

**Submission to
The Reform of Australian Government Administration – October 2009**

Introduction

This submission commences with some personal observations on the concepts of reform and innovation and then responds to some of the questions raised in the discussion paper *The Reform of Australian Government Administration - Building the World's Best Public Service*.

The comments offered apply to many of the questions posed simultaneously and are provided in that context. The opportunity to comment is appreciated and the temptation to write at length has been (marginally) forgone in an attempt to provide comment only on some of the issues raised.

Observations on Change

The rate of change on planet earth is becoming increasingly rapid yet our capacity to pay attention seems to be actively discouraged. Technology offers fast turnover of information, much of it limited to the 40 second grab, 140 character limit, or breaking-breaking news all designed to capture our momentary attention until the next binary built message explodes from the ether.

It would be a grave error to reform any system predicated on an desire to feed our inattention.

Observations on Governance

Australian Governments and their governance are tied to the *Australian Constitution* so it is reasonable to consider the legislative base that underpins government and its servants' decision making processes.

This is not a case for constitutional reform, however reform of Australian Government Administration has to be considered within the context of this legislation and that flowing from it. If legislation and in particular delegated legislation, does not allow for reform, innovation, flexible and responsive action, then change will be minimal, if at all.

Observations on Innovation

One common sense way to encourage innovation is to reward the innovative behaviour. It's a basic premise. However, another question to be considered is: would adaptation be a better goal? Innovation implies new ways of doing things. Sliced bread was an innovation in its day and is now a given. It is unlikely we would agree to forgo sliced bread which is another way of saying we need to ensure that what works well is retained or allowed to adapt (just how many versions of sliced bread are there?) and is not lost for the sake of innovation.

The formal recognition of innovation needs to be embedded into the current legislative base as spending on public sector programs occurs under the existing legislation and regulations. The demands are clear. The requirements, processes and levels of clearance and authorisations are prescribed in detail. Transparency, probity and value for money are all key elements of the system and rightly so. To create a government administration environment of innovative, forward looking, responsive employees and services a review of the existing engine is an appropriate place to start. If a Formula One outcome is desired the vehicle, the driver and support team have to match that result or we changes races. It depends on the available funds and commitment to the cause.

Chapter 1 - The Australian Government Sector Today

Chapter 1 does accurately capture the role of the Australian Public Service. However, consider what if there was a disconnect in some sections of the community around their expectations of the services provided to them and an agencies ability to meet those expectations. In other words, the understanding that the administration serves the public *within the policy and program framework determined by the government* is not always evident. This aspect would need to be better addressed.

Based on the statistics provided it appears that a significant majority of public servants are motivated and committed to their jobs, while management practices need equally significant improvement. Creating a work environment where employees feel valued and able to make meaningful contributions can take an organisation a long way down the path of innovation.

The ageing workforce is not an issue for the APS alone, it is a factor of the baby-boomer effect touching all sectors of the workforce and any reforms within an APS framework will need to consider the broader workforce as well. Employees could be expected to have the upper hand in deciding on workforce participation and employers will need to be responsive.

Chapter 2 - Challenges in the strategic environment

The shifting demographic resulting from the ageing population is a key issue. This translates into greater demand for support for older Australians with a smaller workforce to support the entire community. However a cautionary note, it must not be forgotten that new generations with a different demographic profile will follow and changes need to be made in full knowledge of the implications they may have for that next community.

Staff and corporate knowledge retention is vital to effective services delivery and must be done a way that continues to motivate existing and potential staff.

Information technology (IT) is a double edged sword. It allows for rapid flow of information and also creates expectation that information is easy and cheap to access, is accurate and secure. The apparent shrinking lifecycle of IT systems is not cheap to manage for service providers nor consumers alike. Access to data may in fact be plentiful but data does not translate into knowledge unless someone has the time and skills to analyse and integrate it into the present and extrapolate it into the future.

Globalisation demands a greater level of awareness and engagement by government and service providers that was not required of generations past. Information on the myriad of topics is worthless unless constructive application of that information can occur. Equally, copy-cat approaches to what worked elsewhere is not an answer. Again the time to analyse, assimilate, modify, adapt and consider is required. This applies across the issues of financial pressures, system reform, policy challenges and managing the expectations of everyone.

Chapter 3 - An aspiration for Australia's public service

The best public service for Australians that is unified in pursuing continuous improvement and is committed to supporting Australia and Australians in everything we do.

Government services can shape the community and moving to a citizen centric model creates strong potential for the community to shape government services. The questions then are how to balance wants with needs and who makes the tough decisions in times of crisis? These questions must be effectively addressed or the reform process is at risk of never seeing daylight or lacking any level of credibility within the community.

Moving onto the five characteristics of a high performing public service the following questions arise. What does a values driven culture mean, perhaps a perfect opportunity to introduce a Bill of Rights for all Australians. What is high quality? Is it high quality in the eyes of the receiver of the service, the deliverer, or the legislative framework or all three?

On the question of creative policy advice, serious consideration could be given to creating policy development and advice mechanisms that support real engagement in creative thinking, collaboration, consultation, exploration of ideas, delivery mechanisms and citizen focussed outcomes.

Chapter 4 - A values driven culture that retains public trust

The discussion paper seeks input on reform of government administration yet this chapter raises concerns about a departure from the fundamental Westminster traditions. That is not to suggest the Westminster system has not served Australia well, particularly in its formative years. The values it bestowed are relevant today but on the topic of reform, it seems at odds to suggest the need for reform and retain commitment to a UK based tradition.

To ensure APS leaders fulfil their responsibilities to promote and uphold APS values, create systems to reward those who truly walk the talk, its not a tick box measurement.

The value of succession management cannot be understated. Continuity planning is standard practice in many systems based services, yet the people based services are too easily overlooked.

Further, greater recognition could be given to individual skill sets and those that the work demands, with attention to closing the gaps where they exist. Ultimately, employees at every level are individuals and strong leadership is required to ensure the shoes fit the feet wearing them.

High quality, forward looking and creative policy advice

The short answer is to once again, reward the behaviour sought, and support that behaviour whether it be innovation and or risk taking with an appropriate legislative base. If that requires specific delegations then create them, monitor and evaluate their use. If it is considered that risk engagement and innovation, collaboration and so on are lacking, consider the administrative framework under which current services are delivered and ask what specifically prevents these happening now, is it system driven or belief based?

If the level of collaboration across the APS and industry is to be increased it needs to be resourced. There would be few, if any, organisations that have the capacity to enable job rotation, job swap/interchanges in the current challenging fiscal climate, where “just in time” principles seem to apply. Collaboration takes time and effort and is an iterative process, it deserves to be done properly.

Continuous improvement is really continuous change and adaption with awareness. Awareness is the most important component. Without awareness change is reactive, possibly ill considered and at worst damaging. Without effective change management, see the preceding sentence.

The issues being considered in this section of the paper have two significant aspects, the APS delivers services to the community which is a critical outcome. Significant effort/resources are placed on service delivery. Annual Reports exist for this very cause. Engagement in risk and innovation with global outward looking behaviours will require employees that are tasked with these objectives who work along side those who are engaged in service delivery. It would be unwise to ask one or the other to do both. However, creating workplace based teams that enable all these activities to come together should be achievable and likely.

High quality effective programs and services focussed on the needs of citizens

Government service delivery that is citizen centred crosses Commonwealth, State and Territory responsibilities that are embedded within the *Australian Constitution*. Unless meaningful agreement on these shared responsibilities and resourcing is reached then government administration of citizen centred services are unlikely to achieve the noble heights put forward in the discussion paper.

Flexibility and agility

A flexible and agile APS recruits skilled staff in a timely fashion. The barriers that currently exist need to be removed from the permanent recruitment process. It would be of use to know the rate of movement in temporary placement compared to permanent placement. It would not be surprising if temporary placement opportunities were more frequently accessed given the process tends to be less onerous on all parties. If so, that would provide a few clues on recruitment reform.

Staff mobility schemes are fine in theory but need to be resourced and formally recognised and valued. This will ensure those participating are properly motivated and rewarded. Such a scheme might only work where it was seen to add value for all parties, particularly in terms of take-home knowledge and skills transfer. Care is needed it does not become a mechanism to relocate poor performers. The frequency of mobility is more a question for the organisations involved in terms of what can be accommodated and the rewards to be gained.

Standardised rates of pay and entitlements could be expected to facilitate mobility by employees.

As mentioned elsewhere in the submission, humans respond to reward (and punishment) mechanisms. The rewards/motivations will vary however, structuring the workplace to facilitate the behaviours sought and reward them in a tangible positive way is worthy of consideration. The current system could be seen to operate more as a stick than the carrot, making the “staying out of trouble” option a logical decision driver.

Efficiency in all aspects of government operations.

Identify areas of inefficiency and work at fixing them must be one answer. The solutions will vary and a balance must be sought between enforced efficiencies and realistic ones if citizen centred services are the ultimate aim. It might be efficient to create citizen self service centres however, it is likely that most citizens would prefer to speak to a person than a screen. Whether that contact be in person, by phone or internet is open to preference, the issue of efficiency will vary according to the participant. Queuing for a service for 30 minutes is not necessarily efficient for a citizen, but might be very efficient for the delivery agent.

It might also be argued that efficiency would be improved if public servants were employed within streams of expertise. This differs from a broad generalist approach that employees at a given level can by definition manage any program of activity.

A greater focus on identifying and utilising skill sets could have many benefits. Employees are confident in their abilities, recognised for their skills (and not for what they might struggle with) have clear roles, purpose and the fundamental opportunity to make a meaningful contribution.

Conclusion

Reform for the purpose of improving Australian Government Administration for citizens, public servants and the country is sensible, necessary and worth the effort. It will by its nature be an incremental and evolving process. If it is carried out with a philosophy of an adaptive, positive and supportive can do culture the results will be for the betterment of the individual, the community and the country.

Reform can affirm a governance infrastructure that recognises the value of appropriate change and innovation, supporting our place in the global community and actively contributing to the wellbeing of all Australians.