

Submission to the Independent Review of the Australian Public Service

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About us

The Public Service Research Group at UNSW Canberra has a strong track record of research into public services in Australia and overseas, covering various aspects of public sector management, delivery of public services and the implementation of public policy.

Professor Deborah Blackman ² research interests include public sector policy implementation, systems level change, employee performance

Helen Dickinson⁴ has published widely on governance, leadership, commissioning and priority setting and decision-making in public services, is co-editor of the Journal of Health, Organization and Management and the Australian Journal of Public Administration and a Victorian Fellow of the Institute of Public Administration Australia, and has worked with all levels of government, community organisations and private organisations in Australia, UK, New Zealand and Europe on research and consultancy programmes. Dr Karen ⁵ research focuses on the implementation of continuous quality improvement programs, primary care performance measurement and commissioning processes, and the evaluation of complex health interventions. Dr Fiona Buick ⁶ research focus is the role of organisational culture, strategic human resource management and human resource management in enabling group and organisational effectiveness within the public sector, as well as the dynamics involved in structural change and intra- and inter-organisational joining-up, highlighting tensions between informal and formal institutional practices. Dr Samantha Johnson⁷ has extensive experience consulting to government on public sector management, performance and leadership and in management and leadership capability development, and her research interests include public sector performance, management and leadership capability development, and strategic organisational behaviour. Dr Sue Olney ⁸ research examines the impact of marketisation of public services on public sector managers, service providers and citizens, and practical challenges in implementing public policy.

¹ <https://www10>

Summary

We welcome the opportunity to contribute to this review examining the capability, culture and operating model of the APS. Under five headings **Middle Manager Capability, Navigating the 4th Industrial Revolution, Performance Measurement, Delivering Fair Outcomes for Citizens** and **Rethinking Machinery of Government Changes** - our submission addresses the following aspects of the review:

- € driving innovation and productivity in the economy
- € delivering high quality policy advice, regulatory oversight, programs and services
- € tackling complex, multi-sectoral challenges in collaboration with the community, business and citizens
- €

Middle Manager Capability

When considering the scope of the review it is clear that, although there will be some technical issues affecting long term choices and outcomes, the factor that will make the biggest contribution is achieving high performance through the capacity, capability and skills of employees. This will be important at all levels, but we suggest that an area that needs particular consideration is the middle management cohort.

Much has been written about the need for effective senior leadership, and we would endorse this requirement. However, we suggest that a major issue for the current APS is developing a highly effective middle manager cohort and one which is able to effectively support change. Recent research by Buick, Blackman and Johnson⁹ suggests that change management could be improved through middle managers actively undertaking a change intermediary role where they make sense of the change intent, operationalise it, and provide role clarity for employees. Doing so enables employees to make sense of, reframe and implement the change. Adopting a change intermediary role would not only reduce resistance to change,

capability development as a core part of their role. An over-focus on technical skills during recruitment processes serves to embed this problem,

As outlined above, as well as bringing many positives, there is the potential for these technologies to have some negative and potentially damaging implications and it is important that these are considered in detail and before they are rolled out in a more substantive way. Many of these technologies have the potential to create new forms of data about individuals and much of this may be highly sensitive in nature. This new class of data has the potential to be used by corporations in ways that disadvantage individuals.¹⁶ Moreover, many of these technologies have the potential to exacerbate current disadvantage and inequalities.¹⁷ The APS therefore needs to develop more effective skills and approaches to considering what the implications of technologies might be and guard against these disadvantaging particular groups.

Performance Measurement

Performance measurement is a central feature of modern public administration used by governments across the world to enhance accountability for outcomes and drive improvements in service delivery¹⁸. The deployment and use of performance data together with other incentives in performance management systems enables governments to adopt arms-length regulatory approaches to managing public services as they move to more market based delivery^{19 20}. Performance management is increasingly used by governments to achieve external accountability for outcomes and internally by services to generate formative data for quality improvement²¹.

Research suggests that implementation of these systems is highly context dependent and the extent to which different approaches can be implemented by governments varies according to the pre-existing relationships and policy levers within individual systems. There is evidence that assurance approaches which use performance data together with financial incentives such as pay-for-performance are associated with unintended consequences including gaming, measurement fixation (58)(s) (i) (b) (4) (c) 0.0000887 in healthcare²² and may undermine professional motivations and trust²³ which inhibits collaboration needed to ensure integrated high-quality services. For these reasons, governments are moving to adopt more hybrid approaches, aligning different accountability mechanisms, both and to drive improvement across public services²⁴. These include continuous quality improvement networks and professional approaches that leverage provider legitimacy and authority for using data to achieve desired outcomes; and assurance approaches using public reporting, financial incentives

motivations, rewards systems and techniques that underpin different approaches, and the kind of data, system architecture and processes needed to advance implementation and increase adaptive capacity for change is needed. We recommend the APS adopt a pragmatic approach that

Based on our own research and that of other academics - we recommend that the government and APS only initiate MoG changes when it is absolutely necessary for achieving desired outcomes. In doing so, we recommend that the government and the senior executive service (SES) within the APS consider if t