

# Performance against Statement of Corporate Intent

## Financial Performance Measures

In 2007–08, NIWA continues to fulfil its financial obligations as specified in section 5 of the Crown Research Institutes Act (1992). These are:

- to operate in a financially responsible manner so that sufficient operating funds are generated to maintain financial viability
- to provide an adequate rate of return on shareholders' funds
- to operate as a going concern.

	2007–08 Actual	2007–08 Target	2006–07 Actual
Revenue (total including interest income)	\$120.7M	\$115.8M	\$113.9M
Current ratio	1.5	1.2	1.3
Quick ratio	2.1	1.2	1.8
Return on equity	12.8%	11.1%	14.1%
Return on assets	12.5%	12.3%	13.9%
EBIT margin	11.3%	11.8%	12.3%

All figures in this table comply with the New Zealand International Financial Reporting Standards. NIWA adopted these standards as at 1 July 2006. The 2006–07 figures shown here have been 'translated' to meet this standard, from their original reporting according to the Generally Accepted Accounting Practice in New Zealand.

## Non-Financial Performance Measures

NIWA operates according to the principles set out in section 5 of the Act, which require:

- that research undertaken by NIWA should be undertaken for the benefit of New Zealand
- that NIWA should pursue excellence in all its activities
- that in carrying out its activities, NIWA should comply with any applicable ethical standards
- that NIWA should promote and facilitate the application of the results of research and technological developments
- that NIWA should be a good employer
- that NIWA should be an organisation that exhibits a sense of social responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage those interests when able to do so.

In most cases, NIWA met its non-financial performance targets for 2007–08. The commentary below focuses on major variances where NIWA either significantly exceeded or did not meet its targets.

### Science outputs and collaboration

From July 2007, web-based access to archived data from NIWA's nationally significant databases has been free. As a result, NIWA greatly exceeded its targets for requests for information from the two largest databases:

- National Climate Database: more than 380% of target; 1200% more than last year
- Water Resources Archive: 110% of target; 150% more than last year.

Funding for this move came from the Foundation for Research, Science and Technology, and the NIWA Capability Fund. Many organisations around the country contribute their data to these national archives.

NIWA places considerable emphasis on our scientists presenting their work to end-users and peers. These figures are reported by calendar year, and our output for 2007 (1028) was slightly ahead of that in 2006 (966).

NIWA achieved four times its target for the value of international consultancy contracts this year. At \$10.25 million, this is a record result for us, driven mainly by new large contracts in the Middle East.

No client survey was conducted in 2007–08. One is planned for 2008–09.

The number of representations on international committees (66) was substantially under the target (110). Such positions are dependent on staff availability and the decisions of international scientific bodies.

NIWA has numerous significant interactions with companies and industry boards. We have worked with 237 significant clients in 2007–08. NIWA will report more detailed data in its forthcoming quarterly report to Shareholding Ministers.

### Environmental sustainability

Staff uptake of video conferencing facilities, available at all NIWA sites servicing 20 or more people, has been three times as high as anticipated.

Work on the efficiency of NIWA buildings this year has concentrated on identifying building standards that improve both energy use and staff working conditions. This was considered a prerequisite for meeting the building efficiency target, which will be addressed in 2008–2009.

NIWA has achieved its target of 10% reduction in solid waste compared with 2003–04. In that year, NIWA produced 124 kg/FTE solid waste (2007–08: 94 kg/FTE) and recycled 37 kg/FTE (2007–08: 56 kg/FTE).

### Good employer

In 2007–08, NIWA upgraded its staff performance and development review format to place more emphasis on individual development plans. Accordingly, an audit of the number of staff with such plans will be carried out following the annual reviews (July–August), and will be collated in September 2008.

### Education

The number of external training courses run in 2007–08 (13) did not meet the target (20), and was lower than the actual number for the previous year (17). This was due to staff changes and availability.

	Non-Financial Performance		
	2007-08 Actual	2007-08 Target	2006-07 Actual
<b>Corporate commitment</b>			
Board reporting and communication of commitment, sustainability one of core values	0.4%	0.5% revenue directed toward sustainability initiatives	–
<b>External sustainability advice/services</b>			
Requests for information from our nationally significant databases and collections			
– National Climate Database	267 000	70 000	21 740
– Water Resources Archive	88 000	80 000	55 920
– NZ Freshwater Fish Database	1550	1500	1457
– Marine invertebrate collection and database	>150	150	Not available
<b>Science outputs and collaboration (including international connectedness)</b>			
Commissioned reports to users <sup>1</sup>	495	550	479
Presentations on technical information and research results <sup>1</sup>	1 028	450	966
Publications on technical information and research results <sup>1</sup>			
– Papers in trade journals, magazines, series, or books	217	200	346
– Conference papers and abstracts (submitted)	392	410	190
– Research monographs or books	86	115	114
– Popular books/articles	217	200	11
– Web-based publications <sup>2</sup>	35	20	
Peer-reviewed articles <sup>1</sup>	315	320	291
Keynote and plenary presentations <sup>1</sup>	31	15	13
Client profile (by revenue & national centre) <sup>2</sup>	See pp. 10–11 of this Annual Report for graphs of revenue against client category & national centre	No target set	
Client feedback <sup>2</sup>	No survey was completed in 2007–08	50% of clients observe an improvement in client relations with NIWA based on survey of industries	
Number of representations on international committees	66	110	96
Number of collaborative formal links with overseas organisations <sup>2</sup>	150	No target set	
Number of NIWA-funded international visits & visiting scientists	159 international visits; 45 visiting scientists	150	10
Number/value of international consultancy contracts <sup>2</sup>	\$10.2M	\$2.7M	
Number of significant interactions with companies and industry boards in NIWA's key target sectors			
– percentage of companies with which NIWA had meaningful interactions	Data to be reported in quarterly report	70%	
– percentage of companies with which NIWA was involved in decision-making		30%	
– percentage of companies providing revenue		70%	
– number of positions on industry boards		4	
<b>Environmental sustainability</b>			
Total greenhouse gas emissions (vehicle fleet, gas, electricity)	9756 tonnes of CO <sub>2</sub> (including Bream Bay Aquaculture Park, Kupe supercomputer, & vessels)	Hold total emissions at 2005–06 levels (9580 tonnes of CO <sub>2</sub> , including vessels)	Equivalent of 9961 tonnes of CO <sub>2</sub> (including Bream Bay Aquaculture Park, Kupe supercomputer, & vessels)
Total GHG emissions/FTE	6.6 tonnes/FTE	Less than 2006–07 levels by 2010	6.19 tonnes/FTE
Hours of video conference <sup>2</sup>	650 hours per year	200 hours per year	
Energy efficiency (kWh/m <sup>2</sup> ) of research buildings, compared with best-in-class standard <sup>2</sup>	Not available	Improvement in building efficiency of 5 kWh/m <sup>2</sup> by 2010	

	Non-Financial Performance		
	2007-08 Actual	2007-08 Target	2006-07 Actual
Energy consumption per FTE	7.703 kW/FTE (excluding Bream Bay Aquaculture Park & Kupe supercomputer)	No increase in electricity consumption compared with 2006–07	7.677 kW/FTE (excluding Bream Bay Aquaculture Park & Kupe supercomputer)
Change in recycling and solid waste production	56kg/FTE for paper recycling. 94kg/FTE of solid waste	10% reduction in solid waste and paper usage by 2008 (cf. 2003–04)	58kg/FTE for paper recycling
Number of staff using alternative modes of transport <sup>2</sup>	Wellington region: 60% of staff travelling to work use sustainable means more than 3 days a week	50% by 2008	
Number of staff who believe sustainability is core to NIWA ethos <sup>2</sup>	59.2% of staff agree or strongly agree	70% by 2009	
<b>Social and cultural sustainability</b>			
Total staff FTEs (permanent and fixed-term, including subsidiaries)	726	720	648
Staff composition (permanent staff only)	501 Researchers 41 Research Support 110 General Support 28 Management 15 Post-docs	473 Researchers 46 Research Support 110 General Support 26 Management 20 Post-docs	481 Researchers 43 Research Support 101 General Support 25 Management 17 Post-docs
Number of community activities <sup>2</sup>	59	No target set	
Number of field days per year <sup>2</sup>	3	No target set	
Number of noho marae attendees <sup>2</sup>	57	60	
<b>Good employer</b>			
Achievement of a desirable work-life balance <sup>2</sup>	75.8% of staff intend to continue working for NIWA for at least the next 12 months (no three-year data available)	70% of staff are positive about working for NIWA and see themselves working for NIWA in three years' time	
Value of financial benefits received by staff <sup>2</sup>	\$2.8M	No target set	
Staff turnover	9.3%	<10%	13%
– Key staff <sup>2</sup>	1.2%	<5%	
Number of new jobs created			
– Main city centre <sup>2</sup>	32	5	
– Rural areas	2	5	4
Staff development			
– Staff with personal development plans	Data not yet available	90%	55%
– Staff days allocated to personal development	502	400	358
Lost time from injuries/accidents	0.012%	<0.05%	0.04%
Number of incident/near miss reports <sup>2</sup>	140	No target set	
<b>Education</b>			
Number of post-docs funded, teaching fellowships awarded, PhD and MSc students supervised, scholarships awarded			
– Teacher fellowships	3	No target set	3
– PhD and MSc students supervised	51	60	62
– Post-docs funded	27	20	22
Number of external training courses run	13	20	17
<b>Innovation</b>			
Patents granted			
– In New Zealand	0	1	1
– Overseas	0	1	1
Licensing arrangements entered into	1	3	10
New or improved products, processes, and services	19	20	4
Joint ventures or formal associations	6	6	6
Spin-out companies formed <sup>2</sup>	0	0	
Spin-off companies formed <sup>2</sup>	0	0	

<sup>1</sup> Measured for a calendar year.

<sup>2</sup> New category for 2007–08.