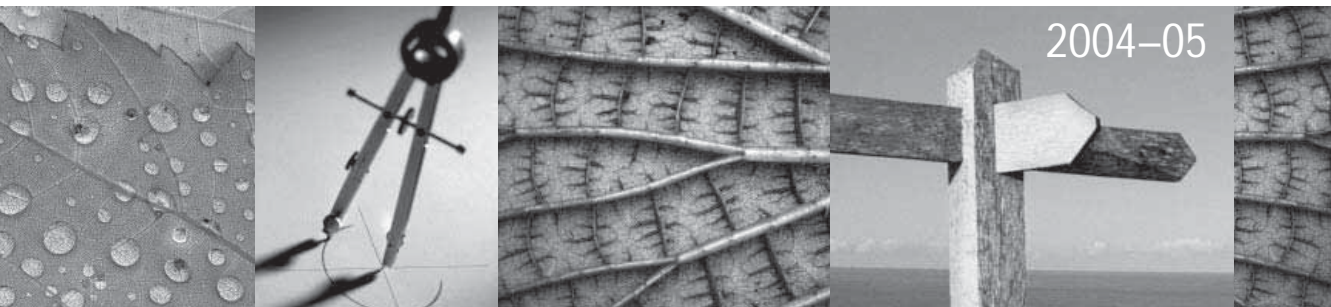




Australian Government
Australian Public Service Commission

State of the Service Report

2004–05



State of the Service Series 2004–05

Whole of government

In April 2004, MAC released *Connecting Government*. The report defined 'whole of government' in the APS as:

. . . denot[ing] public service agencies working across portfolio boundaries to achieve a shared goal and an integrated government response to particular issues. Approaches can be formal and informal. They can focus on policy development, program management and service delivery.¹

The rationale for examining the effectiveness of whole of government activity includes the emergence of particular complex policy challenges such as environmental, Indigenous service delivery or security issues and the need to offer sophisticated whole of government policy advice which comprehends a range of stakeholders' views. The report also cited pressures to join up programme management, including security threats and intractable social issues such as drug dependence, as well as rising community expectations of easier access to government and better integrated service delivery.

While some of these issues are relatively new, MAC pointed out that collaborative approaches to Australian Government work are already a relative strength for Australia and are not themselves new. It also cautioned agencies to ensure that there are clear benefits to a whole of government approach before proceeding to adopt one. Nevertheless, MAC saw a role for initiatives around APS governance structures and processes, information management and infrastructure, budget and accountability support and consultative processes outside the APS, to facilitate improved collaboration. At the same time it pointed to areas in which agency culture and capability could be enhanced to support whole of government working.

¹ Management Advisory Committee 2004, *Connecting Government: Whole of Government Responses to Australia's Priority Challenges*, Commonwealth of Australia, Canberra, p.1.

International developments

Promoting and supporting a more whole of government approach has been a common focus and priority of public administration in a range of countries, as well as of international bodies such as the Organisation for Economic Cooperation and Development (OECD). Common drivers and policy challenges have fuelled interest and action in this area. Recently, Westminster countries appear to be increasing their focus on using whole of government approaches to improve their service delivery. Nevertheless, countries continue to differ in the approach taken to drive a greater whole of government orientation, consistent with different government philosophies and approaches to public sector management.

The UK approach to whole of government work (called 'joined up government') was inaugurated in the Blair Labour Government's *Modernising Government* initiative (1999). This was refined and strengthened by a 'cross-cutting' focus set out in the Cabinet Office's landmark report *Wiring it Up*.² That report analysed ways of improving 'cross-cutting' policies and services through: stronger leadership from Ministers and senior civil servants; better policy formulation and implementation; enhancing public servants' skills and capacities; more flexible use of budgets; better audit and external scrutiny; and greater utilisation of the Centre (No. 10 Downing Street, the Cabinet Office and the Treasury).

More recently, the Gershon report³ identified a widespread tendency for public bodies in the UK to prefer a policy of self-sufficiency in providing their own frontline services and performing their 'back office' functions. This was found to have resulted in much unproductive duplication in behind the scenes administration as well as inefficient frontline service delivery. The Government's response was to require increased collaboration between public sector bodies in performing their back office 'transactional services' and greater coordination of procurement functions in order to improve systems and service provision.

The chief Canadian whole of government focus is also on service delivery, though their emphasis is on building and maintaining a multi-channel, cross-jurisdictional service delivery environment. The principal vehicle for this is Government On-line (GOL), an initiative launched in 1999 with the ultimate aim of making available online the 130 most commonly used Canadian federal government services. By 2004–05, online services accounted for 30% of all government transactions. GOL involves partnering across jurisdictions to enable clients to access complementary services from provincial and territorial governments.⁴ Canada has also worked closely with the US toward developing a new collaborative approach to e-governance and the performance of shared back office functions.

New Zealand's highly developed whole of government initiatives were laid out in the 2005 Development Goals for the State Services. Goals (to be met between 2007 and 2010) include using technology to transform the provision of services to New Zealanders, ensuring the total contribution of government agencies is greater than the sum of its parts, and ensuring government agencies work together to coordinate the availability of services across the country using co-location, joint services and management of different physical and electronic channels.

² UK Cabinet Office, *Wiring it Up: Whitehall's Management of Cross-Cutting Policies and Services*, January 2000, <<http://www.strategy.gov.uk>>

³ Sir Peter Gershon, *Releasing Resources to the Front Line—Independent Review of Public Sector Efficiency*, July 2004, <<http://www.hm-treasury.gov.uk>>

⁴ Treasury Board of Canada, *Canada Country Report*, September 2004, <<http://www.tbs-sct.gc.ca>>

Whole of government initiatives for the APS in governance, ICT infrastructure and support for budget and financial accountability during 2004–05, are considered below. This is followed by an examination of relevant developments in agency culture and capability. Use of e-government in the delivery of Commonwealth services and more detailed analysis of developments around consultation in service delivery are addressed in Chapter 4.

Developments in 2004–05

Following the release of *Connecting Government*, there was a strong focus on promoting its findings and whole of government approaches more generally. In March 2005, the Secretary of PM&C wrote to Portfolio Secretaries outlining the importance of implementing the findings of *Connecting Government*. In April 2005, *Working Together*, a brief and practical guide for members of the APS on how they should work together, was released by Portfolio Secretaries and the Commissioner and provided to all agencies for posting on their Intranets.

During 2004–05, development work was also undertaken on a new Connected Government website to assist public service employees to work across multiple agencies and to provide users with links to guides, tools, directories and training information. The website—a key recommendation of *Connecting Government*—was launched in August 2005. It is intended that the facility will continue to expand in content and functions. The website is available at <http://www.connected.gov.au>.

A number of agencies have also been involved with the implementation of specific initiatives to support whole of government collaboration and capability development. These are addressed below.

Governance arrangements

APS-wide governance arrangements have been the subject of ongoing review processes during the year. These reviews are broadly aimed at rationalising the financial and accountability frameworks of statutory authorities and office holders, and mapping the formal arrangements governing organisational management within the APS more generally.

The Review of the Corporate Governance of Statutory Authorities and Office Holders (the Uhrig Review)

The *Review of the Corporate Governance of Statutory Authorities and Office Holders* (the Uhrig Review), presented in 2003, called for a more rational and consistent approach to determining the financial and accountability frameworks that should apply to Commonwealth Government entities, and where policy responsibilities should lie for the work done by these entities. The report recommended measures to reaffirm the role of portfolio departments as the principal source of advice to Ministers by requiring agencies to provide relevant information to their Portfolio Secretary in parallel to that information being provided to Ministers. It further distinguished between agencies that should be legally and financially part of the Commonwealth, and those that

should, because of the nature of their business, be distinct from the Government and recommended that financial frameworks applying to agencies should be based on their governance characteristics.

In its August 2004 response, the Government accepted most of the key recommendations of the Uhrig Review and also endorsed the two templates identified in its report designed to ensure good governance exists. A two-stage review is currently underway involving assessments by responsible Ministers of relevant statutory authorities and office holders within their portfolios against these governance templates. Uhrig pilot agencies are involved in the first stage of the review, with other agencies to follow. All of the reviews are expected to be finished by 31 March 2006, with the implementation of any changes, including any legislative changes, expected to be completed by 31 March 2007. In practice this is a significant process of review of the governance arrangements of some 160 bodies.

In October 2004, the Prime Minister announced plans to create a new department—the DHS. The department, which was formally established in December 2004, has oversight of six agencies—Centrelink, the Health Insurance Commission (HIC) (known, from 1 October 2005, as Medicare Australia), CSA, CRS, Australian Hearing, and HSA. Consistent with the Uhrig recommendations, the governance boards of Centrelink and the HIC have been abolished and replaced by an executive management structure to establish a more direct Ministerial role in their operation. In establishing the DHS, the Government has said that agency boards interfere with the new department's coordinating role, and its charter to deliver services effectively and efficiently.

Although the Uhrig Review itself made no specific reference to the issue of Act coverage, the Commissioner has encouraged portfolio departments and their Ministers to consider the appropriateness of employment under the Act in any review of bodies arising from it. Finance, in its publication, *Governance Arrangements for Australian Government Bodies* (August 2005), has reinforced the approach advocated by the Commissioner that there be a greater alignment of the employment and financial frameworks for statutory bodies which, as a general rule, would see the *Financial Management and Accountability Act 1997* and the Act applying to the majority of Commonwealth bodies performing core APS functions such as programme management, service delivery, policy advising or regulatory activities.

In relation to the issue of Statements of Expectation and Intent to be issued by Ministers and statutory authorities, respectively, the Commissioner has noted that it is important, from a whole of government perspective, that these statements are consistent with the common public service culture and accountability framework provided by the Values and the Code.

Foundations of Governance in the Australian Public Service

In 2004, Portfolio Secretaries sponsored a review of the formal arrangements governing organisational management within the APS, particularly under the *Financial Management and Accountability Act 1997*, the Act and the *Workplace Relations Act 1996*, as well as the formal reporting and accountability requirements.

Foundations of Governance in the Australian Public Service was launched in June 2005. Foundations consists of a publication and an interactive Internet resource drawing together key elements of that review and setting out agency head obligations spread through a range of legislation and policy documents across many portfolios. It is designed to assist agency heads to meet their obligations and responsibilities, particularly newly appointed agency heads. The resources include:

- accountability requirements
- the financial management framework
- the employment and workplace relations frameworks
- the management of government information.⁵

Whole of government governance initiatives for Indigenous Affairs

In 2004–05, for the first time, consideration of Indigenous expenditure across government was conducted on a whole of government basis, guided by the Ministerial Taskforce on Indigenous Affairs. The Ministerial Taskforce provides high-level, whole of government leadership on directions and priorities for policy and expenditure related to Indigenous Australians. Its work is informed by the National Indigenous Council and the Secretaries' Group on Indigenous Affairs, which comprises the heads of 11 departments administering the Government's Indigenous programmes and the Commissioner.

Under the new arrangements all new policy proposals from Ministers for government investment in Indigenous-specific initiatives are now considered together in a single Indigenous Budget submission, and strategic decisions can be taken against government priorities for Indigenous-specific expenditure. This provides opportunities to maximise coordination and minimise duplication or overlap. Initiatives can cross portfolios, be agency-specific or be Indigenous-specific measures designed to support improved outcomes from mainstream programmes and services.

The Secretaries' group issued two whole of government bulletins in 2004–05, on shared responsibility agreements between the Government and Indigenous communities or groups, and on the 2005–06 Indigenous budget initiatives.

The OIPC, within DIMIA has, since 1 July 2004, been responsible for 'whole-of-government' coordination at the administrative level. At the regional level, ICCs have been established to bring under the one roof staff working in the main agencies administering Government programmes and services for Indigenous people.

Working Whole of Government: Indigenous Coordination Centres

The ICC model of programme implementation is still evolving, but indications are that Indigenous communities are engaging positively with the new system. There were 101 signed Shared Responsibility Agreements (SRAs) in 86 communities nationally as at September 2005—these agreements set out family and/or community as well as government responsibilities for achieving good outcomes in relation to community identified priorities.

⁵ The Internet resource is available at <http://www.apsc.gov.au/foundations>. With the cooperation of contributing agencies, this resource will be updated on a regular basis.

Australian Government agencies have also demonstrated that they are committed to working together to maximise the potential of the ICC model. This was evident in the 2005–06 programme funding process managed by ICCs. Agencies adopted a collaborative ‘roundtable’ approach to the complex process of administering submissions for over \$745 million in funding across all portfolios—including programme funding previously administered by ATSI and ATSIIC. This approach continues to be used to facilitate ongoing collaboration between agencies, especially where agency-specific issues need to be worked through.

Agency initiatives, which also demonstrate a commitment to productive whole of government working, include:

- In a South Australian ICC, FaCS and DCITA share an EL2 Senior Programme Manager.
- While DEST did not receive additional responsibilities as a result of the allocation of various Indigenous programmes to mainstream agencies, it has taken the opportunity to establish a presence in the ICCs—supporting the commitment to whole of government outcomes.
- A whole of government training package was developed in consultation with all programme agencies and delivered to each ICC and employees in agencies’ state offices. The training—a one and a half day program facilitated and delivered by People & Strategy Consultants—provides information and strategies to assist managers and employees to develop effective working relationships in a whole of government context. The training reflects the Values and the Code, provides practical working examples of team challenges in a whole of government environment and encourages group discussion and understanding on managing issues of change and performance.
- Agencies are making portfolio experts (sometimes called ‘solution brokers’) available to work with ICCs—either directly in the office or from a hub office that services a group of ICCs. These roles are essential to the new arrangements in assisting ICC managers to broker partnerships, involving people with a detailed understanding of the full range of programmes and services of their agency and whose task it is to generate innovative and flexible solutions to issues identified by communities under SRAs.

While the early signs are the ICC model is progressing well, there are still a number of challenges. As might be expected, agencies are looking to find ways to adapt their agency-specific practices and processes across a number of areas—including programme management, staffing, human resources management and ICT—to achieve shared outcomes and efficiencies across the network.

Agencies are grappling with the accountability implications of the shift to working in a whole of government context. Agencies need to achieve a balance between traditional (vertical) accountabilities through agencies to individual Ministers and whole of government (horizontal) accountability for the implementation of well-coordinated Indigenous policies and programmes.

A ‘one size fits all’ approach does not meet the needs of individuals, families and communities or the diverse circumstances that urban, rural and remote locations encompass. The challenge for ICCs is to develop and deliver arrangements that meet the needs and priorities as identified by the communities.

agency case study

The Cabinet Implementation Unit in the Department of the Prime Minister and Cabinet

The Cabinet Implementation Unit (CIU) was established in late 2003 to seek systematic reform to the way government policies are implemented and to assist in ensuring the committed and effective delivery of key government decisions, recognising the growing number of particular complex policy challenges that call for broad oversight.

The Cabinet Implementation Unit

An increasing number of policy decisions need to be informed by a whole of government perspective. Good governance requires collaboration at all levels to support and coordinate policy development and programme delivery across bureaucratic boundaries.

The making of policy and its delivery are generally discussed in Cabinet. Cabinet sets and monitors the direction of government, takes the most important decisions on policies and budgets, and resolves potential demarcation conflicts between Ministers and their agencies. Cabinet is the apex of collective decision-making in the Australian Government.

This is why, when it was decided to place greater emphasis on the delivery of government programmes and services, the CIU was placed alongside the Cabinet Secretariat in PM&C. Both are located in the Cabinet Division.

The CIU is intended to ensure that public servants will harness their collective technical and administrative capacity to solve problems which cross boundaries within and between Australia's governments. It is a vehicle for 'connecting' government. Its goal is to ensure that major government projects are being planned, monitored and delivered effectively. That requires concerted effort by central, line and operational agencies.

The Australian Government has to make extraordinarily complex public policy decisions each week. It is essential that Cabinet be properly informed of the implementation challenges involved in new policy initiatives. Ministers need to be assured that these have been addressed at a whole of government level. Playing a gatekeeping role, both the Cabinet Secretariat and the CIU seek to ensure that all relevant agencies have been consulted in the development of a policy and in discussions on how its implementation is to be managed.

Those Cabinet proposals assessed as being of 'moderate' to 'high' risk are required to address the scope, milestones, risks, impacts and consultation arrangements for policy implementation. Submissions must answer important questions, such as:

What criteria will be used to assess whether the programme or project has fulfilled its objectives?

Which stakeholders will contribute to implementation and how and when will they be consulted?

What are the key decision points against which progress should be monitored?

What are the risks which might undermine delivery and how will they be managed?

The discipline imposed by this method improves communication between stakeholder organisations, policy advisers and those public servants who have responsibility for delivering government programmes. It actively encourages agencies to consult across government in the development of policy and to work together to ensure that the goals of government are implemented in an efficient, effective and timely manner. It encourages those who design policy to listen to the experience of those who deliver it.

The Cabinet is also the appropriate forum for assessing programme delivery and, as necessary, for refining government initiatives. To help the Prime Minister and his colleagues in this task the CIU now undertakes quarterly monitoring of a wide range of policies. Cabinet is provided with a 'traffic light' report on more than 150 measures. This allows Ministers to oversight the implementation of key government initiatives. If programmes are falling behind expectations, remedial action can be taken.

From its vantage point 'at the centre of the centre' of the APS, the Cabinet Division can compare and contrast different policy-making and implementation cultures across government. It can draw lessons learned both from the successes and failures of project management and ensure that they are shared across government.

The CIU is now working with the ANAO to develop a better practice guide to the implementation of government programme and policy initiatives. This will draw on experiences in both the public and private sectors. The guide will be an important and practical reference tool for all APS agencies and the ANAO will be using it as a benchmark for their future audits.

A professional public service should set high store on cooperation, coordination and collegiality. The role of the Cabinet Division, and in particular the CIU, is to help transform that rhetoric into reality.

agency case study

ICT infrastructure

Improving agencies' capability to transfer and exchange information is critical to whole of government interaction and requires interoperability between agencies' information systems. In the UK, for example, it has been recommended that the newly formed Office of Public Sector Information develop a set of practical guidelines aimed at helping public bodies to deal with all aspects of information management as a single, integrated activity. The APS already has a similar initiative in train. Here, the Information Management Strategy Committee, supported by the Chief Information Officers' Committee (CIOC), is developing an Information Interoperability Framework which outlines the business drivers, principles, standards, legal (including privacy and security matters) and governance arrangements that enable the transfer and exchange of information between agencies.

The framework is intended to promote information management principles that strengthen agencies' ability to share and reuse information sources, including:

- recognition of the rights and responsibilities for information management

- the need to standardise information collection practices
- the need to manage information as a strategic asset.

The CIOC is also finalising the Australian Government Access and Distribution Strategy. The Strategy includes a Capability Model that provides a common framework within which agencies can identify and describe their capability to work with other agencies to deliver better services.

Budget and Accountability Framework

Connecting Government found that Finance should encourage and facilitate the exchange of financial information between Australian Government agencies by developing and maintaining standard templates for financial management information systems and budgetary model specifications. Finance is implementing a new central financial management system later in 2005 that will include a large number of improvements in accessibility, flexibility, functionality, scope and detail of information compared with the current platform. In particular, there will be a single chart of accounts, more extensive and interconnected information on programmes and cash flows, standard reporting templates, expanded help facilities and wider agency access through FedLink.⁶

Agency culture and capabilities

The MAC report on whole of government found that organisational culture and capabilities critically shape the success of both informal and formal whole of government interactions. By their nature such activities require both a willingness and a capacity to focus beyond agency-specific outcomes and priorities and on the Government's overall policy agenda and priorities. This means that both organisational culture and individual capabilities need to be oriented to support collaboration in order for whole of government interactions to be given practical shape through intra-organisational structures and management and accountability frameworks.

Whole of government working is, in part, about how public servants see themselves and the work they do: whether they consider themselves as agency employees or part of a broader public service; whether they see themselves as simply delivering outputs or resolving national or international problems; and whether their first impulse when confronted with an issue is to see processes or to see possibilities. The sort of organisational characteristics that support a whole of government culture include:

- readiness to think and act across agency boundaries
- effective teamwork
- organisational flexibility
- openness to innovation and creativity
- the ability to capitalise on windows of opportunity, to tolerate mistakes and to manage risk
- the capacity to build strategic alliances, collaboration and trust and to negotiate to achieve joint outcomes

⁶ FedLink is an encryption tool. It takes data transmissions between members, encrypts the data at the sender's gateway and de-crypts it at the receiver's gateway. This prevents the data being deciphered if it is intercepted while travelling over the internet.

- adaptability to changing circumstances
- persistence and resilience
- encouragement of the expression of diverse views, and awareness of different cultures and appreciation of their strengths
- a capacity to balance the tension between short-term and long-term goals
- effective knowledge management.

Building a Whole of Government Culture

The degree to which the APS is cohesive and has a sense of broad identity depends largely on the extent to which individuals appreciate the broader context of their employment. Accordingly, one of the cultural change questions associated with whole of government activity is whether employees see themselves primarily as agency employees operating in a devolved framework or primarily as APS employees.

When asked for the first time this year to choose between these alternatives, the majority of respondents (60%) indicated that they considered themselves to be primarily agency employees. Given the immediate and continuing connection between employees and their workplace, the fact that 40% of employees identified primarily as APS employees is important. Equally important from a whole of government perspective is the fact that more employees (71%) agreed that they were proud to work in the APS than agreed that they were proud to work in their current agency (65%). On balance, these questions provide positive indicators of APS employees' willingness to focus beyond agency-specific outcomes and priorities and on the Government's overall policy agenda and priorities.

Most agencies have been active in providing support and guidance to employees for collaborative activity. The great majority of the SES (83%) agreed that their agency head had communicated to them the importance of working collaboratively with other agencies. Thirty-eight per cent of agencies reported having placed *Working Together* on their Intranet. That publication provides broad guidance on the handling of whole of government communication, organisation, standards of behaviour and interagency working arrangements. There has also been across-the-board growth in agency guidelines or policies to guide employees' participation in formal, multi-agency decision-making forums such as interdepartmental committees or task forces, as Table 11.1 below indicates.

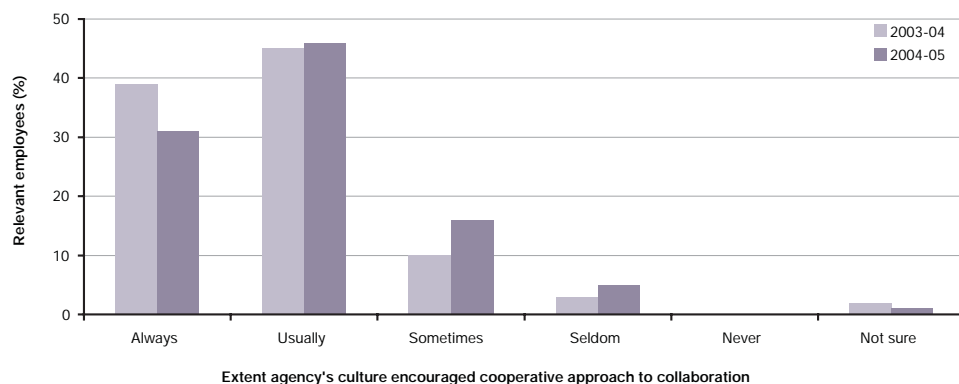
Table 11.1: Proportion of agencies with guidelines/policies in place to guide employees' participation in formal, multi-agency decision-making forums, 2003-04 and 2004-05

	2003-04 (%)	2004-05 (%)
Procedures for ensuring employees have the relevant skills/knowledge	29	35
Requirement that employees maintain records of discussions, decisions, actions	48	63
Procedures for ensuring employees have authority to express agency views	46	54
Ministerial briefing requirement	45	54
Requirement to report back to agency	59	61

Source: Agency survey

These initiatives indicate that agencies have been making changes to their internal guidance to support collaborative work; whether these changes have been in place long enough to support broad cultural change is unclear. When asked to evaluate the extent to which their agency's culture encouraged a constructive approach to collaboration with other agencies, as Figure 11.1 shows, relevant SES and EL employees responded less positively this year than last year.

Figure 11.1: Relevant SES and EL employees' views on whether their agency's culture encouraged a constructive approach to collaboration, 2003–04 and 2004–05



Source: Employee survey

Rather than indicating a deterioration in collaborative approaches among agency employees, this drift downward in cultural indicators since last year might be indicative of a higher level of awareness of the importance and ramifications of collaboration. Again this year, there was considerable variation between large agencies in employee perceptions of the agency's cultural bias towards whole of government work. Agencies with the highest proportion of relevant employees who reported that their agency's culture always or usually encouraged collaboration were DFAT (94%) and Customs (93%).

Employees were also asked to comment on their direct experience of whole of government interactions. SES and EL respondents to the employee survey were asked whether, during 2004–05, their job required them to deal directly with people from other public service agencies, including at different levels of government. Seventy-four per cent reported dealing directly with employees in other Commonwealth agencies, 42% with state and/or territory agencies, and 14% with local government agencies while 24% had none of these interactions.

When SES and EL employees who had dealt directly with other agencies were asked to report on their involvement in more structured whole of government activities over the previous 12 months, numbers reporting involvement in more formalised whole of government interactions were markedly below those reporting ongoing interagency dealings. Twelve per cent of this group reported having been a member of a task force, 25% reported having been part of an interdepartmental committee, 16% reported having been a member of a joint team, and 60% had had no involvement in such arrangements.

Those employees who had been involved in structured whole of government activities over the previous 12 months were then asked how collaborative and how well supported those structures had been in practice. The responses to these questions

need to be contextualised: it may, for example, be perfectly appropriate to focus primarily on agency-specific objectives in some multi-agency forums, depending on the role of the forum and whether employees continue to have the bigger picture in mind and collaborate regularly. Nevertheless, given the relatively senior nature of these respondents, overall responses were not encouraging, as Table 11.2 indicates.

Table 11.2: Relevant EL and SES employees’ experience of multi-agency forums, 2004–05

	Agree (%)	Neither agree nor disagree (%)	Disagree (%)
Participants are primarily focused on meeting agency-specific objectives	70	18	12
Participants are primarily focused on solving whole of government problems	46	32	22
Participants actively try to work across boundaries to make sure outcomes are achieved	62	26	12
Participants share information relevant to the project/issue	74	16	9
Participants pool resources where necessary	53	30	16
Participants are supported by adequate information and communications infrastructure	45	33	19

Source: Employee survey

A number of factors have the potential to detract from the success of collaborative structures. Comments from employees involved in such structures indicate that these include insufficient clarity and specificity in the upfront setting of shared outcomes and objectives, with what this means articulated in practical, implementation terms. These include who is responsible and accountable for what, and translation of that to agency action. Problems are most likely to arise where high-level agreement reached is not sufficiently robust—in the sense of involving fundamental rather than aspirational agreement and carrying with it acceptance of responsibility and follow-through by all agencies concerned.

Employees have also stressed the need for:

- driving imperatives and incentives to ensure traction for initiatives
- capability—getting the right people with the right skills and authority in place
- a positive environment, where senior people in agencies understand the context and intent of initiatives and champion their implementation.

Employees engaged in collaborative service delivery were much more positive about what had been achieved. Thirty-five per cent of employees involved in service delivery reported an improvement in cooperation between their agency and other APS agencies over the last 12 months that had improved their work area’s capacity to tailor service delivery to the needs of their clients.

Nevertheless, when asked whether their clients were satisfied that the service they delivered was effectively coordinated with services provided by other APS agencies, more respondents (48%) were unsure than agreed (33%). Despite the level of uncertainty about clients' views, more than 42% of APS service delivery employees identified collaboration with other APS agencies as an action that would best improve services provided by their work area. Other strategies for improving provision of services (in order) were:

- more training and development activities (44%)
- more collaboration with stakeholders (e.g. industry bodies) (37%)
- more collaboration with community groups (32%)
- more feedback and/or consultation with clients (31%)
- more responsibility for decision-making devolved to action officers (27%)
- more collaboration with other jurisdictions (e.g. state or local government agencies) (24%).

While employees were positive about efforts being made by their own agencies, they identified a number of remaining barriers to effective whole of government work. In addition to legislative constraints on information sharing, the most common barriers identified were resource allocation, assumed Ministerial expectations, and some central agency behaviours.

Oral communication is just proving to be adequate but written is poor (as it appears staff do not want to be recorded as having provided information or advice to another agency). The motivation appears to be a growing concern that staff will be held accountable (i.e. punished) for having consulted/assisted on a matter that may result in an outcome that does not accord with what could be anticipated may be their own Minister's preferred position. This means misinformation is being provided (or poorly articulated positions are being put) to Government as part of the deliberative process.

... strict accountability and reporting requirements for specific 'buckets' of money can restrict WoG work. It can be difficult to 'pool funds' in reality when Parliament insists on separate reporting requirements for different funds.

Certainly within my Branch there is a culture of being the 'senior Department'— I have witnessed this first hand while inwardly cringing at the arrogant image it projects. I should note that management has very recently taken the area to task on this and hopefully there will be a change in practice/inter-Departmental relations as a result.

The simple truth is that [agency] is often at conflict with [one central agency], sometimes in disagreement with [another central agency], and pretty much at war with [a third central agency] all the time.

employee survey

Building Whole of Government Capability

Capabilities are critical to effective whole of government work. What is required is the skill to provide leadership in a collaborative environment and the range of technical and implementation skills called for to address complex policy and service delivery issues. This is a consistent message from experience overseas as well as in Australia.

Training

In response to *Connecting Government*, the Commission is developing a new suite of development programmes for SES employees. These programmes will address the capabilities necessary at each level to contribute to whole of government outcomes, with particular focus on programme management, policy development, regulation and collaborative behaviours. SES Orientation programmes provide new SES employees with a broad perspective on the legislative and operational framework of their role in the APS leadership cadre. LAFIA programmes currently introduce SES officers to the cultures, ways of doing business and public administration in Asia and the Pacific. More broadly, part of the endowment fund established by the Government's recent \$10 million grant to ANZSOG will be used to support activities aimed at improving the relationship between public service leaders across jurisdictions, and building a whole of government culture.

The Commission's Ministerial Conversations series started in August 2005 with the inaugural address by the Prime Minister. The series provides the SES with the opportunity to hear Ministers speak on high-level strategic issues on behalf of government, and to set out their expectations of the public service in responding to these issues. SES breakfasts and seminars aim to address national and global matters.

Agencies have also responded to the training issues identified in *Connecting Government*. In their responses to the agency survey, 38% of agencies reported having redesigned or refocused training objectives specifically to improve capability in building whole of government activities. These changes occurred mainly in the areas of project, programme, and contract management, and communications and ICT.

Mobility

Connecting Government emphasised the value for collaborative work of having a pool of employees whose exposure to different perspectives and organisational cultures has given them a better understanding of the complex environment in which they work.

As noted in Chapter 8, interagency mobility rates APS-wide have varied over the past decade, declining overall from 2.9% in 1995–96 to 1.9% in 2004–05. The key concern raised by this trend is not that employees are denied opportunities for lateral movement, but that flatter structures and accelerated rates of promotion limit their ability to access experience in other agencies before they advance to the leadership levels in their own agencies. On the other hand, as Chapter 8 also notes, engagements of people from outside the APS at higher level classifications have increased significantly over the period, and these people have brought with them a wider range of experience and skills (as well as a requirement for more sophisticated induction and orientation strategies).

In *Managing and Sustaining the APS Workforce*, MAC pointed to the need for both improved APS orientation training and new arrangements to support APS employees

who seek opportunities to broaden their experience and exposure by working in different environments across different agencies, the private sector, Non-Government Organisations (NGOs) or in other parts of their agency.⁷

Rewards

Connecting Government also saw a role for the performance management process in supporting the development of a collaborative mindset. Against this background it is disappointing that employees did not see their agencies' performance pay arrangements as having that effect: in 2004–05, only 20% of relevant employees agreed that the performance pay processes in which they were involved contributed to a workplace culture in which individuals work together effectively. This marks a fall from 26% in 2003–04.

Experience

Capability building through direct experience is critical to whole of government effectiveness. While there are a number of whole of government initiatives in place—particularly in the areas of security, welfare-to-work, Indigenous service delivery and the environment—the response to the tragic Asian tsunami of Boxing Day 2004 offers a particularly edifying case study of effective whole of government responsiveness.

The Australian Government's tsunami response: working together in a crisis

The Australian Government's response to the Indian Ocean tsunami in December 2004 was a textbook example of connecting government in an emergency. The Prime Minister described the public sector response as 'the Australian Public Service working at its dedicated and professional best'. Like the response to the Bali bombing, our response to the tsunami was swift, decisive and coordinated, with a focus on alleviating wherever possible the burden on those affected.

Responding in an emergency

Like most Australians, senior public servants first became aware of the Indian Ocean tsunami as the details unfolded in the media. DFAT, alerted by consular enquiries to its 24-hour Consular Emergency Centre, moved quickly to establish a crisis centre and emergency call unit.

DFAT's Temporary Emergency Consular System database was also activated and deployed within hours of the tsunami. The database gave overseas posts access to information in real time about Australians in the affected areas who had not been accounted for.

The humanitarian implications for the region, and for Australians living and travelling in the affected areas, were quickly recognised and standing arrangements to convene an Interdepartmental Emergency Task Force (IDETF) were immediately set in motion—the taskforce met at 9.00 pm on Boxing Day and a further 22 times before it was replaced by an interdepartmental committee on 14 January 2005. Intelligence gathering and response planning began as a matter of course. PM&C took on the overall coordination role for the APS.

Initially, membership of the IDETF, chaired by DFAT, comprised PM&C, Defence, DIMIA, Centrelink, Emergency Management Australia (EMA), part of the Attorney-

⁷ Management Advisory Committee 2005, *Managing and Sustaining the APS Workforce*, Commonwealth of Australia, Canberra, p. 74.

General's portfolio, AusAID and the Australian Federal Police (AFP). As the disaster unfolded it was expanded to include FaCS, Finance, Health, Customs and DoTARS. The IDETF's decisions were fully documented and senior officials (mostly at the Secretary, Deputy Secretary and First Assistant Secretary levels) were responsible for consulting their Ministers about matters before the IDETF to allow decisions to be made quickly.

The Australian Government very quickly took the decision to provide humanitarian assistance, in the first instance through the Royal Australian Air Force and the Australian Defence Force, followed by the deployment of the resources of a range of Australian Government agencies.

While the IDETF was the primary coordination mechanism between government agencies, there were also subsidiary groupings of officials working on particular matters.

- The FaCS-managed Domestic Recovery Task Force, for example, was responsible for dealing with the impact on Australian nationals—assisting with their return home, and dealing with relatives' enquiries.
- Health authorities from the Commonwealth and all states and territories facilitated the Australian tsunami effort through the Australian Health Disaster Management Policy Committee (AHD-MPC) chaired by the Department of Health and Ageing—bringing together at short notice all state and territory Chief Health Officers and relevant medical support services for a rapid response to the emergency.
- EMA coordinated the immediate deployment of medical, public health and engineering teams to disaster affected regions in Indonesia, Sri Lanka and the Maldives. EMA also coordinated the repatriation of all deceased Australians.
- The civilian health response, including deployment of a large number of volunteer health professionals, was coordinated by AusAID, with management of teams and their logistical support from EMA.

Lessons from experience

The successful whole of government coordination arrangements that were mobilised for the Indian Ocean tsunami—the IDETF and the Domestic Recovery Task Force in particular—were developed through the lessons learned from the Australian Government's response to the Bali bombing.

And just as there were lessons learned from the Bali bombing, so it has been with the Indian Ocean tsunami. Agencies agreed to take the following actions:

- review AusAID's AusAssist Plan
- review the impact of the *Privacy Act 1988 (Cwlth)* on the Australian Government's crisis response capability
- review hotline arrangements to improve access, especially immediately following an emergency (about half of the 84,000 calls to the hotline were received by the evening of 27 December)
- review disaster relief payments.

It is through review and evaluation of this kind that the Australian community can feel assured that the Australian Government's response to future crises will reflect the lessons of experience, rather than be doomed to repeat the mistakes of the past.

agency case study

Key chapter findings

Considerable progress has been made in reviewing and rationalising public service-wide governance arrangements and financial and ICT infrastructure to provide improved support to whole of government activities. The Uhrig implementation process and the mapping of formal organisational management arrangements through the Foundations project are both important developments. The Ministerial Taskforce on Indigenous Affairs, together with the National Indigenous Council and the Secretaries' Group on Indigenous Affairs, represent key governance arrangements linked to a high-level government priority.

Most agencies have been active in providing support and guidance to employees for collaborative activity. On balance, responses to the employee survey provide positive indicators of APS employees' willingness to focus beyond agency-specific outcomes and priorities and on the Government's overall policy agenda and priorities. The slight drift downward in cultural indicators since last year might be indicative of a higher standard of awareness of the importance and ramifications of collaboration. Again this year, there was considerable variation between agencies in staff perceptions of the agency's cultural bias towards whole of government work, suggesting that there is still scope for agency activity in this area.

Those employees who had been involved in structured whole of government activities over the previous 12 months passed mixed judgments on how collaborative and how well supported those structures had been in practice. The effectiveness of collaborative structures could be enhanced by increased clarity and specificity in the upfront setting of shared outcomes and objectives, and a careful articulation of what this means in practical, implementation terms. Employees engaged in collaborative service delivery were much more positive about what had been achieved and what could be achieved. This is an area of increasing focus internationally as well as nationally, and it is particularly pleasing to see these results.

While employees were positive about efforts being made by their own agencies to improve structured whole of government work, they did point to issues associated with legislative constraints on information sharing, resource allocation, assumptions around Ministerial expectations, and some central agency behaviours as imposing constraints on what could otherwise be achieved.

Capability building in whole of government work continues. The Commission is developing broad-based SES training to cover whole of government working, and a number of agencies have redesigned or refocused training objectives specifically to

improve employees' capability in building whole of government activities. Mobility is critical to capability building, and MAC has called upon agencies to participate in strategies to support internal and interdepartmental movement. Rewarding collaborative activity remains an outstanding issue.

Whole of government work is an area in which everyone continues to learn from experience.