

## AUSTRALIA'S PUBLIC SECTOR : FIT FOR PURPOSE?

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*IPAA National President, Professor Peter Shergold AC*

In August I undertook a 9 city speaking tour as the National President of IPAA. Over 830 people attended the events. The theme of my speech was the same in every location, although the direction of questioning and commentary varied widely, reflecting the composition of the audiences.

I used my presentations to reflect on the extent of which Australia's public services are fit for contemporary purpose. I talked of the leadership attributes and organisational capabilities necessary to design and delivery public policy. I spoke not only of the continued importance of conceptual and analytical skills but also on the need to enhance the status accorded to risk assessment, project management and evaluation. I argued the need to open up public administration to outsiders. I emphasised that in all jurisdictions there was an increasing requirement to move beyond the contracted management of outsourced providers to genuine cross-sectoral collaboration; to create, through commissioning, a contestable market of delivery agents; and to afford citizens greater capacity to and direct the government assistance to which they are entitled.

But I was not downbeat. I tried to convey the exciting possibilities which exist to enhance the evidence-based advice provided to governments through mass data analytics (on the one hand), and greater understanding of behavioural psychology (on the other). I talked both of e-Government and of e-Democracy.

Fitness-for-purpose, I suggested, would depend on preserving what was best of the past whilst embracing imaginatively the future: public services need to maintain the traditional vocational values associated with non-partisanship whilst at the same time proving that bureaucracies could be more flexible, agile and adaptive in employing new technologies and approaches.

At each presentation, I sought survey feedback from participants on how they saw the state of Australian public services. I asked: are they fit for purpose; are they fit for the future? Today I report back to you.

I received 817 completed surveys, many of which included extensive written comments. Most, but not all, were completed by people who had been in my audiences. About 73% of respondents worked in State or Territory public services and 15% in Commonwealth agencies and authorities. Some 12% were presently outside public administration, of whom about a quarter were retired public servants. The others, I hazard a guess, were consultants or providers who work closely with public services and, in that capacity, attend IPAA functions.

Amongst the public service responders there was a good spread of experience although the distribution was skewed to more long-serving (and almost certainly more senior) individuals. That, I think, provides greater authority to the results. For, let me emphasise, this is a study of perceptions: it records how people, on the basis of their lived experience, understand their workplace and imagine how others regard it. Confidential in nature, the survey gives a glimpse into their private conversations rather than their public pronouncements.

Given that the survey is not based on a random sampling, its responses should be treated as suggestive. Its findings are challenging. Indeed, I was shocked by the results.

The problems of government are far too often described, by politicians and the media, as crises. Generally, public servants are more restrained in their language. The word 'crisis', I concluded when I was a public servant, was used with such frequency that it lost its potency. So I tread warily, cautious of exaggeration, when I tell you that the survey suggests to me a crisis of confidence within Australia's public services. I found the views expressed worrying. I understand them even if I do not necessarily share them.

## THE SURVEY

n = 817

### Public service background

Background	Per cent
State	73
Commonwealth	15
Other	12

### Length of public service

Years	Per cent
0–5	16.2
6–10	19.2
11–15	18.7
16–20	16.5
21+	29.3

Let me begin with the more optimistic results. Most public servants still regard their organisations as professional and ethical. Just over three-quarters believe that the public service cares about the citizens they serve.

## PERCEIVED STRENGTHS

The public service is...

	State (%)	Commonwealth (%)
...professional	82.3	85.7
...ethical	76.6	84.1
...citizen-caring	77.4	75.4

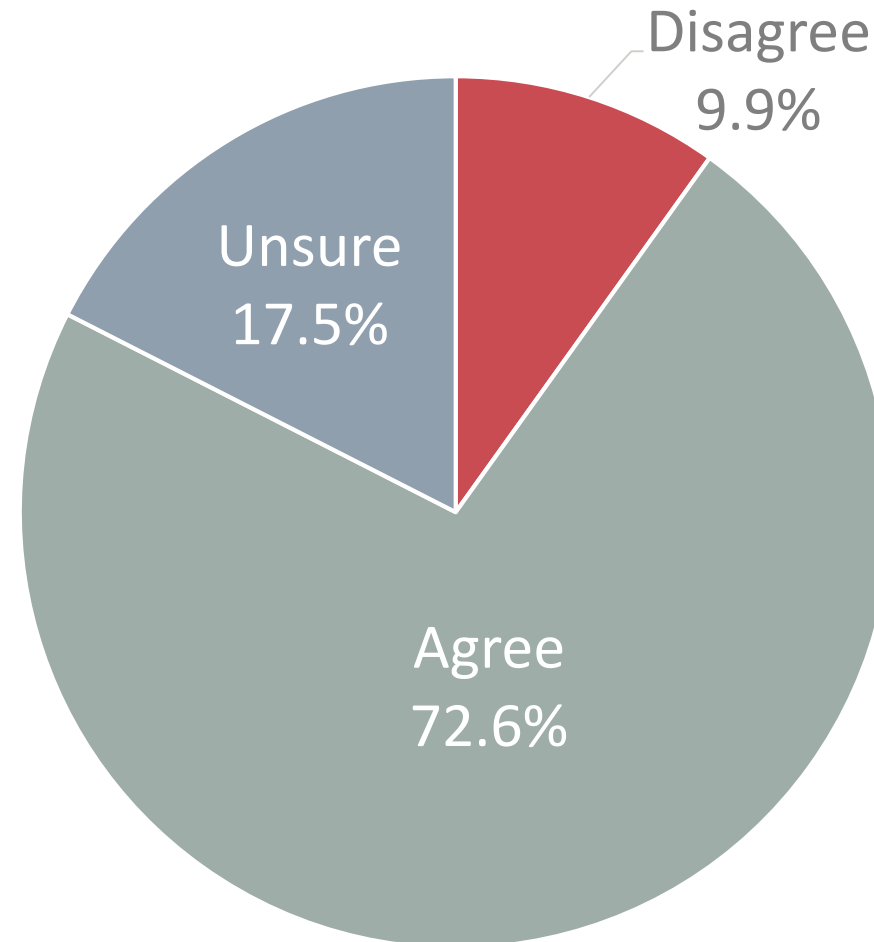
(percentage who agree or strongly agree)

Similarly, around three-quarters are proud to be public servants. This is a good measure of positive employee engagement. Around 73% agree with the statement, 18% are unsure and 10% disagree.



## ENGAGEMENT

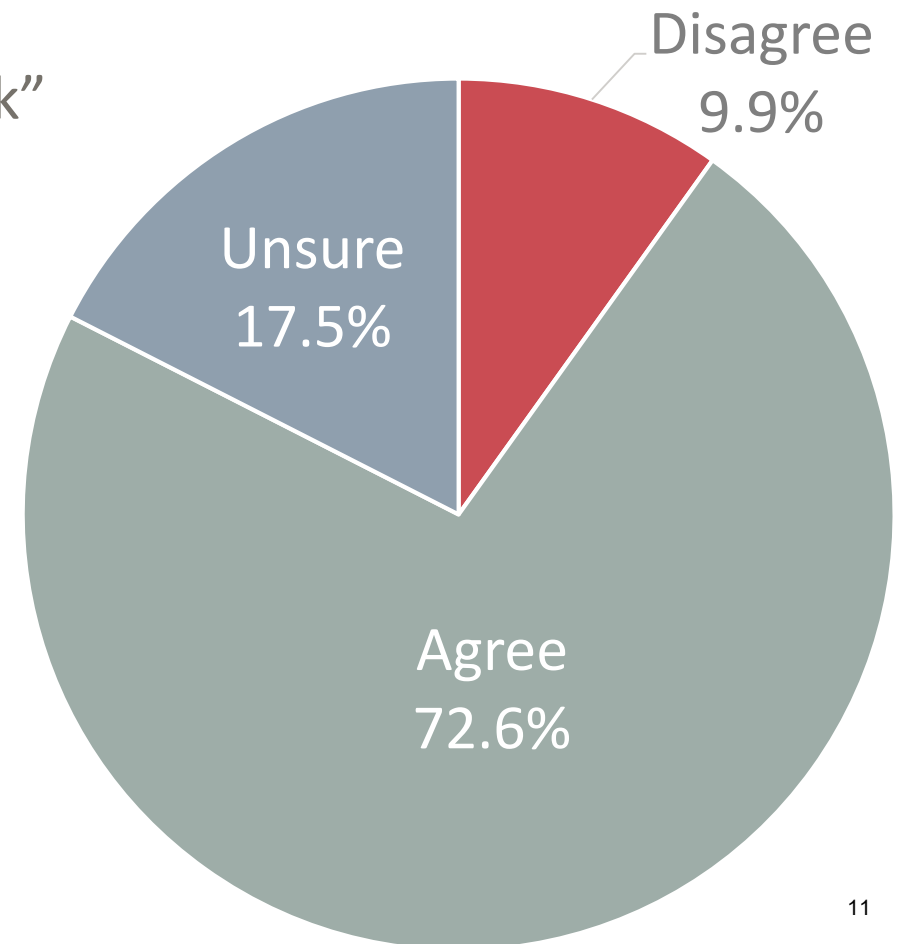
“I am proud to be a public servant”



Almost the same percentage of public servants would recommend the public service as a place to work. They remain willing to promote their choice of career. This does not necessarily represent a ringing endorsement. The survey did not provide the 10-point scale necessary to calculate an employee Net Promoter Score (eNPS). However, on the basis that those who 'strongly agree' are workplace 'promoters'; those who 'agree' or are 'unsure' are 'passives'; and that those who 'disagree' or 'disagree strongly' are 'detractors', the Net Promoter Score can be calculated at +6 (the NPS ranges from -100 to +100). As context, it is generally considered that anything between + 10 and + 50 is an indicator of strong employee loyalty.

## PROMOTION

“I would recommend the public service as a place to work”



The responses on engagement and promotion are modestly reassuring and there are a few other questions the answers to which suggest that public servants perceive their work positively. Overall around 60% of public servant respondents believe that administrators still have strong policy skills. More worryingly, only 40% assess that public services deliver projects well (State public servants were somewhat more positive than their Commonwealth counterparts). Slightly more than 50% of respondents believed public services were outcome-oriented and just over 40% thought that they made effective use of taxpayers' money (in this instance it was Commonwealth public servants who felt more optimistic).

## MODEST SUCCESS

The public service...

	State (%)	Commonwealth (%)
...delivers projects well	42.2	37.3
...has strong policy skills	63.8	56.4
...is outcome-oriented	48.1	54.0
...makes effective use of taxpayers' money	39.6	45.2

(percentage who agree or strongly agree)

The survey suggests, however, that these modestly positive answers were overwhelmed by the scale of the negative responses. Only around a third of these surveyed affirmed that public services take a whole-of-government approach to public administration. Just over a quarter thought they were agile. Of more concern, almost three-quarters of respondents believed that public services were too hierarchical and only 18% of Commonwealth public administrators and 14% of State public servants thought that employee performance was handled well. It is difficult to put a positive spin on such abject responses.

## PERCEIVED WEAKNESSES

The public service...

	State (%)	Commonwealth (%)
...manages performance well	14.3	18.3
...is agile	25.0	30.2
...takes a whole-of-government approach	31.4	33.3
...is too hierarchical	72.5	72.2

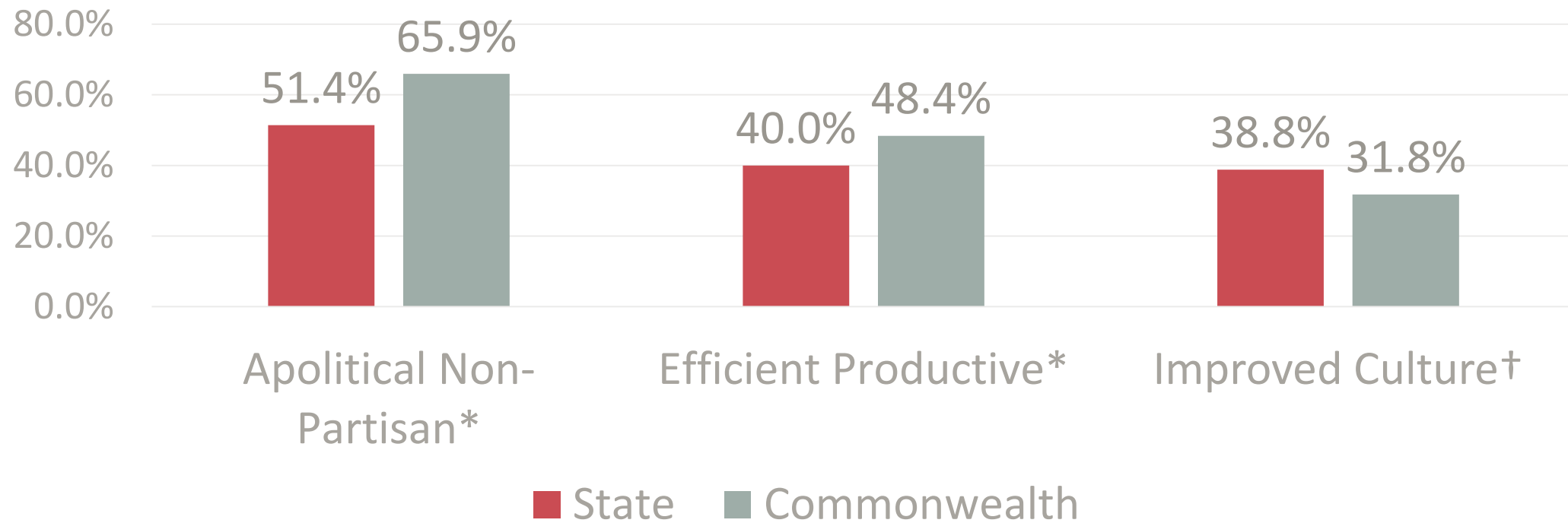
(percentage who agree or strongly agree)

On a few questions there were significant differences between how State and Commonwealth public servants viewed their organisations. Those who worked for the Commonwealth felt more positive about the non-partisanship and productivity of public services, whilst those employed by the States were more likely to believe that the culture of their workplace had improved. Yet even where these jurisdictional divergences are apparent, it is the shared sense of disquiet and dissatisfaction that is most striking.



## STATE : COMMONWEALTH DIFFERENCES

The public service is...



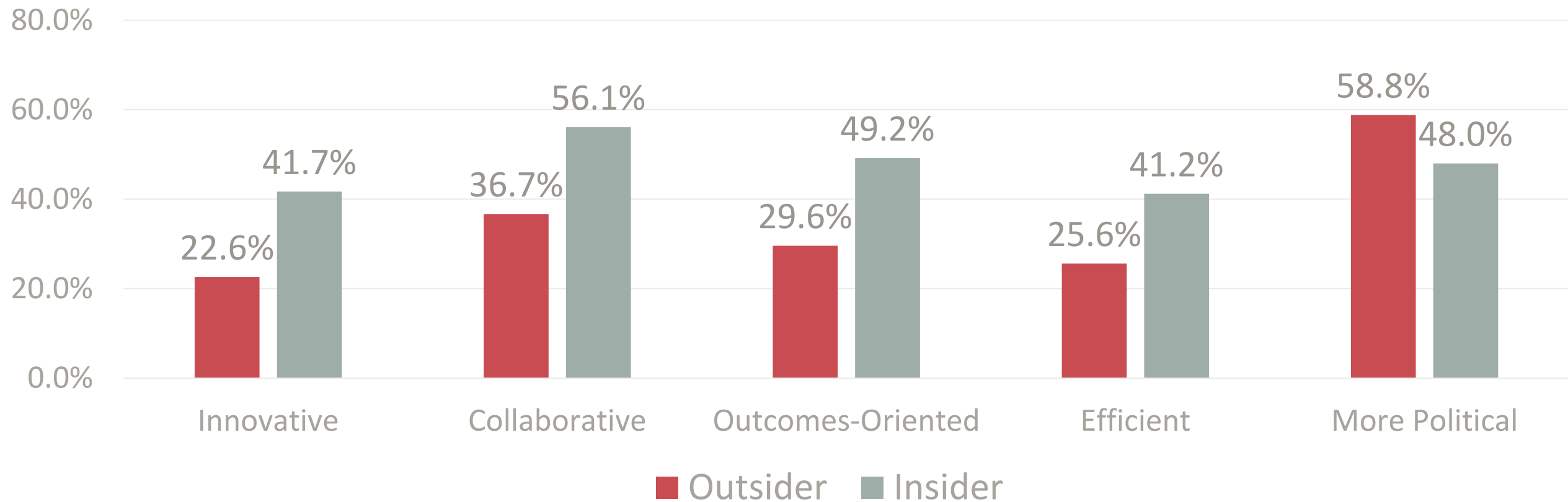
(\*percentage who agree or strongly agree)

(†percentage who answer improved or much improved)

If public servants are concerned about the performance of the organisation within which they work, the view of outsiders (almost certainly, informed outsiders) is even more disturbing. Asked whether public services were innovative, collaborative, outcome-oriented or efficient, the percentage of public servants who responded positively was modest (42%, 56%, 49% and 41% respectively). But, from the outside, the perceptions were far more negative (just 23%, 37%, 30% and 26% respectively). It is a matter of concern that 48% of public servants believe that their institutions are becoming more political. It is worse that 59% of the outsiders (with many of whom they probably work) hold that opinion.

## INSIDER: OUTSIDER DIFFERENCES

The public service is...



(percentage who agree or strongly agree)

As I read through the tables my mood of despond deepened. Only around 30% of insiders maintain that public services remain frank and fearless. In this context the very high percentage who believe that public services are responsive to government may suggest a view that they are too willing to accede to government direction (and I regret not asking the question in this way).

In general, public servants feel that their status is under threat. They sense a loss of situational authority. Around 60% of respondents concluded that ministerial advisers were now playing too great a role in governance and almost 70% thought the same of consultants. This is puzzling. Most public servants I talk to, like myself, do not believe that senior administrators should have a monopoly in providing advice to Ministers. I suspect that concerns relate to the transparency and accountability associated with the power wielded by advisers, and the extent to which internal budgetary constraints (rather than value) are driving the decisions to appoint consultants. Again, I wish I had posed a few more questions to test these interpretations.

Perhaps most concerning, too few public servants feel loved by those whom they serve; less than a third believed that they were appreciated by governments. This is not the basis of the reciprocated trust and respect necessary for an effective working relationship.

## PERCEIVED THREATS

The public service...

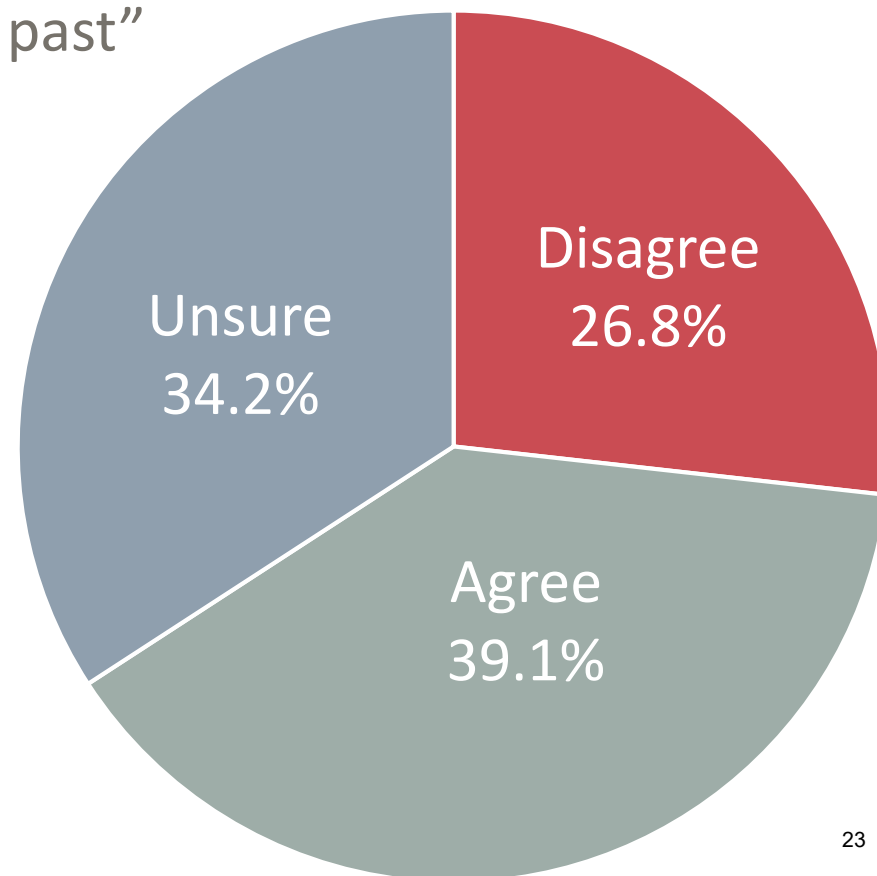
	State (%)	Commonwealth (%)
...remains frank and fearless	27.8	31.0
...is appreciated by governments	33.1	31.8
...has too great a role played by ministerial advisors	57.7	61.9
...has too great a role played by consultants	65.0	71.4
...[is responsive to governments]	84.7	89.7

(percentage who agree or strongly agree)

Let me conclude this rather disheartening account. Asked if the public service is a better place to work than in the past, only 39% agreed. Some 34% were unsure and 27% disagreed.

## PROGRESS

“The public service is a better place to work than in the past”

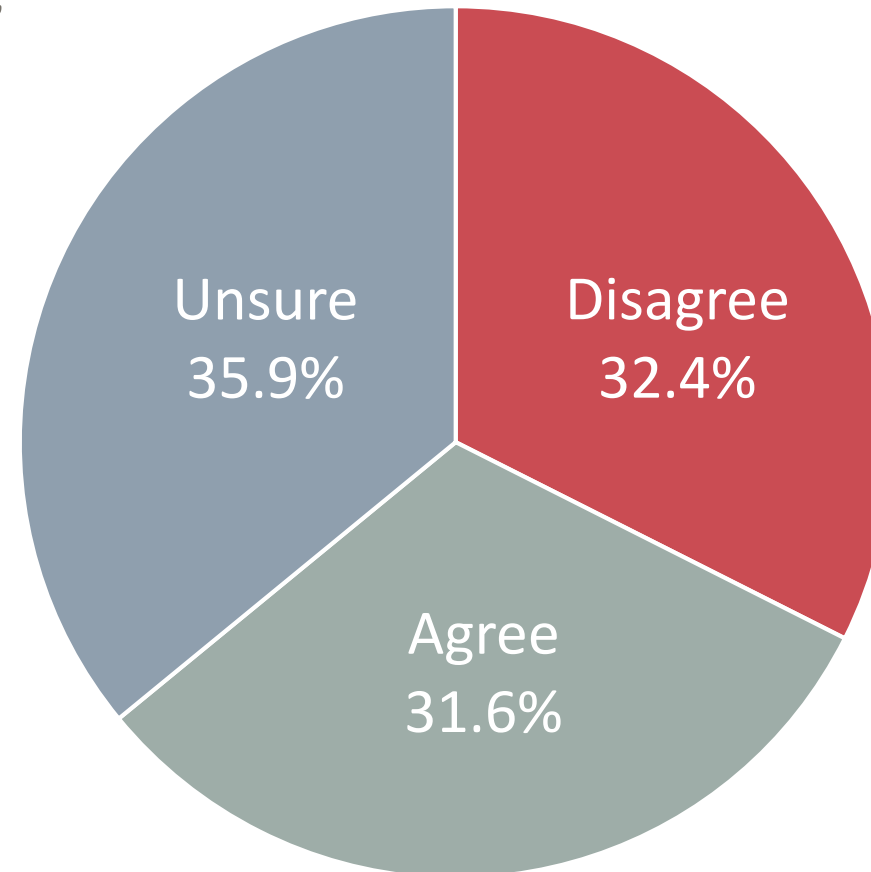


And asked directly if the public service within which they worked were fit-for-purpose, just 32% agreed. Some 36% were unsure and 33% disagreed.



## FITNESS

“The public service is fit-for-purpose”



I did not expect these results. The speeches I delivered, although they addressed the scale of the challenges faced by public servants, did not lead my audiences to such pessimistic conclusions. I am left in no doubt that many well-experienced and senior public servants are troubled by the organisational capability of their workplaces. They worry whether the ethos and values that are inherent to their chosen vocation are being maintained and defended. Many respondents – in some instances, most – are uncertain or pessimistic about the future.

Such gloom comes at the worst possible time. As I sought to convey in my speaking tour, the foundations of liberal democracy appear to be increasingly fragile. Populist responses to complex public policy conundrums are becoming attractive to disillusioned voters in search of simple answers. The authoritarian impulse is becoming more evident. Faith in expertise is declining. Conspiracy theories run wild. Freedom of speech is under challenge, even on our university campuses.

In Australia, trust in politicians is at a low ebb. The young, in particular, seem unpersuaded of the relative merits of democratic politics. Political fragmentation and extremism, coupled with the increasing incivility of political discourse, makes the professional moderation of public servants seeking common ground less attractive. There is a rising tribalisation of Australian politics and culture. In this 'post-truth' world the value of a skilled public administration, trained in looking at all sides of a political proposition in a considered and thoughtful manner, is no longer regarded as a civic virtue.

Yet the capacity to anticipate the unintended consequences of a policy proposal, and to imagine alternative solutions, is vital to government decision-making. This is especially true at times of electoral transition and political turmoil that are the hallmark of modern representative democracy. In today's uncertain environment, the ability of public administrators to serve successive governments in an apolitical manner has become significantly more important to the health functioning of the machinery of democratic government. Yet, perhaps in part because of the societal challenges, public servants feel less confident in their ability to administer effectively.

Of course it is important for public services to improve their managerial capacity. They do need to develop their people and organise their resources in a more efficient and effective manner. Similarly, they must exhibit greater leadership in finding new and innovative approaches to the design and implementation of public policy, and which are more responsive to the aspirations of citizens. They also need, to apply exhibit more facilitative skill to the development of cross-sectoral partnerships with business and community organisations in order to create beneficial public impact and outcomes.

But the survey suggests to me that such capability enhancement is no longer enough. We do not just require new (or even newer) public management. IPAA (and its members) should expound a stronger narrative of the purpose of public service, focused on how it is central to the operations of democratic governance and to the maintenance of a civil society. We should be more proactive and vocal in framing public discourse around the role and accountability of public services. We need to present the professional face of a confident public sector.

This is not impossible. After all bright young people in search of a job are still attracted to us. According to 16,000 votes from Australian university students in 2017, 11 of the top 25 employers were public sector organisations. Similarly, the most recent Randstad research report, based on almost 10,000 phone surveys, found that the Australian, Queensland, NSW and ACT governments all ranked in the top 20 most attractive employers for career seekers. Public service is still perceived as attractive. It is seen as interesting, worthwhile and meaningful.

Moreover, public servants as a category, remain more than twice as trustworthy in the community as the politicians they serve. And at a time of declining respect for institutional authority, it is doctors, teachers, nurses and first responders (many of whom work in public services), who retain the highest levels of community trust. Lawyers, bankers, business and trade union leaders and ministers of religion are regarded far less favourably.

But we cannot assume we can rely on an impartial public service – as an ethos – continuing to be appreciated. We need to tell of a convincing story of the way in which it is the bedrock of democratic governance. It is time for us to find ways in which to give collective voice to the profound societal value created by professional public servants, from Secretaries and Director-Generals to the frontline staff who meet and talk to citizens on a daily basis.

For myself, as National President for IPAA, I will do my best to do my part in telling that tale.