction in referral costs – through our business case modelling we expect that the average member referral cost will reduce.

# BYDA is realising a range of benefits from transitioning from DBYD to a collaborative and leadership driven culture

## Leadership & Culture Transition



# The Transformation has also allowed BYDA to develop a single mission, vision and purpose building on DBYD's legacy

## Mission, Vision, & Purpose

**Mission, Vision, & Purpose currently vary slightly across the DBYD network**

<b>Mission</b>	<p>"We will innovate to provide services to ensure the location of network infrastructure"</p> <p>"To reduce damage to our members' assets and resulting loss and harm to workers and the community"</p>
<b>Vision</b>	<p>"We will be THE referral service, demonstrably delivering value to users and our members"</p> <p>"100% members - 100% users"</p> <p>"Safer communities through protected networks"</p> <p>"Zero damage, Zero harm"</p>
<b>Purpose</b>	<p>"We are a single referral service for information about members' assets to support the community to operate safely and avoid damage"</p>

**By focusing on our Purpose, a new Mission and Vision were established**

<b>Mission</b>	<p>To provide industry and the wider community access to technological solutions and education to ensure safety when working around member assets</p>
<b>Vision</b>	<p>Our vision is for <b>zero damage</b> to assets and <b>zero harm</b> to the community</p>

BYDA has now established a new Strategy to lead and guide the organisation for the next five years

BYDA Strategy 2022-2027





# BYDA still has a number of opportunities to pursue –including a post transformation review in 2023

## Reflections and Next Steps

*There are a number of opportunities for BYDA to pursue from here...*

<b>External</b>	<ul style="list-style-type: none"><li>• <b>Member Engagement:</b> Working further with our Members around damage data and damage prevention under a single, nationally consistent model</li><li>• <b>Regulatory:</b> Working closely with regulators and safety agencies with a single, national approach</li><li>• <b>Voice:</b> Amplify the voice of BYDA as the single national voice (no longer 5 competing voices)</li></ul>
<b>Governance</b>	<ul style="list-style-type: none"><li>• <b>Vision:</b> Building a shared agreement on what great looks like for BYDA with the BYDA Board and Members</li><li>• <b>Approach:</b> Integrating to one way of working – develop our best way of working</li></ul>
<b>Team</b>	<ul style="list-style-type: none"><li>• <b>Sponsor:</b> Support and nurture the team evolving the BYDA business and ways of working</li><li>• <b>Behaviour Building:</b> Need to keep evolving our performance and focus on Member outcomes not the past</li></ul>

## Post Transformation Review

BYDA is planning to conduct a Post Transformation Review of BYDA's performance and benefit realisation in 2023