

The Australian Public Service Integrated Leadership System

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Good afternoon and welcome to the first day for the rollout of the Integrated Leadership System.

I am pleased to be here today and to have the opportunity to discuss with you the future of leadership in the Australian Public Service.

I am joined on the stage by Ms Jane Halton, Secretary of the Department of Health and Ageing, Ms Anne Simic, the Head of People at Qantas, and Dr Peter Shergold, Secretary of the Department of Prime Minister and Cabinet.

Jane will be discussing the Integrated Leadership System from an Agency perspective, Anne has kindly offered to discuss the System from a non-public service perspective, and Peter will discuss the potential and possibilities for this System to better support our whole of government work.

But first—what is this innovation called the Integrated Leadership System, how did it come about, and what is its potential for the APS in the future?

The PS Act 1999 introduced specific obligations for the Public Service Commissioner to foster leadership, coordinate APS-wide training and career development, and facilitate continuous improvement in people management. It also gave legislative support for the new operating environment for the APS, by formalising the devolution of employment powers to Agency Heads, and a move from a prescriptive rules-based to a values-based environment.

In the same year the Senior Executive Leadership Capability Framework (SELC Framework) was launched and formed the selection criteria for the SES. It defined the leadership capabilities required to secure the long-term future of the APS. The introduction of the SELC Framework represented the first step to creating a common understanding of the leadership capabilities required for high performance in the APS. The SELC Framework is built around five core capability clusters:

- Shapes strategic thinking
- Achieves results
- Cultivates productive working relationships
- Exemplifies personal drive and integrity
- Communicates with influence.

Since 1999 the SELC Framework has become 'the standard' for SES selection and development, particularly for promotion and/or selection into the SES at the first level—SES Band 1.

In 2001 the SELC Framework was confirmed by Agency Heads as the most suitable tool for SES selection and development. The richness of the language of the framework, and its tangible application, not only for SES selection, but also for our development assessment centres for example, has given us all confidence in its continued relevance.

More recently, The Prime Minister, John Howard, noted in his address marking the centenary of the APS:

We live in an increasingly complex and interdependent environment and there is no doubt that, in recent years, issues have more consistently reached across traditional portfolio boundaries. This trend will continue. Whole of government approaches, collectively owned by several Ministers, will increasingly become a common response.

Senior Public Servants and their staff will need to find ways to minimise any limitations associated with what could be described as the 'Silo Effect'.

Responding to this need to break down the silos, earlier this year, a Management Advisory Committee report No. 4—Connecting Government, highlighted a need for the wider APS to develop skills and behaviour such as collaboration, trust, and the ability to mobilise teams and work well in groups.

This report also noted that the capabilities (of APS people) are critical to effective whole of government work—both in terms of leadership and the range of technical and implementation skills called for to address complex policy and service delivery issues. Previous MAC reports, particularly no. 3—Organisational Renewal, had already highlighted the imperative to better develop our people. The higher turnover of senior people over the next few years, and greater mobility generally, gives added impetus to workforce planning, succession management, and career development by all APS Agencies.

It became clear to the APS Commission that it would be useful to develop a strategy to expand the SELC Framework to support a wider range of executive and senior executive development, to help build the capabilities of our people, and thereby, better support a whole of government approach.

The Commission is also mindful of the need to 'hardwire' the concept of leadership, to recognise the specific management skills required of executives and senior executives, and the technical and professional knowledge essential for achieving the business objectives of each APS agency.

The result of that strategy has been the development of the Integrated Leadership System, designed to link all aspects of leadership that impact on the APS.

It balances the relationship between leadership, management and technical skills in public service careers and provides a common language to support consistent whole of APS capability development. It is designed to ensure the APS has the leadership capabilities and behaviours to meet the challenges of the future.

The System reflects the Commission's statutory functions and clarifies the respective roles of agencies and the Commission. Through the System the Commission will collaborate with agencies to develop leaders capable of meeting the current and future challenges faced by the APS. It recognises the Agency Heads' responsibilities as employers and their accountability for delivering their business results.

Key elements of the System are:

- understanding the capabilities required of APS leaders
- developing a systemic approach to capability development
- common descriptions of how executive and senior executive roles change in response to increasing complexity
- behavioural indicators for the increase in role complexity
- capability development partnerships.

Individual agencies are best placed to undertake capability development in the context of their own organisational issues. However, the APS Commission is in a unique position to promote interaction amongst the SES, and the feeder group for the SES, which is an important ingredient in building whole of government capacity in the APS. During 2004, national consultations with agencies supported the unique roles of both agencies and the Commission. These consultations reinforced the importance of collaboration between the Commission and agencies and supported the further development of the concept of the Leadership Pathway.

The Pathway supports the development of executive and senior executive levels at different career points. It identifies and describes leadership capabilities that stem from the SELC Framework. It illustrates the levels of complexity in which the APS operates and identifies new behavioural elements for potential leaders at each stage of their career path.

The Pathway is designed for use by current and future leaders of the APS and people who are responsible for leadership development and:

- supports a whole of government perspective
- provides a foundation for development activities
- clarifies capabilities and behaviours that are expected at executive and senior executive level
- builds on and links to the SELC Framework.

The Pathway is useful in guiding leadership capability development for:

- those aspiring to leadership positions at executive and senior executive levels
- those in transition to the next level or a new role
- those who want to be more effective at their current level.

Human Resource practitioners will use the Pathway to:

- coordinate leadership development opportunities
- workforce plan
- understand bench strength for succession management, and
- support individuals in career planning.

Agencies are at different points in the development of their leaders. In the devolved APS environment this is inevitable. The components of the System have been designed for flexible application. Agencies will select those aspects of the Leadership Pathway that suit their requirements, adjusting and interpreting them as required to meet their particular context.

The Pathway specifically relates to capabilities and behaviours that describe leadership at executive and senior executive levels. However, each agency is unique, with particular structures, roles and contexts. There is considerable room to adapt the Pathway, including to identify leadership capabilities at levels other than EL and SES, where more junior staff exercise significant middle management responsibilities.

Before we go any further, I want to herald a warning. Like values-based-management, 'leadership' also runs the risk of being too rhetorical, rather than hard-nosed, and of being 'faddish' rather than real. Just as last year we put considerable effort into 'hardwiring' the concept of values-based management in the APS, this initiative is aimed at 'hardwiring' the concept of leadership.

The Integrated Leadership System is research based, the result of extensive consultation, and a product with a range of real world applications and supporting tools. It is a real system developed by the APS to support the APS.

As well as leadership capabilities, this System supports our increased emphasis on the hard management skills such as financial management, project management, corporate planning and risk management. It also recognises the need for ongoing technical skills. In meeting its national responsibilities, every APS agency requires professional and technical expertise.

I recently met an Irishman from the Kennedy School of Government, Hugh O'Doherty, who spoke powerfully about leadership, with extraordinary examples from his Northern Ireland experience. He was concerned about the trivialisation of the term, and about leadership being glorified in current rhetoric. For him leadership is about addressing messy, ill-defined problems, about taking risks by pursuing possible solutions that go beyond your authority, about forcing people to move outside their comfort zones in order to address ingrained problems.

His concerns were slightly different to my own, but resonated strongly with me. We must get beyond the rhetoric and ensure our focus on leadership is tangible and genuinely contributes to good decision-making in government.

The Integrated Leadership System reflects a symbiotic relationship between leadership, management and technical skills. Each enables and influences the others and all need to be demonstrated at different times and to different degrees. At the more senior levels, the leadership capabilities tend to be more important than the specific management and technical skills, as this key diagram from the ILS signifies. But, as I recall Sir John Crawford's advice over 30 years ago, the best generalist is someone who has been an expert, and recognises the importance of expertise.

Leadership capability development is an ongoing process. The Integrated Leadership System has been designed to address some major known challenges, and provides a strong foundation to meet future APS leadership requirements.

We are developing new programs as a result of the enormous amount of detailed data collected, through the involvement of many agencies and APS people, during the design of the Integrated Leadership System.

The next step for the APS Commission in this ongoing process is to work collaboratively with agencies and providers to cement the System and its associated tools within the public service. These partnerships will include assistance in customising the System to meet the specific requirements of each agency. Our approach is illustrated in this diagram from the System.

The Commission is currently developing several new Service-wide programs that will help to build the capabilities and behaviours required of APS leaders. These include:

- orientation programs for executive and senior executive people who take up employment in the APS for the first time (In 2002/03 there were over 1,000 engagements to executive level positions from outside the APS, and over 40 to senior executive positions)
- transition programs for people newly promoted, and new APS staff to familiarise them with the leadership capabilities necessary for the new level they have been appointed to
- new programs to address critical transition points identified by analysis of the ILS pathway data
- a new program to assist individuals to develop their career based on an understanding of the ILS capabilities and behaviours.

It is anticipated that these, and other programs will be piloted during the remainder of 2004/05 and offered as programs from 2005 onwards.

I am in no doubt that the Integrated Leadership System is a significant piece of work that continues the substantial public sector reform of the last 2 decades in Australia. On behalf of the 131,000 APS employees, I was honoured last month in New York, to accept a prestigious United Nations award for 'Improvement of the Quality of Public Service Process in the Asia-Pacific region.'

I trust our innovations and improvements will continue to be recognised by our Government, industry and the Australian public, for the contribution all public servants make, on behalf of all Australians.

The ILS is the product of a lot of work across the APS, as well as the Commission and its consultants. May I particularly thank the agency heads who have comprised a reference group for me and the Commission as we have developed the system. Initially, they were providing guidance on the design and management of our Career Development Assessment Centres, but in recent times they have widened their contribution to assist the Commission more generally on learning & development work. May I also thank Christine Flynn and her team in the Commission, her predecessor Jen St Clair, and SHL for their excellent work.