**Submission to APS review**

Structural and cultural issues exist in the Public Service that entrench some ineffective, inefficient and poor value for money practices:

1. The most important of these relates to a business model that is excessively hierarchical with too many levels coupled with inflexible working arrangements across levels and outdated descriptors of staff at the all levels.
   * It is very common that a brief to a secretary, often written by an employee at practitioner level (e.g. EL1), will go through four levels of review before it ends up on the Secretary’s desk (EL2, SES Band1, SES Band 2 and Deputy Secretary).

Not only is this ineffecient but it also often leads to significant and unnecessary delays due to mandated clearance time requirements of at least 1- 2 days at each level.

Sometimes this also has the effect that the amount of time available to perform the actual work up front is so compressed that the quality suffers.

* + There is also an artificial structural ‘break’ between the EL2 and SES levels in relation to many aspects including remuneration. In industry there is often much more of a continuum through the ranks in an organisation with less of a need to ‘require’ staff at every level in every part of the business model.

Over time there could be an opportunity to change the culture to one where the organisational structure in a department wouldn’t necessarily need to have every current level represented in every part of the department (there are some exceptions to this practice already, but it is rare). For instance, some departmental functions might not need an EL2 at all, but have EL1s reporting directly to an SES Band 1 instead (using current level descriptors to illustrate the point). There are also opportunities to nominate some positions as specialist roles and not requiring them to be responsible for staff, but still be recognised for their expertise and accorded appropriate seniority with respect to reporting lines, remuneration etc.(also refer to section 3 below)

* + Functional descriptors of staff and managers are mostly couched in terms of their level, rather than what they do. For example: ‘She is an EL2 in Finance’ rather than ‘She is the Internal Budgeting Manager’.

This type of language adds to the already entrenched practices that perpetuate a hierarchical approach to collaboration across levels (even within the same division) and stifles effective working relationships and innovation. Working with colleagues without such level constraints is becoming more and more necessary in order to achieve better outcomes from complex tasks.

This form of language also perpetuates the ‘us and them divide’, which exists between SES and other staff in departments.

1. The loss of corporate knowledge is also a major risk to the future of a high performing public service. One of the major reasons for this is the growing number consultants being engaged to perform work that public servants in many (but not all) instances could do equally well if the departments were resourced and managed appropriately. The artificial cap on the number of public servants is leading to diminishing value for money for the Commonwealth, higher than necessary total departmental costs and the aforementioned loss of corporate knowledge over time.

Apart from the ASL cap there is another reason why business areas in departments are motivated to engage consultants over in-house staff. Due to the hierarchical nature of the public service, it is difficult (if not impossible) for non-SES staff to (for instance) get access to run a necessary/valuable workshop with senior executives without the ‘whole hierarchy in between’ being involved. Consultants performing such roles often do get the required access. This is also another limitation on innovation beyond those explored in section 1 above.

1. In many departments there is a tendency to treat employees as ‘generalists’ and overdo the frequency of transfers from one area to another where totally different knowledge and skills are required. This is particularly so for the SES cohort, but also includes EL officers.

This approach is perhaps reasonable at very senior levels (e.g. SES Band 2 and 3) when a move every few years could work really well. However, this doesn’t always mean that you can extend the underlying capability assumption to all SES officers at all levels. They do not necessarily have the same capability to quickly take on board new information and knowledge required to become effective in a new role within a reasonable timeframe.

Importantly, some positions should never be filled by ‘generalists’ as specialist skills often are required. It is, for instance, common, but inappropriate, to fill the role of Chief Internal Auditor with a ‘generalist’.