



Australian
National
University

**ANU Crawford School of Public Policy
Submission to Independent Review of the Australian Public Service**

November 2018

For further information about this submission please contact:

Dr Robert Styles

Advisor International Development

ANU Crawford School of Public Policy

JG Crawford Building 132, Lennox Crossing

The Australian National University

Canberra ACT 2601

E: Robert.Styles@anu.edu.au

ANU Crawford School of Public Policy

Crawford School of Public Policy is housed within the College of Asia and the Pacific (CAP), Australian National University (ANU). CAP leads intellectual engagement with the Asia-Pacific region through research, teaching and contributions to public debate, and seeks to set the international standard for scholarship concerning the region.

The Crawford School's approach to public policy draws upon disciplinary excellence in the core areas of economics, government, environment and development, and also deep geographical knowledge of Asia and the Pacific, including Australia. Some of the region's most important researchers and many staff within the School are active on government committees and in key advisory roles across government, business and civil society. Students at the School are valued members of the region's leading public policy community and contribute actively to the impact being made on the world's challenges surrounding such issues as water, food, energy, economic development, the environment, and governance.

Executive Summary

The ongoing work of being future ready is adaptive by nature and requires real-time, flexible, collaborative and deliberative responses to prevailing situations in relation to likely future scenarios. Governments, higher education institutions, business and civil society across Australia, Asia and the Pacific will need to work together in response to local and regional security issues, particularly water, food, energy, health, economic, environmental, indigenous and bilateral. Effective responses, we expect, will be taken by groups of stakeholders sharing a common purpose who have the necessary legitimacy and support to prototype and strategically implement innovations. For this to occur the APS will have to reinforce the practice or strategic public sector leadership and cultivate a broader organisational climate that embodies an appetite for risk and learning. Processes such as Strategic Roadmapping; instituting particularised forms of Polycentric Governance; and, cultivating Moral Self-Determination will need to be implemented to reinforce the transfer and evolution of successful learning and practice into the system. In this context higher education will best serve by providing world class advice too and partnering with key people to help them strategically implement good governance, regulatory frameworks, policy evaluation, public policy, applied economics, public administration, environmental management and technical solutions with measured impact. Learning and development will need to be directed toward the real time capacity building requirements integral to the adaptive responses being taken. Multi-disciplinary, multi-player, strategically driven action research and innovation will need to become business-as-usual within 'One future ready APS'.

Detailed Response

As the review has already identified, the capability and strength of today's APS rests on a suite of characteristics that should be preserved and conserved as the institution orients toward becoming 'One future ready APS'. Underpinned by its values, the APS culture, qualities of its workforce, skills and knowledge of the public servants and reputation of the Service form the platform for future development. The approach we recommend builds on this platform with a focus on motivating and purposing this intrinsic good through enabling environments where it is safe to experiment, try new things and strategically innovate. While strategic leadership, collaboration and innovation have been key recommendations to governments in Australia and overseas over recent years¹ we suggest a more pragmatic approach is required.

Depending on the issue being addressed, a pragmatic response would require representatives from government, higher education, business and civil society to proactively redesign their interactions and engineer their pursuits in line with a shared sense of higher-order purpose. Building the capacity of the system to do this with greater effect would, amongst other things, encompass **three broad processes** that in our experience are ideally facilitated through the workplace: taking perspective on a preferred and probable future and rendering long-term Strategic Roadmaps; aligning the many centres of decision making by instituting particularised forms of Polycentric Governance; and, cultivating a High Performing Mind and the capacity for Moral Self-Determination of those involved.

Over the last six years the ANU Crawford School of Public Policy has been refining this multi-disciplinary approach with good effect. Australian Public Service Employee Census data (Commission 2014, 2015, 2017, 2018) captured pre and post several interventions within the Australian Public Sector showed a significant, positive and sustained improvement along several dimensions, including: Employee Engagement; Inclusion & Diversity; Wellbeing; Leadership; Workplace Culture; Workplace Conditions; Performance Management; Organisational Change; Innovation; Risk Management; APS Values & Code of Conduct; and, Agency Specific Performance. These measures showed significant improvements when compared with those baseline measures taken over previous years, with some measures improving favourably by up to 25% and 28% (see Appendix). Learning in these contexts has been by design. These three processes are inseparable and highly interdependent. We suggest they are necessary capabilities for 'One future ready APS'. Each is outlined below.

1

Cabinet Office, 2012. *The Civil Service Reform Plan*, London: HM Government.

Innovation and Science Australia, 2017. *Australia 2030: prosperity through innovation*, Canberra: Australian Government.

Institute of Public Affairs, 2017. *Executive Master of Public Policy*, London: Civil Service Learning.

Prime Minister and Cabinet, 2010. *Ahead of the Game: Blueprint for the Reform of Australian Government Administration*, Canberra: Government of Australia.

Prime Minister and Cabinet, 2012. *Australia in the Asia Century*, Canberra: Australian Government.

Sunningdale Institute, 2010. *Beyond Light Bulbs and Pipelines: Leading and Nurturing Innovation in the public Sector*, UK: National School of Government.

Necessary capabilities for 'One future ready APS'

1. Taking perspective on a preferred and probable future - Strategic Roadmapping

Taking perspective on a preferred and probable future and rendering a Strategic Roadmap focuses on mapping desired futures and strategically implementing a shared, consensual vision for delivering on high impact opportunities and innovation, especially when facing uncertainties or challenges in outlook. Developed by Cambridge University with the Australian National University, it extends the practices of foresighting and scenario planning to support strategic alignment and dialogue between the various sub-divisions within an organisation and also between other organisations or key external stakeholders. Academic involvement brings to these efforts the multi-disciplinary rigor and diversity required to undertake an active inquiry into, and consideration of, what a preferred and probable future could actually look like within the organisation and society in relation to the endeavours being undertaken. The output is a much clearer understanding of the prevailing trends and drivers in the system that will likely shape behaviour and organised effort and the mapping of a consensual pathway or roadmap for the implementation of an agreed set of strategically qualified opportunities. We believe for 'One future ready APS' to emerge a Roadmapping Culture has to be cultivated.

2. Aligning the many centres of decision making – Polycentric Governance

Instituting forms of Polycentric Governance focuses on aligning the many centres of decision making under an overarching set of functional norms, policies and procedures. Such formal and informal regulatory environments tend to emerge as an evolutionary response to the ordering of interactions defined by the Strategic Roadmap. Facilitating this, in our experience, involves extending a framework borne out of the anthropological studies of cooperative group behaviour for which Ruth Elinor-Ostrom was awarded a Nobel Prize in Economics in 2009. This polycentric vision places at centre stage the individuals and forms of self-governance and organisation that naturally result from their interactions as they constitute themselves into mutually respectful and working relationships. Dialogue centres on the application of eight principles for building and leading sustainable and equitable organisations, groups and teams which are particularised and adapted into the public-sector arena. Such normative contexts tend to be morally and ethically sound and typically persist through time and prevail, even under conditions of seeming chaos. For 'One future ready APS' to emerge, being able to cultivate such healthy normative and regulatory environments that build and maintain trust and reciprocity will be a necessary prerequisite. Reinforcing the suite of APS values and code of conduct would be integral to this work².

3. Cultivating a High Performing Mind – Moral Self-Determination

Cultivating a High Performing Mind and the capacity for Moral Self-Determination involves enhancing the ability of the leaders, managers and workers involved in civic endeavours to discern what is important – a values proposition – and to persistently allocate attention to that, which is essentially a real time here and now practice. The approach we recommend harnesses the latest research advances from Contextual Behavioural Science taken at ANU that provide an understanding of how language and cognition functions to direct covert and overt behaviour. Individuals coached in this regard become increasingly aware of their inner

² <https://www.apsc.gov.au/aps-values-1>; <https://www.apsc.gov.au/code-conduct>

experience, particularly in challenging situations, and depending on what the situation affords, persist with or change behaviour in line with chosen values. They are more able to discern situations or choice points where they tend to adopt habitual and often defensive responses to unpleasant experience and exercise moral self-determination in pursuit of valued living. Cultivating such a high performing mind, we have observed, has a range of important applications relevant to professional practice within the APS, including the development of leadership attributes, enhancing performance, increasing mental flexibility and improving physical and mental wellbeing. We see this as an essential aspect of building 'One future ready APS' that goes to the heart of the human dimension. To be successful Public Servants at every level, particularly those in leadership, will be required to exercise such psychological flexibility.

Learning by design to close the capability gaps

Looking forward we suggest the nature of learning at work across 'One future ready APS' will have to become bespoke by design and integrated with the responses being taken to prevailing situations. Higher education institutions such as the ANU Crawford School of Public Policy, the Melbourne School of Government, and the Institute of Governance and Policy Analysis can partner with the APS and related stakeholders based on agreed system wide priorities and participant developmental needs. Programs can be custom designed as an integral part of the overall strategy specifically to close the capability gaps across the system, be they hard or soft. Such adaptable learning models could be a blend of current best practice such as the those flowing from the UK Civil Service Reform Plan 2012 or conceived fresh as a suite of action learning phases that flexibly integrate into life-at-work. Innovation will be required on behalf of the education sector on this front.

What the Crawford School can do...

As mentioned, the ANU Crawford School of Public Policy works with government, business and civil society across Australia, Asia and the Pacific to address local and regional security issues. We do this by providing world class advise and strategically partnering with key people to design and implement solutions with long-term impact. In each instance, depending on stated objectives the faculty involved has engaged subject matter expertise to enhance the realisation of desired impact. From alumni and professional networks, we deploy leading academics and professionals from fields ranging from, for example, public policy, economics, government, law, business planning, organisational performance, engineering, psychology, gender equity and health to support the leaning objectives of any particular endeavour. We suggest that such multi-disciplinary approaches will have to become the norm in 'One future ready APS'. It is going to become increasingly important that all players across the sector with a stake in the future cultivate the ability to think strategically about future changing contexts and contribute academically and professionally to establishing the necessary ongoing cooperative and productive cultures capable of bringing about desired change. This, we suggest, has to be learned.

Accessing professional learning from within the APS

In addition to integrated professional development designed to strategically close APS capability gaps, individual learning opportunities and credentialing are important. To this end, the work of the APS Review should consider and recognise the existing best-practice

capability enhancement models throughout the Australian Government. These provide the essential 'macro' structure that sets out the organisational ways in which particular departments and agencies aim to grow and enhance their intellectual capital. Equally essential – and often overlooked in current arrangements – is a 'micro' structure aimed at the individual to ensure s/he accesses and engages the broader macro professional learning structure. Evidence suggests there are 3 key elements that should feature in the micro structures to support increase of intellectual capital for the APS:

- 1) Incentives: opportunities for professional learning must have incentives for individual staff to access these and should align with the broader macro learning structure. Incentives could take the form of funding for professional learning. The StudyBank annual amounts of up to \$2,000 across most of the APS are now well out of step with reality in which 1 course at a respective tertiary institution is at least \$2,500 and ideally APS employees would be studying more than 1 course as part of a degree program pa. Incentives to pursue professional learning should also include realistic study leave arrangements to support face to face and online professional learning at recognised educational institutions.
- 2) Microcredentials: by 2030, ever-increasing demands brought by portfolio careers, increased changes to jobs and the usual family/work pressures will mean that the appetite for learning modules that can be parked and used at a later date towards further learning programs will be critical. Microcredentials provide exciting opportunities for the APS to upskill and incentivise professional learning. Microcredentials can provide learners with access to shorter learning experiences such as executive education and could then potentially be recognised towards higher degree programs. Crawford School would be willing to develop and offer pilot programs in microcredentials working in partnership with other recognised Australian universities.
- 3) Microlearning: opportunities for APS employees to engage in micro-learning will be important in the micro-structure to breathe life into the broader macro capability structure. Microlearning is cost effective and an efficient path to learning on the job: these are chunks of learning time that effectively bring together those with the skills and those who seek the skills: in online and face to face arrangements.

A combination of these 3 elements will see the APS strengthen and increase its intellectual capital in the coming decade.

Appendix

Results showing significant and sustained change in workplace culture and performance within two Australian government organisations

Below are graphical representations of the measured long-term impact of two Strategic Public Sector Leadership interventions led by Ms Daryl Karp, CEO, Museum of Australian Democracy (MoAD) and Ms Stacie Hall, First Assistant Secretary, Property & Construction Division (PCD), Department of Finance. These initiatives were facilitated in partnership with Dr Robert Styles, Crawford School of Public Policy, Australian National University. The MoAD intervention took place in 2014-15 and the PCD intervention took place in 2016-17. Both involved developing a long-term strategy and instituting particularised forms of polycentric governance and prosocial approaches in achieving a range of defined opportunities.

In both cases, Australian Public Service Employee Census data (Commission 2014, 2015, 2017, 2018) captured pre and post each intervention showed a significant, positive and sustained improvement along several dimensions, including: Employee Engagement; Inclusion & Diversity; Wellbeing; Leadership; Workplace Culture; Workplace Conditions; Performance Management; Organisational Change; Innovation; Risk Management; APS Values & Code of Conduct; and, Agency Specific Performance. In both instances, these measures showed significant improvements when compared with those baseline measures taken over previous years, with some measures improving favourably by up to 25% and 28%. See Figures 1 to 6 below.

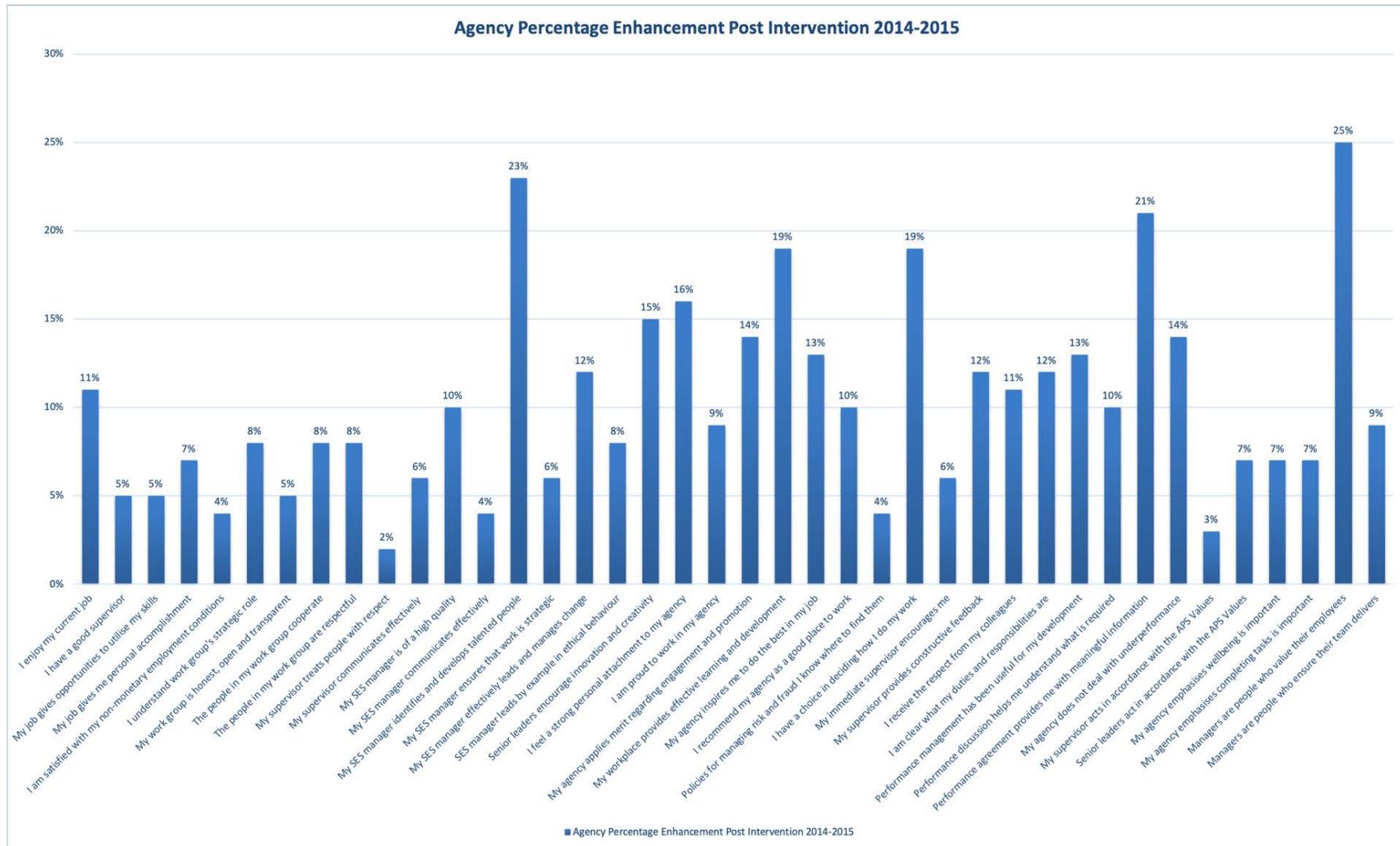


Figure 1. Measures identified in MoAD’s APSC 2014-15 Employee Census Report (Commission 2014, 2015) as having significantly improved compared to the Agency’s measures from the previous year.

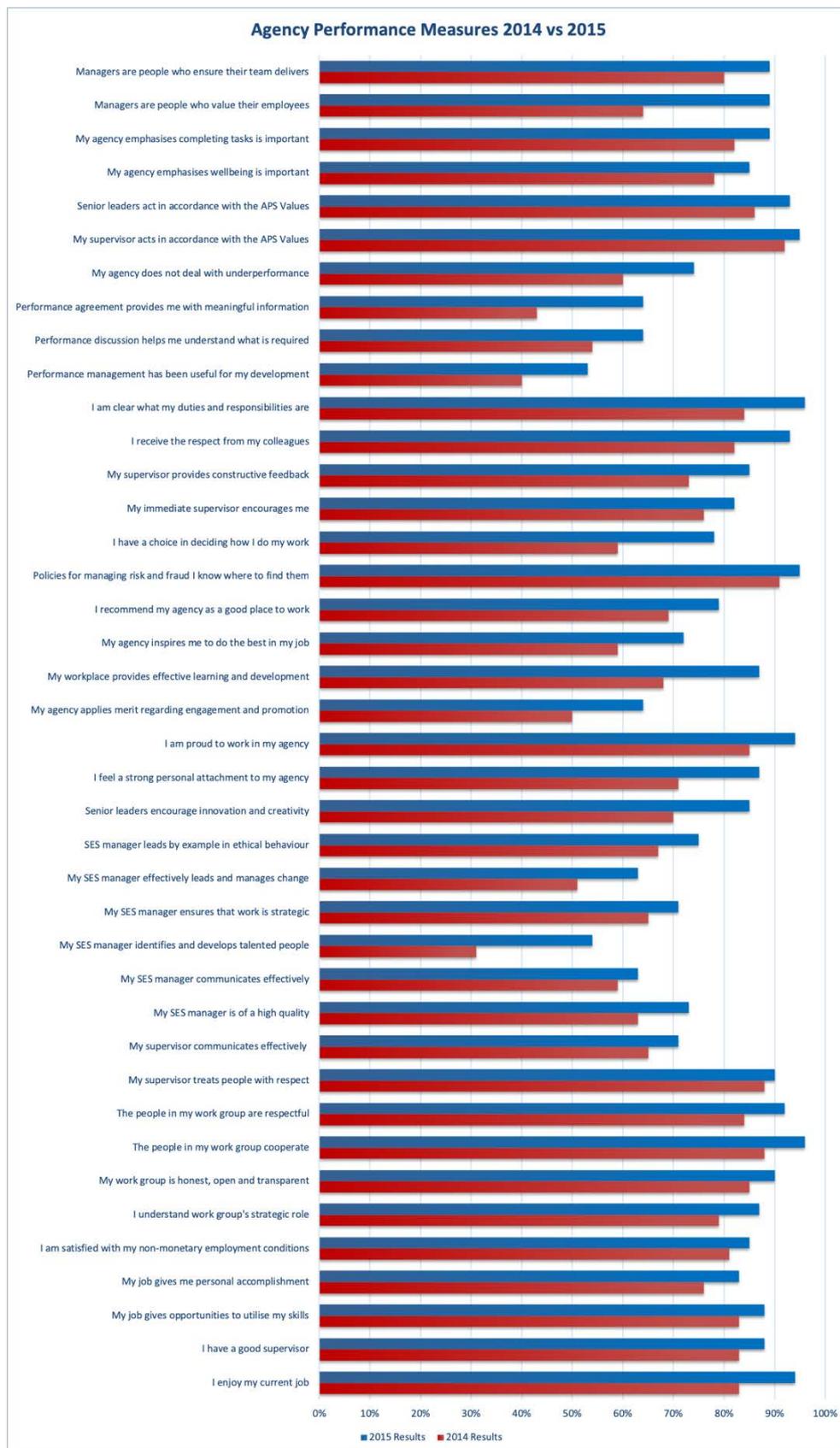


Figure 2. Reported percentage improvements (Commission 2014, 2015) in MoAD's 2014 performance measures (red bars) compared with 2015 performance measures (blue bars).

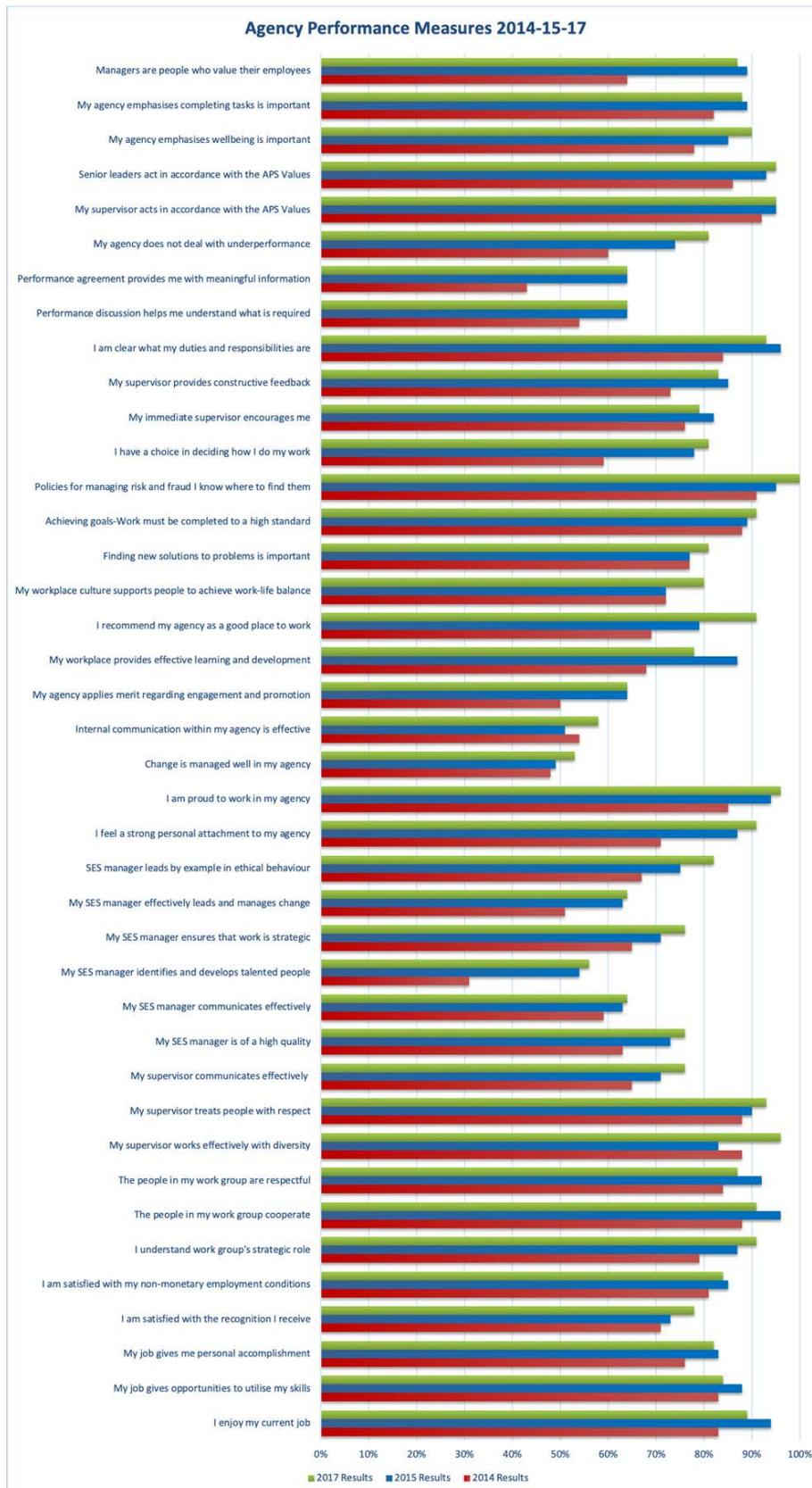


Figure 3. Reported percentage improvements (Commission 2014, 2015, 2017) in MoAD’s 2014 performance measures (red bars) compared with 2015 performance measures (blue bars) and 2017 performance measures (green bars) showing sustained change.

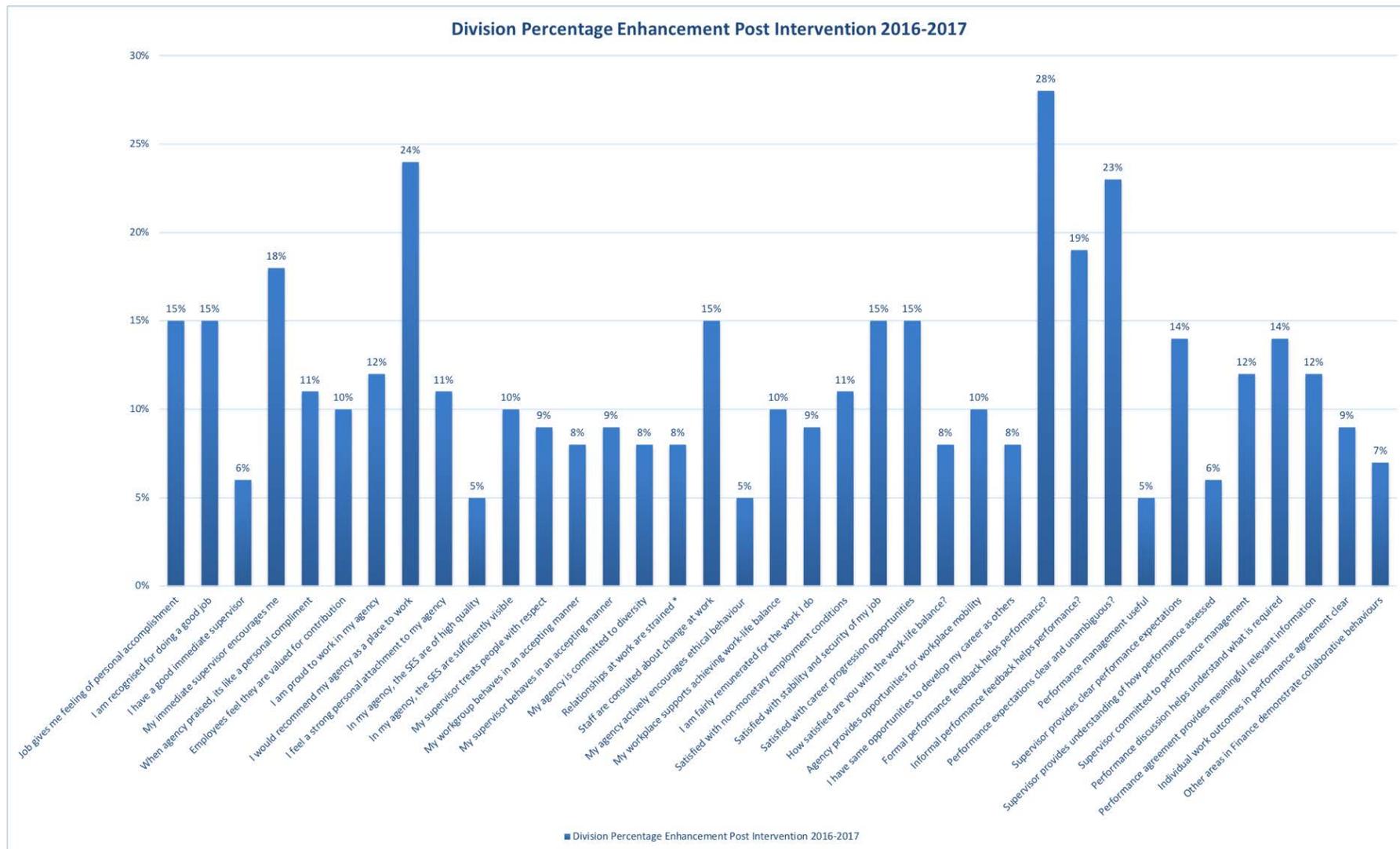


Figure 4. Measures identified in the PCD’s 2017 Employee Census Report (Commission 2017) as having significantly improved compared to the Division’s measures from the previous year.

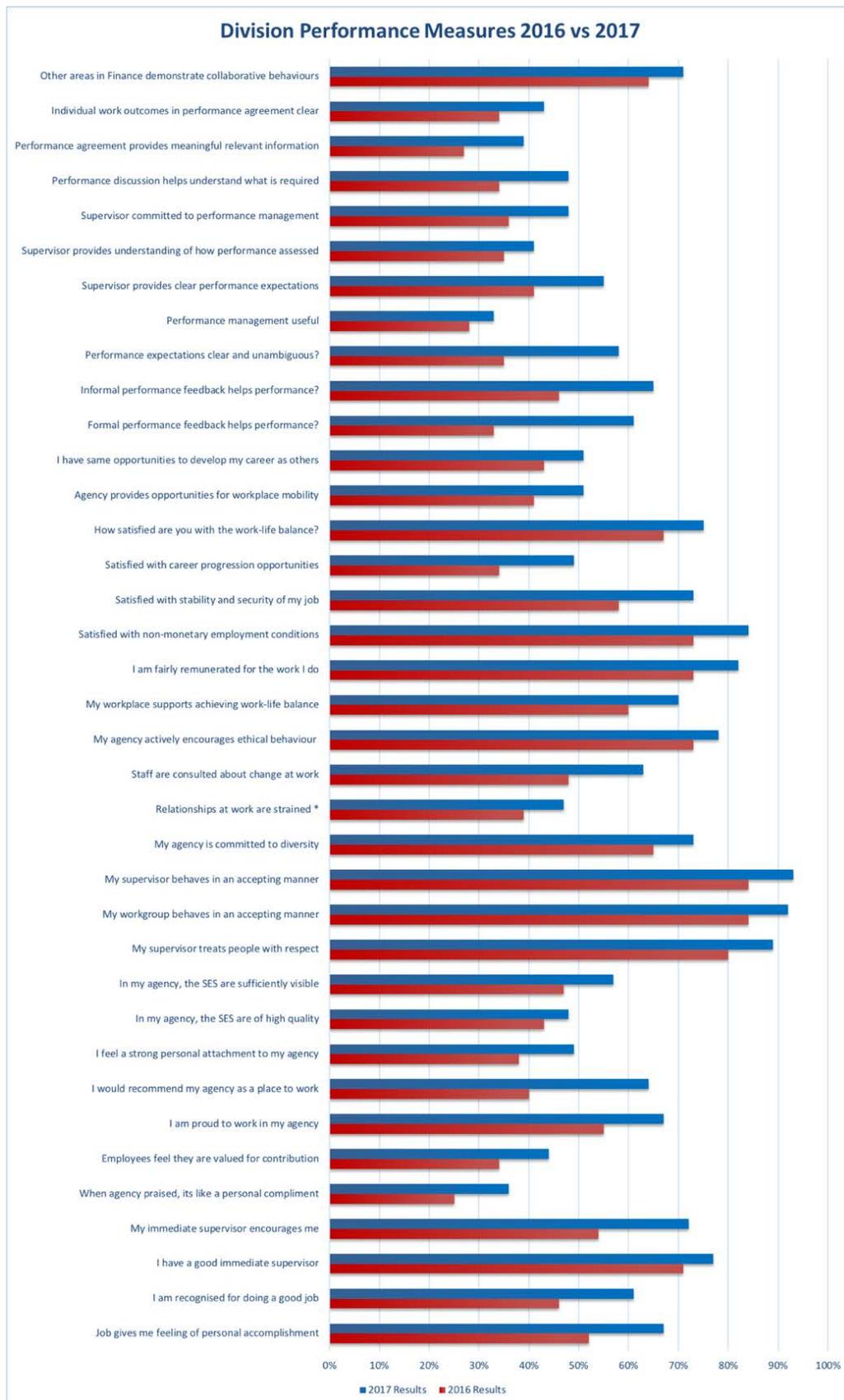


Figure 5. Reported percentage improvements (Commission 2017) in PCD’s 2016 performance measures (red bars) compared with 2017 performance measures (blue bars).

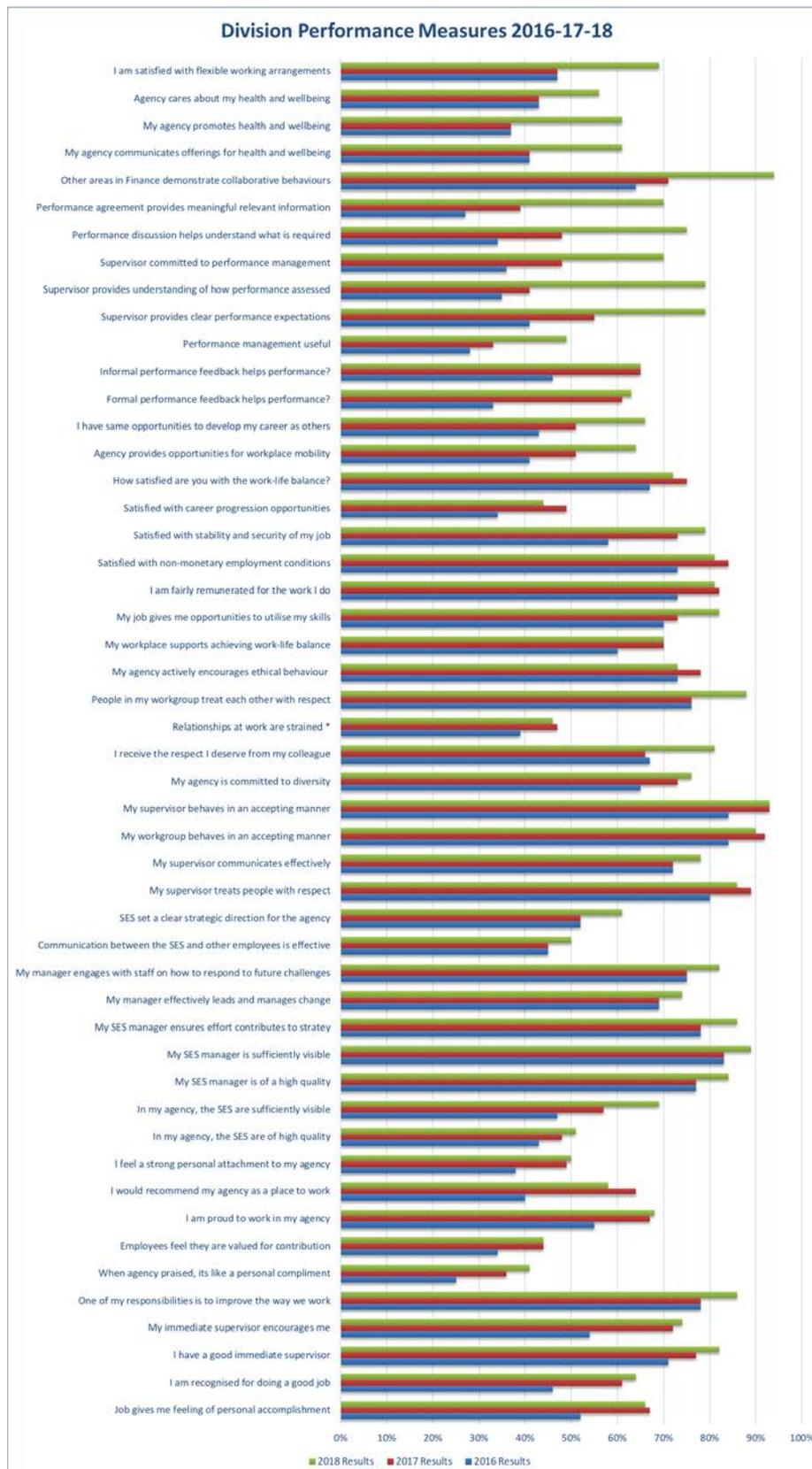


Figure 6. Reported percentage improvements (Commission 2017, 2018) in PCD’s 2016 performance measures (red bars) compared with 2017 performance measures (blue bars) and 2018 performance measures (green bars) showing sustained change.