



APPENDIX 4-18

***Regional Administration in Relation
to Milled Peat Operation – Internal
Bord na Móna Report 1988***



Circulation

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Prepared For

Task Force

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INTRODUCTION

This report was commissioned by the Task Force under the Chairmanship of Mr. Paddy Hughes.

The Terms of Reference were to conduct a Feasibility Study to ascertain the economies or other advantages which would accrue if the Administrative support function for Milled Peat was organised on a regional rather than a Works basis. The main framework of the report on Moss Peat Operations, was to form the basis for this study, with some further examination of the management structure to supervisor level. We have repeated for the convenience of readers, our findings in the moss peat study, where appropriate to this milled peat report.

The group members were -

Brendan Rutledge (Chairman)

Brian Callagy

Brendan McEvoy

Oliver Molloy

John Cunningham (Secretary)

SUMMARY

The feasibility study was to ascertain economies or other advantages which might accrue if the administrative support function for Milled Peat was organised on a regional rather than a works basis.

Computerisation and fast and reliable methods of communication both verbal and physical would play very significant roles in administration, and the careful co-ordination of our internal road transport system with Fastrack and Courier Services would be essential.

Our findings in the previous study of Moss Peat were applied and were applicable in the Milled Peat Works with the exception of sales. Sales clerical work in milled peat bogs is minimal.

Our main comments are as follows -

- . It would be impractical to move any of the existing functions, with their deficiencies, to a regional structure.
- . Existing functions need to be reviewed and modernised as a matter of course.
- . The present philosophy of servicing local needs through a main frame computer system is inappropriate.
- . Computerisation plays the single most significant role if improvements or regionalisation is to take place.
- . Some elements would then be more readily regionalised and some would by their nature remain at works.
- . The absence of any continuous systems review has led to ad-hoc developments.
- . We need to define the information we require from our systems and examine the present sources of this information with a view to improving recording methods.
- . Cost benefit analysis of the workshop work measurement system (M.C.C.) needs to be undertaken.
- . Each works needs a single authoritative figure.
- . Decisions should be made as close as possible to the workplace where they arise.
- . Regional payment of wages, revolves around fast transmission of the information from works to region.

We examined other works areas not directly addressed in our previous report. In general it would seem that job titles have emerged over the years and minor accumulations of duties have been allocated to these title holders, e.g. Bog Records - Works Assistant and Technical Assistant/Surveyor

Our conclusion is that it is possible to regionalise some elements of the administrative support functions for Milled Peat.

Local Works improvements would reduce staff numbers from 259 to 183 or 28%.

Regionalisation would reduce this to 155 which is a further saving of 12%.

The overall reduction is 39%.

MAIN REPORT

The study commenced on 31st May 1988 and consisted of an examination of current computerisation developments of wages and costing systems, with Mr. Andy Boilson at Ballivor and discussions and analysis at Newbridge, of the five milled peat works at Boora, Derrygreenagh, Blackwater, Montdillon and Oweninny. Derryfadda was included with Blackwater.

Sales to the E.S.B. and Briquette Factories were included with the General Accounts function, where the clerical time involved is minimal.

All our other comments, in the Moss Peat report, remain valid and we again show under the various functions, the improvements that should be made in the existing works structure, and any further saving in personnel which would accrue from regionalisation, as compared with this improved works situation.

GENERAL ACCOUNTS FUNCTION

1. Introduction

The General Accounts function is administered by six Works Accountants. A total of seventeen clerical staff are employed in the five milled peat works at a cost of £186,000.

2. The total numbers employed at these five works are as follows -

<u>Permanent</u>	<u>Seasonal</u>	<u>Total</u>
1742	948	2690

Staff numbers in this area were examined on the basis set out in the Moss Peat Report.

Local Works improvements as outlined (See Appendix A) would reduce total numbers of clerical staff by seven (i.e. from 17 to 10).

In a regionalised structure a further four clerical staff would be saved (Appendix A).

The current plans of Management Services on wages payments, envisages an optical mark reader at each Works. Input would be transmitted to the Regional Office for final processing and pay cheques would be returned to the Works.

Verification of data on the sheet would now be done at Works level by the Foremen. Exceptions report checking would take place in the Regional Office.

It would be the responsibility of the Regional Accountant to audit works time sheets on a basis which would ensure that each man's pay was monitored twice per annum.

COSTING

1. Introduction

The costing function is administered by six Works Accountants,

Eight clerical staff are employed at a cost of £105,000.

2. Improvements in the works structure with computerisation would reduce this to five. This is a saving of three clerical staff.

If costing is regionalised we are of the opinion that a clerical staff of two would suffice. This assumes that the fully computerised micro system being developed in Ballivor at present is in place.

This would give a further saving of three clerical staff.

Workshops - Administration

1. Introduction

The milled peat workshops are presently administered by (5) Superintendents (7) Workshop Foremen, (33) Assistant Foremen, (23) Chargehands, (5) Workshop Planners, (20) Work Measurement Analysts and (13) Assistants. The total cost of this administration is IR£1,429,000 per annum.

2. It is proposed that a new position of Workshop Manager, be created which would incorporate the function of both the existing Mechanical Superintendant and Workshop Foreman and encompassing the enhanced role as envisaged in the main report. A number of Foremen would report to the Workshop Manager as detailed in Appendix A.
3. It is our opinion that supervision should be undertaken by Foremen with a minimum of 10 to 12 skilled men per Foreman. This figure would be regarded as conservative and in the longer term a figure of 20 must be the objective, with further systems improvements.
4. The existing mix of both Assistant Foreman and Chargehands in the supervisory role, and ensuing overlap of duties is considered to be inefficient.

Non-working Chargehands should not be utilised.

Where direct Foreman supervision is not warranted it may be necessary to appoint working Chargehands e.g. Lemonaghan (5 skilled) and Monettia (4 skilled). For the purpose of this study Chargehands are included with the skilled workforce. See Appendix A.

5. Appropriate systems for work measurement, unit costing, preventative maintenance etc. should be handled by a Regional Engineering Department in conjunction with the Workshop Managers. For this purpose a position is to be maintained at each works, and one in the region.
6. No significant changes appear in the regionalised situation over the improved works position.

STORES

1. Introduction

The Stores function is administered by six Works Accountants. Six Stores Supervisors, thirteen clerical staff, seven Storemen and twenty two Issuers are employed at a total cost of £500,000.

2. Improvements in the Works structure would reduce this to five Supervisors, ten Clerical staff, five Storemen and twenty Issuers. This would give a total saving of eight persons, i.e. one Stores Supervisor, three Clerical staff, two Storemen and two Issuers (See Appendix A).

This is based on the volume of orders, receipts and issues as compared with volume studied in the Moss Peat Report.

3. In a regional structure this would be administered by one Regional Stores Manager.

We would visualise significant improvements, by this office, in the efficient co-ordination of internal and external transport of material and the proper deployment of stores stocks in the milled peat area.

Clerical staff from the Works would move to the regional office but would be reduced to six.

One clerk in the region would be fully employed on Purchasing and Progress Chasing.

However, some minor element of local purchasing for real emergencies would exist at each local Works. Subsequent clearance by Local Order and Petty Cash payment by the Regional Office would give adequate latitude for these situations.

Each Works Stores would have a Supervisor. Some of the existing duties and responsibilities (e.g. ordering, progress chasing, payment certification) have been removed to the Region. This indicates a grade of supervisor at a point between current Supervisor and Storeman grades.

The number of Stores personnel required at Works to receive, check, issue and complete computer inputting of issues would total 25.

This total of 37 would be a further reduction of three persons. See comparative chart (Appendix A).

SECRETARIAL

1. Introduction

This function is administered by six Works Accountants. A total of nine secretarial staff are employed at a total cost of £87,000.

2. Works improvements would show five at the Works with some element of assistance from clerical staff. To achieve this reduction of four, all Works telephone exchange systems would need to be modernised.
3. Regionalisation would not change this local requirement of five, but would give rise to one extra Secretary, in the Regional Office.

WORKS ASSISTANT/BOG RECORDS KEEPER

1. Introduction

This function is administered by six Production Assistants. Five Works Assistants and four Bog Records Keepers are employed at a cost of £113,000.

2. The following is a brief description of their main duties.

Works Assistant	Bog Records Keeper
Sign on Seasonal Employees	Production and Sales Records, including Charting and Reports
Road Transport	Phone Communications
Supervise - Watchmen Groundsmen Canteen Operatives	Radio Communications
Liaise with H.O. and local bodies on visits etc.	Liaise between Bog employees and wages office
Supervise visitors	Absentee Records
Visit absent employees	Deputise for Works Assistant

Evaluation of these duties would indicate that some could be transferred to other areas, e.g. road transport to stores.

An amalgamation of these roles, with help from the secretarial or clerical staff when necessary would reduce personnel in this area from nine to five or a saving of four people.

3. The "Fleet Management" system and computerisation will take some duties away from this area (e.g. Log Sheets, Road Transport Records, Charting Stock Records etc.)

This function will not change in a regional structure.

TECHNICAL ASSISTANTS/SURVEYORS

1. Introduction

This function is administered by six Production Assistants. Six Technical Assistants and three Surveyors are employed at a cost of £113,000.

2 Their main duties are -

- a. Liaise with Land Purchase Section.
- b. Handle complaints from farmers and other landowners.
- c. Organise silt control.
- d. General survey duties

Other duties may include

- A. Control Turf Bank Licences
- B. Control Civil Works Maintenance
- C. Control Plant operating on Silt Control

There seems no obvious reason why the work content cannot be handled by one person at each Works - a reduction of four.

- 3. A regional team of four Surveyors with no works presence would lead to a further saving.

MATERIAL DESPATCH CONTROLLER

1. Introduction

This function is administered by six Production Assistants. One Material Despatch Controller is employed at each of the four works, Boora, Blackwater, Derrygreenagh and Mountdillon at a cost of £60,000.

2. This Quality Control function must be located at each Works and no change can be envisaged.

SUPERVISORS

1. Introduction

This function is carried out by 166 Supervisors (see chart below) at a total cost of £2,000,000 approx.

Works	Supervisors	Employees	Average
Boora	38	206	5.4
Blackwater	41	199	4.8
Derrygreenagh	34	172	7.2
Mountdillon	29	184	6.3
Oweninny	24	122	5.1
Totals	166	883	5.3

The average no of employees per Supervisor is five and the average at peak employment of seasonals is eleven.

2. This appears a very low figure but certainly indicates a seasonal element in supervision.

AREA FOREMAN

1. Introduction

There are twenty five Area Foremen as follows -

Boora	....	....	6
Blackwater	....	....	5
Derrygreenagh....	....		5
Mountdillon	....	....	5
Oweninny	....	....	4

2. This is unlikely to change

BOG FOREMEN

1. Introduction

There are currently five Bog Foremen at four milled peat works at a total cost of £86,000 approx. Oweninny does not have a Bog Foreman.

2. The function or role of this particular post is duplicated by the Production Assistant and should not exist.

3. The reduction of these locally to nil, would lead to direct reporting by each Area Foreman to the Production Assistant.

This would shorten the reporting line and give a saving of five persons.

PRODUCTION ASSISTANTS

1. Introduction

There are currently six Production Assistants at five Milled Peat Works.

2. Derryfadda area should be included with Blackwater and administered by the Production Assistant Blackwater, with one Area Foreman in Derryfadda.

3. We have made some general observations about this role which are summarised on page 21.

ACCOUNTANTS

1. Introduction

There are currently six Works Accountants at the five Milled Peat Works at a cost of £113,000.

2. Derryfadda area should be included into Blackwater - a reduction to five.
3. In a regional structure this function would be administered by one Accountant in the region or a saving of four persons.
4. There was no committee agreement on a job specification for the Regional Accountant other than a belief that his role would have a significant change in emphasis.

MANAGERS

1. Introduction

There are currently five Works Managers at the five milled peat at a cost of £140,000.

2. It is considered that the size of each Works leads to the necessity of an overall authority at local level.

3. We have made some general observations about this role which are summarised on Page 21.

CONCLUSIONS

- . Rationalising the current works structures would lead to staff reductions -

Total Current Works Structure	....	257
Total Improved Works Structure	....	183
Total Regionalised Structure	....	155

- . Wages payment can be regionalised with a saving of four persons.
- . Workshop Administration cannot be regionalised.
- . Stores could operate at regional level with some reporting difficulties. The staff saving would be three persons.
- . Costing can operate at regional level but would have implications for local Management Services. There would be a saving of three persons.
- . Regionalising the Accounts function would require one Regional Accountant with a saving of four persons.
- . Regionalising the Work Measurement System would reduce manpower in this area by fourteen persons.
- . The role of Surveyors at each works is not justified, with the decline in the Third Programme. A regional mobile team of Surveyors should be adequate to meet works requirements.

RECOMMENDATIONS

- . Undertake rationalisation and improvements at works level.
- . Systems reviews should be undertaken on a regular basis.
- . A network of computers at Works level to cope with local requirements, with the compatability to integrate at works, region and main frame as required.

There must be adequate back-up to sustain the system. Separate software development must be in parallel with the network development.

- . The wages payment system must be fully computerised with automatic print-out of all routine statutory and other deductions and automation of bonus payments.

The system and necessity of putting pay-cheques in envelopes should be re-examined.

- . A separate study of purchasing is required to examine Head Office and local orders, and address the high level of local purchasing with a view to rationalisation.
- . The methods used to transport information and materials inter-works needs to be examined for proper co-ordination and cost reduction.
- . Automate fuel issuing system.
- . The Workshop Mnager as proposed must have the ability to implement a more cost effective service.
- . The back-up services to implement this programme must be provided i.e. computer facility and re-training of supervisory staff.

GENERAL OBSERVATIONS

- In a Milled Peat Regional Structure, the role of the Works Manager will change.
- The elements of this function which were in the main of a corporate rather than an operational nature, would be handled at a higher level if a region was in place.
- It is the Committees considered view, that the person in charge of the production operation, should have line authority at works level to ensure that all works operations are efficiently co-ordinated.
- Payment of employees each fortnight in an alternating week plan, would reduce clerical work-time by 50%.
- Inter-regional sharing of specialist services would be possible e.g. Management/Financial Accounting.
- Size and geographical locations play an important role in regionalisation.
- The implications of placing stores under workshop supervision should be examined.
- It is necessary to review the present demarcation on electrical work on machines on the bog, as the main electrical components are now exchange units and no element of safety is in question. A fuller examination may show that Electricians are required at the re-wiring stage only. Considerable benefits would accrue in the regional situation if such a policy was adopted.

COMBINED MILLER PEAT WORKS ADMINISTRATION

	Current Works	Deposited Works	Registered Contractors
Manager	1	1	1
Administrative	4	0	1
Production Line Oper	4	1	0
Eng. Personnel	1	400	400
Assistant			
Eng. Personnel	00	00	00
Material			
Shop Clerk	0	0	0
Tooling	0	0	0
Engine	00	00	0
Inventory	0	0	0
Works Dept /			
Eng. Personnel	0	0	0
Tools Dept /			
Inventory	0	0	0
CONTRACTORS			
Contractor (General)	-	-	1
Registered	0	0	0
Contractor	00	00	0
Contractor	0	-	-
Contractor	00	00	00
REGISTERED CONTRACTORS			
Registered Contractor		0	1
Works Dept	0		
Registered Personnel	0	400	400
Registered Personnel	00		
Personnel	-	00	00
Registered (Registered)	00		
Registered Personnel	0	0	0
Registered Personnel	00	00	0
Registered Personnel	00	0	0
TOTALS			
TOTALS	000	000	000

APPENDIX B

	Boora			Derrygreenagh			Blackwater			Mountdillon			Ovenanny		
	Current	Improved	Current	Improved	Current	Improved	Current	Improved	Current	Improved	Current	Improved	Current	Improved	Current
Manager	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Accountant	1	1	1	1	1	1	2	1	1	1	1	1	1	1	1
Production Asst.	1	1	1	1	1	1	2	1	1	1	1	1	1	1	1
Bog Foreman	1	nil	1	nil	1	1	1	nil	1	1	1	1	1	nil	1
Asst. Bog Foreman	6	6	5	5	5	5	5	5	5	5	5	5	4	4	4
Material Despatch															
Clerk	1	1	1	1	1	1	1	1	1	1	1	1	-	-	-
Costing	2	1	2	1	1	1	2	1	1	1	1	1	1	1	1
Wages	3	2	4	2	4	4	2	3	2	3	2	3	2	2	2
Secretary	2	1	2	1	2	2	1	2	1	2	1	1	1	1	1
Works Asst./															
Bog Records	2	1	2	1	2	2	1	1	2	1	1	1	1	1	1
Tech. Asst./															
Surveyor	2	1	1	1	3	3	1	1	2	1	1	1	1	1	1
Stores															
Supervisor	1	1	1	1	1	1	2	1	1	1	1	1	1	1	1
Clerical	3	2	3	2	3	2	2	2	2	2	2	2	2	2	2
Storeman	1	1	1	1	2	1	1	2	1	1	1	1	1	1	1
Issuer	4	4	5	4	5	4	4	4	4	4	4	4	4	4	4
Workshops															
Mech. Supt.	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Workshop F'man	1	nil	1	nil	3	3	nil	1	1	1	1	1	1	1	1
Asst. W'shop F'man															
Foreman	nil	7	nil	8	nil	8	8	nil	7	7	nil	4	4	4	4
Chargehand	2	nil	6	nil	5	5	nil	8	nil	8	2	nil	2	nil	2
Workshop Planner	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
MCC Analysts	4	4	4	4	5	5	5	4	4	4	3	3	3	3	3
MCC Assistant	2	1	2	1	4	4	1	3	1	3	2	1	2	1	1
OVERALL TOTAL	53	38	53	38	63	39	51	37	37	37	31	31	31	31	31