

Submission to the Advisory Group  
on Reform of Australian  
Government Administration



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## Executive Summary

The past two decades have seen project management become integral to Australian Public Service (APS) capability. In this document, this capability is seen as critical to APS reform.

As such, this submission has been prepared by a consortium of industry association, academic and corporate entities with relevant project management experience, knowledge and skills. These include:

International Centre for Complex Project Management

Queensland University of Technology

Cordelta

The consortium recommends that the APS recognise that many of its agencies are operating as project management and implementation organisations, and that significant project realisation benefits can be achieved by operating as a unified APS project-based organisation.

To achieve this shift, there is a need for a sustained cultural change in project management and leadership across all levels of the APS, to ensure that the APS has the competencies to manage its changing internal and external environments. Such a change program would ensure that it can deliver the strategic priorities of the government of the day in terms of policy and service delivery benefits realisation.

Figure 1 is a diagrammatic interpretation of the framework of the recommendations above.

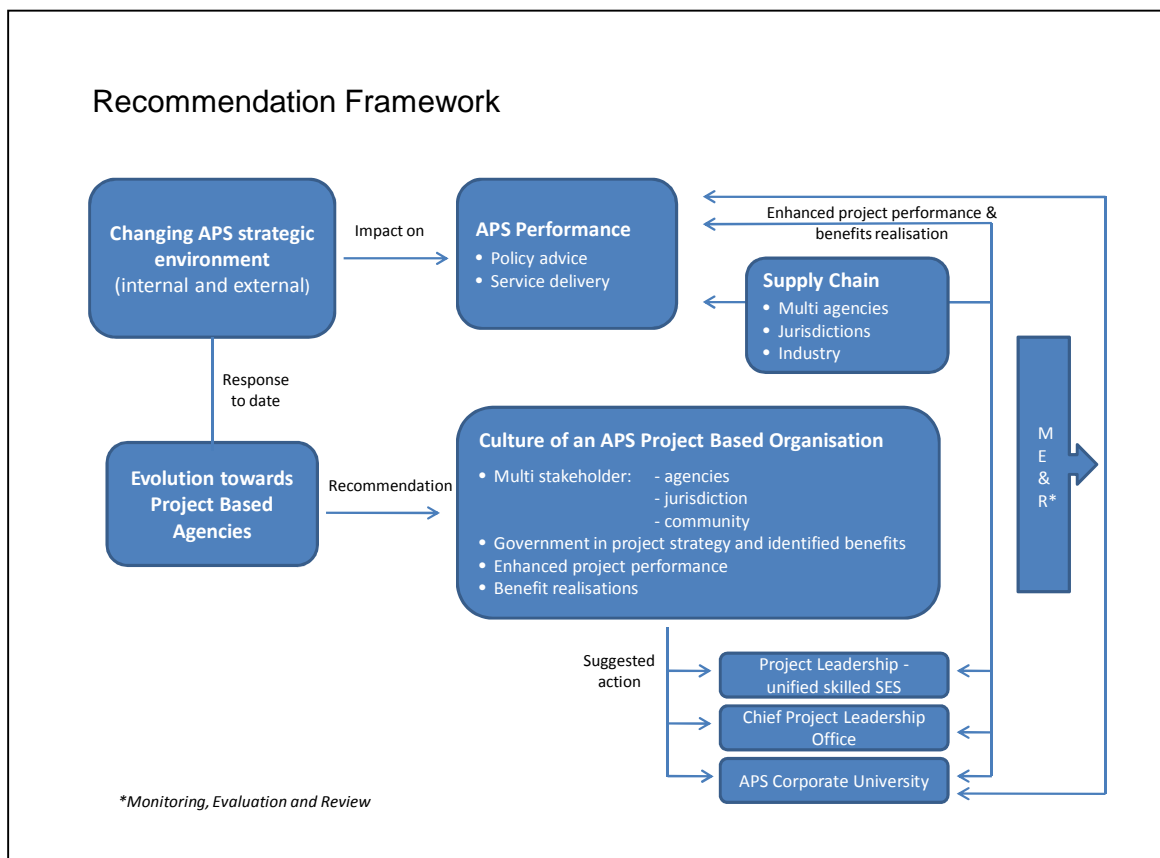


Figure 1: Recommendation Framework

The recommendations of the consortium are:

1. **Establishment of a leadership body.** Enriching the capability of the SES to act as a unified project leadership group, demonstrating sector-wide holistic thinking to ensure that the benefits identified to be delivered by major programs are actually realised.
2. **Establish a Chief of Project Leadership Office.** This office will establish and sustain best practice across the public sector, in the leadership and management of major projects.
3. **Establish an APS corporate university.** Offering a range of workplace blended learning programs to enrich the transference of enhanced skills into the workplace, thereby building the competency of a project-based APS.

## Commentary

In this submission, the consortium acknowledges the strategic challenges facing the APS over the next one to two decades as a result of significant changes in its internal and external environments. These are the changes addressed by the Advisory Group in chapters 1 to 4 of its discussion paper.

The consortium also highlights the increasing complexity of policy and service delivery that will be required to address the strategic challenges around energy, water, food, health care, infrastructure, housing, migration, climate change, technology, terrorism, and security. More than before, these issues will drive changes that will require tomorrow's APS to operate as an integrated project-based organisation spanning multiple agencies and jurisdictions, and engaging industry and the community.

The APS has reacted to this increasing complexity over the last ten years, building its capability in the process of project management. In fact, the APS is evolving into a project-based organisation, where political and community benefits are identified by the government of the day and implemented through major projects (in a single department or across multiple agencies and jurisdictions).

This evolutionary change to a project-based APS will need to accelerate over the next ten years as the impact of forecast changes in the internal and external environment materialise.

It is clear that there is a need for systemic reform. Getting the right balance of skilled human capital across policy, service delivery and change management is one of the most important challenges facing the public sector over the next ten years. Financial pressures demand it, as does meeting public expectation.

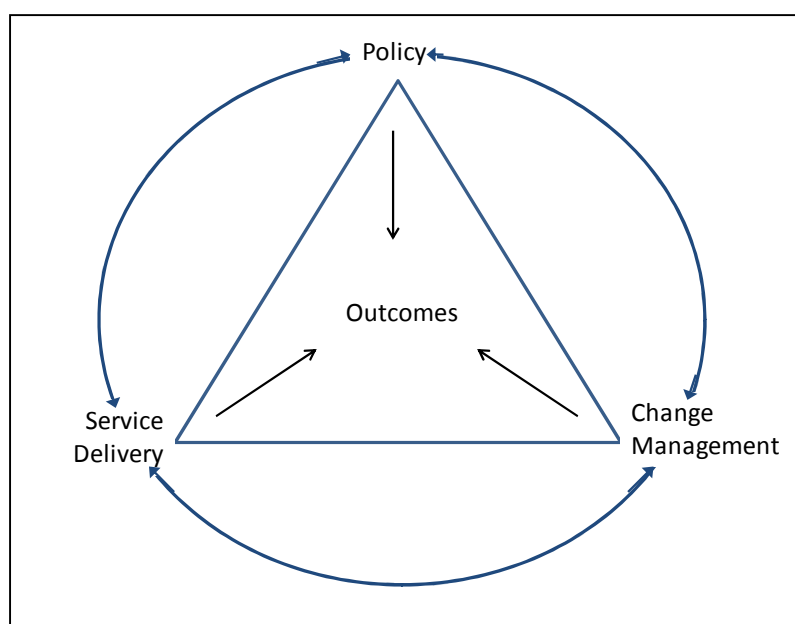


Figure 1: APS Government Administration "Triple Constraint"

Many APS agencies have recognised that they are evolving into project-based organisations, where the vast majority of their activities, be they policy, service delivery or administration are now undertaken as projects. Projects have three key phases:

- Start up – business case identifying benefits and outcomes
- The performing stage – implementation of the business case
- The closing stage – measuring, evaluating and reviewing the realisation of the project benefits (M,E&R)

To effectively manage the changing strategic environments, the APS will need to demonstrate renewed leadership, innovation, business acumen, policy development and implementation.

- APS will need to effectively manage ‘complex’ programs, those characterised by
  - Ambiguity: multi-agency, multi-jurisdictional, multi-sector and global matters
  - Numbers of ‘influential’ stakeholders
  - Projects/programs lifecycles that may exceed the technology refresh cycle
- Fragility and resilience of markets (source of the GFC)
- Financial pressure – more with less
  - Systemic whole of govt reform needed to eliminate duplication (waste)

**“We don’t need any more process, we just need people who know what they’re doing”**

*Kim Gillis, General Manager Systems, Defence Materiel Organisation*

The consortium's recommendations, overviewed in Figure 1, include:

### **Unified APS project leadership**

It will be imperative to enrich the project leadership and emotional intelligence skills of all SES members, to create an APS leadership body that is equipped to lead the transition to a unified APS project-based organisation. To build upon their discipline expertise, enriching their capacity to synthesise contributions from multiple disciplines and stakeholders, to identify and lead the formulation of creative solutions that benefit all stakeholders and to operate with strong ethical and respectful principles.

The SES needs to perform as the leadership entity of the APS, using techniques such as systems thinking to make holistic decisions that maximise the benefits to all the stakeholders. Such an SES culture will facilitate the achievement of multi-agency, multi-jurisdiction, community and industry programs. Integral to this unified leadership model will be the establishment of the Chief of Project Leadership Office (recommendation 2) and the establishment of an APS corporate university (Recommendation 3)

### **Chief of Project Leadership Office**

Establish the Chief of Project Leadership Office (CPLO). This office will establish and sustain best practice across the public sector, in the leadership and management of major projects. It will work with DOFAD and other sponsoring agencies to ensure that projects have a sound business case for realisation of their intended benefits, as well as with the ANAO to monitor the delivery of the strategic priorities of the government of the day.

The CPLO will also provide pro-active project start-up and implementation guidance to large projects across the APS, especially those involving multiple agencies, jurisdictions, industry and the community. This office, and the position of Chief Project Officer, is akin to the role of Vice President Projects in many large corporate organisations. Another role of the office is to draw together staff from across the agencies to act as multidisciplinary SWAT teams undertaking short term project problem resolution and project strategic realignment activities.

The CPLO will also be the keeper of knowledge, lessons learned and the sharer of best practice across the APS, industry and community.

The CPLO key performance indicators may include:

- Effective management of the APS corporate university to ensure the effectiveness of the project leadership skills of the SES and all levels of the APS.
- To monitor, evaluate and review/ report on benefits realised from projects, and eliminate major project failures.

### **Establish an APS corporate university**

Establish a corporate university that offers a range of workplace blended learning programs to enrich the transference of enhanced skills into the workplace, thereby building the competency of a project-based APS.

The set of a common language throughout the APS in project business case implementation and review will significantly enhance project performance and support mobility of staff across the sector. It is an essential ingredient to achieving a unified project-based APS organisation.

We envisage the corporate university as both a physical and virtual organisation that would draw upon the resources of ANZSOG, ANU, QUT and other providers with proven credentials in skilling and developing project leaders at all levels across the APS. It would also undertake research to monitor, evaluate and review (ME&R) service delivery and policy performance as well as providing feedback for continuous improvement of project leadership, management and emotional intelligence training offered by the university.

**“.....the APS needs to do more to ensure that it provides the highest-quality service delivery to Australians.**

**That it delivers the highest-quality policy advice across the public service.**

**And that it strengthens the quality of its workforce by attracting and retaining the best employees.”**

*Prime Minister Kevin Rudd, Robert Garran Oration, 20 November 2009*

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