**Submission to the Independent Review of the APS**

**Comments on the Priorities for Change paper**

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*These comments are informed by my own multi-sector career path. I joined the Commonwealth public service in 2009 in PM&C, after a corporate career with companies including Optus and Fairfax, being CEO of NineMSN, and director/CEO of a number of small ASX-listed and start-up technology firms. I was then a Deputy Secretary in the Department of Industry for 2010-15. In August 2015 I joined the NSW public service as Secretary of the Department of Finance, Services & Innovation.*

These comments contain a few specific ideas and mechanisms for building on and giving effect to the directions set out in the Priorities for Change paper. They are not intended to be a complete response to or commentary on that paper.

1. **“Establishment” organisation structures**

There has been much commentary on the negative effects of the headcount (ASL) caps. Equally important I believe is the fixation on the “establishment” – a fixed, formal organisation structure of specifically identified and defined permanent roles, into which all staff are assigned giving them their ‘substantive’ role. Moves to new roles, even for projects, becomes slow and formal, and always referenced back to the individual’s ongoing ‘substantive’ role. This approach is a barrier to team-based flexibility and mobility based on changing priorities, and contributes to silo-based approaches.

The concept of establishment structures should be removed in many areas, replaced with approaches closer to the professional services firm model of pools of staff at particular grades, able to work in one or more teams at any point in time, but still supported by a specified resource manager and membership of a particular profession or guild.

1. **Consultants**

Again, there has been much commentary on the potential over-use of consultants. I do believe it has been helpful in NSW to lift the approval requirement for all consulting engagements (over $50,000) to the Secretary / Agency Head level. Some tangible rule of this sort would be helpful to send the signal that the use of consultants should not be seen as automatic and BAU (as may be too often the case now), but rather as a significant decision of some consequence requiring a clear case that external assistance is necessary.

1. **Staff Surveys**

One of the major levers of cultural change in NSW has been the importance placed on the People Matters Employee Survey (PMES). This standard survey is now done annually across all NSW public servants (including the “front line” teachers, nurses, etc) with extraordinarily high completion rates (exceeding 90% in some departments). The results are available down to relatively small teams, and are able to be compared across and within agencies, functions, etc. The Secretaries Board takes clear and visible ownership for the results, this is cascaded down through Departmental leadership teams, and it is increasingly used as an important input to promotion and development decisions for executives.

The APS should implement the same form of consistent survey, coordinated by the PSC, and ideally it should be similar enough to the NSW version to allow cross-jurisdictional comparison as well.

1. **Customer / Citizen Surveys**

NSW also deploys an annual customer satisfaction survey at the whole-of-government level covering more than 20 specific services and transactions. (This is in addition to more detailed agency-level initiatives such as the extensive customer satisfaction work of Transport for NSW.) The survey also covers other state and international jurisdictions (at NSW’s expense) for comparative purposes. Again, this has been an important cultural signalling and change lever, with the Secretaries Board having clear ownership and responsibility for the results.

The survey could also cover citizen’s overall views of the APS (trustworthiness, capability, etc).

The Commonwealth announced its intention to proceed with something similar a little while back but I am not sure what progress has been made. NSW offered to partner with the Commonwealth and build on its 6 years of experience and results in whole-of-government customer surveys. This offer should be re-visited.

1. **Freedom of Information**

The Review has flagged the issues around FoI and its potential impact on the provision of robust written advice to Ministers. I believe this is an issue worth addressing. One way forward might be to create a new class of exempted document, being written advice to Ministers that is certified at the time of creation, not retrospectively, by a Secretary or Agency Head as being formal public service advice meeting a threshold of significance. A further control mechanism to prevent over-use would be to have the department / agency report to the Information Commissioner and in the annual report as to the number of documents so certified during the year.

1. **Evaluator General**

The Review points out the need for improved and robust evaluations of programs and projects, something I strongly support. There is merit in the various suggestions to establish such a centralised function, sometimes referred to as the ‘Evaluator-General’. It should not be seen as part of the integrity or accountability infrastructure, as is the Auditor-General, but rather should have a focus on improving capability and establishing ‘what works’. The key power such a function needs is an independent right to publish its reports and analyses, without government approval or sign-off.

1. **Delivery Assurance / Implementation Unit**

The Review mentions consideration of a delivery assurance function to help monitor and drive delivery of whole-of-government outcomes (p27). NSW has had a ‘Premiers Implementation Unit’ for the last four years, building on the Michael Barber deliverology methods. There are some clear lessons from that experience that the PIU team would be delighted to share, if they have not already.

The key point is that the unit should only track and work on a limited number of initiatives and goals, that are genuinely important to the Prime Minister (and about which he/she will want to be regularly briefed), and that genuinely require sustained cross-departmental collaboration for success. In NSW we found that the Premier’s Priorities approach, supported by the PIU, made a real impact in building a one-PS mindset and capability across agencies and senior staff.

1. **Leadership Academy**

I strongly support improved leadership training and development, via an ‘Academy’ model, involving consistent structured courses and programs which different levels of executives do together across agencies. This can be a powerful mechanism for building the common sense of purpose and mission in a ‘One-APS’. Too much of what is spent currently is done at agency level re-inventing the wheel each time, being of variable quality, and rarely lasting long enough to build a common language and understanding.

It would be valuable to look at the long established ‘staff college’ model that exists for leadership development in the armed forces and the amounts invested, and to ask why there is nothing remotely similar in the public service? Are the leadership requirements really so much lower? In fact it might be interesting to see whether the public service could in some way partner with the armed forces to leverage their deep leadership development capabilities.