

Reform of Australian Government Administration: Building the world's best public service

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I have worked in the APS for over 35 years, in 9 different Departments (excluding name changes). The brief thoughts below are my own. Although they tend to be at the practical end of the scale, they are designed to generate structural change.

1. Policy Integration

Put your money on vested interest

Jack Lang, the former Premier of New South Wales is reported to have advised a young Paul Keating to: 'Put your money on vested interest, son, at least you know it's trying' (I recall reading this in Edna Carew's book *Keating – A Biography*).

This quotation can be re-expressed in managerial language: the performance indicators you set will be optimised. Consider the following performance indicators copied from various Portfolio Budget Statements:

- The extent to which the interests of the Commonwealth are successfully protected in legal actions involving the department or the portfolio's ministers.
- The extent to which security procedures are followed.
- The extent to which advice and recommendations are approved by the Minister.
- The extent to which water management and use in Australia is moving toward consistency with the objectives of the NWI.

I am not suggesting that any of the indicators is inappropriate. I am saying, however, that they each imply very different priorities for action for which managers will be held accountable.

In 2003, I worked on the taskforce established to support the Management Advisory Committee to develop its report on whole of government issues.¹ The report points out 'there is a tension between horizontal collaboration and vertical accountability' (p 15), but 'many Australian government priorities cannot be met by one agency alone' (p 21). Portfolios are very efficient hierarchical constructs for managing issues vertically. Complexities arise when horizontal management is required, but the performance of those who collaborate across portfolio boundaries is assessed within the vertical accountability constructs of their own agency. This tends to lessen the incentive for collaboration.

If the APS is serious about addressing whole of government priorities, it needs a better formula to align personal and policy goals. Appropriate whole of government performance indicators in individual work plans and departmental Strategic Plans would be an excellent start.

Suggestion – whole of government performance indicators

- Require departmental Strategic Plans to include a map of the whole of government connections embedded in their work and hold senior staff accountable in individual performance arrangements for delivering on these whole of government necessities.

¹ *Connecting Government: Whole of Government Responses to Australia's Priority Challenges*.
<http://www.apsc.gov.au/mac/connectinggovernment.pdf>

2. Human Capital

Management and Personality

It is widely recognised that the personality profile of managers does not mirror the wider community.

If I am reading Myers Briggs information correctly, managers worldwide tend to be very likely to favour: sensing over intuition; thinking over feeling; and judging over perceiving.

Drawing on the Margerison-McCann Team Management Systems, managers worldwide tend to be very likely to: take a practical approach to gathering and using information rather than a creative approach; make decisions analytically rather than from their beliefs; and organise themselves and others in a structured rather than a flexible way.

I am not criticising the skills that senior managers in the APS possess. I am, however, strongly of the view that the mix of skills is unbalanced.

We preach creativity, risk-taking and flexibility but promote people whose natural tendencies are to do otherwise. No wonder certain performance shortcomings persist. Further, our accountability processes tend to reward analysis, practicality and structure – and seem to me to down-play creativity, risk-taking and flexibility.

The linker/coordinator does not get a look in, but how can complex whole of government issues be addressed without them? How can any work-team function properly without them?

Suggestion – promote a better mix of personalities

- I don't have an answer to the issue I am raising here, other than to suggest it is essential that we find a way to promote a different mix of personalities to senior positions in the APS.

3. Performance Management

A planning and reporting framework

In any given year, work in every APS agency is undertaken in relation to: the previous year (reporting); the current year (delivery); and the following year (planning). Too often, the reporting, delivery and planning cycles are treated as separate.

In 2006 I worked in the former Department of Transport and Regional Services. During the year, our Division was shown a PowerPoint presentation that summarised a carefully managed annual cycle of activities designed to support the achievement of essential reporting, delivery and planning results. It is the best planning and reporting framework I have seen. I do not have a copy of the presentation, but have sought it from my network of contacts. The following table gives an idea of how the annual cycle of events was constructed, although it lacks the finesse of the DOTARS PowerPoint presentation.

Sample planning and reporting framework

Last year: Reporting cycle	This year: Delivery cycle	Next year: Planning cycle	Event
<i>First quarter (Jul-Sep):</i>			
<ul style="list-style-type: none"> Finalise end of cycle individual performance reviews Finalise Annual Report 	<ul style="list-style-type: none"> Sign new individual performance agreements 	<ul style="list-style-type: none"> Develop new policy proposals Review lapsing programs 	<ul style="list-style-type: none"> Revised Strategic Plan launched Decision on NPPs to develop SES retreat: focus on review of last year's performance
<i>Second quarter (Oct-Dec):</i>			
<ul style="list-style-type: none"> Table Annual Report in Parliament 	<ul style="list-style-type: none"> Prepare portfolio additional estimates 	<ul style="list-style-type: none"> Finalise letter to Strategic Priorities Budget Committee 	<ul style="list-style-type: none"> Minister sends SPBC letter to PM Senate Estimates Budget Supplementary Hearings
<i>Third quarter (Jan-Mar):</i>			
	<ul style="list-style-type: none"> Undertake mid-cycle review of individual performance agreements 	<ul style="list-style-type: none"> Finalise Portfolio Budget Submission Draft Portfolio Budget Statements 	<ul style="list-style-type: none"> Review of progress against current year deliverables Review Budget strategy Senate Estimates Additional Estimates
<i>Fourth quarter (Apr-Jun):</i>			
<ul style="list-style-type: none"> Commence drafting Annual Report 	<ul style="list-style-type: none"> Commence end-cycle review of individual performance agreements Review agency financial position 	<ul style="list-style-type: none"> Finalise Portfolio Budget Statements Undertake annual review of Strategic Plan Develop work plans 	<ul style="list-style-type: none"> SES retreat: strategic planning focus Branch/Section planning days Senate Estimates Budget Hearings

Suggestion – planning and reporting framework

- Require Departments to develop a core set of events/activities, along the lines of the above table, to be included in a carefully managed annual cycle of activities to support the achievement of essential reporting, delivery and planning results. Departments could use an annual review of their Strategic Plan to anchor this.

The following additional suggestions draw on the above logic:

Suggestion – core requirements for devolved functions

- There would be merit in reviewing devolved functions generally to decide where it would be feasible and practical to establish a core set of requirements that could be centrally imposed, e.g.: procurement (especially contracts), Chief Executive Instructions and risk management plans. It makes no sense to develop 30 or 50 sets of rules when one will do, but Agencies would need flexibility to adopt rules and practices beyond the core sets. There are numerous better practice guides that could be used as the starting point for articulating the core requirements.

Suggestion – make the APS one enterprise

- For the purpose of enterprise agreements made under the *Fair Work Act 2009*, make the APS one enterprise. In doing so, recognise that smaller agencies cannot find savings as readily as larger ones. This would address some of the issues raised in the discussion paper.

4. APS to service the Parliament

It is good to see you, Mr Early

There can be a surreal character to the first Senate Estimates hearings following the election of a different party to government. It is as if the Public Service has switched sides.

On 24 February 2009, Senator Ian Macdonald made the following comment during the Additional Estimates hearing of the Senate Standing Committee on Environment, Communications and the Arts (see Hansard page ECA7): 'It is good to see you, Mr Early. We go back to when we were in opposition last. I used to think you were the arch-devil in those estimates. Then I realised for 11 years that you were not a bad guy.'

The same Hansard records that Mr Early was at that time acting Secretary of the Department of the Environment, Water, Heritage and the Arts.

In its own way, Senator Macdonald's comment exemplifies our adherence to Westminster traditions. It underscores the critical importance of the APS providing loyal support of the government of the day. But it also prompts a question: why does the APS support the Executive to the virtual exclusion of the Legislature?

Media coverage earlier in 2009 of issues arising from the Ozcar program shows what can happen when the APS breaches its obligation to support the elected government. But this too, prompts a question: is there a formula by which the APS could also support the Parliament more broadly? And if so, could this lessen the likelihood of further leaking of information to opposition Members and Senators?

Suggestion – support for the Parliament

- Generate discussion within the APS on how it might provide support to the Parliament. Any support beyond the Executive may have to be limited to providing factual information. One option would be for the Parliamentary Library

to have a presence within each portfolio. Another option would be for Shadow Ministers to be able to seek factual briefing, subject to some parameters that have not attempted to articulate in this submission.

5. Role of Public Affairs

The worst single development in 30 years

In my view, the growth of the Public Affairs function is the worst single development in the APS over the past 30 years. It has had the effect of giving precedence to 'public spin' over public policy. And it is politicising the APS.

Typical functions performed by departmental public affairs professionals include:

- Communications advice;
- Media liaison;
- Writing and editing;
- Issues management;
- Event planning and implementation;
- Communication strategy development and implementation;
- Production of promotional material;
- Market research;
- Advertising.

I am not criticising the professionals who work in such areas. Rather, I am recognising that a good portion of their work resides in a grey area between policy and politics. Some seems to me to be overtly political. In either case, problematic questions in relation to Westminster traditions often arise.

Suggestion – Public Affairs to MoPS Act

- Clearly, Departments need to retain a public affairs capacity, but the guiding presumption should be that staff engaged to perform a public affairs role should be engaged under *Members of Parliament (Staff) Act 1984* rather than the *Public Service Act 1999*. This would remove any concerns about the political nature of public affairs work and would allow the function to be managed and resourced politically.

6. High performance includes saying 'no'

Focussing on citizens equally

Think about the quotation from Jack Lang, above², from the perspective of the citizen-client of government. They too have vested interests. And sometimes it is very hard to say 'no' to their requests for government support. The powerful and the media savvy clients can be the most difficult ones to reject.

I think there are two general justifications for government programs: to address needs; or to invest in a public good. Some programs do both.

² 'Put your money on vested interest, son, at least you know it's trying' (see page 3)

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It seems too obvious to say, but each and every government program ought to have clearly articulated eligibility criteria so that eligible citizen-clients can be treated equally and fairly. If eligibility criteria are vague or non-existent, it seems to me to be reasonable to assess funding requests on the basis of the needs being addressed and/or the public good investments being made.

Suggestion – Sticking to our guns

- When a citizen-client complains about missing out on funding, we should be prepared to explain how they did not meet a need or investment criterion, and stick to our guns politely and professionally. This may include explaining our reasons to the media. Sometimes saying 'yes' is unfair to others. And unfairness destroys trust.