Independent Review of the APS

Individual Submission – Nicholas Godden

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# Introduction

Thank you for the opportunity to contribute to the Independent Review of the APS. The Secretaries Board’s open letter to the APS encouraged participation and I hope the review receives a plethora of constructive and considered submissions from APS staff and agencies and, more broadly, others in the Australian community.

My submission focuses on three of the key areas identified in the Terms of Reference:

* Tackling complex challenges in collaboration with the community, business and citizens;
* Improving citizens’ experience of government and delivering fair outcomes for them; and
* Acquiring and maintaining the necessary skills and expertise to fulfil its responsibilities.

Instead of making broad comments on these key areas, I have suggested some new ideas and reforms that could be implemented to help make substantial, long-term improvements. These ideas and reforms would not be in themselves enough to meet the challenges over the next decades, but combined with the contributions of others could help steer the ship of state in the right direction. I look forward to hearing and reading others’ contributions.

In considering all submissions and developing recommendations, I hope the Review can deliver a final report that sets out a roadmap for the APS to act in the broader, long-term public interest rather than becoming more narrowly focused on delivering for short-term and/or sectional interests. This vision needs to be an optimistic yet achievable model for the APS to strive for. I hope the below can make a contribution to that goal.

# Tackling Complex Challenges in Collaboration with the Community, Business and Citizens

## Legislated 10-Yearly APS Reviews and APS Implementation Reviews

The Review’s Terms of Reference notes:

*However, new technology and global developments are transforming the Australian economy and society. This will* ***continue and accelerate over the decades ahead****, posing new opportunities and challenges for citizens, business and the broader community* [emphasis added]*.[[1]](#footnote-1)*

The Coombs Royal Commission was completed in 1976 and the APS today reflects those recommendations.[[2]](#footnote-2)[[3]](#footnote-3) In1976, Apple was founded, the first commercial Concorde flight occurred and *Rocky* was released in cinemas. The latest APS Statistical Bulletin states that over 52 per cent of on-going APS employees are under the age of 45, meaning that around half of all on-going staff would not have even been born at the time of the last comprehensive review.[[4]](#footnote-4)

Without assessing whether this review gap was appropriate, if this was repeated, the next comprehensive review of the APS would be completed in 2062. Given the rapid pace of technological and societal change, it is difficult to imagine a scenario in which the foundations of the APS should not have been, at the very least, investigated in the preceding 43 years. Regular and predictable reviews will also give the community, business and citizens opportunities to help shape the APS for the challenges ahead. As such, these reviews should be legislated in the *Public Service Act 1999* at regular intervals.

There is a danger of too frequent reviews would undermine the implementation of, and credence, of previous reviews and exhausting the community, business and citizens with repeated consultation. Too frequent reviews may also over-emphasise short-term trends or topical issues instead of focusing on longer-term strategic issues that need to be solved. Reviews every ten years is the right balance between regular and predictable reviews without causing review fatigue. Membership of the review can replicate this current review in consisting of a panel of experts with experience domestic and international experience in the public (including academia) and private sectors.

The value of any review is also mostly realised in the implementation of its recommendations. Halfway between 10-yearly legislated reviews, there should also be five-yearly implementation check-ups to ensure the recommendations of the last review are being implemented and, if not, why not. These could either be the run by the previous members or a new panel. The findings of the implementation review would inform the next APS Review, especially how to transform ideas into action.

**Attachment A** outlines possible legislative amendments to implement this proposal.

## APS Festival of Mildly Dangerous Ideas

With the increasing spread of mind-numbing sludge that is 24/7 over-reporting of partisan news, there is a danger the APS begins to subconsciously shut-down internal and outside thinking and ideas in an attempt to stay out of the headlines to prevent embarrassment to the Government and Ministers. The geographical isolation and concentration of the APS in a planned capital also increases the tendency to be exclusively inwardly-focused. Inaction or miniscule incrementalism may become the norm as any blame for following precedence and tradition can be sprinkled across generations and cannot be traced to any particular action, decision or individual. The costs of inaction and miniscule incrementalism are also difficult to measure because, in the absence of a clear event where the status quo failed horrendously, the costs can only be measured against a hypothetical counterfactual where change occurred.

To prevent the normalisation of inaction, the APS needs to continuously encourage new (and potentially radical) ideas to prevent a calcification of thought. Community engagement, reviews and other consultation are ways to consider new ideas but may lack the shock factor to keep APS minds open. A potential solution could be to hold an annual or biannual *APS Festival of Dangerous Ideas*. This is a blatant rip-off of the Sydney Festival of the same name, currently run by the Ethics Centre and University of New South Wales Centres for Ideas.[[5]](#footnote-5) The APS Festival would have APS staff and external contributors present and discuss ideas outside the current status quo from across the political and social spectrum. The goal of the APS Festival would not necessarily be to agree or implement the ideas suggested but show APS staff that there quite divergent views domestically and internationally on how governments (and public services) should and can operate.

In many ways, this APS Festival would mirror the established practice of scenario planning except that where scenario planning usually changes a set of extrinsic factors that are falsely assumed to be predictable (e.g. oil prices, competition, technology rates), the festival would concentrate on changes to intrinsic processes that are falsely assumed to be immovable (e.g. hierarchical structures, employment practices).

The original Festival of Dangerous Ideas has not been without its controversies. Perhaps in an increasing attempt to stay relevant and edgy, more and more fringe speakers were invited to spark debate. For the APS Festival, it will be important not to confuse marginalised radicalism with genuine innovation and free-thinking. The *APS Festival of* ***Mildly*** *Dangerous Ideas* better encapsulates what is trying to be achieved.

# Improving Citizens’ Experience of Government and Delivering Fair Outcomes for Them

## Centralising Non-Complex Communication and Ministerial Functions

The APS structure is complex even for experienced public servants. Citizens cannot be expected to need to be aware of the ever-changing functional organisation of the Commonwealth Government, let alone the added complication of understanding the often technical distribution of responsibilities between local, state and territory, and federal governments. Much of the frustration of citizens with the APS may arise from being shunted from agency to agency, as well as between different sections within an agency. Citizens and businesses may also be treated very differently depending on what part of the APS they deal with, irregardless of need or other relevant factors.

The Coombs Review recommended the creation of ‘one stop shops’ where members of the public could access all government services in one location and potentially only dealing with one or two different bureaucrats in the process.[[6]](#footnote-6) myGov and australia.gov.au could be seen as the twenty-first century equivalents of the ‘one stop shop’.[[7]](#footnote-7)

Expanding on both myGov and australia.gov.au to include more services and information will reduce the complexity and time taken by members of the public to access government services. In particular, revamping australia.gov.au to include basic information on key issues and government priorities could reduce the number of government websites that Australians need to visit to find what they are looking for. These issues and priorities could be identified through counting the most popular pages across government websites.

Government websites could be simplified and substantially culled so as not to become an attempt to provide all-encompassing information but rather as one of many communication tools that agencies offer, alongside face-to-face discussions, shopfronts, correspondence, call-centres, social media and mobile applications.

The same principle can be applied to ministerial correspondence and simple information requests by Ministers. Anecdotally, the majority of correspondence from the public relates to very similar issues and requests high-level information on topical issues. Having technical-experts in line areas draft replies to ministerial correspondence is often (somewhat ironically) counter-productive as staff living-and-breathing a policy or program usually have difficulty communicating with members of the public. Staff who have expertise in communication but with less detailed knowledge can usually convey information on less-complex correspondence much more effectively than technical-experts. While ministerial correspondence is often considered a burden by technical-staff who are rarely evaluated or promoted on these skills, staff specialising in effectively and efficiently drafting ministerial correspondence can be directly rewarded for the quality and quantity of their work.

**Attachment B** details how this ministerial correspondence and communications process could operate.

# Acquiring and Maintaining the Necessary Skills and Expertise to Fulfil its Responsibilities

## APS-Wide Corporate Graduate Program

The delivery and provision of policy advice, programs, regulatory oversight and services requires capable, motivated and valued corporate services. Anecdotally, corporate services are often overlooked or undervalued compared to line areas. Yet, improvements in these areas are more likely to lead to long-term value to citizens, business and the broader community than improvements in line areas. Improvements in recruitment, training, financial management and other corporate services improve the work of all staff in an agency that flows to better policy advice and program delivery. Improvements in line areas are often fleeting or only targeted at a small section of the Australian population.

To further build upon its corporate services, the APS requires a whole-of-government investment, recognition and promotion of talent at the earliest stages. Competition for talented corporate service staff is fiercer than for policy and program talent as the former’s skills are more easily transferable between the public and private sectors. A high-performing human resource manager can work in any large corporation in Australia. High-performing policy advisers are more limited in their options outside the APS.

To better compete with the private sector and recognise talent already in the APS, there should be an APS-wide Corporate Graduate Program run out of the Department of the Prime Minister & Cabinet and funded through contributions from participating agencies. Large agencies with already successfully running graduate programs focusing on these skills could be exempted but may also benefit from their graduates learning how other agencies tackle similar problems. Running out the program out of the Department of the Prime Minister & Cabinet will help ensure the program is perceived as important by both potential applicants and graduate supervisors. A certain proportion of selected applicants should be already employed by the APS to recognise and develop existing talent and to prevent an ‘us-and-them’ mentality from either the graduates or participating corporate areas.

Graduates would have rotations in their field of expertise in different agencies, learning how each agency dealt with similar problems. A centralised learning program would help teach graduates core skills and what key issues the APS is facing in their fields. Similar to most graduate programs, at the end of their program, graduates and agencies can select/bid for final placements.

An APS-wide corporate graduate program would have the long-term benefit of establishing informal cohorts and networks of corporate graduates for years to come. This could help keep different corporate areas in agencies across new developments, issues and solutions happening around the APS.

Already existing service-wide graduate programs, such as the Victorian Public Service’s Graduate Recruitment and Development Scheme and NSW Government Graduate Program, could serve as a model to an APS-wide program.[[8]](#footnote-8)[[9]](#footnote-9)

## Centralising and In-Housing Core APS Training Programs

With the creation of expert hubs (e.g. grants) so that one Commonwealth department can specialise in an area and provide that service to many departments (who in turn could specialise), there is an opportunity to create an expert training hub. The Department of Education and Training or the Australian Public Service Commission make the most instinctive sense for a training hub.

This hub would develop common training programs for all APS staff, covering the basic skills and knowledge necessary for staff to operate, including but not restricted to: legislative and legal structures and responsibilities; financial skills; management skills; personal efficiency; and basic computer programs (e.g. Microsoft Word, Excel). The hub could also develop specific programs aimed to on-board new starters or new managers. The breadth, scale and expertise required may result in training programs being delivered more efficiently than the current decentralised approach.

In-housing training programs may also help to eliminate an increasing disconnect between the trainers and the trainees that may be developing in the APS. In a perfect situation, the trainees would choose and provide feedback on courses to human resource areas. In turn, these corporate areas would use that knowledge to improve the selection of courses from private trainers and/or provide feedback to improve their courses (see **Figure 1**).



Figure : Perfect Training Loop

In practice, however, the disinterest of participants and ad hoc collection of feedback, breaks that cycle so that the most important relationship becomes between human resource areas and private trainers. Human resource areas are required to meet arbitrary quantities of training (either monetary or time) and have little incentive to monitor or improve the quality of training. The keys to success of private training than becomes writing course content and outcomes that appeals to human resource areas rather than the APS staff who will receive the training, especially if such training is made mandatory.

This creates the conditions for a mini-Training-Industrial Complex where private trainers acquire unwarranted influence or hijack APS training programs and outcomes (see **Figure 2**). In-housing core training programs will at the very least eliminate the profit motivation for commissioning unnecessary training and bring trainer and trainers closer together within the same or similar organisations.



Figure : The Training-Industrial Complex

## Eliminating Distinctions between Corporate Training and Tertiary Education

Most agencies have an artificial distinction between tertiary education and other forms of training (e.g. in-house training, private trainers). This distinction is created in enterprise agreements stipulating maximum study payments and study leave for staff undertaking tertiary education, including both university and TAFE courses. Study payments can sometimes be supplemented by line areas on top of the corporate area contribution stipulated in the enterprise agreement. These payments are also generally dependent on the successful completion of a unit of study, sometimes not just passing but with higher marks (e.g. credits, distinctions) for assignments and exams.

In contrast, training courses are often uncapped for both payments and leave with most courses provided at no cost to the employee and sometimes the line area. Maximum payments and leave are usually left to agency and line areas’ budgets and operational requirements, perhaps guided by agency-wide training policies. There is rarely an equivalent to an exam or assignment in corporate training and so staff are funded for these courses irrespective of any individual learning or achievement (and potentially attendance).

This differing treatment could be caused by an implicit assumption that tertiary education has a greater individual benefit to the employee than corporate training. Staff with undergraduate, technical and post-graduate certificates and degrees partially funded by agencies will leave (or be poached) by other agencies or the private sector with their newly acquired skills. The original agency will then not see their investment in that staff member returned. But how does this differ with corporate training? If those training courses also increase the knowledge and skills of staff, they will also lead to staff leaving or being poached for better jobs.

If corporate training was so targeted as to provide no value for employers in the private sector than this distinction may be appropriate. Some training may fit this category, such as APS values training, although hopefully any ethics training has general applicability and value. However, the same logic could be applied to any public administration, public policy or regulatory course through tertiary education. Private sector employees are as unlikely to value APS-specific tertiary training as corporate training. Alternatively, if private sector employees are specifically attributing no value to corporate training than that may be instructive in itself.

If corporate training was substantially cheaper and less time-consuming than tertiary training the distinction may again be appropriate. However, with corporate training fees costing hundreds (if not thousands) of dollars and running for multiple days, staff can easily be funded for an equal amount through corporate training over an equivalent semester period.

Eliminating the distinction between corporate training and tertiary education will remove an unnecessary factor for staff, managers and human resources when making decisions on what training to undertake, approve or recommend. Instead of arbitrarily assigning funding contributions and leave amounts, these can be assessed individually according to the value of the course to the APS.

## Mandatory Staff Co-Contributions for Non-Core Training Programs

APS training could be improved by introducing minimum co-contributions for staff. Currently, staff have little incentive to actively participate in corporate training courses and maximise the benefit of those training courses for the APS. There is little or no connection between performance reviews and training (beyond attendance at training courses). There are rarely tests following training courses to assess the retention of knowledge and skills. The strongest and most repetitive relationship is between trainers (and their companies) and human resource areas rather than trainers and the staff doing the courses. Staff can ‘tick-a-box’ for their performance review by attending but not actively participating in training. The trainers get paid regardless of actual outcomes and human resource areas can report on the amount of training that occurs (see **Figure 2**).

However, if staff were required to make co-contributions to undertake training courses, there would be an incentive for staff to only choose courses that were likely to give the greatest benefit. Their decisions would be based on investigation of the course material, feedback from other colleagues and other considerations. Staff would also be more motivated to actively participate in the course and challenge the trainer if the material or course style was not enabling them to learn. There would also be more motivation to provide honest and direct feedback on the course to human resource areas and their colleagues.

The amount of co-contributions would be dependent on APS classification as a proxy for their capacity to pay and to gauge how much money would act as a motivator. **Attachment C** provides suggested amounts of contribution per day. These would be capped at ten days per year with all further training funded by agencies. Contributions would only be required for training not mandated by agencies (as staff would have no discretion to not attend). Training mandated by agencies should however be kept at a minimum to ensure the greatest level of staff choice to select the best and most appropriate training courses.

# Attachment A

## Amendments to the *Public Service Act 1999*

**Part 10 – Public Service Reviews**

**80 Review of the Operation of the Australian Public Service**

(1) The Prime Minister must cause independent reviews to be undertaken by a person or body of:

(a) the operation of Agencies in relation to the objects of the Act; and

(b) the functional relationships between Agencies in relation to the objects of the Act.

 *Public consultation*

(2) A review under subsection (1) must make provision for public consultation.

 *Report*

(3) The person or body undertaking a review must give a report of the review to the Prime Minister.

(4) The Prime Minister must cause copies of a report under subsection (3) to be tabled in each House of the Parliament within 15 sitting days of that House after the review is completed.

 *First review*

(5) The first review under subsection (1) must be completed before the end of 30 June 2029.

 *Subsequent reviews*

(6) Each subsequent review under subsection (1) must be completed within 10 years after the deadline for completion of the previous review.

(7) For the purposes of subsection (4), (5) and (6), a review is completed when the report of the review is given to the Prime Minister under subsection (3).

 *Recommendations*

(8) A report of a review under subsection (1) may set out recommendations to the Commonwealth Government.

(9) If a report of a review under subsection (1) sets out one or more recommendations to the Commonwealth Government, the report must set out the person or body undertaking the review’s reasons for those recommendations.

 *Government response to recommendations*

(10) If a report of a review under subsection (1) sets out one or more recommendations to the Commonwealth Government:

 (a) as soon as practicable after receiving the report, the Prime Minister must cause to be prepared a statement setting out the Commonwealth Government’s response to each of the recommendations; and

 (b) within 12 months after receiving the report, the Prime Minister must cause copies of the statement to be tabled in each House of the Parliament.

**80A Implementation Assessment of the Review of the Operation of the Australian Public Service**

(1) The Prime Minister must cause independent assessments to be undertaken by a person or body of:

(a) implementation of any recommendations of a review under section 80.

 *Report*

(2) The person or body undertaking an assessment must give a report of the assessment to the Prime Minister.

(3) The Prime Minister must cause copies of a report under subsection (2) to be tabled in each House of the Parliament within 15 sitting days of that House after the review is completed.

 *First assessment*

(4) The first assessment under subsection (1) must be completed within five years of the completion of a review under subsection 80(5).

 *Subsequent reviews*

(5) Each subsequent assessment under subsection (1) must be completed within five years after completion of a review under subsection 80(6).

(7) For the purposes of subsection (3), (4) and (5), a review is completed when the report of the review is given to the Prime Minister under subsection (2).

# Attachment B

## Ministerial Work-Flow



# Attachment C

## Suggested Training Co-Contributions by APS Classification

|  |  |  |
| --- | --- | --- |
| **APS Classification** | **Co-Contribution (Per Day)** | **Maximum (Per Year)** |
| APS 1 | $10 | $100 |
| APS 2 | $15 | $150 |
| APS 3 | $22.50 | $225 |
| APS 4 | $33.75 | $337.50 |
| APS 5 | $50.63 | $506.25 |
| APS 6 | $75.94 | $759.36 |
| EL 1 | $113.91 | $1,139.06 |
| EL 2 | $170.86 | $1,708.59 |
| SES Band 1 | $256.29 | $2,562.89 |
| SES Band 2/3 | $384.43 | $3,844.34 |

1. Independent Review of the APS (2018), *Terms of Reference*, Australian Government, available at: <https://www.apsreview.gov.au/about>. [↑](#footnote-ref-1)
2. Prime Minister & Minister Assisting the Prime Minister for the Public Service (2018), *Review of the Public Service*, Media Release, 4 May 2018, available at: <https://www.pm.gov.au/media/review-australian-public-service>. [↑](#footnote-ref-2)
3. Secretaries Board (2018), *Open Letter to the Australian Public Service*, Australian Government, available at: <https://www.pmc.gov.au/resource-centre/government/open-letter-australian-public-service>. [↑](#footnote-ref-3)
4. Australian Public Service Commission, *APS Statistical Bulletin: December 2017*, Australian Government, available at: <https://apsc.govcms.gov.au/aps-statistical-bulletin-december-2017>. [↑](#footnote-ref-4)
5. <http://www.ethics.org.au/events/festival-of-dangerous-ideas> [↑](#footnote-ref-5)
6. Coombs et al (1976), *Royal Commission on Australian Government Administration: Report*, Australian Government, available at: <http://apo.org.au/node/34221>. [↑](#footnote-ref-6)
7. [↑](#footnote-ref-7)
8. Victorian Government (2018), *The VPS Graduate and Recruitment Scheme*, Victorian Government, available at: <https://graduates.vic.gov.au/opportunities-for-graduates/grads-overview> [↑](#footnote-ref-8)
9. Public Service Commission (2018), *NSW Government Graduate Program*, NSW Government, available at: <https://www.psc.nsw.gov.au/workforce-management/recruitment/nsw-government-graduate-program>. [↑](#footnote-ref-9)