Almost daily, I lament the opportunities forfeit by the APS, where a confluence of separately created policies too often have unintended consequences which inhibit workforce effectiveness. I will begin by outlining each of the areas I consider problematic and then describe the combined outcome in a summary. To keep this submission brief, I will refrain from suggesting detailed solutions. It may suffice to say that a central authority which has a greater hand in a more consistently managed APS would get my support. Beyond this, I am always willing to assist in the development of more detailed potential solutions, if requested. I have a comprehensive vision as to how all of these issues may be solved.

# Competitive Remuneration

The APS remuneration system is too blunt an instrument. Payment based on recruited or assessed level without any field specialisation completely ignores the reality of the market that the APS is operating in.

Broad consequences of this are that:

* The government struggles to retain a skilled staff base, particularly when private contractors servicing the government are present in the same market.
* Promotion becomes the easiest way to increase pay to valued staff, with current and likely performance against the criteria for a higher role in the Integrated Leadership System (ILS) becoming a secondary or tertiary consideration.

Discussion on judging the relative and market worth of individual roles may not be an easy one, but one which must be had. The outcomes of this discussion need to empower managers to retain staff using remuneration, justified by market value, tenure or subject matter expertise.

# Underperformance Management

As a whole, the way staff underperformance is managed within the APS is ineffective. While designed with many safeguards and good intent, the performance management process is widely considered so onerous that it is engaged as a measure of last resort, where an underlying problem has likely been present for some time. More damaging is the reality that underperforming staff are more commonly ‘moved sideways’ or ‘promoted out’ as an alternative to performance management.

Culturally, this has created a workplace that is reputed to be far easier to enter than required to leave, even for unjustified, demonstrable and continual underperformance. Virtually assured perpetual employment with very little chance of being tangibly penalised for episodic or continual underperformance fosters complacency and inefficiency. When contrasted with the discretion that managers have in the private sector, it’s easy to understand why the APS is not known for agility, progressiveness or efficiency and why private contractors are called upon when these traits are key.

As a result, I believe workforce morale and esteem in work conducted by the APS to be far lower than it could be. I regularly encounter a culture of complacency that has manifested itself in some individuals or groups and lament that a minority of underperformers can taint the APS for the majority.

# Skills Management & Training

Training in the APS is an underutilized and often mismanaged resource. The value of training is immense, because it not only provides an opportunity to build and retain a highly skilled and adaptive workforce, but can also help solve many workforce challenges, including those outlined above.

Esteem in the APS, workforce mobility and overall effectiveness could be far better if:

* Training budget was allocated to individuals
* An APS-wide ‘required skills register’ was regularly maintained and published
* The subject of training was only very loosely tied to an employee’s existing work
* Manager approval was only required for the time off, not to approve the training itself
* Providers were required to report back on exam scores, enabling measure of relative proficiency

Fear of employees using training to move away from a work area, a department or the APS should not undermine a potentially world class training and skills management regime.

# Summary

I have spent years condensing observations of inefficiencies in the APS to arrive at the three factors above. Together, they seem to form a trinity of cascading dysfunction. Subsequent years have served to verify that these three factors are core problems because they effectively explain secondary observations repeatedly observed over my time working within many departments:

* APS staff who gain experience in industry specialisations that offer higher remuneration routinely leave to work for private contractors.
* Private contractors are required to service many government needs, commonly because the skills cannot be retained within the APS. Depending on each case, such an arrangement may cost taxpayers far more money, above and beyond what would be paid to retain individual skilled resources.
* Underperformance of middle management (as defined in the ILS) is rife due to over promotion:
	+ Valued staff being promoted primarily to grant a pay increase but with minimal or no change in the actual role performed. This can create angst in surrounding staff. When subsequent organisational change assumes individuals to be fully functional at level, skills gaps are often revealed and then remain in these individuals.
	+ Underperforming staff being ‘promoted out’ to shift a problem employee out of an immediate work area, possibly exacerbating the underlying performance problem.
* Underperforming staff are routinely under-assigned meaningful work or simply tolerated because managers feel penalised by the impost that performance management incurs.
* Training is underutilized broadly because budget is attached to work areas within departments, pushing discussion of skills and training to an inward politicized debate where training is a privilege rather than allocating budget to individuals, turning training into an entitlement that empowers employees who may look more broadly than within their current work area or department.
* Training is underutilized for maintaining general skills currency, because this often involves training in subject matter peripheral to immediate work. Apart from immediate managers, there is little available guidance on what training may be best for an individual.
* Training is underutilized to enable or encourage mobility between roles within departments and the APS. Skill requirements only become easily visible at role level (e.g. APS Jobs), very close to the time when skills are needed. This seems to forfeit opportunities for an internal APS skills marketplace which could diversify skills supply more proactively across Government when combined with an APS-wide ‘required skills register’.

Each issue presented in this submission is a significant opportunity to improve the APS. While difficult to broach, a solution to these problems is likely to help resolve many other issues that I now consider peripheral to the three detailed above. I appreciate the opportunity to make such a contribution and would encourage a far more regular APS-wide review process in future.