



Department of the Prime Minister and Cabinet
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Dear Sir / Madam,

Please find attached Partners in Performance's submission to the independent review of the APS, please note we are submitting both public and not-for-publication submissions, as the latter contains confidential information pertaining to one of our clients. This is the public version.

PIP has extensive experience working with federal and state government institutions over several years to drive innovation, change and sustaining capabilities. Through this, we have developed a unique approach for driving Transformation in APS work environments and believe our model could be used more broadly across the APS to enhance employee engagement, job satisfaction and productivity and in so doing meet the challenges facing government organisations over the next few years.

The content of this submission is largely based on a recent transformation led by APS staff and supported by us. The Transformation delivered substantially increased service levels and a doubling of productive capacity (reducing absolute workforce numbers substantially) and improved engagement across the workforce.

We welcome the opportunity to meet to further discuss how the information and model contained within our submission can support the independent review of the APS.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Malcolm Allen'.

Malcolm Allen

Director

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Delivering successful behavioural change and innovation in the APS

Introduction

For the APS to continue to deliver the expected services, policies and programs in an Australian market characterised by increasing public demands, rapid technology innovation and continually changing regulations it must innovate and sustain improvements and change across all levels of the APS.

Over the past twelve months, Partners in Performance have been engaged with one part of the APS to drive innovation, change and sustaining capabilities. We have done this within strict quality control and cost-effectiveness frameworks and driven behavioural change down to the lowest possible level of work teams. We believe the model we have developed in conjunction with our client could be used more broadly across the APS to drive Transformation, so it can continue to meet expectations in a cost-effective manner.

It is not sufficient for the APS to rely on large scale technology-based change programs to meet these expectations. Instead all aspects of the APS will need to be empowered, given the capabilities and shown how to “lean-in” to a mindset of improvement and service. Then, not only can parts of the APS support changes brought on by large scale programs but also deliver change and improvement in their own areas, where necessary.

There will continue to be interest in particular improvement approaches, whether those be policy (e.g. simplification), technology (e.g. AI, machine learning) or process (e.g. LEAN, 6sigma) based and the APS will need the flexibility and capability to adopt and adapt whichever is appropriate. No “silver bullet” or even “bullets” can be expected to deliver the changes requires. Instead what is needed is a more general capability that can take advantage of the best available approaches at the time.

We show that such a model can be built in the APS with startling results. We have enabled a part of the APS that had significant performance challenges to:

- substantially increase service levels (since being formed the department had never met a service level and within three months of starting the program were meeting all services levels)
- double productive capacity while reducing absolute workforce numbers substantially
- engage the workforce, with a halving of absenteeism and tripling engagement on some measures
- have front line work teams identify, build (with support), welcome and adopt new (technology or otherwise) solutions that improve service, cost and productivity outcomes

- build a supportive and safe management culture, where management is an enabler to help teams achieve their responsibilities and priorities within a framework of clear accountabilities
- implement a centralised program management office to ensure proper change control, quality control, accountabilities and efficient use of resources (such as IT tools) is maintained
- systematically ensure that the right person, with the right capabilities/motivation is in the right role at the right time to deliver required outcomes

Interestingly, only about a quarter of the productivity benefits have been achieved through new technology solutions. By far the majority of outcomes have been achieved through showing APS staff better ways of working (particularly greater accountability and transparency, management/employee interactions, management operating systems effectiveness and meeting efficiency) and better use of existing technology, rather than investment in new technologies or substantial process changes.

The model has since been adopted by other parts of the APS, demonstrating its applicability in more policy and project driven parts of Government.

The paradigm can be observed in a fully integrated way (new systems, tools, behaviours, technology, etc) and the staff can discuss the insights from their experience.

In summary, we believe we have demonstrated an effective model for ‘unleashing the potential’ of APS staff at all levels, creating a more engaging and dynamic workplace that embraces new technology and delivers a step change in productivity. More detail on approach and results can be found in our ‘not for publication’ submission.