THE BOSS IN THE YELLOW SUIT[1]

or *Leading Service Delivery Reform*

A Valedictory Address by Lynelle Briggs on the occasion of her retirement from the Australian Public Service on 7 July 2011

Good afternoon everyone. Thank you all for coming today and a special thank you to Steve for those kind words and to everyone who has facilitated this address.

It's wonderful to be able to give my valedictory address during the NAIDOC Week of celebrations. I would especially like to acknowledge the Ngunnawal people as the traditional owners of the land we're meeting on today and to extend my warmest wishes to their elders past and present and to their people one and all.

As you know, leadership is about setting a vision, devising a strategy to deliver on it, and putting in place mechanisms to motivate people to get you there.

Transformational leadership is much more than that—it is closer to the concept of heroic leadership[2]. It requires passion, belief and trust if it is to be successful. That means that leaders need to motivate both the hearts and minds of those travelling with them and convince the fellow travellers that they can be relied upon to deliver and that the end result might actually give everybody something special and extra.

Service delivery reform is one of those transformations. It has been both an enormous task and an enormous opportunity—and one that I wouldn't have missed for quids.

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[1] The yellow suit refers to a yellow woollen suit that I used to wear in the Social Security Department as a Division Head. One day, one of my Branch Heads, the late John Powlay, told me that he had mentioned to his family that his boss had done something or other and his 5 year old responded, "which boss—the one in the grey suit or the one in the yellow suit?" Vive la'difference!

[2] The concept of heroic leadership is derived from Max Weber's 1947 model of transaction and transformation leadership authority, where the characteristics of the ideal types are set out.

I'm going to tell you the story of service delivery reform and the leadership issues involved in my valedictory address today, and will do so as the first step in a long road to embed and grow the reforms that Kathryn Campbell[3] will now lead.

Service delivery reform involved bringing together three great Australian public service institutions—Centrelink[4], Medicare Australia[5] and the Department of Human Services[6]—to create a new way of delivering health care, income support and child support services to the Australian community. That new way is all about:

- merging our services so that they are refocussed to deliver better results for people;
- our staff having the information and tools to assist Australians gain access to a range of community or other services that might meet their needs;
- Australians feeling that they are able to work with us to devise new services that better meet their needs, share in the design of those services and advise us on the best method of delivery of the services to them; and
- transforming our operations electronically and procedurally to provide the basis for all of this to happen.

Few people appreciate the cost and energy involved in such a massive change.

To start to appreciate the leadership dimension involved, there are around 40,000 people[7], about 5000 middle managers and 220 senior executives in the human services portfolio. We have large physical networks with some 550 offices and many outreach services across Australia, virtual networks such as call centres and online servicing options, and extraordinary ICT capability, all of which must be combined. We deliver about 170 different programmes and

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[3] Katherine Campbell is the first Secretary of the new Department of Human Services, formed on 1 July 2011.
[4] Centrelink was the social security delivery agency.
[5] Medicare Australia was the Medicare and other health payment agency and, at the time of the announcement, was the 4th most popular brand for quality in Australia.
[6] The Department of Human Services was made up largely of two other delivery agencies—Child Support and the Commonwealth Rehabilitation Service.
[7] This is about ¼ of the Australian Public Service, so is a large exercise.

services. We are in contact with 99 per cent of the Australian population during the course of a year. We are truly the face of the Australian Government in the community.

In mid-2009 when I joined Medicare Australia, the portfolio was being propelled to change by national developments and by our staff working on the front line who could see the opportunities to do things differently and to deliver better results.

As a country we had become wealthier and we had been able to deliver all the basics of a quality national health and welfare system, but our people expected more from us. Today, Australians expect quality services from the Government, reliable advice from expert service staff, and convenient online access. They expect to be treated like individuals with particular needs, rather than to be treated like everyone else and told to take it or leave it, or to go somewhere else to get something that they might need. They expect to be treated with respect and courtesy and they expect to be able to trust the public sector to support them when they need it.

These developments were apparent to our staff living across the country. They knew that simply providing income support or Medicare payments and getting through queues in offices or handling calls quickly, wasn't enough to deliver truly great service. They told us time and time again that our services needed to be more inclusive, more respectful, more convenient, and more joined up with other parts of government and other service providers, and that serving people more holistically was obviously beneficial and long overdue.

Ideas about citizen-centred services and new ways of relating to communities had begun to take hold. We had done a lot of work with policy departments to bring them on board with the need for change. The problem remained that there was no clear vision to make the reform a reality and without that vision there could be no transformation.

We needed a vision that would be important symbolically to both our staff and to the Australian community for service delivery reform to have any traction at all. It had to be clear, simple and aspirational, and set a higher service standard for the reforms. And, it had to have really passionate, genuine

leadership commitment to promote the vision and drive the changes necessary to make it a reality.

The starting point, as with all great ideas, was very simple. Five good people developed the vision in a couple of hours one afternoon in my office, by simply talking about what we understood the Australian community wanted from us. Convenience, correct information, sound advice, less bureaucracy, great service, helpful staff, efficient service, delivering results, joined up services, and getting paid on time, all morphed together into the catchphrase *"easy, high quality and works for you".*

Our Minister took this further and decided that easy, high quality and works for you should not become another dry policy statement; it should be the basis for our entire approach to service delivery reform. And so the vision was born and we had our rallying cry for transformative change.

To deliver on this bold reform promise, Finn Pratt, Carolyn Hogg and I[8] knew that we needed a plan for integration and a set of initiatives that would deliver better services to Australians. Given the size of what was involved and the absence of any significant new investment from the Government, this was an enormous undertaking and required several months of discussion, ideas development, intensive negotiation, priority setting, careful costing, and dialogue with Australians, our staff and the policy departments. The numbers of people involved and the levels of project planning undertaken were staggering—it stretched us all. So, the three of us met once a week for several hours to keep it going and push it along—taking some pretty challenging decisions as we went.

The process involved all of us opening up our minds to new opportunities, being prepared to drop existing practices, and refocus on the best way forward[9]. The balance between investing in foundation systems changes and value added services was a tough call[10], particularly because the closer we engaged with our policy departments the more the opportunities to deliver

[8] The three of us led the Department of Human Services, Centrelink and Medicare Australia respectively at the time.

[9] A special tribute should be given to our deputy secretaries and deputy chief executive officers who drove much of this work and established genuine collaborative partnerships across our agencies and with policy department during this time. They did a great job.

[10] It was a tough judgement call that was governed as much by money as desire because we knew that, unless we provided the systems and procedural changes necessary to free our staff up to do more value added work, staff would be propelled to continue to do transactions work and we would not have the money to fund that better quality work.

genuine service improvements became apparent, but we knew we had to fund the foundations first.

At the forefront of our thinking was the need to progressively take the portfolio to another place where we could truly put people at the centre of everything we do. Design and delivery of services would be "outside in", with Australians telling us what they want and need—as opposed to the more traditional internally driven "tell you" model—and with the service offer being based around people's life events and needs and local issues, and not the requirements of the support programmes involved.

To start to appreciate the leadership dimension involved in this transformation, let me share some simple examples of what a transformed service might look like.

Let's start at the straightforward end. We anticipate that in a few years most Australians will be able to do their business with us online or over the phone, or we'll do it for them behind the scenes—meaning that they won't need to go to an office for a service. At other times in people's lives when things aren't going as well, we will be there to help them. We see the department increasingly becoming the "go to" body for Australians to seek help and support when they need it.

Imagine a situation where someone dies. Rather than just adjust the widow's pension or Medicare card, we'll identify her individual and complete needs. That might mean identifying grief or financial counselling. We might also connect her with some local support networks and let her know what community care options are available or what steps are involved in her being assessed for care. This sort of reassurance is what we are about.

After a marriage breaks down, we can help take some of the stress away by connecting up the information and services that will support both parents and their children. We can do this at the first point of contact, so that they can plan their next steps with greater knowledge and confidence and, if it's necessary, we can provide more intensive support. This sort of early intervention is what we are about.

When a family realises that they have a kid with a disability, their immediate priorities are usually about getting help for their child. The parents may or may not know where to turn first, and this is where we can help. The department won't deliver all of the programmes that parents may be eligible for, but we will certainly know who does and be able to link the parents to them at the local level, particularly as the child moves through school. While the parents are focusing on the needs of their child, we can help make sure that their needs are met too—such as through co-ordinated and streamlined access to income support or ancillary payments, Medicare rebates, referrals to respite services or other programmes to increase their well-being. If we think and act to address the needs of the entire family, we can help protect them from the financial and personal pressures that can so easily impact on their relationships and health. This sort of preventive and caring service is what we are about.

These examples show what an "outside in" approach can mean for people—and the rewards they can bring for staff—and how collaborative schemes involving government working together with people and service professionals and the third sector can improve public service delivery in ways that rigid programme structures fail to do. By integrating the sources of information we have around life events or local services and providing things like ''warm" transfers to other services for those with multiple, complex problems, we can improve overall wellbeing.

We are also building a new way of designing services called "co-design"—where all parties have a say in the shape of the service and a role in its implementation. Already, co-design principles are being embedded in our operations and it's been wonderful to see the enthusiasm with which our staff have embraced them to devise better services.

Not only have we found that the more we engage with Australians, the more we can do to help them, but also that delivering services in ways that suit them can also save money because it minimises rework and maximises prevention.

For me co-design is all about power—a transfer of power from provider to user. This is one of the touch points for truly transformational leadership. A shift in power is often not willingly given or comfortably managed. Transferring

power involves a shift in obligations and responsibilities, something that has to be negotiated between us and the person receiving the service. To manage that shift properly, we need to understand the people we assist—seeing the world and the situations they are in as they see them.

We need to further embed the co-design concept and its associated processes into the mainstream way we do business. To do so in an informed way, we need to redevelop our standard user satisfaction surveys, adopt approaches such as ethnographic research, map how our customers really interact with us around life events, and start to invite them in to be part of our design teams. We will need to expand the opportunities for community engagement in all aspects of our business. We have to accept that we don't know best—or even don't know at all—so we should go out and actively seek ideas and input. Most importantly, we need to take time to make sure we are asking the right questions.

Our leadership focus needs to be not on the *how* of service delivery but rather the *why*—knowing the outcome being sought. For too long our key performance indicators have really been about management information—how long did the phone call take or how long was the wait time at the counter—rather than whether the interaction met its purpose—did the person get a job, did the homeless kid get referred to a service that could actually help her, and was the elderly carer connected to support services?

I don't want to give anyone the impression that our everyday transactional services aren't important. They are the core business of the human services portfolio, and getting the mainstream right is a crucial element in freeing up resources to focus on the more difficult, more complex services the Government wants us to deliver. More than that, if a pension doesn't get paid or a Medicare benefit wasn't provided, we would be severely denting trust in our capacity to deliver transformative outcomes. I can say that despite the level of reform activity, there has never been a risk of that occurring, ever.

That doesn't mean we get everything right. Carolyn Hogg[11] says that "a complaint is an opportunity to improve our service". Our service leaders need to see that opportunity, and embrace it.

Service delivery reform sees us trialling a range of activities, and a focus on a "can do" culture that will see us move from a rules based hierarchical approach to one that is more devolved and discretion based. If complaints are opportunities to improve services, so too mistakes can tell us where we need to direct attention, and what works and what might not. Obviously no one sets out to get things wrong, but nor will we change behaviour by doing all the same things and punishing attempts to do things differently.

Just as a shift in power is a necessary external component of service delivery reform, a shift in control is equally as necessary internally to bring this "can do" focus to the fore. Control is anathema to the creativity and innovation we need from our people to get true transformation. They obviously need to work within the law and the parameters set by the Government, but they also need the room to create real, local solutions. *Amazon* is a good analogy—a large global delivery system within which niche marketing not only exists, but piggy backs the system enabling it to flourish.

It should be readily apparent by now that service delivery reform is not simply a structural change, and that the challenge for leadership in what is occurring is revolutionary, not evolutionary. But there is more to the story.

There is fear involved in transformational change, and the worst aspects of leadership can occur when fear is about. The lowest points in my career have been when I saw people's fears and prejudices brought out and deliberately and cynically exploited for political ends. It is easier to manipulate fear than it is to harness passion, heart and good spirit, but any outcome achieved that way isn't worth having. Modern leadership takes people to a better place. Modern leaders work with and within the cultural fabric of an organisation to bring out what is best in their people.

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[11] Carolyn Hogg PSM is the former Chief Executive Officer of Centrelink and was a close friend, colleague and confidante throughout the reform. I can remember several occasions where we shared a glass of red wine and sorted out our differences about the way forward. She was a truly great public servant and, without her, this reform may never have happened.

The fears we are dealing with are both internal and external. When we first talked about combining Centrelink and Medicare offices, I heard it said more than once that "my wife says she will never go into a Centrelink office". There are also fears about the extent to which our new single department will share personal information.

Internally the fears are about the effect the integration will have on staff and working arrangements. None of these are unusual in large scale change—fears of a takeover by one agency over the others, fear of job losses and job changes, fear of being powerless while change is happening, fear that staff will be expected to be experts in everything, and generally just being afraid of the unknown.

Our approach in addressing these fears has been to acknowledge that they are real, and then to stop and think about the best way forward. The way to avoid claims of a takeover is by valuing the approaches of the smaller agencies too. You deal with customer comfort concerns by treating all of our customers with respect and courtesy and by setting a standard for your offices, call and online services that any Australian would be proud of—tatty is simply not good enough. You deal with staff fears, by active and sustained engagement with them about the change and what is to come, and by delivering on the promise of the future.

At the core of our staff engagement programme is a suite of change management initiatives; regular, effective and sustained communications; quality learning and development; and talent management.

In all these things, the way Carolyn Hogg, Finn Pratt and I worked together was fundamentally important.

We were in a fairly unique situation and not one I had encountered before in my professional career. We had three separate organisations, each with either a Secretary or CEO in charge, and over which neither of the other two could exercise control. There were three leaders and three separate legislated responsibilities.

From the start we decided to forego the bureaucratic formalities of MOUs[12] and legalistic operating arrangements. Instead, we simply trusted each other. We respected each other and the different perspectives we brought to the table. We spoke up when things needed to be said and we had robust discussions, with the aim of achieving an agreed way forward. Sometimes it took a little longer than we might have liked, but that was a natural consequence of wanting to find a right and proper outcome that took us all forward together, not one that suited any particular organisational interests. More often than not we agreed because we had the same vision of what was possible.

It also showed that we were prepared to play the way we expected others to play. We talk a lot about modelling behaviour as leaders, and we talk a very good game. What leaders must focus on, especially to get significant change, is walking far more than talking. Studies have shown that people will do what they see a leader do; even when that leader tells them behaving that way is unacceptable.

We knew we needed to be united and supportive of each other. Everyone's eyes were on us, and our confidence, commitment, united focus on the vision, and energy were fundamental to the transformation.

We waited out the old "consent and evade" culture in parts of our organisations—where people smile consent, fail to commit and do nothing. We knew that if we let one part of the show let us down, we would all fail. We just kept at it until either they came around or we found a better way by working with them to achieve the same goal.

We confronted quite a few sacred cows, and significant vested interests. For instance, our new operating model is structured around 16 geographic service zones. Given that Centrelink is by far the biggest integrating agency, we could have moved everyone else into one of their 15 existing areas, and minimised the level of disruption. But, we knew that would have fed the takeover fear, with the associated risk that people in Centrelink would have thought they had simply gotten bigger, as opposed to having become something else. It would

[12] Memorandums of understanding are the typical way that agencies agree operating arrangements between them to ensure that their needs are understood and met.

have also missed the opportunity to transform key roles and the service focus across our service delivery network.

So we moved the boundaries, refocussed the region offices, abolished the area manager role, and then put new service leaders in charge of making it work. It was made clear to our service leaders across the country that they were responsible and accountable for customer service and stakeholder engagement in their zone—they were no longer primarily just administrators of services, but the key people tasked to ensure that the services met the expectations of Australians.

As we move forward, jobs will change, structures will continue to change and people will continue to be affected. Leadership in those circumstances cannot be immune from that change. You won't get transformational change by insulating yourself from the effect of the change around you, by expecting others to bear the consequences but not you.

To lead transformational change, you must be prepared to change yourself.

From day one, Carolyn Hogg and I knew we were doing ourselves out of a job. We could have sat back and waited for the legislation to bring that about, taken care of business as usual, and then let the new Secretary take charge on 1 July this year. To do that would have not only 18 wasted months but been an abject failure of leadership.

So without the niceties of being a single agency, we merged our human resources and other enabling functions. We had people working in each other's agencies, performing functions in one but formally reporting for accountability purposes to someone in another. With enormous goodwill from our staff, we forgot our structures and worked around our agency boundaries. We put in place what were effectively cross agency committees so that our people could get to know each other and learn about each other's programmes and ideas. We restructured and merged our agencies in advance of the legislation to align the business units to be closer to what we knew we wanted.

And, it worked brilliantly. We have devised new and world-leading people and leadership practices; we have crafted a new ICT strategic plan and redesigned

our ICT around the new business; we have merged governance arrangements; and we have delivered 10% savings—all done before we were a single department.

We were supported by enormous goodwill on the part of our employees to whom we owe a debt of gratitude. They got on board with the vision, which meant we had 40,000 people pushing it forward, and they made and will continue to make their own sacrifices as we go along.

It has been great to see office managers lining up to be co-located and provide merged services, and it's been terrific to see how staff and customers appreciate the combined services as we provide them. Without that goodwill, we might not have been able to deliver a new set of service commitments or liaise so effectively with community groups, and I commend them for that. Our staff are the heart and soul of the new organisation and we couldn't ask for a better bunch.

Regular and massive senior staff meetings and dialogues with all players from APS 5 upwards have been incredibly important to keep everything on track. Our senior leaders have been great the way they have participated in these forums and visited all of our offices to spread the word about service delivery reform and to learn about each other's business. Their tireless efforts at communicating the vision and direction to our staff have not gone unnoticed.

I have to say that not everything has been quite so enabling. There were processes and outright bureaucracy put in our way that reflected a very traditional public service approach. At times, planning to assure others has seemed like an end in itself. We endured a barrage of consultancy assistance, strategic implementation plans, gateway reviews, first and second pass business cases, P3M3, project offices, design authorities and so on—and, for all the investment to manage the risk, I'm not sure that it has been either necessary or worth it. We have behaved professionally at all times and nothing has gone wrong. It might be better if the funds devoted to these tasks were reallocated to actual service delivery improvements.

While we have pushed on in advance of integration, becoming a single department of state will be a significant impetus[13]. It will give policy clout to service delivery. More fundamentally, service delivery is now being recognised as a valid policy stream in itself.

It is fair to say that in the beginning the policy departments were somewhat sceptical about service delivery reform. Through an enormous amount of energy and by meeting what was asked for by those policy departments, we have turned that scepticism around so that they are now among our strongest supporters. This is evidenced by us now being invited to the policy table, which means we will be able to ensure that the strategic value of service delivery information informs and guides policy development. That is not something that I think we have had before in the way that is now possible.

Integration will also be significant from a cultural perspective. We are reporting back to staff what they have told us in co-design sessions and surveys about what they want in our culture, and we are using that as a lever for change. We also appreciate that if you want to change culture, you change work and that changes behaviours, which invariably changes attitudes and....cultures.

We have a strong starting point—great systems, strong core values, a firm commitment to customer service, and the desire to get things right and to deliver on time. We also have remarkable symmetry between our senior leaders' values and what they aspire to, which makes it easier to deal with what's not so good about our culture. We intend to build on that by giving less direction from the centre and providing more opportunity to innovate and respond personally at the coal face.

We have made a commitment to our senior executive service that we will "value you as a person, respect your leadership contribution, develop your leadership capability, support your leadership aspirations, give you the room to lead, and encourage your innovation." That is the approach that we want all of our senior leaders to adopt with their staff as well, so that everyone has more room to move and more chance to improve the lot of Australians. The

[13] Not least of all because we will no longer have to do things like run multiple sets of accounts and prepare multiple annual reports.

fact that the senior executive service has, in turn, committed[14] to the vision of *easy, high quality and works for you* and to "engage and empower the public we serve", will drive cultural change.

What we don't have, though, is a new name—we wanted one and we had one. In terms of melding a new single departmental identity, the leadership challenge to unite our staff would likely have been much easier if we had jettisoned the old names altogether, and been known by a new moniker, just as Centrelink was when it was first created. But, integration is not about what is better for us, and the people seeking our services will likely be more comfortable with the fact that the trusted and well known brand they are familiar with is not disappearing overnight.

To help remind our leaders of that, our new leadership strategy contains the following aspirational statement:

> "*People in Australia experience our leadership every time they engage with us. We want them to feel the difference our leadership makes to that experience".*

This statement neatly encapsulates what it is we want from leadership. All public service leaders should be looking to make a difference for the public, and to make that their leadership aim. If we think of leadership as being about our own career development, or the basis of our next promotion, or another term for managing staff, or a means to an end other than a public outcome, we fail both ourselves and our institution.

When we refer to feeling the difference leadership makes we are acknowledging that leadership is about more than what might be called bricks and mortar—implementing a set of projects, reorganising our structures and funding change. Leadership is emotional, and to do it well takes inspiration and passion. That passion will ignite the efforts of those whom we lead; just as surely as its absence will see those efforts flicker, but little more.

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[14] The SES has committed to serve the Minister; drive better service outcomes through easy, high quality and works for you; engage and empower the public I serve; strive for innovation; inspire the people I lead; model the APS values; and work well with others.

This encapsulates the heroic leadership concept I raised at the outset: passion, emotion, personal commitment, character, personal attributes, and empathy are all too dryly described as emotional intelligence. If you appreciate that these are all elements of great leadership, then you will see what I have believed throughout my public service career that we should all aspire to as leaders.

Some of these emotional attributes have been called the soft side of leadership, although it is by far a harder set of attributes to bring to bear than those more traditionally learned technical ones. This is to mistakenly denigrate the core of great leadership. It is also why women make great leaders.

We are blessed in the Australian Public Service to have more than half our employees female, and to have strong women in senior positions. Not enough yet, but it is improving all the time. Maintaining that momentum, requires those strong women to be seen, and to refuse to be "blokes".

When I joined the public service, less than one percent of our leaders were women; when I was promoted to the senior executive service, only 2 per cent were female; we were still an oddity and it was hard to be given a voice. I have been in senior executive positions for just on 21 years.

I got a lecture early in my career about how to dress as a senior woman—long sleeves, high collars and no trousers. I made a pact with myself to steadfastly ignore that lecture, and have deliberately tried throughout those 21 years to at all times be a woman.

The so called "feminine touch" is really about caring for people, tending to their needs and nurturing their aspirations. By being feminine, and by being feminine as a leader, we are saying these things matter. And when they matter, it both enables and empowers the blokes to be feminine as well.

I can't imagine a better bedrock on which to reform service delivery.

So I say to all of you, don't just be another boss in a grey suit. Get out your yellow suit or tie, and all that it encompasses. Be strong, be seen, and be bold. People in Australia are depending upon it.