

NPC

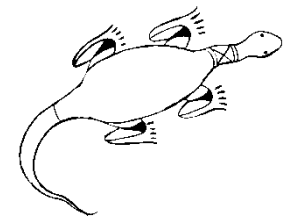
Northern Project
Contracting



NORTHERN PROJECT CONTRACTING

“Gaining an edge: How Indigenous businesses can meet the challenge and compete”

Speakers:
Bradley Foster and Derek Flucker
Directors, NPC



BRINGING CULTURE TO BUSINESS

Specialising in Indigenous people and Indigenous business in the civil and mining industries.





Overview of NPC

- NPC specialises in contracting and training services for the civil construction and mining industry throughout Queensland and Australia.
- NPC was originally established as a 50/50 joint venture between an Indigenous company and an experienced (much larger) mining contracting company
- In 2008 the Indigenous partners purchased 100% of the shares in NPC, and the company is now 100% Indigenous owned
- NPC specialise in Joint Venturing with other communities and passing on these experiences and giving communities opportunities to own their business. This experience does not exist in the industry.



How we compare

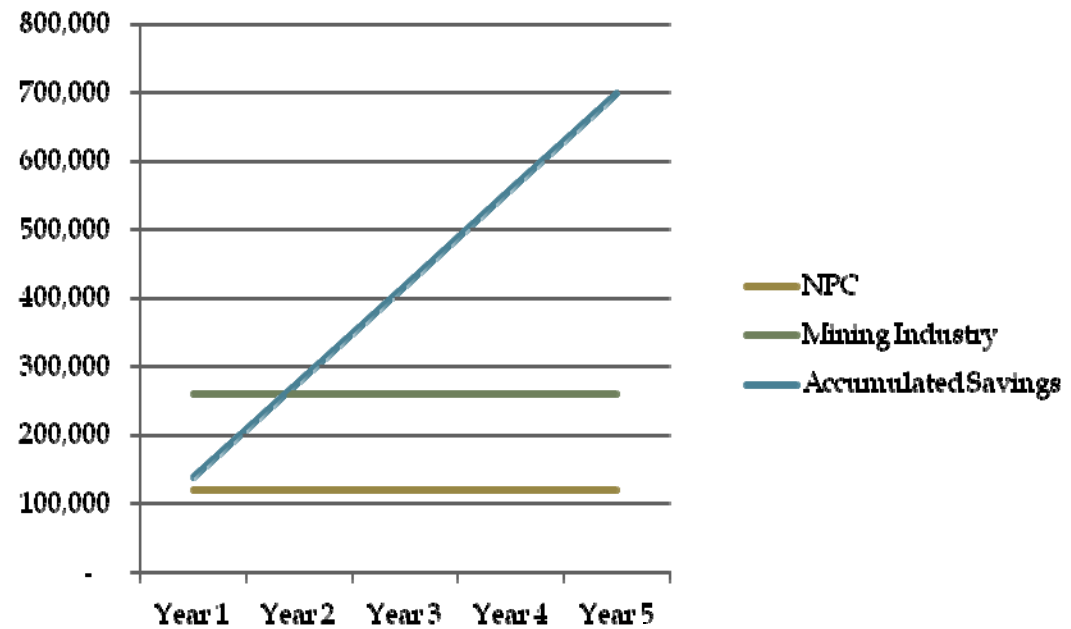
- NPC employs over 100 people with 80% of these Indigenous
- We have 70% retention rate, which is double any other contractor at our major contract site
- We deliver social and community benefits with profits made from our contracts
- We have Indigenous people at senior levels in the organisation, as well as others who work as operators and in administration throughout the organisation
- Due to our retention rates and our ability to attract a local Indigenous workforce, we reduce ongoing training and travel costs for employers

NPC

Northern Project Contracting



Savings per year, and accumulated over 5 years, based on costs for a pool of 10 employees with an NPC retention rate of 70% vs mining industry retention rate of 35%; AND each new employee costs \$40,000 to



	Year 1	Year 2	Year 3	Year 4	Year 5
NPC training costs (ie 3 trainees @ 40K)	120,000	120,000	120,000	120,000	120,000
Mining Industry training Costs (6.5 trainees @ 40K)	260,000	260,000	260,000	260,000	260,000
Accumulated Savings	140,000	280,000	420,000	560,000	700,000





Our edge

- NPC begins with culture as the key paradigm through which positive engagement can occur.
- Time spent learning the story and system of relationships; and how these relate to the land are important.
- Understanding and managing with an understanding of culture can deliver the commercial outcomes.
- How NPC deals with sorry business, jealousy, savings accounts, rosters, literacy, numeracy and medical issues make NPC culturally and commercially strong.



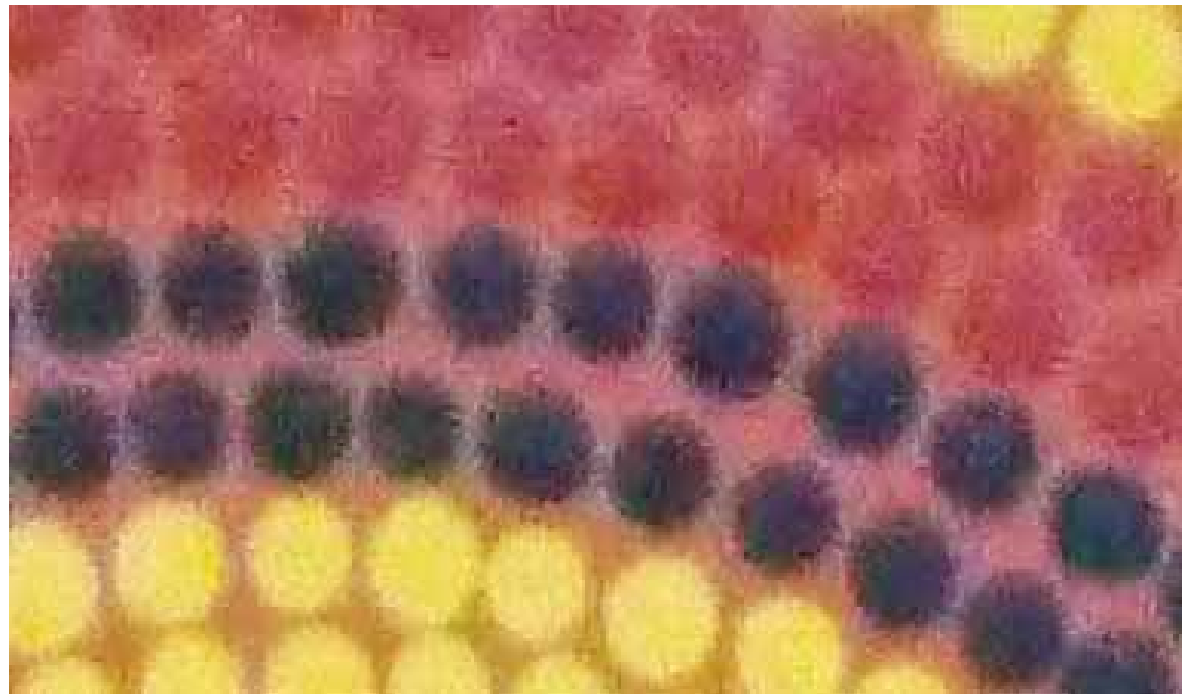
Basing business around culture

CULTURAL FOUNDATION	EMPLOYEE AND BUSINESS BENEFITS
Pride	Pride, productivity, loyalty
Identity and connection to who we are	People identify with the brand and build loyalty
Strength and Spirit	Workers have faith in their ability in the workplace
Provides order and stability. Identifies connection to land and family.	Workers are more stable and more orderly about work. Provides deeper understanding of the interplay of relationships between work, family, business environment and the impact each of these have on each other.
Confidence	Helps overcome shyness in workers. Workers more comfortable and more willing do extra jobs
Happiness	Happy workers equal more outcomes and less staff turnover.
Respect and Values	Develops respect and understanding for people and business. People do not want to let each other down.
Sharing and Caring	Family approach equals better teamwork and better treatment of fellow workers.



Jobs-Based Model

The Non Indigenous approach is a dots based approach where job targets (the dots) are the key and not the bigger picture therefore results are limited.





Business-Based Model

Indigenous owned businesses connect the dots to build the picture and story therefore producing the results



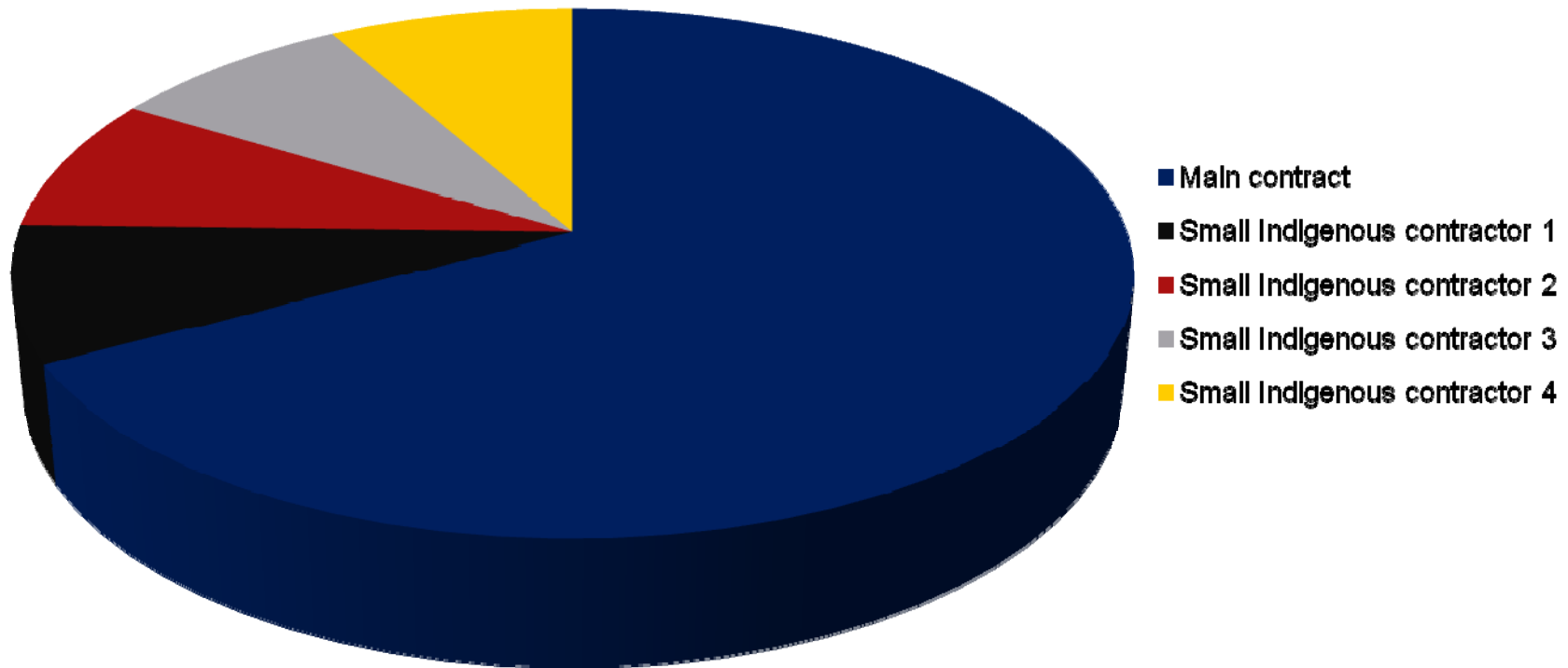


Entering the Industry and Growing

- Breaking off chunks of large contracts and progressing to larger contracts
- Contracts provide certainty of finance and growth – limits reliance on government hence making business more viable
- Mining Company to encourage partnerships between suppliers (transfer of knowledge, experience, more competitive)
- Indigenous companies to filter new employees
- Mining company to assist with branching out to other mines.
- Focus on long term contracts to ensure sustainability



Current model



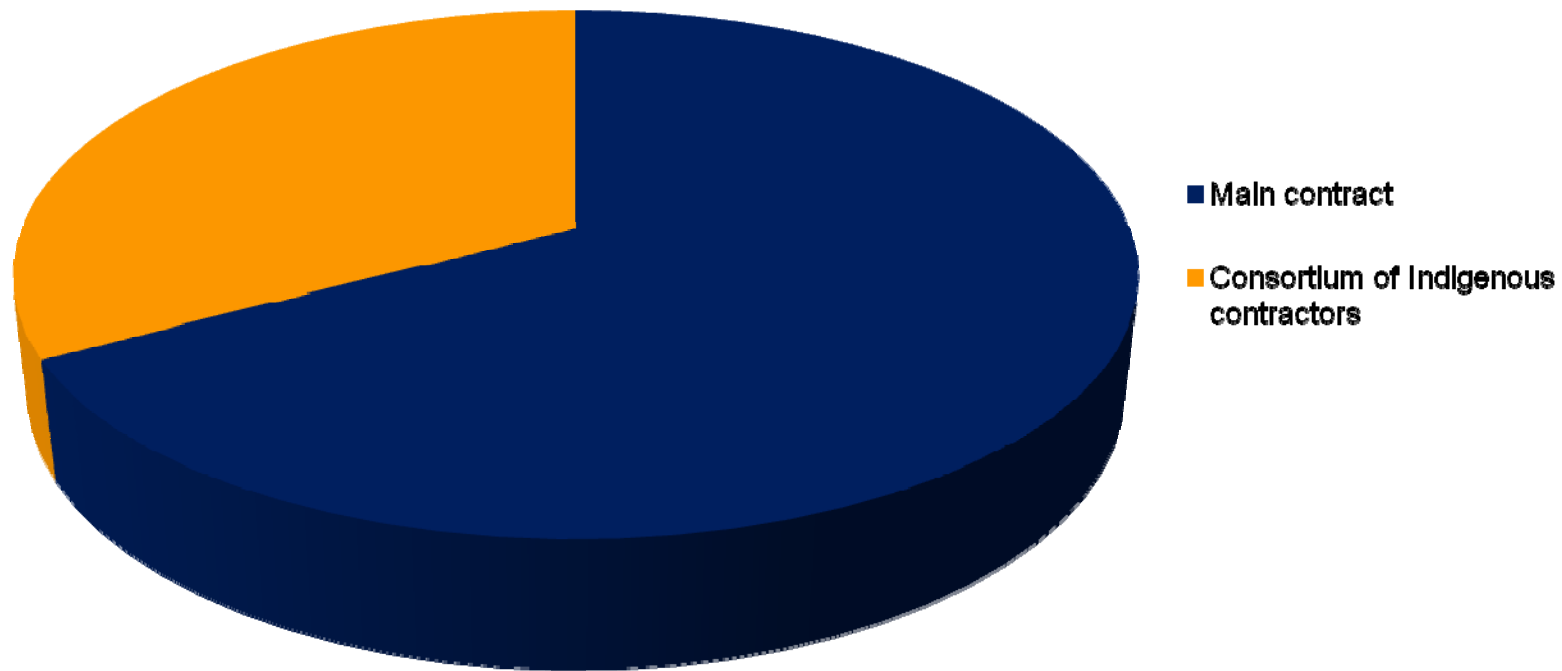


Current Model impediments:

- Contracts apportioned to minimise political risk or operational risk for mine
- All dots no picture
- No sustainability beyond mine life
- Perceived as unviable outside of mine due to size
- Overexposed to single client
- Conflict between Indigenous groups
- Unable to generate finance and attract reputable partners



Immediate preferred model



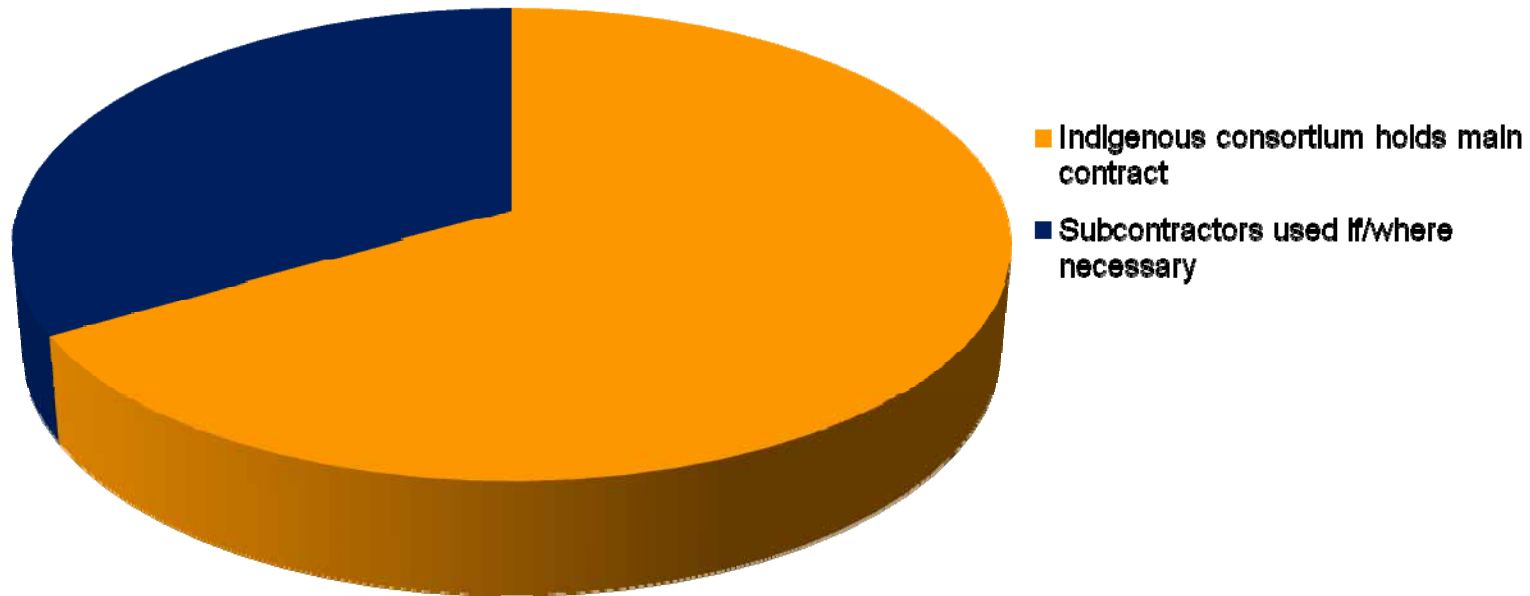


Immediate benefits of model:

- Provides strong base for expansion
- Shared ownership limits risk for all partners and clients
- Provides life beyond the mine
- Greater ability to grow and diversify customer base
- Ability to obtain finance for growth
- Jobs and training improve
- Success rate of Indigenous involvement improves



Ultimate goal



Model creates a genuine market player with resultant improvement in jobs and business opportunities



Contact Details

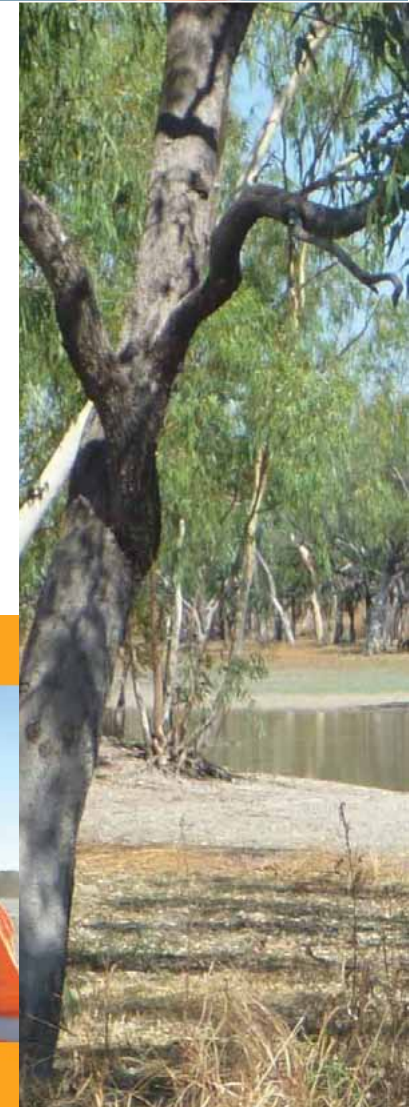
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