



**Australian Government**  
**Australian Public Service**  
**Commission**

# State of the Service Report **2017–18**



## Contact and acknowledgment information

The Australian Public Service Commission welcomes your comments on the *State of the Service Report 2017–18*. Please direct comments or enquiries to:

### Workforce Information Group

Australian Public Service Commission

Level 4, B Block, Treasury Building, Parkes Place West

Parkes ACT 2600

Email: [stateoftheservice@apsc.gov.au](mailto:stateoftheservice@apsc.gov.au)

**Website:** [www.apsc.gov.au](http://www.apsc.gov.au)

**Production team:** Helen Bull, Diane Tsuji, Michelle Coffill, John Wilson, Nicole Steele and Nathan Borgelt

**Design and typesetting:** [giraffe.com.au](http://giraffe.com.au)

**Indexing:** Angela E. Grant

**Printing:** Elect Printing

© Commonwealth of Australia 2018



With the exception of the Commonwealth Coat of Arms and where otherwise noted, all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia licence (<http://creativecommons.org/licenses/by/3.0/au>). Details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided), as is the full legal code for the CC BY 3.0 AU licence (<http://creativecommons.org/licenses/by/3.0/au/legalcode>).

This document must be attributed as the *State of the Service Report 2017–18*.

ISBN 978-0-6482154-6-2



**Australian Government**  
**Australian Public Service**  
**Commission**

The Honourable Mathias Cormann MP  
Minister for Finance and the Public Service  
Parliament House  
Canberra ACT 2600

Dear Minister

In accordance with Section 44(1) of the *Public Service Act 1999* (Cwlth), I present you with my report on the state of the Australian Public Service for 2017–18.

In this report, I acknowledge my predecessor, the Hon. John Lloyd PSM, for his contribution to the state of the Australian Public Service workforce in 2017–18.

Section 44(3) of the *Public Service Act 1999* requires that this report is laid before each House of Parliament by 30 November 2018.

Yours sincerely



Peter Woolcott AO  
Australian Public Service Commissioner  
5 November 2018



# PREFACE

Section 44 of the *Public Service Act 1999* (Cwlth) provides that the Australian Public Service Commissioner must issue a report each year to the agency's Minister for presentation to the Australian Parliament. The report must include a report on the state of the Australian Public Service (APS) during the year.

The *State of the Service Report 2017–18* identifies the year-to-year trends in workforce participation and capability across the APS.

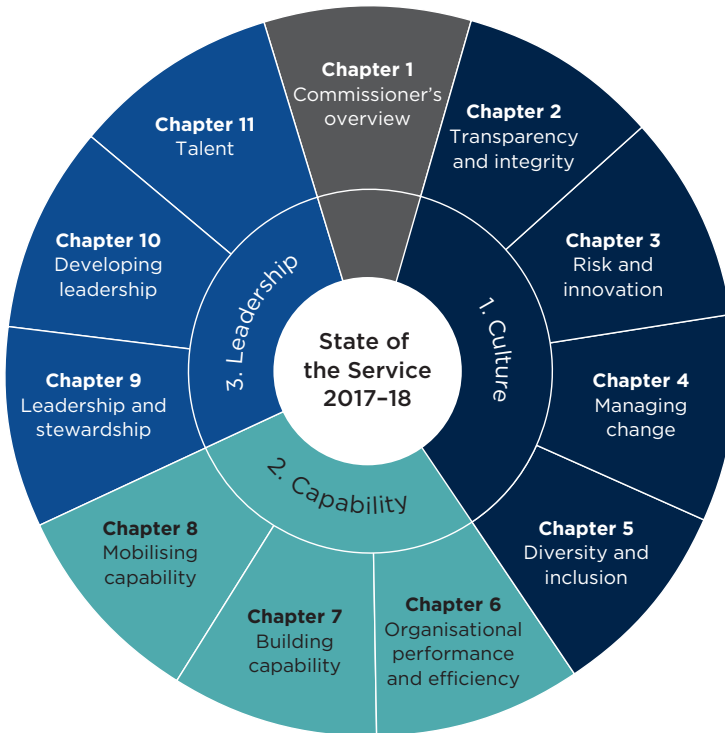
This is the 21<sup>st</sup> annual report on the state of the APS presented to Parliament. The report has been significantly enhanced since it was first tabled in 1998.

This year, the State of the Service report has been organised around three key agency capability themes:

1. culture
2. capability
3. leadership.

The report contains an overview of the current state of play in the APS and the pressures to reform in the context of continual change. The remaining 10 chapters are grouped under the three key themes outlined above (and highlighted in Figure 1).

Figure 1: State of the Service Report 2017-18 themes and structure overview



The appendices to the *State of the Service Report 2017-18* comprise:

- APS workforce information sources
- APS agencies
- APS workforce trends
- supporting statistics to the report
- unscheduled absence data.



# APS AT A GLANCE

150 594

**TOTAL EMPLOYEES**

Down 0.9% from June 2017

136 175

**ONGOING**

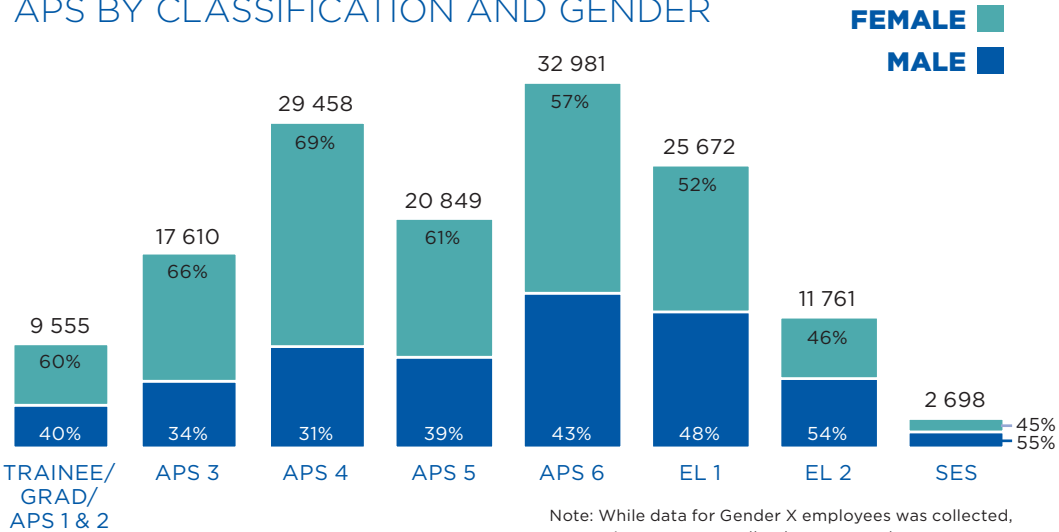
Down 0.8% from June 2017

14 419

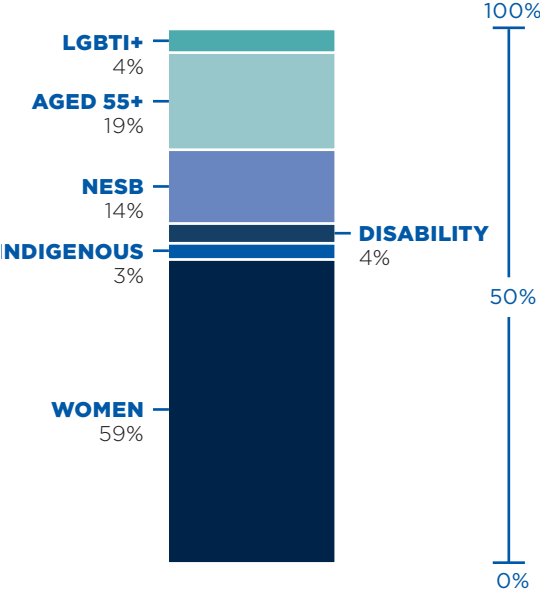
**NON-ONGOING**

Down 2.9% from 2017

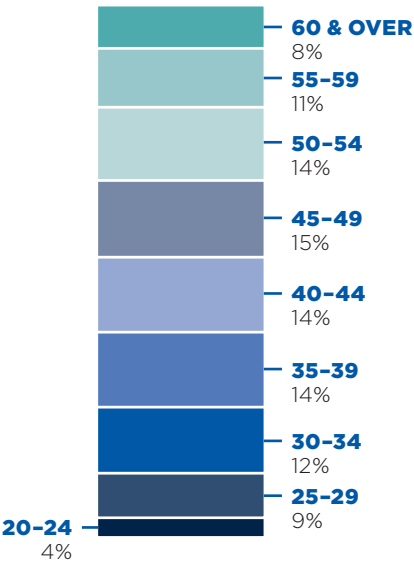
## APS BY CLASSIFICATION AND GENDER



## DIVERSITY



## APS AGE PROFILE

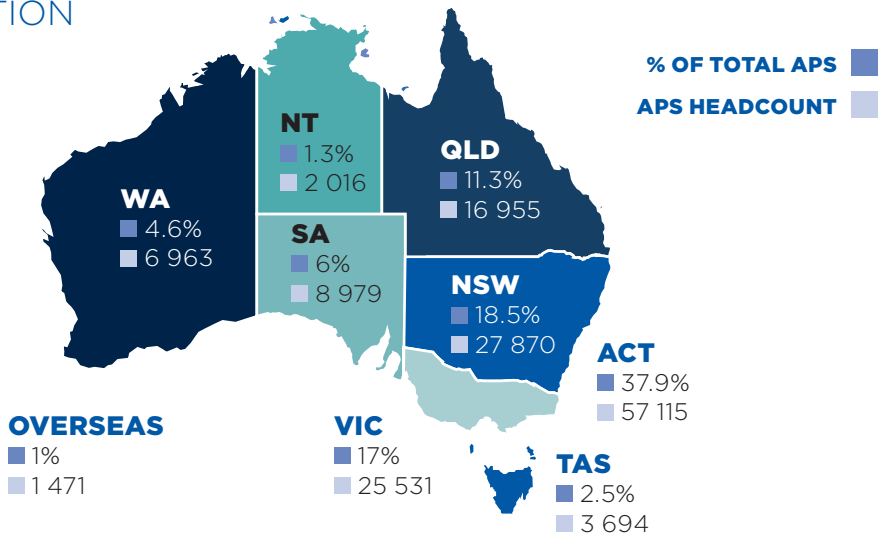




## AVERAGE APS EMPLOYEE



## LOCATION



# CONTENTS

<b>APS at a Glance</b>	<b>vi</b>
<b>Chapter 1 Commissioner's overview</b>	<b>1</b>
The pressure for reform	2
Current state of play	3
An APS workforce for the future	5
Culture	7
Capability	9
Leadership	10
<b>Theme 1: Culture</b>	<b>13</b>
<b>Chapter 2 Transparency and integrity</b>	<b>14</b>
Public trust	14
Transparency	16
Open Government National Action Plan	16
Use and transparency of government data	17
2018 Review of Australian Government Data Activities	18
Citizen engagement	18
APS Values and integrity	22
Managing misconduct	25
<b>Chapter 3 Risk and innovation</b>	<b>34</b>
Innovation	34
Engaging with risk	39
The Commonwealth Risk Management Policy	42
<b>Chapter 4 Managing change</b>	<b>44</b>
<b>Chapter 5 Diversity and inclusion</b>	<b>50</b>
Leading diversity	51
Gender	54
Indigenous representation	58
Lesbian, Gay, Bisexual, Trans and/or Intersex representation	61
Disability	61
Older workers	63
Cultural and linguistic diversity	65
Considerations for the future	67
<b>Theme 2: Capability</b>	<b>69</b>
<b>Chapter 6 Organisational performance and efficiency</b>	<b>70</b>
Public sector performance	70



Agency performance	73
Cutting red tape	75
Collaborating for better outcomes	76
Workplace relations	77
Engagement	79
Wellbeing	82
Flexible work	83
<b>Chapter 7 Building capability</b>	<b>86</b>
Investing in capability	88
Professional public service	89
Building digital capability	90
Data capability	92
Strategic policy skills	94
Attraction and retention	94
<b>Chapter 8 Mobilising capability</b>	<b>100</b>
Degree of APS mobility	102
<b>Theme 3: Leadership</b>	<b>107</b>
<b>Chapter 9 Leadership and stewardship</b>	<b>108</b>
Secretaries Board	109
Leadership capabilities for senior roles	110
Leadership performance	113
Secretaries	113
SES and immediate supervisors	113
<b>Chapter 10 Developing leadership</b>	<b>118</b>
Leadership development focus	118
Leadership development approach	119
Observations from APS leadership development programs	120
Capability shifts	120
Leadership transitions	120
Strengthening community engagement	121
The role of managers in leadership development	123
<b>Chapter 11 Talent</b>	<b>124</b>
Talent management in the APS	126
Talent management at SES level	127
Talent management in agencies	128
Talent management in the future	129
<b>State of the Service appendices</b>	<b>130</b>
<b>Glossary</b>	<b>175</b>
<b>Index</b>	<b>176</b>

## List of figures

Figure 1: State of the Service Report 2017–18 themes and structure overview	v
Figure 2: Delivering for citizens and businesses	3
Figure 3: Global and local trends with implications for the future of the APS	6
Figure 4: Edelman Trust Barometer—trust in government institutions (all levels of government)	15
Figure 5: APS Values	23
Figure 6: Acting in accordance with APS Values	23
Figure 7: Measures applied by APS agencies in 2017–18 to embed the APS Values	24
Figure 8: Number of employees investigated for a suspected breach of the APS Code of Conduct, 2014–18	26
Figure 9: Reported perceived rates of bullying and/or harassment 2012–18	27
Figure 10: Perceived experiences of discrimination by APS employees of diversity groups	28
Figure 11: Perceived experiences of harassment and/or bullying by APS employees of diversity groups	29
Figure 12: Transparency International's Corruption Perceptions Index, Australian public sectors, 2012–17	31
Figure 13: Number of employees investigated for corrupt behaviour, 2014–18	31
Figure 14: Employee perceptions of workplace corruption risk, 2018	33
Figure 15: APS employee perceptions of innovation in their agency	35
Figure 16: Percentage point differences between the top and bottom 10 agencies for innovation	36
Figure 17: APS employee perceptions of risk management in their agency	40
Figure 18: APS employee perceptions of whether change is managed well in their agency, 2013–18	45
Figure 19: APS employee perceptions of effective internal communication by perceptions of effective change management	46
Figure 20: APS employee perceptions of effectiveness of communication from SES to employees, 2016–18	47
Figure 21: APS employee perceptions of communication between the SES and other employees by perceptions of effective change management	47

Figure 22: APS employee perceptions of whether they are consulted about change at work by perceptions of effective change management	48
Figure 23: APS employee perceptions of effective change management by workplace stressors	48
Figure 24: APS employee perceptions of effective change management by ratings of agency performance	49
Figure 25: APS employee perceptions of agency commitment to creating a diverse workforce, 2013–18	53
Figure 26: APS gender representation by year, 2009–18	54
Figure 27: Classification of APS employees by gender, 2018	55
Figure 28: APS employee perceptions of gender equality	56
Figure 29: Representation of gender X employees in the APS, 2014–18	57
Figure 30: Representation of Indigenous employees in the APS, 2009–18	58
Figure 31: Representation of Indigenous and non-Indigenous APS employees by classification, 2018	58
Figure 32: Representation of employees with an ongoing disability in the APS, 2012–18	62
Figure 33: Mean age of APS employees, 2009–18	63
Figure 34: APS employee career intentions by age group	64
Figure 35: APS employee interest in leaving the APS for other job opportunities by age group	64
Figure 36: Proportion of APS employees from non-English speaking backgrounds and APS employees born overseas, 1968–2018	66
Figure 37: Proportion of APS employees by location of birth, 1968–2018	66
Figure 38: Departmental expenditure as a percentage of total Government expenses, 2007–08 to 2021–22	72
Figure 39: Productivity-related perceptions of APS employees from agencies with high and low perceived organisational performance	73
Figure 40: Perceptions of SES managers held by APS employees from agencies with high and low-perceived organisational performance	74
Figure 41: Percentage point differences between the top 10 and bottom 10 agencies for employee engagement	80
Figure 42: Employee engagement scores by classification	81
Figure 43: APS employee perceptions of their agency, SES and non-SES employees	81



Figure 44: Percentage point differences between the top 10 and bottom 10 agencies for wellbeing	82
Figure 45: Barriers cited as reasons for not using flexible working arrangements	84
Figure 46: Proportion of APS agencies undertaking actions to improve data literacy capability	93
Figure 47: Most common reasons why employees joined the APS	95
Figure 48: APS employee intention to remain with their agency	99
Figure 49: APS employees by number of agencies worked in	102
Figure 50: Location of ongoing APS employees by classification	103
Figure 51: Proportion of transfers of ongoing employees into an agency by type	103
Figure 52: Number of agencies worked by an APS employee by job family	105
Figure 53: Common leadership themes	110
Figure 54: APS employee perceptions of their immediate SES managers	114
Figure 55: APS employee perceptions of the SES managers within their agency	115
Figure 56: APS employee perceptions of their immediate supervisors	116
Figure 57: APS employee perceptions of their immediate supervisors' approach to developing capability	117
Figure 58: Talent Management System	125

# CHAPTER 1

## COMMISSIONER'S OVERVIEW

Reform has been a key focus for the APS this year. The Government continues its endeavours to create a more productive, efficient and effective public service. In May 2018, the Government announced two approaches to further reform the APS.

The first approach is an ongoing Roadmap for Reform (the Roadmap) to be implemented by Secretaries.<sup>1</sup> The Roadmap focuses on short to medium-term strategies in six streams designed to improve:

1. Citizen and business engagement—ensuring more effective engagement between the public sector, citizens, business, and innovators when designing and delivering policies, programs and services.
2. Investment and resourcing—better aligning funding to deliver government priorities and meet service delivery expectations.
3. Policy, data and innovation—making the best use of data to support policy development and decision making and improve innovation.
4. Structures and operating models—ensuring APS operating models support integration, efficiency and a focus on citizen services.
5. Workforce and culture—adopting workforce practices that will meet future needs, including through strengthening talent management, data analytical capability and digital skills.
6. Productivity—developing the best contemporary measures for public sector productivity and using this to improve administration.

The second approach is an Independent Review of the APS to ensure the APS is fit-for-purpose for the coming decades.

The Review is being conducted by a six-person panel. The panel is chaired by Mr David Thodey AO, and includes Ms Maile Carnegie, Professor Glynn Davis AC, Dr Gordon de Brouwer PSM, Ms Belinda Hutchinson AM, and Ms Alison Watkins.

The panel is due to report to Government by mid-2019.

---

1 Department of Finance (2018), *Budget 2018–19: Agency Resourcing Budget paper No. 4*, Canberra.

## The pressure for reform

Current APS reform work is in response to the need to maintain a strong and effective public service in the face of increasing challenges.

Like many other institutions in Western democracies, the APS is under pressure. The public has high expectations about how complex policy problems are solved and how services are delivered.

The acceleration of technology, the speed of decision making, global interconnectedness and changes brought by social media, have profoundly altered Australian society, and the expectations Australians have of government institutions.

Evidence also exists of declining trust in government institutions. There are many global measures of trust in government, however one of the most long-standing is the Edelman Trust Barometer, an annual online survey of trust in 28 markets around the world. In 2018, results showed an ongoing decline in the trust Australians have across all three tiers of government.

The APS relies on social licence and trust from the public. Data is fundamental in responding to public expectations that policy and service delivery be personalised and tailored to local community needs. Appropriate safeguards and community consultation are needed when implementing data and digital services, to avoid undermining the broader agenda of effective policy implementation. The declining trust in institutions could also lead to increased scrutiny and calls for greater transparency and accountability, including of the APS. It is therefore as important as ever that the APS maintains strong integrity foundations.

The APS is not broken, but it does need to be ready to respond quickly to government and changing community needs and to take advantage of emerging technologies. While accelerated change is needed, this must be managed carefully. The Government and the public want a sense of continuity and stability from the APS. Services and functions still need to be delivered and sound advice provided.

## Current state of play

A high-performing APS is critical to the effective delivery of government services to the Australian community (Figure 2). Some 150,000 employees working across Australia and overseas through 18 departments and more than 100 agencies and authorities deliver a wide array of services.

Figure 2: Delivering for citizens and businesses



For many years, Australia has performed strongly on international comparisons of public sectors. In 2017, Australia ranked 3<sup>rd</sup> overall in the International Civil Service Effectiveness Index.<sup>2</sup> A closer look at the measures shows that Australia strongly performed in regulation, crisis/risk management, inclusiveness and digital services. Australia fell outside the top five in other areas, such as policy making and human resource (HR) management.

The 2017 Government at a Glance data, produced by the Organisation for Economic Co-operation and Development (OECD), also shows that Australia performs well in a number of areas, including integrity, regulation openness of government and managing national crises.

The APS no longer has the monopoly it once had. As an enduring institution, the APS still has authority, but it is working in a much more contested environment. The advice from the APS needs to be well-argued, persuasive and open to challenge by political advisers, think-tanks, lobby groups and non-government organisations (NGOs). This is the reality, and the APS must be able to deliver in this environment.

Civil society, the private sector and single-issue groups are highly mobile, well-funded and adept at using social media to influence reform. The APS has a responsibility to bring a wide lens to any issue and ensure that the Government has all the relevant data and analysis it needs to make decisions.

2 *International Civil Service Effectiveness (InCiSE) Index, 2017*, <https://www.instituteforgovernment.org.uk/sites/default/files/publications/International-civil-service-effectiveness-index-July-17.pdf> (accessed 15 October 2018).

There has been a shift in the very nature of power. Because of new communication technologies, influence has flowed to coalitions and networks. This means the APS has to engage more actively with civil society and the private sector to ensure its positions are well understood and to provide sound advice to government.

The APS has to think imaginatively about its working relationships with ministers and their offices. An effective APS requires that it be accepted that talented employees need to have the opportunity to work in ministerial offices to give them a deeper understanding of the speed with which matters move, and the pressures that quickly bear down on ministers. Understanding these pressures makes for better public service advisers.

Similarly, it is incumbent on the APS to assist political staffers to understand how to use and work with the public service. It is imperative that the APS remains impartial and apolitical. However, the APS also needs to be politically astute. Government works at its best when ministers, their offices and the public service work together in pursuit of an outcome.

Fragmentation and silos remain across the APS and all levels of Australian governments.

We cannot fix complex problems through stove-piped processes. The taskforce model for policy development and implementation is likely to emerge as a model for the future. The ability to quickly configure around an issue is going to be crucial in managing complexity. Accountability and resourcing needs to be shared.

The community does not differentiate between different levels and areas of the public sector. To meet increasing community expectations, the APS must work more closely with colleagues across the APS, as well as with colleagues in state and territory public sectors, and with local government and their communities.

David Thodey AO has recently spoken about early themes emerging from the Independent Review of the APS. These include the need to:

- have a clear statement on and agreement of the purpose, culture and behaviours of the APS across all stakeholders
- value and respect the institution of the APS and the people who work in it—the public service profession
- understand the changing nature of leadership and functional expertise required in the APS
- invest sufficient time and resources to continually develop the APS workforce and maintain core capability, while developing the skills and capabilities for the future
- understand that the nature of an impactful and effective APS is driven by outcomes and cross-government collaboration
- ensure the APS is both innovative and responsive in meeting the evolving expectations of the community and government



- understand the needs of the public and achieving a modern citizen-centric public service
- ensure contemporary governance, management processes and organisational design.

These themes are well-articulated and the Independent Review is likely to be a highly influential document. That said, the APS does not need to wait for the outcomes of the Review to work on improving its performance. There is much more we can do now.

The Government's program for modernising the APS has been underway for some time.

The APS Reform Committee of the Secretaries Board is leading work to reform the APS, including improvements to delivering corporate services through the shared services program and developing a whole-of-government citizen and business engagement strategy, with linkages to a digital strategy to improve government service delivery. The ARC is also overseeing work to improve policy and innovation capability across the APS.

A set of projects are in train to transform the use of government data. This includes work through the Data Integration Partnership for Australia to support more comprehensive data analysis and improve policy development and program implementation.

A data literacy program was designed in partnership between the Australian Public Service Commission (APSC) and the Australian Bureau of Statistics (ABS) and released in 2018. The program included a 'Using statistics' workshop, which was piloted twice in mid-2018 before general release.

The APSC is also working in partnership with the Digital Transformation Agency to support the Government's digital transformation agenda through programs to increase digital capability in the APS.

In 2017–18, a pilot program for senior executives concentrating on digital leadership was introduced. The Leading Digital Transformation program is designed to increase the confidence and capability of senior executives to lead digital programs and change.

## An APS workforce for the future

The role of the APSC is central in building and maintaining the capability of the APS. Section 41 of the Public Service Act, in its simplest terms, requires the Australian Public Service Commissioner to work with the APS to ensure its professionalism, integrity and effectiveness.

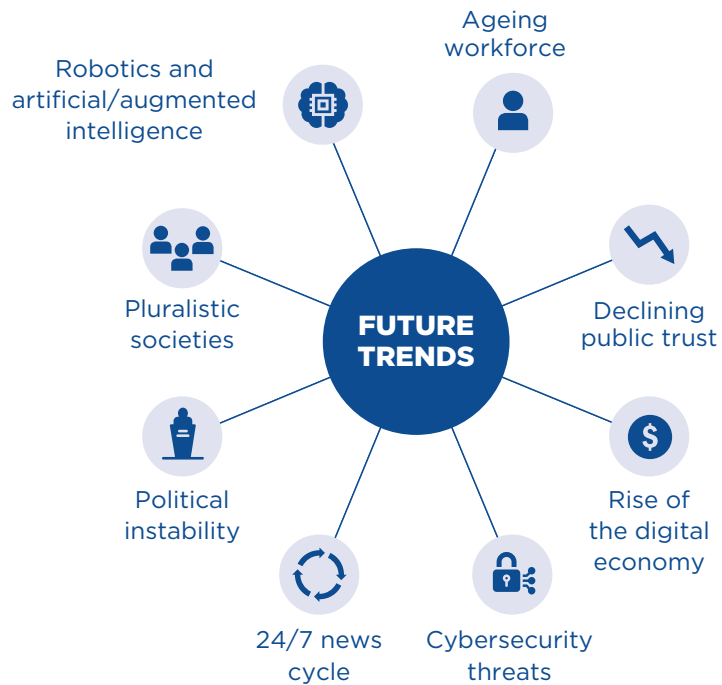
Under the Roadmap announced in this year's Budget, the APSC is tasked with developing a 'whole-of-government workforce strategy to drive modern workforce practices, inform future capability

requirements and help prepare the public sector employees for the future.’

The capability of the APS workforce and the ability of the APS to mobilise this capability is vital to the success of a public sector fit for the future.

A number of global and local trends have implications for the future of the APS workforce (Figure 3).

Figure 3: Global and local trends with implications for the future of the APS



The APS-wide workforce strategy will be built on three core components to ensure the APS has the:

1. culture, values and behaviours required to support a modern, professional workforce
2. capabilities required for the future
3. leadership required to steward the APS through change.

Underpinning the strategy will be a range of initiatives to:

- attract people with the right skills, experience and mindset, mobilising them when and where needed. These people may be from within the APS or from the private sector, not-for-profit sector or other jurisdictions. They may also be consultants or contractors.
- identify and develop the evolving capabilities needed in the APS workforce to deliver government outcomes.
- create a flexible and adaptive environment to meet the needs of citizens, the workforce and government.

The high-level themes of this year's report focus on these three components—culture, capability and leadership.

## Culture

Culture is the foundational set of values and behaviours that underpin the APS. A culture that reflects a professional public service, has a strong focus on integrity and the principles of good administration is central to the democratic process and the confidence the public has in the public service.

The APS is well regarded by international benchmarks and peers for its integrity processes and structures. There can, however, be no complacency. It is difficult to build trust and easy to lose it.

With a more mobile workforce moving in and out of the public service, the focus on integrity needs to remain strong.

With changing expectations of the APS and the changing nature of work, the APS will need to assess if the current set of values and behavioural expectations remains relevant and resonates with a modern APS.

Inclusiveness remains a crucial cultural value. The APS needs to reflect the diversity of the Australian community.

It is pleasing that this year the APS achieved equal gender balance at secretary level. However, the diversity of the APS trails that of the broader Australian community, particularly at the SES levels. We need to increase our efforts. The APS needs a wider view to ensure it does not become inward looking and insular.

A strong change management culture is needed if the APS is to effectively address future challenges.

When considering change management in their agencies, just over one-third of respondents to the 2018 APS employee census agree that change is managed well. When considering the role of the SES in managing change, 58 per cent agree that they effectively lead and manage change. There has only been a slight increase to these results in the past five years.

In 2015 and 2017, the APSC asked agencies to self-assess their change management capability. Eighty-seven per cent assessed they needed to increase this capability. Forty-six per cent reported their change management capability had declined since 2015.

The development of a positive risk culture is also needed to support greater levels of innovation. A strong risk averse culture prevents the APS from being open to new ways of responding to government and citizen demands and making the most of opportunities, including emerging technologies.

The APS has a history of being risk averse. In the *State of the Service Report 2013–14*,<sup>3</sup> Stephen Sedgwick AO reported that external and self-assessments of APS practice suggested that ‘risk management is seen as a compliance exercise rather than a way of working.’<sup>4</sup>

Five years later, the recent *Public Governance, Performance and Accountability Act 2013* (Cwlth) (PGPA Act) review continues to raise concerns about the level of risk management maturity reporting that:

... risk practice across the Commonwealth is still relatively immature. There is still significant work to be done to embed an active engagement with risk into policy development processes and program management practice, and to have officials at all levels appreciate their role to identify and manage risk.<sup>5</sup>

The 2018 APS employee census asked questions about employee perceptions of risk management and risk culture within their agency.

Most respondents agreed that their agency supports escalating risk-related issues to managers. Almost two-thirds of respondents agreed that risk management concerns are discussed openly and honestly. However, only 28 per cent of respondents agreed that appropriate risk taking is rewarded in their agency. A large proportion of respondents neither agreed nor disagreed with the questions posed.

These results suggest that a significant cohort of employees may not understand their agency’s risk management framework, may not observe or experience risk management in action, or simply do not know how the statements apply in practice in their agency. This suggests there is some way to go in building an appropriate risk culture in the APS.

3 <https://www.apsc.gov.au/sites/g/files/net4441/f/sosr-2013-14-web.pdf> (accessed 16 October 2018).

4 *State of the Service Report 2013–14*, p. 11.

5 Alexander, E and Thodey, D (2018), *Independent Review into the Operation of the Public Governance, Performance and Accountability Act 2013 and Rule*, p. 20.

## Capability

Like organisations worldwide, building capability for the future is an APS priority. The nature of work is changing with rapid advances in computer power and data growth, advances in artificial intelligence, digitalisation and automation. An ageing workforce and younger generations entering the workforce are changing the way people want to work. Increasing importance is placed on soft skills, Science, Technology, Engineering and Mathematics (STEM) skills and lifelong learning.

At the same time, the APS will continue to require professional public service capabilities, such as policy expertise, to deliver to the standards government and citizens expect.

The APS also needs to mobilise capabilities when and where needed. The traditional view of mobility has been focused on the individual moving between departments or portfolios. This equates to about 2.5 per cent of employees per year.

The APS has not sufficiently focused on mobility both between agencies and in and out of the APS. Mobility can foster diversity of thinking, contestability of ideas and assist in capability development. Increased mobility will lift the overall capability of the APS, not just the individual.

The workforce of the future will be more mobile. People will have multiple careers and will engage in more gig or short-term work.

The APS needs to be flexible to respond quickly to emerging issues and to use our workforce appropriately in response. However, balance is needed. Too much, or poorly targeted, mobility can have the adverse impact with the APS losing subject-matter expertise.

Deep expertise is and will remain crucial to APS performance. This is particularly the case in specialised agencies, often sitting outside of departments, including those with specialised regulatory functions.

Experience outside of the APS is also critical in building capability. There is a need for more porous boundaries in and out of the public sector and stronger connections with the private sector, not-for-profit sector, academia, and state and territory jurisdictions.

In his recent address<sup>6</sup> to the APS, the Minister for Finance and the Public Service asked the APSC to consider ways to rotate public servants through state and territory governments, private sector companies and the third sector. Such a program offers a way to build understanding and familiarity across these sectors and improve APS capacity.

6 <https://www.financeminister.gov.au/speech/2018/10/10/address-australian-public-service-apswide-canberra-conference> (accessed 16 October 2018).

## Leadership

Strong and effective leadership is essential to successful reform.

In 2017, the Secretaries Board endorsed a set of leadership capabilities for senior leaders. These provide guidance for the SES in their important leadership role of the APS as it adapts to best support government and citizens.

In the 2018 APS employee census, employees rated their supervisors favourably on all questions.

Most APS employees also viewed their SES managers positively, although less so than perceptions of immediate supervisors.

APS employees were mostly likely to agree that their SES manager was of high quality at 65 per cent, an increase from 62 per cent in 2017.

The lowest result was in response to whether SES gave time to identify and develop talented people, at 45 per cent. This is a small increase on last year's result of 43 per cent.

Consistent with past years, APS employees rated SES across their organisation less favourably than their immediate SES and supervisor. In particular, employees are less likely to agree that their SES work as a team (only 43 per cent of respondents agree). This needs to be a focus area for improvement.

Data from the 2018 APS agency survey indicates that one of the priority areas for capability development across the APS is leadership and management. Specific leadership development areas include resilience and change management. Leadership development for APS 5 and 6, and Executive Level (EL) employees is a priority for some small agencies.

Agencies suggest a number of factors are driving this demand, including the need to operate effectively in an environment of continuous change, complexity and uncertainty.







THEME 1:

CULTURE

# CHAPTER 2

## TRANSPARENCY AND INTEGRITY

### Key points

- Public trust in governments in many countries, including Australia, is in decline.
- Increased transparency and more effective engagement with the community, especially in the co-design and implementation of services and policies, is a priority.
- All agencies reported that the APS Values were reflected in their management practices and procedures.
- Most APS employees agreed their colleagues, supervisors and senior leaders ‘always’ or ‘often’ act in accordance with the APS Values.
- A total of 569 employees were subject to an investigation into a suspected breach of the APS Code of Conduct that was finalised in 2017–18. This equates to 0.4 per cent of the APS workforce.
- The rate of perceived bullying and/or harassment in the APS has been declining since 2015.
- In 2018, 12 per cent of employees perceived discrimination at work in the past year.

### Public trust

Trust in government is declining in many countries. Trust is important for ensuring success of government programs. ‘Lack of trust compromises the willingness of citizens and business to respond to public policies and contribute to a sustainable economic recovery.’<sup>7</sup>

Trust can be influenced by citizens’ experiences in receiving government services, citizen engagement and inclusive policy design, appropriate regulation and integrity of institutions.

There are many global measures of trust in government. One of the most long-standing is the Edelman Trust Barometer, an annual online survey of trust in 28 markets around the world.<sup>8,9</sup> In 2018, the Edelman Trust Barometer showed that in Australia, citizen trust in all levels of government institutions has continued to decline.

Australia ranked 19<sup>th</sup> across the 28 countries assessed, with an overall score of 35 per cent trust in all Australian governments (Figure 4). Australia’s ranking reflects all three levels of government and is well below the average of 43 per cent, falling within the barometer’s ‘distrust’ range.

<sup>7</sup> <http://www.oecd.org/gov/trust-in-government.htm> (accessed 16 October 2018).

<sup>8</sup> The Edelman Trust Barometer includes trust in business, NGOs, the media and all levels of government.

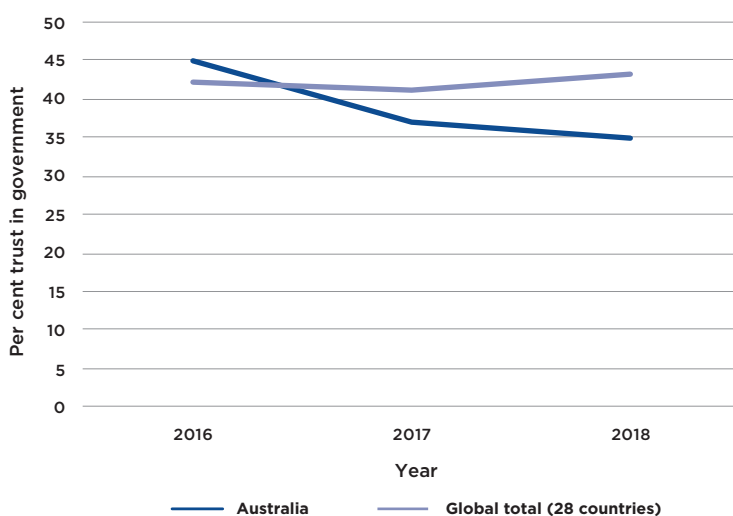
<sup>9</sup> Edelman Trust, 2018 *Edelman Trust Barometer*, <https://www.edelman.com/trust-barometer> (accessed 15 October 2018).



The loss of trust in government often comes when there's a loss of trust in the capacity of people to deliver services. That translates I think more broadly to us in the federal or state sphere where we're trying to policy advise even where we're not directly delivering services, if they cannot trust that a) we have the expertise to deliver, or b) that we've engaged them seriously along the way.

**Dr Steven Kennedy PSM, Secretary, Department of Infrastructure and Regional Development<sup>10</sup>**

Figure 4: Edelman Trust Barometer—trust in government institutions (all levels of government)



Source: 2018 Edelman Trust Barometer

In the 2017 *Australian Community Attitudes to Privacy Survey*<sup>11</sup> undertaken by the Office of the Australian Information Commissioner, the Australian community was asked how trustworthy they considered 14 types of organisations. Federal, state and territory public sectors achieved the third highest rating (58 per cent).

<sup>10</sup> IPAA national conference: 'What's Next?', 15 November 2017.

<sup>11</sup> Office of the Australian Information Commissioner, *Australian Community Attitudes to Privacy Survey 2017*, <https://www.oaic.gov.au/engage-with-us/community-attitudes/australian-community-attitudes-to-privacy-survey-2017/#commissioners-foreword> (accessed 15 October 2018).

In terms of how public servants build the public's trust, it comes down to how we talk with the public, how we treat them, and how we ensure that we provide, rationally and without advocacy, the information they want and need to make informed judgments and decisions.'

*Dr Gordon de Brouwer PSM, Former Secretary, Department of the Environment and Energy*<sup>12</sup>

## Transparency

Openness of government, transparency around decisions, and management of information are all key drivers of public trust.

The 2015 World Justice Project Open Government Index<sup>13</sup> ranked Australia 9th out of 113 countries. The Index uses four dimensions to measure government openness: publicised laws and government data; right to information; civic participation; and complaint mechanisms.

## Open Government National Action Plan

Australia's first Open Government National Action Plan<sup>14</sup> was launched in December 2016. It contained 15 commitments to advance public and private sector integrity, modernise access to government information and data, and digitally transform government services in Australia.

Under this plan, a new Australian Government Agencies Privacy Code was legislated and an International Open Data Charter adopted to strengthen the underlying frameworks for data usage. A Digital Marketplace and associated live dashboard have been implemented to give service providers greater access to Australian Government information and communications technology (ICT) procurement and improve public oversight of government services. Substantial progress has been made in improving the discoverability of government data.

<sup>12</sup> IPAA Secretary Series: Secretary Valedictory, 7 September 2017.

<sup>13</sup> World Justice Project Open Government Index 2015, World Justice Project, <http://data.worldjusticeproject.org/opengov/#> (accessed 15 October 2018).

<sup>14</sup> Open Government Partnership Australia, *Australia National Action Plan 2016–2018*, <https://www.opengovpartnership.org/documents/australia-national-action-plan-2016-2018> (accessed 15 October 2018).



On 21 September 2018, the second *Open Government National Action Plan 2018–2020* was released.<sup>15</sup> The plan was developed using an extensive co-design and consultation process between government, members of the Open Government Forum and the community. The plan comprises eight targeted commitments that will further open up government and help realise the values of the Open Government Partnership. These values include enhancing access to information, civic participation, public accountability, and technology and innovation for openness and accountability.

Specific commitments include exploring ways the government and the public service can adopt more place-based approaches in its work; involving the states and territories in the promotion of Open Government Plan values and principles; and enhancing the ability for the public to engage in the work of the public service.

## Use and transparency of government data

Of key importance to public trust is transparency and openness around the use of the data and information collected by governments.

As recognised in Australia's second Open Government National Action Plan 2018–19 and by the Productivity Commission's 2017 report *Data Availability and Use*, government data offers significant opportunity for innovation and research.<sup>16</sup> Commitments through the second Open Government National Action Plan 2018–20 reinforce the Government's existing policy to have non-sensitive data open by default.

---

15 Australian Government, Prime Minister and Cabinet, *Australia's Second Open Government National Action Plan 2018–2020*. <http://apo.org.au/system/files/193636/apo-nid193636-1009846.pdf> (accessed 15 October 2018).

16 Productivity Commission (2017), *Data Availability and Use*, Report no. 82, Canberra.

## 2018 Review of Australian Government Data Activities

The 2018 *Review of Australian Government Data Activities*<sup>17</sup> found:

- improvements in access to public sector data
- agencies using data more efficiently to provide agile and effective services
- public sector data skills and capabilities improving
- government data protections are building citizen trust and confidence in how public sector data is collected and used.

In response to the review, the Government intends to introduce a *Data Sharing and Release Bill* as part of its commitment to reforming data governance.

The intent of the new legislation is greater realisation of the economic and social benefits of increased data use, while maintaining public trust and confidence in the system.

The Government has established the Office of the National Data Commissioner, with the statutory appointment of a commissioner pending the passage of the *Data Sharing and Release Bill*. The National Data Commissioner will be responsible for implementing a simpler data sharing and release framework that will break down the barriers preventing efficient use and reuse of public data. The framework is designed to ensure that strong security and privacy protections are in place.

## Citizen engagement

Citizen engagement is critical in establishing the public's trust in the decisions the APS makes, including agency advice to government.

Citizen engagement provides the APS with access to a significantly wider scope of ideas and experience from the public who are directly impacted by new and existing policies and services.

Citizens can help the APS develop a greater understanding of issues and enable the development of policies and services that will address actual, not assumed, needs.<sup>18</sup>

Placing citizens at the centre of policymaking and service design ensures they have the opportunity to help shape policy and services in the areas that matter to them.

17 Prime Minister and Cabinet, *Review of Australian Government Data Activities 2018*, [https://www.pmc.gov.au/sites/default/files/publications/review\\_aus\\_gov\\_data\\_2018.pdf](https://www.pmc.gov.au/sites/default/files/publications/review_aus_gov_data_2018.pdf) (accessed 15 October 2018).

18 APSC, *Empowering Change: Fostering innovation in the Australian Public Service*, 2010, <https://www.apsc.gov.au/sites/g/files/net5296/f/empoweringchange.pdf>



Research into citizen engagement<sup>19</sup> has highlighted the benefits that can be realised when government builds strong and open relationships with the public it serves, including:

- improving the quality of policy being developed, making it more practical and relevant, and ensuring that services are delivered in a more effective and efficient way
- providing the government with a way to check the health of its relationship with citizens directly
- revealing ways in which government and citizens can work more closely on issues of concern
- giving early notice of emerging issues, putting government in a better position to deal with these in a proactive way
- providing opportunities for a diversity of voices to be heard on issues that matter to people
- enabling citizens to identify priorities and share in decision making, thereby assuming more ownership of solutions and more responsibility for their implementation
- fostering a sense of mutuality, belonging and a sense of empowerment, all of which strengthens resilience.

Genuine citizen-centric approaches to policy and service delivery require more than just consultation to elicit information and opinions.

How confident are we that we know our fellow citizens?  
For private sector organisations, success depends on knowing their customer base intimately: knowing what they want before they know it themselves. Our clientele is the entire population of Australia. How well do we know what they want, what they think, how they engage and make decisions, what shapes and drives their daily interactions?

**Dr Martin Parkinson AC PSM, Secretary—Department of the Prime Minister and Cabinet<sup>20</sup>**

In the 2018–19 Budget, the Government committed to driving more effective engagement between public sector officials, citizens, businesses and innovators when designing and delivering policies, programs and services.

19 Holmes, B (2011), *Citizens' engagement in policymaking and the design of public services*, Research paper no. 1, 2011–12.

20 IPAA, Opening of Innovation Month 2018, 3 July 2018.

### Department of Veterans' Affairs—MyService Pilot

At the start of its transformation journey, the Department of Veterans' Affairs (DVA) started a project to make client registration, service access and compensation claims for veterans faster and simpler. Applying the Digital Service Standard, the project team conducted deep-dive interviews with clients, employees and advocates as part of the discovery phase around the Initial Liability Claim process.

The objective of the engagement was to ensure DVA understood the problem from the client's perspective. DVA needed to know:

- what users are really trying to do when interacting with the department
- their current experience
- what their needs are.

Key insights were recorded and from this key themes emerged. A number of client 'personas' were developed against which proposed solutions could be tested.

Through this direct engagement process, DVA realised that a claim is merely a means to an end. The clients DVA spoke to were mostly trying to access treatment to be healthy and productive in their civilian life. Some needed financial assistance but most had long careers ahead of them.

While DVA is there to help support these clients with services, including health care and rehabilitation, the department learned that the previous claims process was a burden on the client, at times leaving them feeling confused and deflated and, in some instances, even questioning their worth as a veteran.

This led to a change in hypothesis from faster, easier claims to 'How might we help those who have served to be healthy and productive?' This philosophy drives the MyService approach.

The co-designed service is showing real benefits for veterans and average processing times have reduced from 117 days to 33 days during the initial MyService trial. The MyService trial was undertaken as part of the \$166 million Veteran Centric Reform work announced in the 2017–18 Budget.

The APS is beginning the journey of eliciting and analysing overall citizen experiences and perceptions on the breadth of services delivered to the Australian public by the Australian Government.

Individual agencies undertake a range of client/customer surveys to gather agency and/or transaction-specific information. A regular, non-partisan citizen survey focused on citizen experiences and engagement broadly across the APS should enable better policy development and improved service delivery.





### **Measuring to enhance citizen engagement— The Citizen Survey**

At the opening of Innovation Month in July 2018, the Secretary of the Department of the Prime Minister and Cabinet, Dr Martin Parkinson AC PSM, announced the development of a regular, national survey that measures citizen satisfaction, trust and experiences of the APS.

The announcement builds upon the recommendation made by Terry Moran AC in the 2010 public sector reform blueprint, *Ahead of the Game: Blueprint for the Reform of Australian Government Administration*.

The survey will align with the mechanisms many agencies undertake to understand user satisfaction in their services and fill an important gap. It will provide an opportunity to consistently understand the public's overall experiences and perceptions of the diverse range of APS services.

By better understanding citizen attitudes and satisfaction with the APS, results will be able to support continued improvement in service delivery and contribute towards a citizen-centred APS culture.

Across the world, in Canada, France, Germany, New Zealand and at home in several Australian states and territories, this kind of citizen engagement has produced significant value.

Work is underway to engage widely and frequently. Extensive engagement will ensure a robust, valid and useful design and will create results that drive positive change.

### **The Department of Human Services— understanding the customer experience for students**

The Department of Human Services is progressively transforming its student payment systems by learning directly from students about how they use its services and redesigning them around their needs. In 2017–18, this resulted in more than 45 online and behind-the-scenes improvements making it easier for students to claim and manage their payments. A significant amount of research was undertaken to guide the student transformation work, including engaging employees and students at universities and technical and further education campuses across South East Queensland to test and trial new processes.

As an example, in March 2018 the multidisciplinary team driving this project held student engagement sessions in the department's Design Hub in Brisbane. A range of students participated in

activities to help design, test and validate proposed changes. They each described their individual experiences of claiming student support payments.

Jenna told the Department of Human Services how her experience of dealing with the department had improved dramatically following online improvements such as reducing the number of claim questions from 117 to 37. Her original claim, in 2015, for Youth Allowance took four months to process and required many phone calls and visits to Centrelink. The inconvenience of having to supply multiple documents in hard copy turned to frustration when some were misplaced and she eventually had to resupply them. Jenna received ‘ambiguous’ advice on how long her claim would take to process and had to follow up because progress updates were not clear. Overall, Jenna said the process was ‘quite painful’.

In contrast, when Jenna re-applied for Youth Allowance in January 2018, she was surprised by how easy and simple it was to claim saying: ‘It took me five minutes to put it all through. I think a lot of information was populated from my last claim, so I just had to put in my new course and my start and finish dates. I found out within a day that I had got the claim put through, so it was very good after my first experience.’

Jenna is one of thousands of students who have benefited from the department’s student payment transformation work and

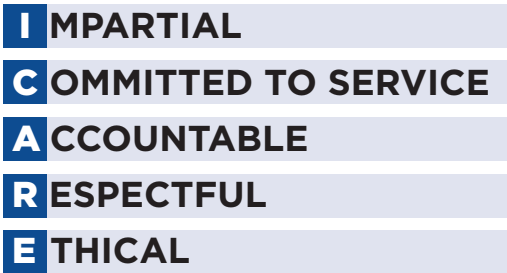
the direct and ongoing involvement of students in all stages of the design process.

## APS Values and integrity

The *Public Service Act 1999* (Cwlth) (the Act) imposes obligations on all APS employees to demonstrate high levels of personal integrity. The APS Values (Figure 5) and Code of Conduct establish mandatory standards of behaviour.

Agency heads are responsible for upholding and promoting the APS Values and ensuring compliance with Code of Conduct. Senior Executive Service (SES) employees are required to promote the Values, including by personal example. APS employees are required—at all times—to uphold the Values, the integrity and the good reputation of the employee’s agency and the APS.

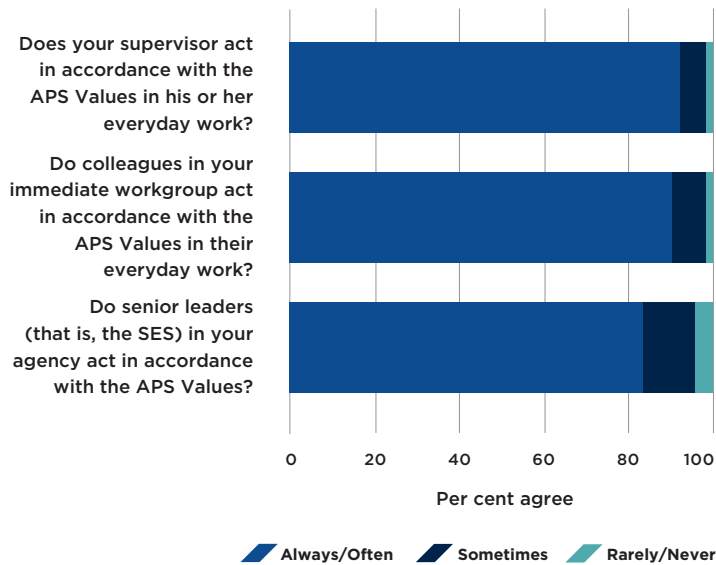
Figure 5: APS Values



The annual APS employee census tracks employee views about the strength of compliance with the integrity framework.

In 2018, most APS employees agreed that their colleagues, supervisors and senior leaders ‘always’ or ‘often’ act in accordance with the Values in their everyday work (Figure 6).

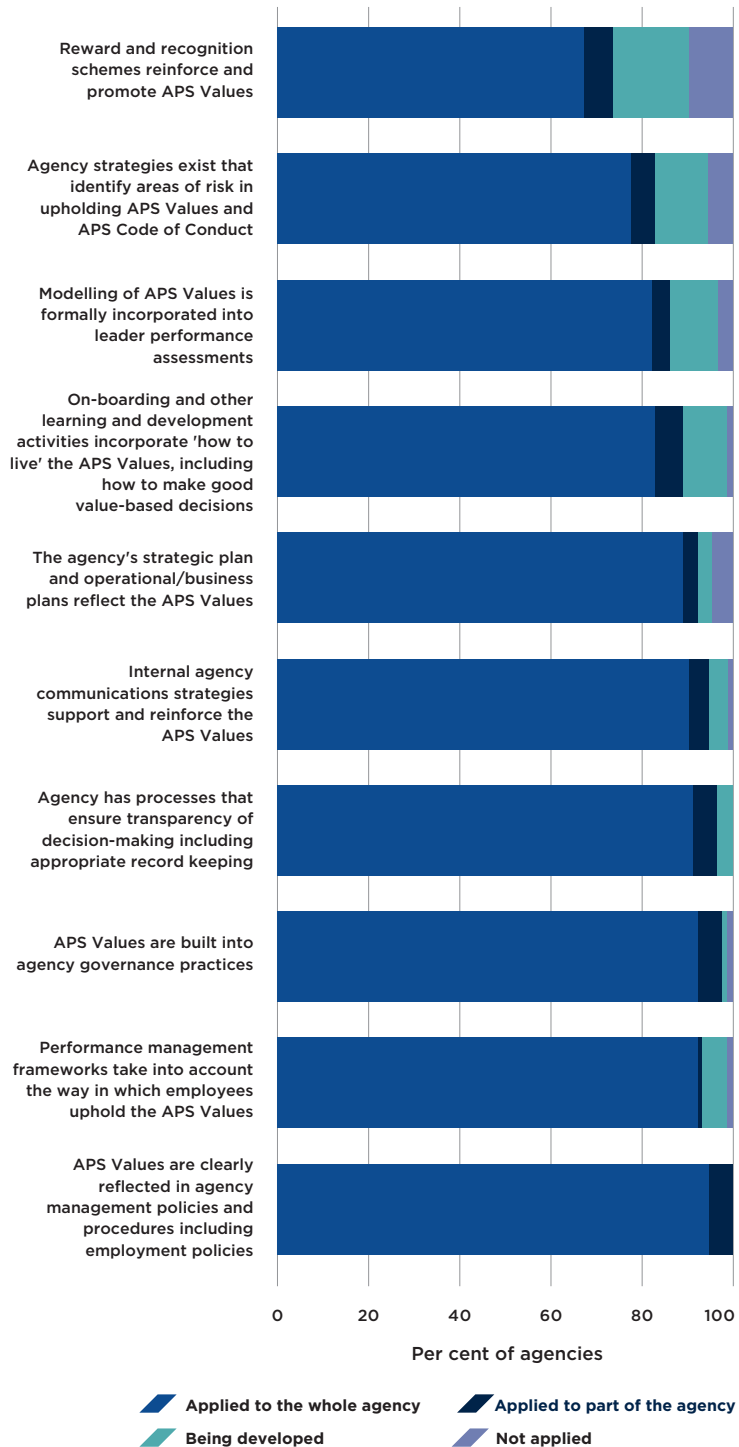
Figure 6: Acting in accordance with APS Values



Source: 2018 APS employee census

Agencies are committed to embedding the APS Values. In the 2018 APS agency survey, all agencies reported that the Values were reflected in their management practices and procedures, at least in part, if not throughout, their whole agency. Similarly, most agencies have ensured that performance management frameworks account for the way in which employees uphold the APS Values. Figure 7 shows the measures applied by APS agencies in 2017–18 to embed the APS Values.

Figure 7: Measures applied by APS agencies in 2017-18 to embed the APS Values



Source: 2018 APS agency survey



The 2018 APS agency survey asked each agency to describe the most effective strategy used to embed APS Values. The most common strategies cited included:

- Embedding the APS Values in performance management frameworks. As part of the performance assessment process, managers are required to consider whether employees uphold and model APS Values. This ensures that managers and employees have regular conversations about the APS Values and how they apply to specific roles and day-to-day work. Incorporating the APS Values into performance management frameworks was also said to encourage greater employee accountability for upholding the Values.
- Incorporating APS Values into induction programs for new starters. Induction programs are generally delivered as online modules. Agencies described this mode of delivery as an effective strategy for embedding APS Values because it provides new employees with an introduction to the Values and the role they play in guiding behaviour across the APS.
- Offering training courses on APS Values and their practical application to employees. While most agencies delivered courses online, a few offered face-to-face workshops. Some courses were mandatory, while others were voluntary.

## Managing misconduct

The APS has a strong framework for dealing with action or behaviour by employees which breaches the APS Values and the Code of Conduct. Misconduct can vary from serious actions such as large-scale fraud, theft, misusing clients' personal information, sexual harassment and leaking classified documentation, to relatively minor actions such as a single, uncharacteristic angry outburst.

Instances of misconduct are rare. The vast majority of APS employees behave appropriately in the conduct of their duties.

The APS Values and the Code of Conduct ensure that the APS is well-placed to maintain the integrity of the service, strengthening the trust of citizens and the confidence of government.

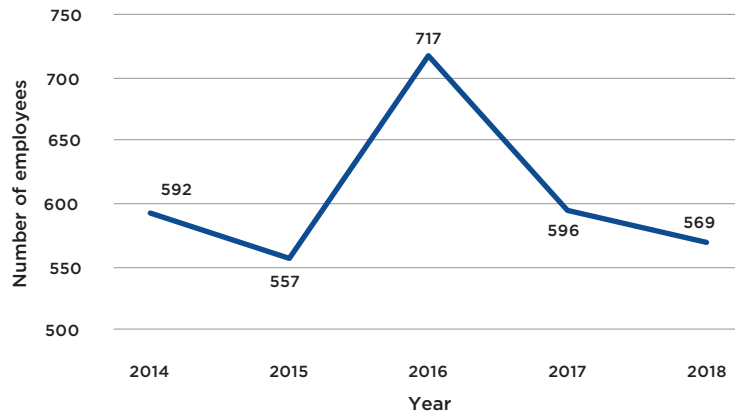
### APS Code of Conduct

The APS Code of Conduct clearly outlines expected behaviours of all APS employees, including the requirement to behave honestly and with integrity in connection with their employment. The Code of Conduct requires all APS employees at all times to behave in a way that upholds the integrity and good reputation of their agency and the APS.

A breach of the Code of Conduct can result in sanctions ranging from a reprimand to termination of employment.

In the 2018 agency survey, agencies reported that 569 employees were subject to an investigation into a suspected breach of the APS Code of Conduct that was finalised in 2017-18 (Figure 8). This equates to 0.4 per cent of the APS workforce.

**Figure 8: Number of employees investigated for a suspected breach of the APS Code of Conduct, 2014-18**



Source: 2018 APS agency survey

Of the employees investigated, 59 per cent were found in breach of the Code and a sanction was applied.

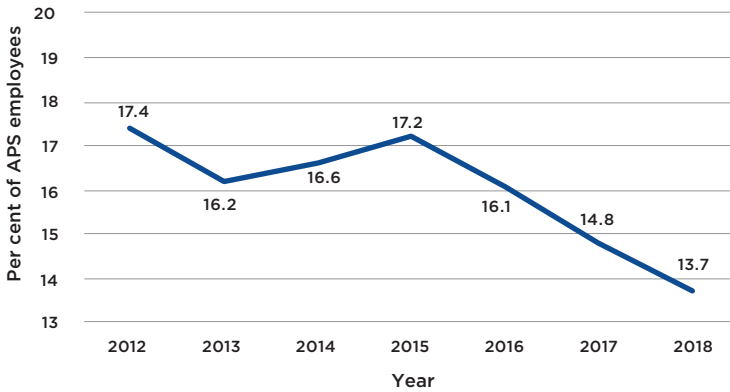
In 27 per cent of cases a breach was found but no sanction applied. In slightly more than 50 per cent of these cases, the employee resigned before a sanction was considered. Almost 10 per cent of employees investigated were found to have not breached the Code.

#### *Bullying, harassment and discrimination*

Unacceptable behaviours, such as bullying, harassment and discrimination are not tolerated in the APS. As well as being unlawful, these behaviours are associated with low employee engagement, poor wellbeing and high turnover.

Historically, the rate of harassment or bullying reported by APS employee census respondents has remained relatively stable at around 17 per cent. Since 2015, the perceived rate of bullying or harassment in the APS has consistently decreased (Figure 9).

Figure 9: Reported perceived rates of bullying and/or harassment 2012–18



Source: APS employee census

In 2018, 13.7 per cent of respondents perceived bullying and/or harassment in the previous 12 months. Of those, the most frequent type was verbal abuse, followed by interference with work tasks.

The 2018 APS agency survey explored the types of bullying or harassment formally recorded on agency internal reporting systems. Across the APS, 259 formal complaints of verbal abuse were received in 2017–18. This was the most common type of complaint received and is consistent with the high frequency of verbal abuse perceived by respondents to the APS employee census.

The 2018 APS employee census sought information about employee experiences of discrimination. In 2018, the APSC revised discrimination survey questions to better understand the experience of discrimination, including the type experienced in the past 12 months. These changes have affected comparisons across time but will provide a more accurate picture of the current experience of employees with discrimination.

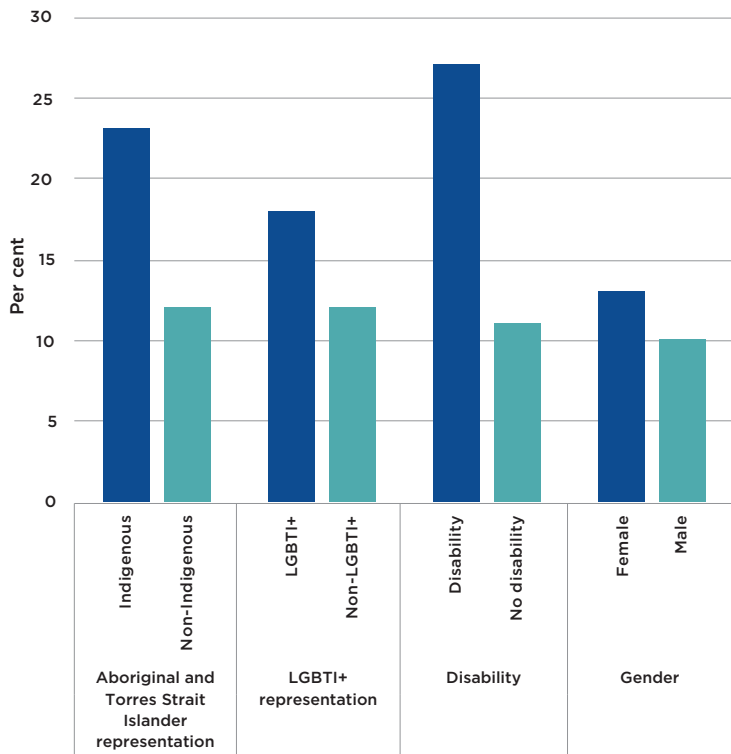
In 2018, 12.3 per cent of respondents to the APS employee census reported discrimination at work in the past year. Most of this discrimination (93 per cent) occurred in their current workplace. Overall, discrimination based on gender (32 per cent) and age (26 per cent) were the main forms identified.

Far fewer complaints of discrimination were recorded in agency reporting systems. Of the 32 complaints recorded during 2017–18, the largest group (13 complaints) was based on race, cultural background or religious belief. This was followed by discrimination based on disability (7 complaints).

*Perception of discrimination, bullying and harassment amongst diversity groups*

Marked differences exist in the perceptions of discrimination between respondents who identify as part of a diversity group and those who do not. As shown in Figure 10, respondents who identify as Indigenous<sup>21</sup>, LGBTI+, or as having a disability, perceived higher rates of discrimination compared to respondents who did not identify as part of a diversity group.

Figure 10: Perceived experiences of discrimination by APS employees of diversity groups



**Note:** While data for Gender X employees was collected, proportions are too small to be presented

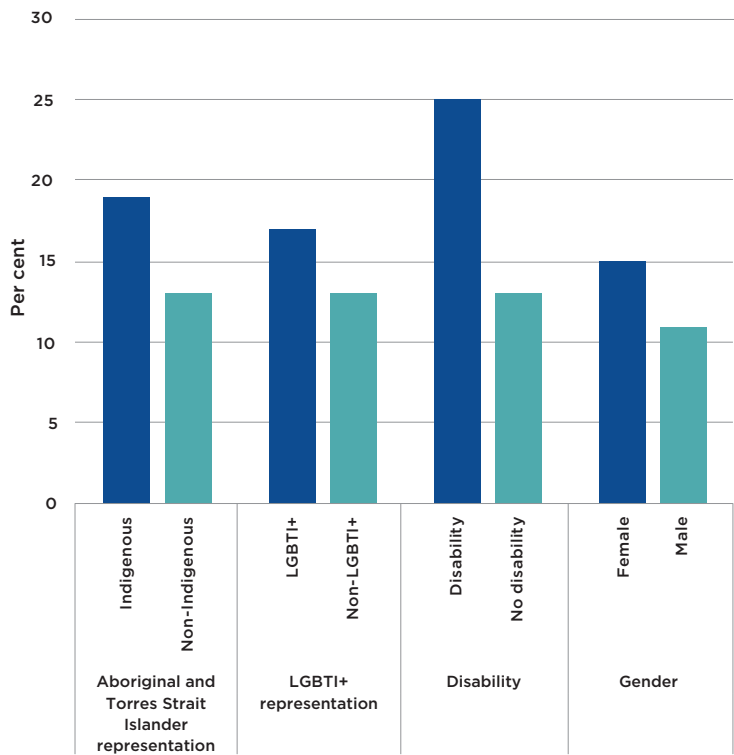
Source: 2018 APS employee census

21 The terms ‘Aboriginal and Torres Strait Islander’ and ‘Indigenous’ are used interchangeably to refer to Australian Aboriginal and/or Torres Strait Islander peoples.



Similarly, there were higher rates of perceived bullying and/or harassment by employees who identified as part of a diversity group (Figure 11).

Figure 11: Perceived experiences of harassment and/or bullying by APS employees of diversity groups



Source: 2018 APS employee census

Successful strategies implemented by agencies to reduce rates of bullying or harassment include:

- providing education and training in various formats such as online, face-to-face, seminars and workshops
- ensuring workplace policies on unacceptable behaviours are regularly updated
- placing information on addressing unacceptable behaviours in easy-to-locate places on agency intranets
- providing workplace support through multiple avenues, such as through workplace harassment contact officer networks, dedicated ‘workplace conduct’ teams, and employee assistance programs.

### *Corruption*

Corruption and perceptions of corruption impact on the trust placed in the APS by the community. All APS employees are required to behave honestly and with integrity in connection with their employment.

In addition to the APS Code of Conduct and APS Values, a robust legislative framework underpins the APS integrity framework. This includes the Commonwealth Fraud Control Framework 2014, the PGPA Act and the *Public Interest Disclosure Act 2013* (Cwlth).

Specialist bodies that exist to educate, guide, investigate and prosecute misconduct and corruption across the APS. These include the:

- Australian National Audit Office
- Australian Federal Police
- Australian Commission for Law Enforcement Integrity
- Commonwealth Ombudsman
- APSC and Merit Protection Commission
- Inspector-General of Security and Intelligence
- Director of Public Prosecutions.

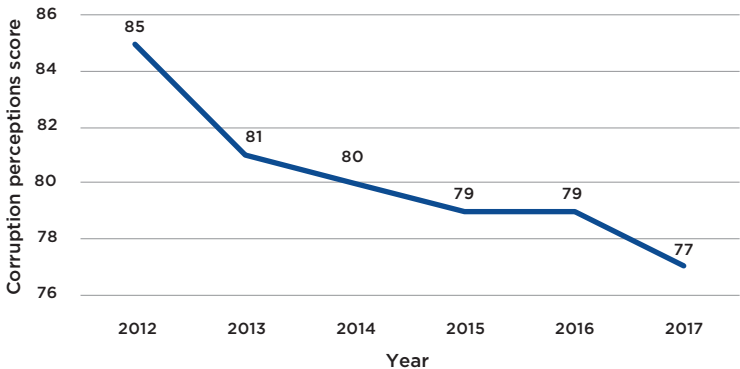
Each year, Transparency International measures perceptions of corruption across 180 countries, scoring and ranking them based on how corrupt their public sectors are perceived by experts and business executives. The Corruption Perception Index is a measure of all levels of government.

Transparency International's 2017 Corruption Perceptions Index<sup>22</sup> shows Australia's score has steadily declined since 2012 (Figure 12). This indicates an increase over time of citizens' perception of corruption in the broader public sector. The score of 77 in 2017 places Australia as the 13th least corrupt country. In 2012, Australia ranked 7th. While Australia has seen a marked decline in score and ranking, the average score across the Asia Pacific region is 44.

---

22 Transparency International, *Corruption Perceptions Index 2017*, [https://www.transparency.org/news/feature/corruption\\_perceptions\\_index\\_2017](https://www.transparency.org/news/feature/corruption_perceptions_index_2017) (accessed 15 October 2018)

Figure 12: Transparency International's Corruption Perceptions Index, Australian public sectors, 2012-17

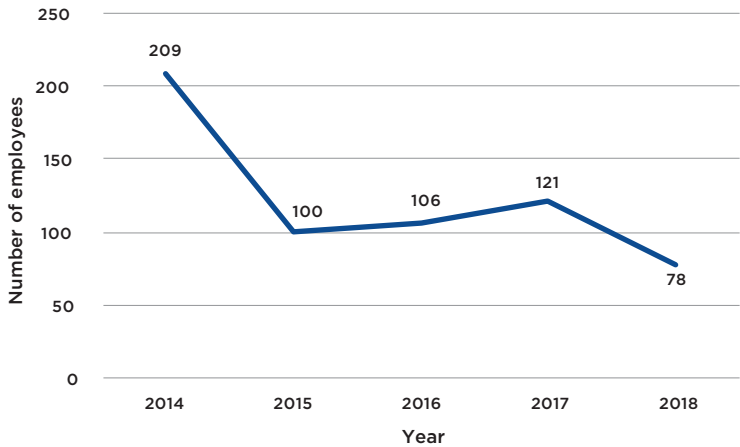


Source: 2017 Corruption Perception Index. Transparency International

Data from the 2018 APS agency survey shows the number of employees investigated under the Code of Conduct for corrupt behaviour. Of the 569 investigated for a suspected breach of the APS Code of Conduct in 2017–18, 78 employees were investigated for behaviour that could be categorised as corrupt. This was a reduction from 121 employees in 2016–17 (Figure 13).

Of the 78 employees, 72 were found to have breached the Code of Conduct. Agencies reported that corrupt behaviours investigated included theft, credit card misuse and submitting fraudulent medical certificates. Corruption cases represent a very small proportion of the already small numbers of employees investigated for breaches of the Code of Conduct.

Figure 13: Number of employees investigated for corrupt behaviour, 2014-18



Source: APS agency survey

Recognising that not all corrupt behaviour may result in an investigation for a suspected breach of the Code of Conduct, the APS employee census asks employees if they have witnessed behaviour that may be serious enough to be viewed as corruption. The definition of corruption in the APS employee census is broad and includes behaviour such as cheating on flex-time sheets and misuse of leave.

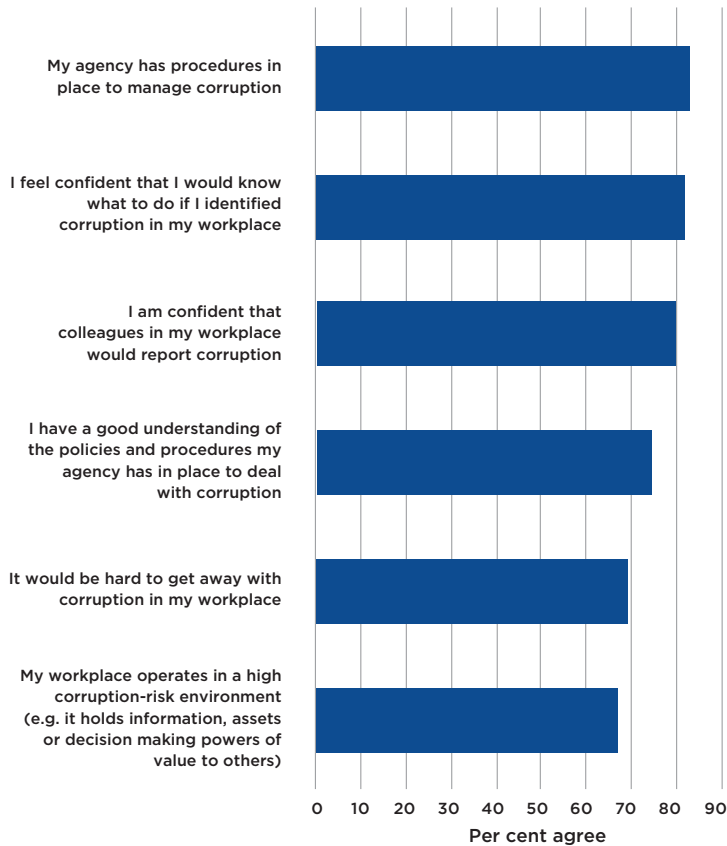
In the 2018 APS employee census, 4,395 respondents (4.6 per cent) reported witnessing such behaviour. The most commonly witnessed form of perceived corruption was cronyism, followed by nepotism.

Care needs to be taken when interpreting this data. The data represents employee perceptions and is not evidence of actual corruption. In the interests of collecting accurate data, the APSC has modified its data collection approach several times since data was first collected on perceptions of corruption in 2014.

The approach to data collection remained the same in 2017 and 2018, enabling comparison across these years. The proportion of employees reporting they witnessed behaviours that may be perceived as corruption remained stable (4.5 per cent in 2017; 4.6 per cent in 2018).

More than three-quarters of respondents to the 2018 APS employee census reported that their agency has procedures in place to manage corruption. Almost two-thirds reported it would be hard to get away with corruption in their workplace (Figure 14).

Figure 14: Employee perceptions of workplace corruption risk, 2018



Source: 2018 APS employee census

# CHAPTER 3

## RISK AND INNOVATION

### Key points

- Effective risk management is essential for the APS to achieve its outcomes and maintain public trust through strong governance.
- Active promotion of risk management issues and effective communication from senior leaders are positively associated with employee perceptions of risk culture.
- APS employees who were more likely to agree their agency is enabling innovation also viewed their agency as having a positive risk culture.
- Innovation through incremental change, rather than transformational change, is more common in the APS.
- Employees who are encouraged to make suggestions and feel valued for their contribution, have the most positive perceptions about innovation.
- The influence and ability of senior leaders to communicate strategic direction and organisational change effectively, supports positive perceptions about innovation.

### Innovation

In an increasingly complex policy development and delivery context, where public sectors are expected to manage within tight resourcing parameters, the ability to innovate is critical.

The OECD has circulated a draft proposal for a Declaration on Public Sector Innovation amongst member countries. The draft is seeking commitment of member countries to:

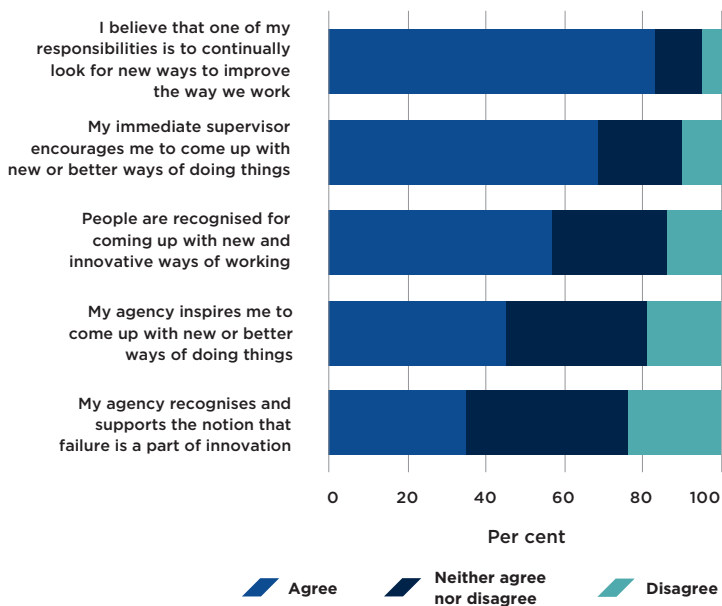
- embrace and enhance innovation within the public sector
- acknowledge that innovation is a responsibility of every civil servant
- equip civil servants to innovate
- cultivate new partnerships and involve diverse voices
- generate multiple options through exploration, iteration and testing
- diffuse lessons and share experience and practice.<sup>23</sup>

A key APS Value is commitment to service, specifically that the APS is professional, objective, innovative and efficient, and works collaboratively to achieve the best results for the Australian community and the Government.

23 OECD (draft), 'Proposal for a draft Declaration on Public Sector Innovation'. Use of draft authorised by the OECD.

Employee perceptions of innovation in their agency are captured in the annual APS employee census. The census assesses innovation through dedicated questions that contribute to an index score. This innovation index score assesses whether employees feel willing and able to be innovative, and whether their agency has an enabling culture for this to occur. The overall innovation index score in the APS is 64 per cent, a two percentage point increase from 2017. This index comprises five questions about perceptions of innovation within an agency (Figure 15).

**Figure 15: APS employee perceptions of innovation in their agency**



Source: 2018 APS employee census

Most respondents believed that one of their responsibilities was to continually look for new ways to improve the way they work. Many also believed that their immediate supervisor encouraged them to come up with new or better ways of doing things. This encouragement from the immediate supervisor for innovation

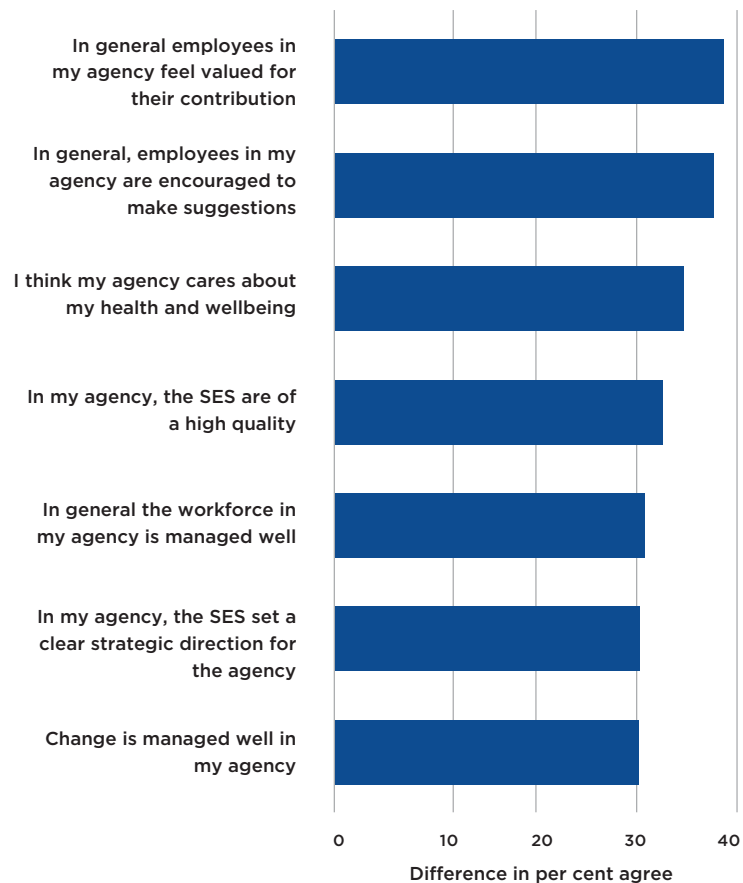
and creativity is reflected in other areas of the census. For example, more than 70 per cent of respondents indicated that their supervisor:

- encouraged them to contribute ideas
- invited a range of views, including those different to their own
- challenged them to consider new ways of doing things.

A substantial proportion of employees neither agree nor disagree with several items assessing innovation, such as their agency is inspiring and supports innovation. This suggests that more work is required at the agency-wide level.

Figure 16 shows that agencies with a higher innovation index are perceived to be much better at encouraging suggestions, caring about health and wellbeing, having high-quality SES who set clear strategic direction, and managing the workforce and change well. The results show that employee views about senior leadership and their immediate supervisor are strongly associated with their perceptions of their agency's innovation culture.

**Figure 16: Percentage point differences between the top and bottom 10 agencies for innovation**



Source: 2018 APS employee census





In the 2018 APS employee census, 53 per cent of respondents indicated that their immediate workgroup had implemented innovations over the previous 12 months. Around two-thirds of these innovations related to process improvements. The top three impacts of the innovations implemented were:

1. efficiencies created (30 per cent)
2. service delivery enhanced (26 per cent)
3. client experience improved (13 per cent).

The results suggest that incremental change, rather than transformational change, is more common in the APS. When asked to reflect on the barriers to implementing innovation in their agency, the top three barriers identified were insufficient time (44 per cent), inadequate resources (36 per cent) and lack of funding (35 per cent).

### **Australian Transaction Reports and Analysis Centre (AUSTRAC)—ASEAN-Australia Codeathon**

The Australian Transaction Reports and Analysis Centre (AUSTRAC) hosted the 2018 Association of Southeast Asian Nations (ASEAN)-Australia Codeathon in Sydney during March 2018. This was the first financial intelligence Codeathon in Australia. The event brought together technology and innovation specialists to tackle regional challenges in the fight against terrorism.

The Codeathon was closely tied to the Prime Minister's counter-terrorism agenda for Australia and ASEAN. It drew on the alliances between public and private partnerships and leveraged them to deliver counter-terrorism outcomes.

One hundred innovators from 10 countries, representing 27 organisations, collaborated to solve complex challenges focused on the theme of 'leveraging innovation to combat money laundering, terrorism financing and cyber risks'. The teams were given 32 hours to solve challenges unveiled on the first day of the Codeathon:

1. using big data to combat terrorism financing
2. disrupting money launderers, terrorists and cyber criminals across ASEAN-Australia
3. exploiting financial data to gain insights into crime and terrorism risks
4. applying artificial intelligence to improve Anti-Money Laundering and Counter-Terrorism Financing compliance and suspicious matter reporting
5. applying blockchain technologies to improve financial services
6. collaborating and sharing knowledge to combat cybercrime, money laundering and terrorism.

Collaborating involved constructing innovative digital solutions to integrate and maximise the benefits of ICT in countering terrorism financing. Participants enjoyed the challenge of engaging to develop their skills, network with peers and collaborate to solve financial intelligence challenges. The outcomes of the Codeathon were presented in various forms including live applications or prototypes.

Since the event, AUSTRAC's Innovation Hub has continued to work with event participants, including a team of university students. The Cyber Six's solution involved applying artificial intelligence to improve Anti-Money Laundering and Counter-Terrorism Financing compliance and suspicious matter reporting. AUSTRAC and an event sponsor have organised for the team to participate in mentoring and development sessions, with a short-term goal of further developing their prototype for Financial Intelligence Units and the banking sector to detect risks from financial data.

AUSTRAC is developing an information sharing prototype with the assistance of other Codeathon participants which may be used by Financial Intelligence Units and law enforcement agencies to overcome challenges in following the money trail of criminal syndicates across the region.

The Codeathon demonstrated innovative thinking, encapsulating and empowering people to test and experiment with new ideas and approaches to solving Australia's most complex law enforcement and intelligence problems.

### **Digital Transformation Agency—co-lab innovation hubs**

The Digital Transformation Agency has established a co-lab innovation hub at its Sydney office and will open a second hub in Canberra in 2018. The labs will enable multidisciplinary teams from APS agencies to work with the Digital Transformation Agency, researchers and the private sector. The Department of Human Services will initially be hosted to develop initiatives for driving more co-ordinated digital service delivery across the department. It is anticipated this work will have flow-on benefits to other service delivery agencies, including the Department of Veterans' Affairs.

In the 2018 APS employee census, respondents more likely to agree that their agency is enabling innovation, also viewed their agency as having a positive risk culture.



## Engaging with risk

Most public service agencies still have a way to go in moving from reactive, defensive risk management to proactive, performance-focused risk engagement. Too often there remains a tendency to focus on compliance ... rather than on performance. There remains too much focus on looking backwards, relying on evaluation and audit to identify problems after the event. There is not enough looking forward to prevent mistakes occurring.

**Peter Shergold AC, *Learning From Failure* (2015)<sup>24</sup>**

Effective risk management is essential for the APS to achieve its outcomes and to maintain public trust through strong governance.

Effective risk management can lead to opportunities, such as encouraging innovation and improvements to organisational processes and practices. The PGPA Act requires APS agency heads, as Accountable Authorities, to manage their organisations in a way that effectively manages risk and internal governance processes<sup>25</sup> without imposing unreasonable levels of red tape, or stifling innovation.<sup>26</sup>

The recent review of the PGPA Act found examples of strong risk management across the Commonwealth public sector, but also examples of risk management failure, for example the IT failures at the start of the 2016 National Census.

Some of the risks faced by government can be complex and profound. Public sector entities must implement the decisions of government, or perform functions assigned to them in legislation enacted by the Parliament. Often these decisions and functions are bound by policy, compliance and accountability requirements that limit options for managing risk.

**Alexander and Thodey, *Independent Review into the Operation of the Public Governance, Performance and Accountability Act 2013 and Rule* (2018).<sup>27</sup>**

---

24 APSC (2015), 'Learning from Failure: why large government policy initiatives have gone so badly wrong in the past and how the chances of success in the future can be improved', p. vi.

25 *Public Governance, Performance and Accountability Act 2013*, Part 2-2, Division 2, Subdivision A.

26 Department of Finance (2016), *Guide to the PGPA Act for Secretaries, Chief Executives and Governing Boards (Accountable Authorities): Resource Management Guide No. 200*.

27 Alexander, E and Thodey, D (2018), *Independent Review into the Operation of the Public Governance, Performance and Accountability Act 2013 and Rule*, p.20.

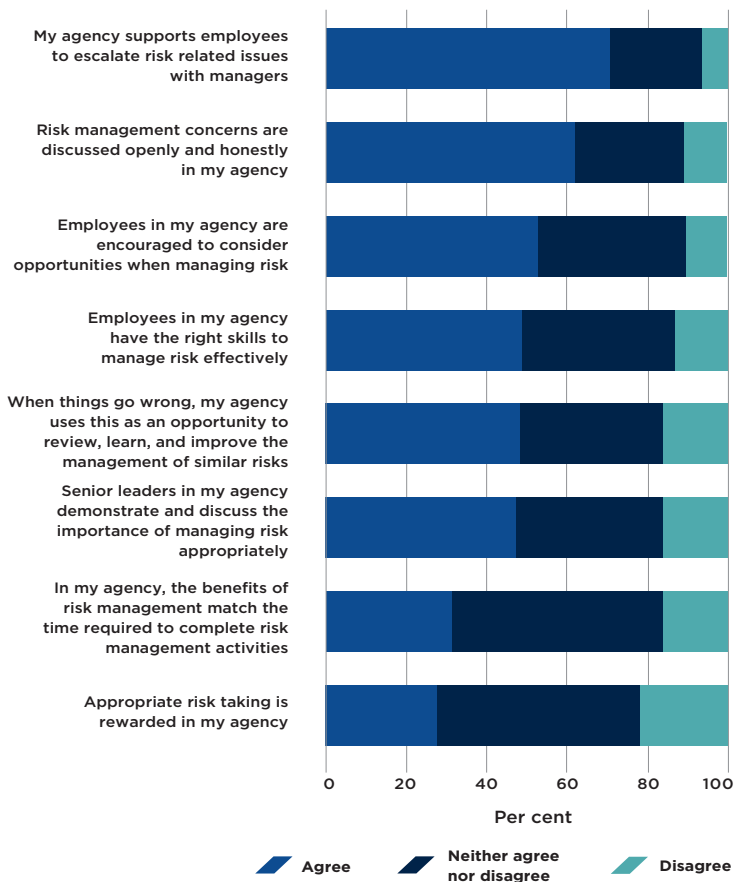
APS agency approaches to risk vary due to the many different types of work undertaken and the context in which it is performed.

The recent PGPA Act review found that:

... risk practice across the Commonwealth is still relatively immature. There is still significant work to be done to embed an active engagement with risk into policy development processes and program management practice, and to have officials at all levels appreciate their role to identify and manage risk.<sup>28</sup>

The 2018 APS employee census asked questions about employee perceptions of risk management and risk culture within their agency (Figure 17).

Figure 17: APS employee perceptions of risk management in their agency



Source: 2018 APS employee census

28 Alexander, E and Thodey, D (2018), *Independent Review into the Operation of the Public Governance, Performance and Accountability Act 2013 and Rule*, p.20.



Encouragingly, most respondents agreed that their agency supports escalating risk-related issues to managers. Almost two-thirds of respondents agreed that risk management concerns are discussed openly and honestly in their agency. However, only 28 per cent agreed that appropriate risk taking is rewarded. A large proportion of respondents neither agreed nor disagreed with the questions posed.

I think we are managing risk far more effectively than we did five years ago and we are far more productive because of this.

#### *EL 2, large operational agency*

The results suggest that a significant cohort of employees may not understand their agency's risk management framework, may not observe or experience risk management in action, or simply do not know how the statements apply in practice in their agency. This suggests there is some way to go in building an appropriate risk culture in the APS.

Perceptions of risk culture are associated with workplace performance and satisfaction with senior leadership. Employees who viewed their agency as having a positive risk culture were more likely to:

- rate their agency as high performing
- rate their SES managers as being of high quality
- rate the communication between SES managers and other employees as effective
- agree that SES managers in their agency articulate the direction and priorities for the agency.

Respondents who viewed their workplace as operating in a high corruption-risk environment, tended to have more positive attitudes towards risk management.

### **Australian Bureau of Statistics—turning adversity into success**

The ABS faced significant public scrutiny following the 2016 Census, as a result of public concerns about privacy and the decision to shut down the online Census form for 43 hours to protect Australians' privacy. Despite the initial setbacks and the criticism levelled at the agency, the ABS successfully delivered the Census, achieving a 95 per cent response rate and higher-quality data delivered faster.

The ABS took many lessons from the 2016 Census. These included the need for:

- risk management capability to be lifted across the agency, bringing high risks to the attention of ABS Executive and ministers early, providing opportunity to mitigate them
- independent quality assurance for future programs
- strong and continuous community education, proactive issues management and rapid response to emerging challenges and concerns
- early and extensive engagement with community, stakeholders and political leaders in future high-profile, high-risk programs.

On 9 August 2017, the Treasurer directed the ABS to undertake a statistical collection that later became known as the ‘Australian Marriage Law Postal Survey’. This national survey was to inform one of Australia’s most important decisions—whether the law should be changed to allow same-sex couples to marry. It was a high-risk exercise and posed a significant challenge for the ABS, with only 99 days to design, develop and deliver the national survey, including processing and publishing the results.

Building on the lessons from the 2016 Census, the ABS used several new and innovative measures to deliver the Australian Marriage Law Postal Survey.

A designated taskforce was immediately established to follow the Government’s direction, including establishing governance structures to support rapid delivery, rigorous risk management and central coordination.

## The Commonwealth Risk Management Policy

In 2014, the Department of Finance released the Commonwealth Risk Management Policy (Risk Policy).

The Risk Policy’s goal is to embed risk management as part of the culture of Commonwealth entities where the shared understanding of risk leads to well informed decision making. It supports the requirement in the PGPA Act that Commonwealth agencies must appropriately manage risk.

The Risk Policy outlines nine elements of good risk management practice with which non-corporate Commonwealth entities must comply:

1. establishing a risk management policy
2. establishing a risk management framework
3. defining responsibility for managing risk



4. embedding systematic risk management into business processes
5. developing a positive risk culture
6. communicating and consulting about risk
7. understanding and managing shared risk
8. maintaining risk management capability
9. reviewing and continuously improving the management of risk.<sup>29</sup>

Entities undertake an annual self-assessment of their performance against these elements and report results to Finance. Entities and their risk and audit committees use data from the self-assessment to monitor and improve their risk management performance. Finance uses the data to target its risk services to areas that entities are finding challenging.

This data has shown a consistent increase in risk management maturity in the four years since the Risk Policy was introduced.

Data from 2018 found modest improvements against all of the policy's nine measures. Entities scored best in establishing risk management policies, embedding systematic risk management and defining responsibilities for managing risk.

The lowest scoring measures were developing a positive risk culture, understanding and managing shared risk and maintaining risk management capability.<sup>30</sup> These measures are considered the most challenging to improve because they rely on changes to organisational culture and capability.<sup>31</sup> These are also what the Alexander and Thodey Review (2018)<sup>32</sup> and the Shergold Review (2015)<sup>33</sup> suggested need the greatest improvement.

The 2018 APS census results broadly support the findings from this self-assessment, suggesting that employee perceptions about risk management and the culture within their agency are good indicators of the agency's risk management performance. Effective risk management, the use of risk appetite and tolerance statements, and the development of a positive risk culture can support higher levels of innovation and, in turn, better organisational performance.

29 Department of Finance (2018), *Benchmarking Survey 2018—Risk Management Capability Maturity States*.

30 Deloitte (2018), *Risk Management Benchmarking Program 2018 Key Findings Report*.

31 *ibid.*

32 Alexander, E and Thodey, D (2018), *Independent Review into the Operation of the Public Governance, Performance and Accountability Act 2013 and Rule*.

33 APSC (2015), 'Learning from Failure: why large government policy initiatives have gone so badly wrong in the past and how the chances of success in the future can be improved'.

# CHAPTER 4

## MANAGING

## CHANGE

### Key points

- Managing change well is critical to the success of any reform, policy, or service implementation.
- Most agencies (87 per cent) have identified the need to improve their change management capability.
- Communication from the SES to employees has a significant impact on perceptions of change management.
- Less than half of respondents to the 2018 APS employee census agreed that communication between the SES and employees was effective.
- Positive perceptions of change management are associated with higher engagement from employees, better employee wellbeing, and perceptions of better performance of an employee's workgroup and agency.

The management of change has been identified as a critical variable for the success or failure of any reform<sup>34</sup> yet worldwide, organisations struggle with successfully implementing change. Research from Gartner shows that on average organisations have experienced five major changes in the past three years, of which only 34 per cent were successful.<sup>35</sup> A recent report from the McKinsey Center for Government noted that the failure rate of government transformations, at 80 per cent, is far too high.<sup>36</sup>

A strong change management culture is required for the APS to effectively address future reform, and as such, there is a need to ensure the underlying processes are in place to build this culture. This includes ensuring that leaders have the capability to drive change. This is no easy task. Leading and managing change was identified as an area for further development in the capability review programs, with some agencies failing to deliver on formal change initiatives due to issues such as poor upfront planning and lack of effective communication.<sup>37,38</sup>

34 Huerta Melchor, O (2008), 'Managing Change in OECD Governments: An Introductory Framework', OECD Working Papers on Public Governance, no. 12, OECD publishing.

35 CEB (2018), 'Open source change: Making Change Management Work'. Presentation delivered to the APSC on 26 September 2018.

36 McKinsey Center for Government (2018), 'Delivering for citizens: How to triple the success rate of government transformations', <https://www.mckinsey.com/~media/McKinsey/Industries/Public%20Sector/Our%20Insights/Delivering%20for%20citizens%20How%20to%20triple%20the%20success%20rate%20of%20government%20transformations/Delivering-for-citizens-executive-summary.ashx> (accessed 15 October 2018).

37 Capability Review Program, conducted by the APSC between 2012 and 2015, assessed the capabilities of agencies to meet future objectives and challenges. Further information is contained in the glossary of the report.

38 APSC, *State of the Service Report 2011–12*.

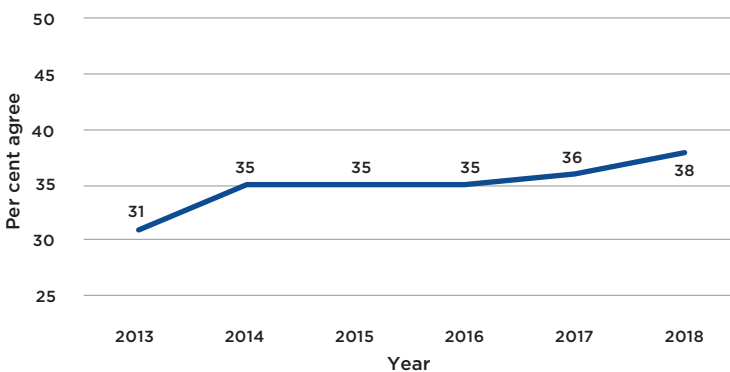


The APS is not alone in this regard. United Kingdom (UK) civil service capability reviews and annual employee satisfaction surveys have also identified leading and managing change as a systemic weakness.<sup>39, 40</sup>

Subsequent to these capability review findings, agency self-assessments of their change management capability have shown that more work is needed. In the 2017 APS agency survey, most agencies (87 per cent) self-assessed that they needed to increase their change management capability. Forty-five per cent reported that since 2015 their change management capability had declined.

Employees also agreed that change management was not strong in agencies. Just over a third of respondents to the 2018 APS employee census agreed that change is managed well in their agency. There has been a slight positive increase in perceptions since 2013 (Figure 18). These figures align with those seen in worldwide public sectors (37 per cent), including in the UK (35 per cent).<sup>41</sup>

Figure 18: APS employee perceptions of whether change is managed well in their agency, 2013–18



Source: APS employee census

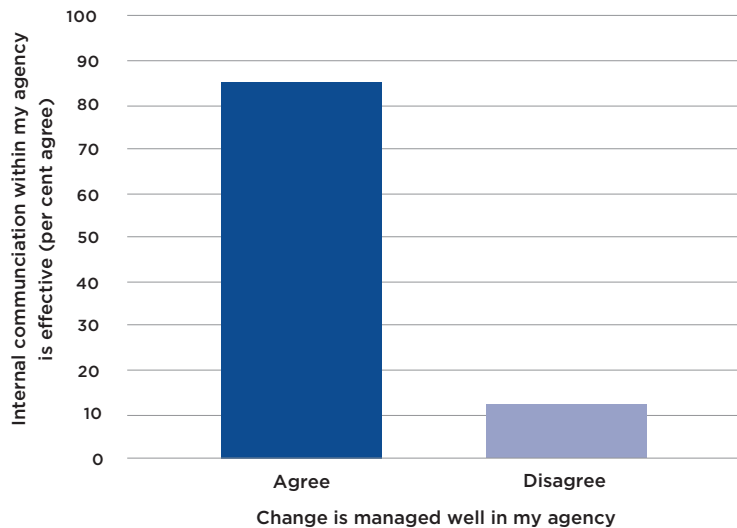
39 UK Civil Service (2014), *The Capabilities Plan: 2014 Annual Refresh*, Civil Service Reform.

40 Cabinet Office (2017), *Civil Service People Survey: 2017 results*, Civil Service benchmark results.

41 ORC International Perspectives (2018).

One lesson learned from the experience of OECD countries on managing change was the importance of effective communication.<sup>42</sup> Results from the 2018 APS employee census also show that positive perceptions of change management are significantly associated with internal communication. When internal communication is effective, respondents perceive that change is being well managed. Figure 19 shows that more than 80 per cent of employees who agree change is managed well also agree that internal communication is effective.

Figure 19: APS employee perceptions of effective internal communication by perceptions of effective change management

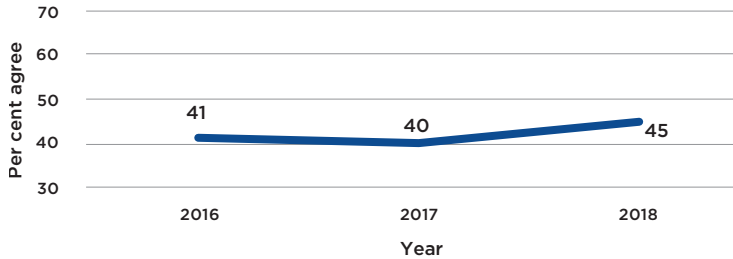


Source: 2018 APS employee census

Communication is important from all levels of the organisation, from immediate supervisor through to SES. Analysis shows that communication from SES to employees has the most significant impact on perceptions of change management. Less than half of respondents to the 2018 APS employee census agreed that communication between SES and employees was effective (Figure 20). This is an area of focus for improvement and, as discussed in Chapter 10 Developing Leadership, agencies are undertaking various approaches to build leadership capability.

<sup>42</sup> Huerta Melchor, O (2008), 'Managing Change in OECD Governments: An Introductory Framework', OECD Working Papers on Public Governance, no. 12, OECD publishing.

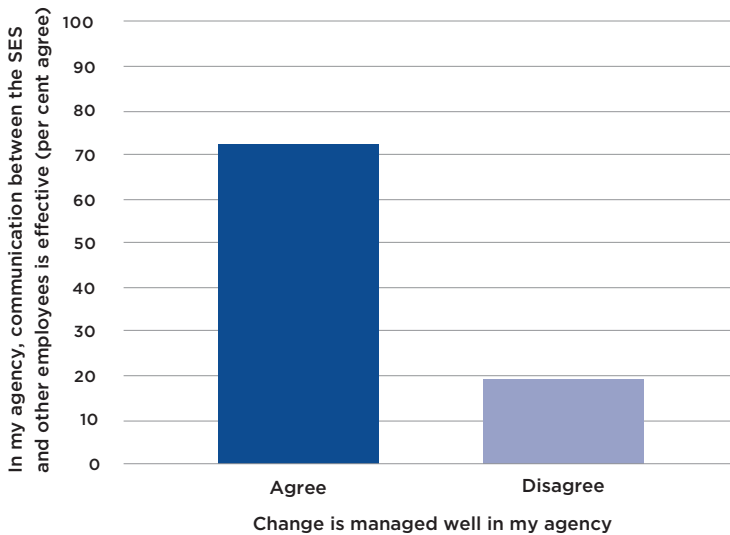
Figure 20: APS employee perceptions of effectiveness of communication from SES to employees, 2016-18



Source: APS employee census

Senior leaders perceived to communicate well with employees may be consulting more about change and informing employees of the purpose, intent and progress of change in their agency. As a result, employees may then perceive their agency is managing change well. Figure 21 displays the relationship between perceptions of change management and effectiveness of communication from SES. More than 70 per cent of employees who agree that change is managed well in their agency also agree that communication between SES and other employees is effective.

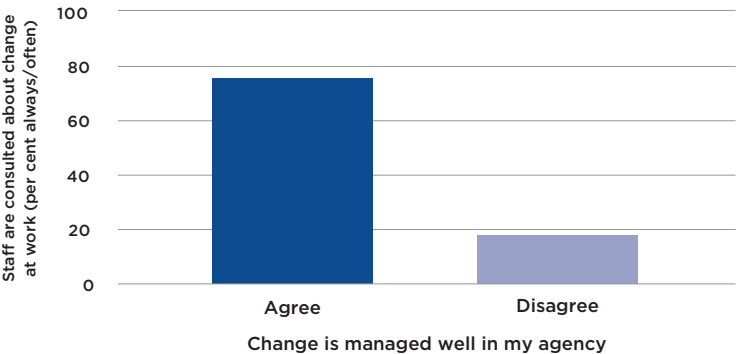
Figure 21: APS employee perceptions of communication between the SES and other employees by perceptions of effective change management



Source: 2018 APS employee census

For change to be successful, employees need to be consulted during the change process. This ensures clarity of purpose and direction, and engagement from all levels. Those not consulted report that change is not being managed well (Figure 22).

Figure 22: APS employee perceptions of whether they are consulted about change at work by perceptions of effective change management

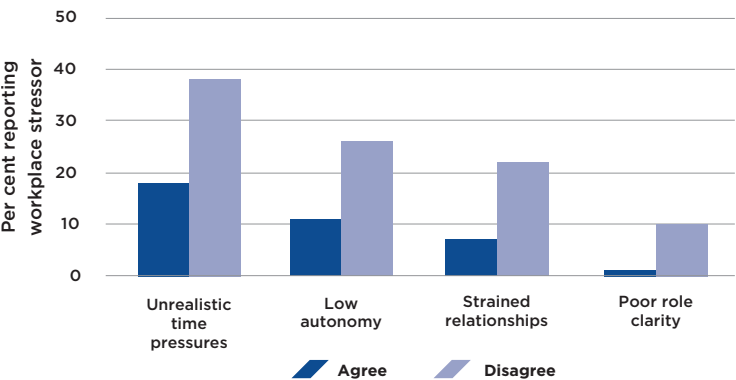


Source: 2018 APS employee census

Many costs are associated with poor change management. At the broader level, this includes failed reform, ineffective policies and inefficient services. In the workplace, employees within agencies where change is not being managed well, feel they have more unrealistic time pressures, less autonomy in decision making, poor clarity with their roles and responsibilities, and more strained relationships with colleagues (Figure 23).

The capability review program highlighted that organisational culture can be one of the greatest barriers to successful change management in the APS. Addressing these workplace stressors will enable change and improve workplace culture.

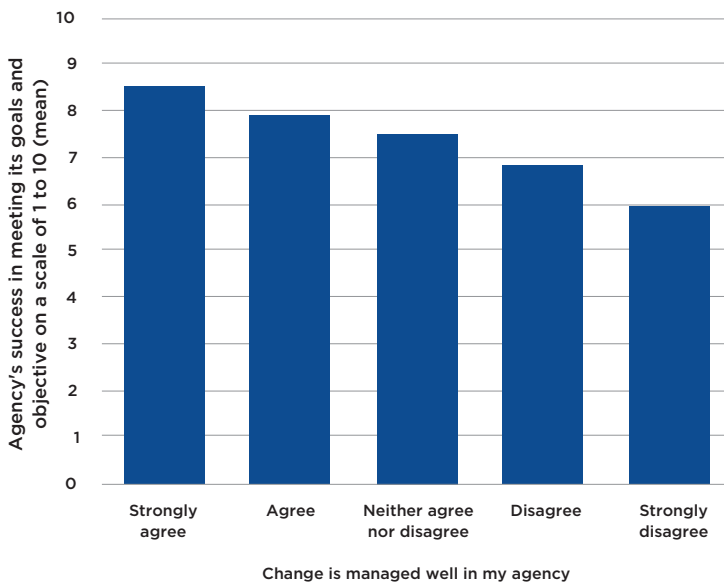
Figure 23: APS employee perceptions of effective change management by workplace stressors



Source: 2018 APS employee census

Many positive benefits are associated with managing change well. Results from the 2018 APS employee census showed that positive perceptions of change management were associated with higher engagement from employees, better employee wellbeing, and perceptions of better performance of an employee's workgroup and agency. Figure 24 shows that employees who perceived their agency managed change well, also rated highly their agency's success in meeting goals and objectives.

**Figure 24: APS employee perceptions of effective change management by ratings of agency performance**



Source: 2018 APS employee census

Many agencies have identified the need to improve their change management capability. International research shows this is not an easy task. Focusing on the underlying processes of building a strong change culture will prepare the APS for the challenges ahead. Various strategies to develop leadership capability will be discussed in Chapter 10 Developing Leadership.

# CHAPTER 5

## DIVERSITY AND INCLUSION

### Key points

- The proportion of employees reporting their agency is committed to creating a diverse workforce has increased.
- There is still room for improvement, with 65 per cent of APS employee census respondents agreeing that their SES manager actively supports people of diverse backgrounds.
- At 30 June 2018, 59 per cent of employees in the APS were women. This rate has remained reasonably stable over the past decade.
- Despite an overall increase in the proportion of Indigenous employees in the APS, representation by classification was heavily skewed towards the lower end.
- Of the APS employee census respondents in 2018, 8.7 per cent reported having an ongoing disability
- In the 2018 APS employee census, 4.4 per cent of respondents indicated they identified as LGBTI+.

A diverse workforce enables new ideas and different ways of thinking. Employees from a range of backgrounds bring different experiences and perspectives. This can be useful for problem solving in various situations, adding value to policy development and offering more tailored service delivery to the Australian public.

Actively encouraging diversity also opens the APS up to a bigger talent pool. An inclusive environment facilitates the attraction and retention of employees from diverse backgrounds.

The tendency of organisations to recruit, train and select for similarity ... has become widely recognised ... organisations become comprised of a very narrow range of skills, experience, background, values and styles of behaviour and work. This... tends to result in organisations that are unaware of the diversity of community needs and values and lacking in innovation. They are unable to carry out effectively policies for the whole community, to respond to change in the community and in the economic and political environment or to improve administrative practices through innovation.

*Dr Peter Wilenski AC, former Chairman of the Public Service Board (1983-87)<sup>43</sup>*

43 Speech to the Federation of Australian University Staff Associations' Conference on 'Women in Post Secondary Education: Issues and Strategies 1975-1995', 30 March 1985, Sydney.



*Diversity is being invited to the party.  
Inclusion is being asked to dance.*

**Verna Myers, Diversity Advocate**

The OECD draft Recommendation on Public Service Leadership and Capability recommends that member countries build values-driven culture and leadership in the public service, centred on improving outcomes for society by ensuring an inclusive public service that reflects the diversity of the society it represents.<sup>44</sup>

The employment principles outlined in the Public Service Act provide that the APS is a career-based service that recognises the diversity of the Australian community and fosters diversity in the workplace.

Diversity within a workplace encompasses many differences, including cultural background, gender, age, sexual orientation and abilities. Connected to diversity is the concept of inclusion.

Workplace inclusion occurs when diversity is respected, connected and contributes to organisational success.<sup>45</sup> Inclusion benefits all employees, not just those from identified diversity groups.

## Leading diversity

The Secretaries Equality and Diversity Council, established in 2016, comprises all APS departmental secretaries. It also includes two external members—Dr Tom Calma AO and Ms Kathryn Fagg—who provide insights and experience from outside the APS.

The Council is committed to delivering an APS workplace culture that builds respect, fosters inclusiveness and promotes diversity. It has undertaken in-depth consideration of workplace experiences by hearing first-hand from APS employees who identify with specific diversity groups. A common theme that has emerged from these discussions is the need to continue building inclusive workplaces. The Council has also commissioned research into women in senior leadership and job-sharing arrangements in the APS. Research findings will be used to inform initiatives in support of

44 OECD, Draft Recommendations of the Council on Public Service Leadership and Capability, <http://www.oecd.org/gov/pem/draft-recommendation-of-the-council-on-public-service-leadership-and-capability.pdf> (accessed 15 October 2018).

45 O’Leary, J and Legg, A, Diversity Council Australia, *DCA-Suncorp Inclusion@Work Index 2017–2018: Mapping the State of Inclusion in the Australian Workforce*, Sydney, Diversity Council Australia, 2017.

the implementation of *Balancing the Future: The Australian Public Service Gender Equality Strategy 2016–19* (Gender Equality Strategy).

The Council launched the APS Diversity and Gender Equality Awards in 2017 to recognise the outstanding contributions that agencies, employee networks and individual employees make towards fostering workplace diversity and inclusion. The awards attracted many high-quality nominations from across the APS.

The Council's future work will focus on continuing to develop inclusive workplaces, talent programs supporting a pipeline of employees between APS 5 and EL 2, inclusive management for EL employees, and ongoing monitoring of the three current diversity strategies.

To support Indigenous employment and retention initiatives in the APS, an Indigenous SES Network was established. The Network offers cultural and strategic advice to the Secretaries Equality and Diversity Council.

### Indigenous SES Network

The Indigenous SES Network brings together senior Aboriginal and Torres Strait Islander leaders from across the APS to drive meaningful change and provide guidance on issues impacting on the employment of Indigenous Australians in the public service. The Network is sponsored by the Australian Public Service Commissioner and advised by Professor Tom Calma. As Senior Indigenous public servants, network members provide a stewardship role for Indigenous employees. They actively advocate, role model and promote diversity within the APS and within their agencies.

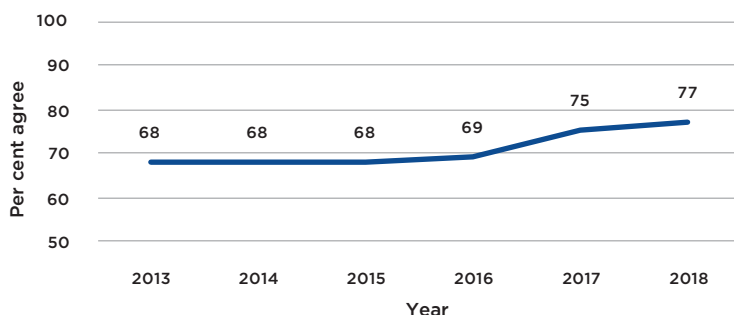
The Network's strategic objectives are driven by a smaller Steering Committee, supported by a working group of EL Indigenous employees.

In 2018, the Network has given considerable thought and attention to enhancing Indigenous leadership in the APS. They are progressing a strategy to work across agencies, with tangible actions designed to improve the attraction, retention and development of Indigenous leaders. Optimisation of Indigenous leadership will enhance the Government's ability to understand and facilitate social and economic opportunities for Indigenous Australians and ensure policies and programs reflect Indigenous world views, needs and aspirations.

Recent years have seen an increase in the proportion of employees reporting they believe their agency is committed to creating a diverse workforce (Figure 25). In 2018, three-quarters of APS employee census respondents agreed their agency actively promotes and supports an inclusive workplace culture.



Figure 25: APS employee perceptions of agency commitment to creating a diverse workforce, 2013–18



Source: APS employee census

In the 2018 APS agency survey, agencies were asked to report how many SES officers in each agency were active champions for diversity and inclusion. Agencies reported an average of three SES in each agency, with 318 across the APS.

The one thing my agency is doing well is developing a respectful, inclusive work environment that encourages collaboration and fosters excellence.

**EL 1, small specialist agency**

The actions of senior leaders are important in developing and maintaining an inclusive workplace culture. Sixty-five per cent of employee census respondents agree that their SES manager actively supports people of diverse backgrounds. More work is needed in the APS to increase senior leadership support in creating a diverse and inclusive workforce.

The value of diversity is not just that it humanises us and helps us treat others with respect and value them for the people they are, but that it keeps us on our feet, brings in new and different ideas, ensures we have the best of the crop advising ministers and implementing government policy, and improves outcomes.

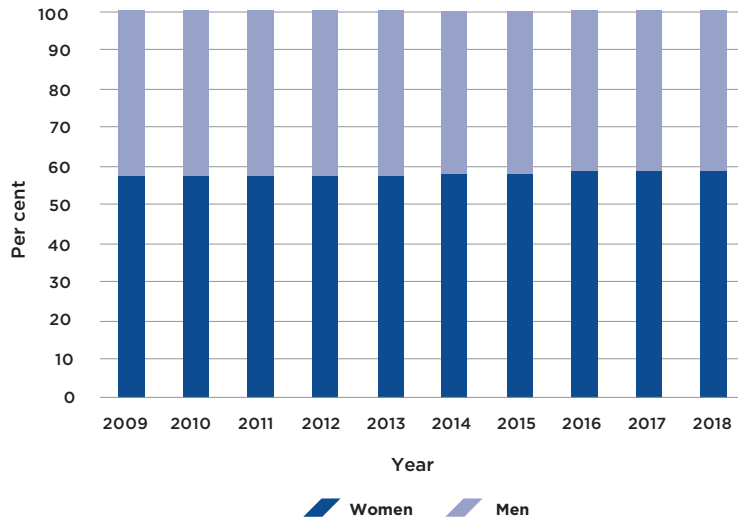
**Dr Gordon de Brouwer PSM, Former Secretary, Department of the Environment and Energy, September 2017<sup>46</sup>**

46 IPAA Secretary Series: Secretary Valedictory, 7 September 2017.

## Gender

At 30 June 2018, 59 per cent of the 150,594 employees in the APS were women (Figure 26). This rate has remained reasonably stable over the past decade.

Figure 26: APS gender representation by year, 2009-18



**Note:** While data for Gender X employees was collected, proportions are too small to be presented

Source: APSED

Excluding trainees, there are more women than men at all classification levels up to and including EL 1. The proportion of women at EL 2 continues to increase (Figure 27).

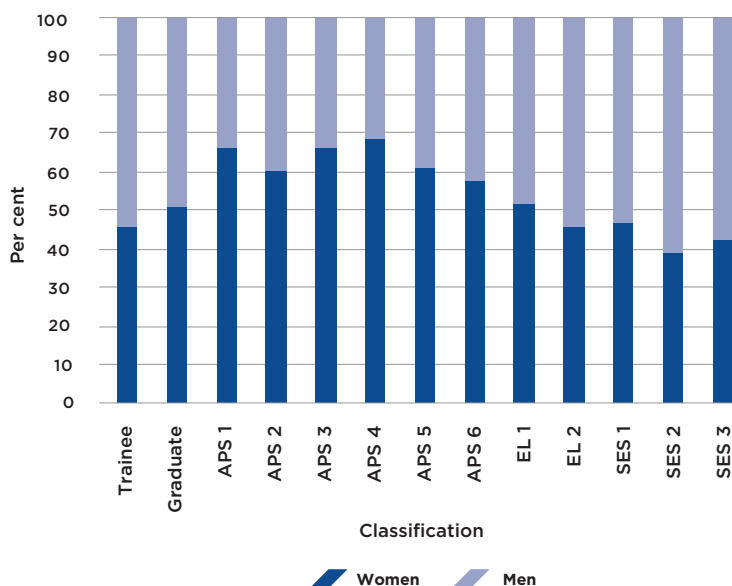
The proportion of female SES employees increased substantially to 45 per cent in 2018, up from 36 per cent in 2009. In 2017-18, gender parity at secretary level was achieved for the first time.

I'd like to get to the point where gender really doesn't matter in a public service career, where women and men are both judged really on their merits rather than on a gendered view of merit as I think happens even now.

*Renée Leon PSM, Secretary, Department of Human Services<sup>47</sup>*

<sup>47</sup> Speech for International Women's Day, 8 March 2018.

Figure 27: Classification of APS employees by gender, 2018



**Note:** While data for Gender X employees was collected, proportions are too small to be presented

Source: APSED

## Implementation of the APS Gender Equality Strategy

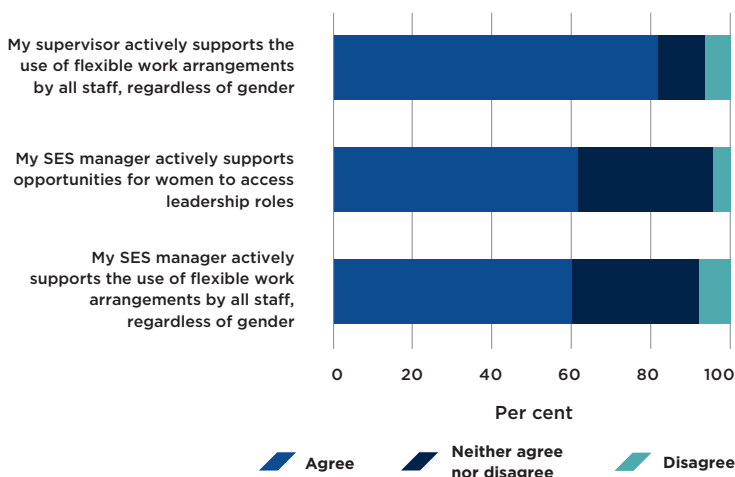
*Balancing the Future: The Australian Public Service Gender Equality Strategy 2016–19* sets out actions for driving high performance and boosting productivity. The strategy's key focus areas include:

1. driving a supportive and enabling workplace culture
2. achieving gender equality in APS leadership
3. working innovatively to embed gender equality in employment practices
4. increasing take-up of flexible work arrangements by men and women
5. measuring and evaluating actions.

In the 2018 APS agency survey, agency responses indicate that progress is being made in implementing the Gender Equality Strategy.

The 2018 APS employee census data indicates that APS employees have a generally positive view of the actions their SES manager and immediate supervisors are taking to support gender equality (Figure 28).

Figure 28: APS employee perceptions of gender equality



Source: 2018 APS employee census

The report *Embedding Gender Equality in the Australian Public Service: Changing practices, changing cultures*<sup>48</sup> found that the Gender Equality Strategy has been influential in further progressing and embedding gender equality in the APS. Specifically, it has started an important conversation about the nature of equality, opening discussion around the opportunities and challenges in progressing gender equality. However, more work is needed if the APS is to remain a leader in gender equality in Australia.

In the 2018 APS agency survey, some of the most frequently reported initiatives to implementing the Gender Equality Strategy included developing and implementing agency-specific diversity strategies, having gender champions and gender networks, and changing recruitment practices. Some changes to recruitment practices included gender-specific recruitment targets and gender-balanced recruitment panels.

Agencies reported that barriers to implementing the initiatives in the Gender Equality Strategy include the low number of female applicants for some advertised positions and the belief by some managers that a focus on gender equality is inconsistent with merit-based recruitment.

48 Williamson, S and Foley M (2017), *Embedding Gender Equality in the Australian Public Service: changing practices, changing cultures*, UNSW School of Business, [https://www.unsw.adfa.edu.au/school-of-business/sites/bus/files/uploads/172084%20Gender%20Equality%20Publication\\_171122.pdf](https://www.unsw.adfa.edu.au/school-of-business/sites/bus/files/uploads/172084%20Gender%20Equality%20Publication_171122.pdf) (accessed 14 October 2018).

## Gender reporting

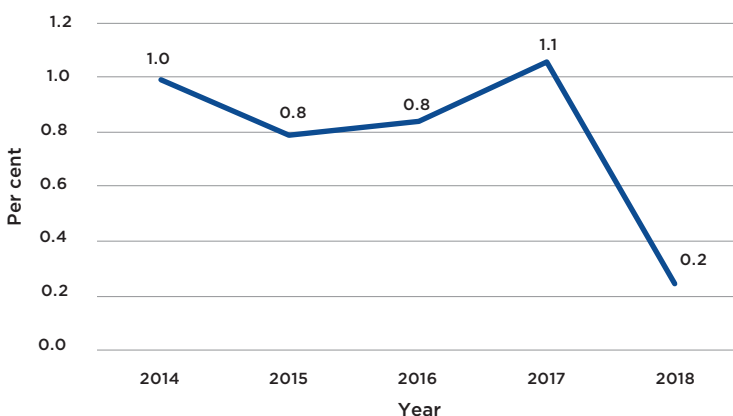
On 1 July 2016, the APSC began recording a third gender category in the APS Employment Database. This category encompasses APS employees who do not identify as male or female. For the purposes of APS data collection, this third gender category is referred to as 'X'. This collection approach aligns with the Australian Government Guidelines on the Recognition of Sex and Gender<sup>49</sup> which require non-binary gender identity to be reflected in government records.

Ninety per cent of agencies have reported they are promoting and applying the gender X category or similar in their HR systems and reporting. Work to enable this has included reconfiguring HR systems and updating recruitment and on-boarding forms. The APSC is working with agencies to support the upload of gender X data into HR systems so data captured accurately represents the gender identification of APS employees.

Gender X was first introduced as a gender category in the APS employee census in 2014. Census data collected between 2014 and 2017 showed reasonable stability in the rates of APS employees identifying as gender X (Figure 29).

In 2018, the rate of respondents identifying as gender X dropped considerably. This coincided with the introduction in 2018 of 'prefer not to say' as an option for the gender question. In previous years it was hypothesised that some census respondents selected gender X as a way to further anonymise their census responses. If this trend continues, this would suggest that the hypothesis was correct.

Figure 29: Representation of gender X employees in the APS, 2014–18



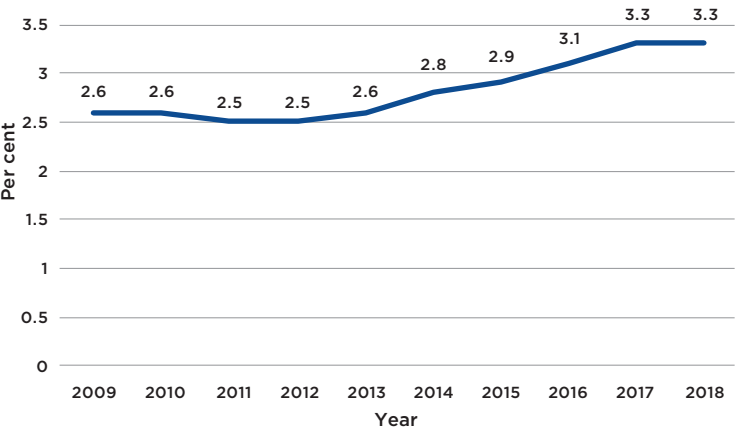
Source: APS employee census

49 <https://www.ag.gov.au/Publications/Pages/AustralianGovernmentGuidelinesontheRecognitionofSexandGender.aspx> (accessed 16 October 2018).

## Indigenous representation

At 30 June 2018, 3.3 per cent of the APS workforce identified as Indigenous (Figure 30). The representation of Indigenous employees in the APS has improved slightly over the last 10 years and is higher than the proportion of Indigenous Australians in the wider population (2.8 per cent).

Figure 30: Representation of Indigenous employees in the APS, 2009-18

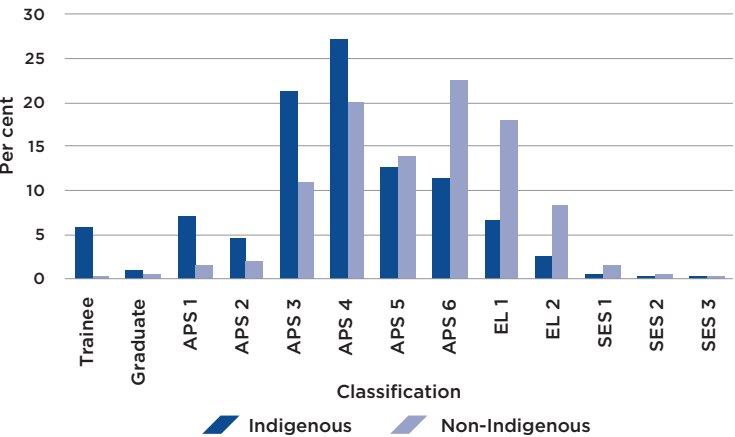


Source: APSED

Despite an overall increase in the proportion of Indigenous employees in the APS, representation by classification is heavily skewed towards the lower end (Figure 31).

Indigenous employees in the APS are most commonly employed at the APS 4 level (27 per cent). Representation at more senior levels is very low, with only 0.05 per cent of all SES Indigenous employees.

Figure 31: Representation of Indigenous and non-Indigenous APS employees by classification, 2018



Source: APSED



In response to the *Forrest Review: Creating Parity*<sup>50</sup>, the Government released the *Commonwealth Aboriginal and Torres Strait Islander Employment Strategy 2015–18*<sup>51</sup> in September 2015. The strategy addresses the priority to build Indigenous employment within the Commonwealth public sector. Specific goals include:

- increasing the representation of Indigenous employees across the Commonwealth public sector to 3 per cent by 2018
- ensuring Indigenous Australians are offered entry pathways into the public service
- creating better career development opportunities for Indigenous employees
- increasing the representation of Indigenous Australians in senior leadership positions.

All Commonwealth agencies have an Indigenous representation target, either a self-nominated stretch target or the minimum 2.5 per cent. In the 2018 APS agency survey, 69 per cent of agencies reported having set an agency-specific target.

To support the retention and career advancement of Indigenous employees, a range of whole-of-APS retention and development programs are underway. These include:

- Indigenous mentoring program: More than 150 mentoring partnerships were established in 2017. Following the success of the first pilot, a second pilot is underway.
- excELerate: A career development program that combines formal training and individualised coaching. The program supports the progression of high-performing Indigenous employees at APS 5 to APS 6 levels into EL roles.

---

50 The Forrest Review, *Creating Parity*, <https://www.pmc.gov.au/sites/default/files/publications/Forrest-Review.pdf> (accessed 15 October 2018).

51 APSC, *Commonwealth Aboriginal and Torres Strait Islander Employment Strategy*, <http://www.apsc.gov.au/publications-and-media/current-publications/commonwealth-aboriginal-and-torres-strait-islander-employment-strategy> (accessed 15 October 2018).

## Australian Government Indigenous Lateral Entry pilot

The APSC's Australian Government Indigenous Lateral Entry (AGILE) pilot is designed to improve representation of Indigenous employees at EL and SES levels. AGILE is a centrally co-ordinated recruitment process using the affirmative measure.

The key aim was to attract experienced Indigenous professionals. The pilot recruited Indigenous employees to four in-demand capability areas: project management; strategic policy; law; and accounting and finance. It also provided career advancement opportunities for existing Indigenous APS employees.

Applications were received from 220 individuals, with 67 found suitable for roles at APS 6 to EL 2 classifications. APS agencies can engage successful AGILE candidates to fill immediate vacancies, and can recruit from Indigenous talent merit pools for up to 12 months. Initial indications are positive, with several candidates having already accepted offers of employment. A comprehensive evaluation of the pilot is expected to be completed by the end of 2018.

Agencies continue to implement the strategy within their own contexts. In the 2018 APS agency survey, the most frequently reported initiatives for increasing Indigenous employee representation, include: apprenticeship, internship and cadet programs; advertising vacancies in alternative places such as the *Koori Mail* and 'Our Mob' job board<sup>52</sup>; and offering scholarships, study assistance, further training and mentoring programs.

Challenges agencies experienced to expanding Indigenous employment opportunities and increasing the representation of Indigenous employees in senior roles include a limited number of Indigenous candidates applying for vacancies and low turnover rates in their senior roles.

A progress report on the strategy<sup>53</sup> was published in May 2018. The report outlines areas of future focus to further improve employment outcomes and opportunities available to Indigenous peoples. Although the strategy has had a positive impact on increasing employment opportunities for Indigenous persons, considerably more effort is required.

A full evaluation of the *Commonwealth Aboriginal and Torres Strait Islander Employment Strategy* will be undertaken at the completion of the strategy.

52 [ourmob.com.au](http://ourmob.com.au), Job Search, <http://ourmob.net/> (accessed 15 October 2018).

53 APSC, *Commonwealth Aboriginal and Torres Strait Islander Employment Strategy: Progress report recommendations*, <https://www.apsc.gov.au/commonwealth-aboriginal-and-torres-strait-islander-employment-strategy-progress-report> (accessed 15 October 2018).





## Lesbian, Gay, Bisexual, Trans and/or Intersex representation

The APS employee census collected data on employees who identify as LGBTI+ for the first time in 2017. In the 2018 employee census, 4.4 per cent of respondents indicated they identified as LGBTI+. This was a slightly higher proportion than 2017 (4.1 per cent).

Analysis of the measures in the census showed very similar workplace perceptions reported by respondents who identified as LGBTI+ and those who did not. This included wellbeing, job satisfaction, engagement, and perceptions of inclusivity in the workplace.

### 2017 APS Diversity and Gender Equality Awards – Network Award

#### **Winner: ATO Making Inclusion Count (ATOMIC) – The Australian Taxation Office’s LGBTI+ employee network**

The Australian Taxation Office launched its LGBTI+ and ally network, known as ATOMIC, in 2016. The network now has more than 1,700 members and is one of the leading LGBTI+ networks in the APS. ATOMIC is passionate about creating an environment where everyone can ‘bring their whole self’ to work. It achieves this through initiatives such as hosting monthly ATOMIC happy hours in Canberra to connect APS agencies, speaking about LGBTI+ inclusion at the Australian Government Leadership Network, appointing SES Champions to promote the inclusion message and provide executive support, and celebrating days of importance to the LGBTI+ community.

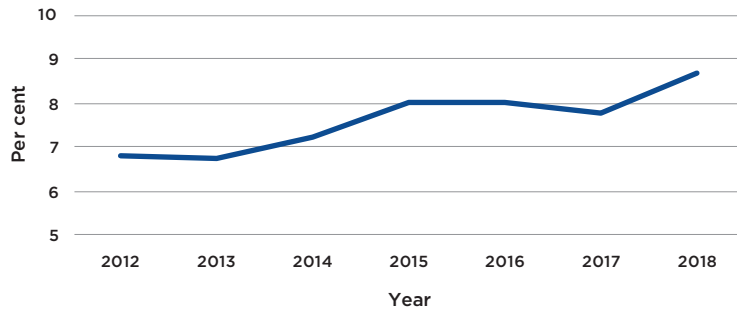
## Disability

Data on employees with disability is collected through agency HR systems and the annual APS employee census.

Of the census respondents in 2018, 8.7 per cent of employees reported having an ongoing disability (Figure 32). This proportion is higher than the 3.7 per cent recorded on agency HR systems as identifying as an employee with disability.

This difference in rates has been consistently reported over many years and could be the result of a number of issues. Disability is not necessarily static. Employees who acquire disability during their career may not update their HR record. In some cases, employees may be concerned about including their disability in their agency’s HR system but may be comfortable including that information in a confidential survey.

Figure 32: Representation of employees with an ongoing disability in the APS, 2012-18



Source: APS employee census

The APS is committed to supporting employees with disability. In May 2016, the *As One: Making it Happen— APS Disability Employment Strategy 2016–19*<sup>54</sup> was launched. This was developed in consultation with employees with disability, APS agencies and peak disability bodies. It focuses on four key action areas which all include a focus on Indigenous people with disability:

1. expand the range of employment opportunities for people with disability
2. invest in developing the capability of employees with disability
3. increase the representation of employees with disability in senior roles
4. foster inclusive cultures in the workplace.

As further commitment to the recruitment of people with disability, the APSC launched GradAccess in 2017. GradAccess is a two-year pilot of centrally co-ordinated graduate recruitment process for people with disability. In the first year, 23 people with disability were offered a place in 2018 APS graduate programs. The second year is underway for places in the 2019 APS graduate programs.

In 2018, the APSC expanded the entry level pathways for people with disability by implementing a second two-year pilot, NextStep. This is a cross-agency traineeship for people with disability managed through a centrally co-ordinated recruitment process. Four agencies are participating in the NextStep pilot with 16 placements available.

<sup>54</sup> APSC, <http://www.apsc.gov.au/managing-in-the-aps/disability/as-one-aps-disability-employment-strategy-2016-19> (accessed 15 October 2018).

## 2017 APS Diversity and Gender Equality Awards—Department/Agency Award

### Winner: National Disability Insurance Agency

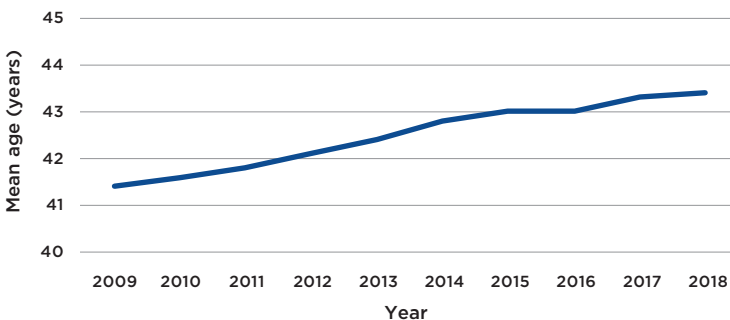
The National Disability Insurance Agency (NDIA) is striving to be an employer of choice for people with disability, with a target of 15 per cent. This target is within reach, with 13 per cent of NDIA's current workforce identifying as having disability. The NDIA continues to develop and implement policies to attract, select, support, and retain employees with disability. It is leading the way in the recruitment and employment of employees with disability and role models how practices increasing access to employment opportunities for people with disability can become business-as-usual. Candidates and employees are supported throughout the recruitment process. Successful candidates are then further supported by Disability Liaison Officers from the Inclusion and Diversity Support Unit to ensure adjustments are in place for a safe, inclusive and accessible work environment that allows every individual to perform at their best.

Source: 2018 APS employee census

## Older workers

The APS workforce is ageing. In the last 10 years, the mean age of APS employees has increased from 41.4 years to 43.4 years (Figure 33).

Figure 33: Mean age of APS employees, 2009–18

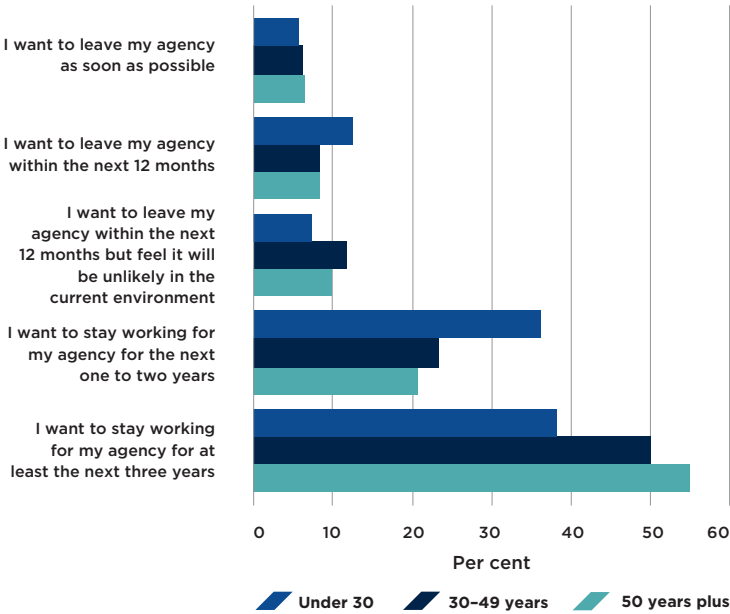


Source: APSED

The APS must give due consideration to its ageing workforce. It needs to develop workforce plans and other age-related strategies to maximise the benefits of older workers and limit negative impacts, such as loss of corporate knowledge, because of retirement. In the 2018 APS agency survey, only 11 per cent of agencies reported having multigenerational and/or specific age group plans or strategies.

Responses to the 2018 APS employee census indicate that older workers, defined here as those 50 years of age or older, are the age group most likely to want to stay working for their agency for at least the next three years (Figure 34).

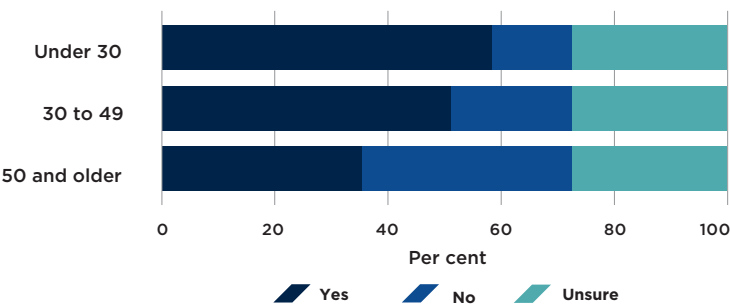
Figure 34: APS employee career intentions by age group



Source: 2018 APS employee census

Older workers are significantly less likely to consider leaving the APS for other employment opportunities (Figure 35). While younger respondents were most likely to consider leaving the APS for other job opportunities, the possibility that their current pay and conditions would not be met prevents them from doing so. Respondents 50 years of age and older reported that the impact on superannuation, or the fact that they were nearing retirement, is stopping them from seeking these job opportunities.

Figure 35: APS employee interest in leaving the APS for other job opportunities by age group



Source: 2018 APS employee census



Results from the 2018 APS employee census show that most respondents of all age groups felt committed to their agency's goals and believed strongly in the purpose and objective of the APS. Some differences exist across age groups with satisfaction rates relating to rewards and recognition. Respondents under 30 years of age were most likely to agree they were fairly remunerated, and more satisfied with their non-monetary employment conditions, than were older age groups. They were also more likely to be satisfied with their job stability and security.

The Government announced the establishment of the Collaborative Partnership on Mature Age Employment in the 2018–19 Budget. This partnership includes representatives from business peak bodies, industry associations and mature-age advocacy groups. Its key priority areas are:

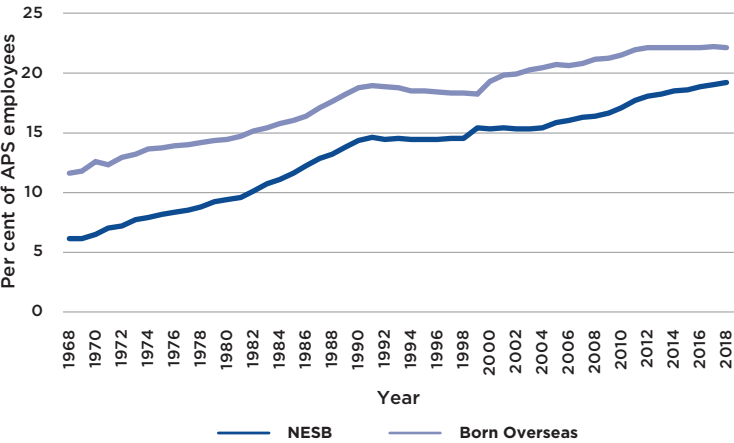
- Employer mobilisation—drive the recruitment and retention of mature-age Australians through influencing the policies and practices of employers and HR professionals.
- Industry awareness—promote the benefits of hiring and retaining mature-age workers, as well as the assistance and resources available, to employers, HR professionals, peak bodies and employment service providers.
- Workplace age discrimination—assist Australian firms to identify and address age discrimination in the workplace.
- Current and potential innovations—encourage business to hire older people, including those who have retired, using flexible work arrangements and other evidence-based measures.

As the central policy agency with responsibility for APS employment, the APSC is involved in this partnership to engage with other sectors about best practice to implement measures in the APS to drive the recruitment and retention of mature-age workers and to share experiences with them.

## Cultural and linguistic diversity

Through agency HR systems, the APS collects information on employees from non-English speaking backgrounds (NESB). In 2017–18, 22 per cent of APS employees identified as being born overseas and 19 per cent identified as being from NESB (Figure 36). These proportions have continued a steady increase over the last 50 years.

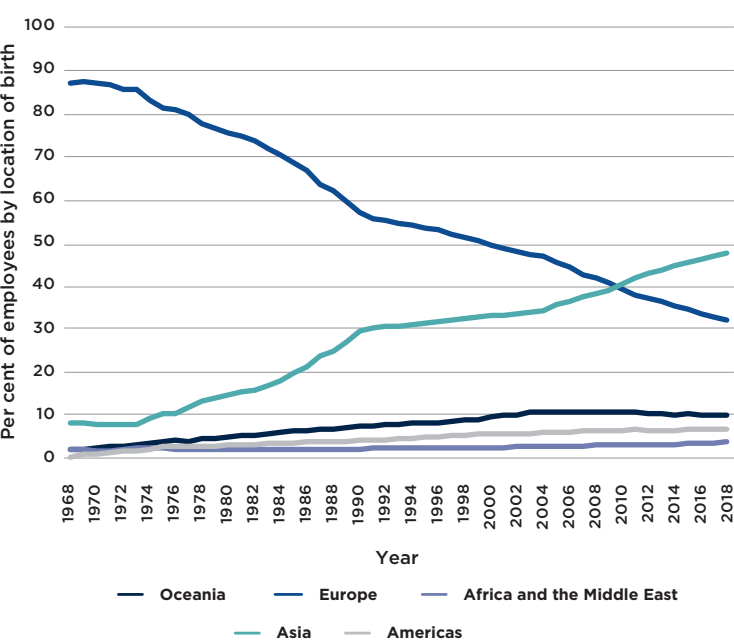
Figure 36: Proportion of APS employees from non-English speaking backgrounds and APS employees born overseas, 1968-2018



Source: APSED

In 1968, 87 per cent of APS employees born overseas came from Europe (Figure 37). This decreased steadily to 32 per cent in 2018, mainly because of an increase in employees from Asia. In 2010, employees with an Asian country of birth replaced employees from Europe as the highest group of people born overseas.

Figure 37: Proportion of APS employees by location of birth, 1968-2018



Source: APSED



NESB data has been collected through the annual APS employee census since 2012. However, in 2018 it was recognised that information about the cultural and linguistic differences of APS employees, was a more valuable measure for understanding employee perceptions. As a result, the 2018 APS employee census captured information on the cultural and linguistic diversity of respondents. The census contained questions consistent with the core elements of the ABS Standards for Statistics on Cultural and Language Diversity. Questions included country of birth, language other than English spoken at home, proficiency in spoken English and Indigenous status. Cultural and linguistic diversity groups comprise a significant proportion of Australia's population. Twenty-six per cent of Australians were born overseas and 21 per cent of Australians speak a language other than English at home. In comparison, a slightly lower proportion of respondents to the 2018 APS employee census (22 per cent) reported being born overseas and 18 per cent reported speaking a language other than English at home. Almost all respondents (99.6 per cent) reported the ability to speak English well or very well.

## Considerations for the future

The level of diversity in the APS is slowly increasing, however it can be improved. The Government's announcement on the development of an APS workforce strategy notes that improving the capability, capacity and diversity of the workforce is a key outcome.

Increasing the diversity of the workforce is important for the APS to most effectively serve a diverse Australian community. However, this will not be achieved in an enduring, meaningful way without simultaneously developing more inclusive APS workplaces. The APSC and the Secretaries Equality and Diversity Council are focused on providing leadership and support for agencies to embed inclusion in their workplaces.





THEME 2:

CAPABILITY

# CHAPTER 6

## ORGANISATIONAL PERFORMANCE AND EFFICIENCY

### Key points

- Where employees perceived their agency as having high levels of organisational performance, agencies were more likely to have the tools, resources and work processes that facilitate productivity.
- Individuals in higher performing agencies were more likely to be satisfied with work-life balance, have a say in how they do their work, and have a positive attitude towards risk management.
- Employee engagement varies across classification levels in the APS. SES employees have substantially higher levels of engagement compared to EL and APS employees.
- Many employees (82 per cent) agreed that their supervisor actively supports the use of flexible working arrangements by all employees, regardless of gender.
- Employees feeling valued for their contribution was the biggest differentiator between agencies with the highest and lowest wellbeing scores.

### Public sector performance

Greater productivity and efficiency underpin the Government's agenda for a public sector that serves the community and business effectively.

Australian Government expenditure in 2017–18 was \$460.3 billion, or 25 per cent of gross domestic product. An efficient and productive APS needs to ensure this expenditure has the best impact on outcomes.<sup>55</sup>

Assessments about APS performance are usually based on its ability to successfully deliver programs on time and on budget, to process large volumes of transactions, or reduce spending. These measures, while useful, do not necessarily reflect the quality of services provided or the value to the public. Reporting meaningful and comparable public sector performance metrics remains a challenge.

A high-performing public sector is demonstrated by its ability to meet and influence government outcomes. Performance is driven by its leadership, enabled by its systems, processes and governance.

55 The Treasury (2018), *Final Budget Outcome 2017–18*, Canberra.



Effective public sector performance is founded on strong supporting legislation. The PGPA Act came into effect on 1 July 2014, bringing improvements to the management of public resources, including working cooperatively with other jurisdictions, planning and reporting.

An independent review of the PGPA Act in 2018 found that it compares favourably to similar frameworks in other countries and provides a good framework for a high-performing public sector.<sup>56</sup>

The Review made recommendations to drive further change in four key areas:

1. leadership—investment to improve performance outcomes
2. risk—improvements needed to risk management and risk culture
3. outcomes-driven objectives—more work needed to implement the PGPA's Act objective of cross-government collaboration
4. greater transparency—development of clearer performance measures and transparency of outcomes needed.<sup>57</sup>

The Review acknowledged that performance can be difficult to measure, particularly with quality of policy outputs and effectiveness of government activities and programs. It also found the APS is not alone in its challenges of measuring performance, with international jurisdictions facing similar issues.

While productivity in the private sector can be based on volume or market indicators, the nature of government work, which includes developing policy and delivering public goods, does not easily lend itself towards such measures. Nevertheless, the APS needs to keep moving from focusing on measuring outputs rather than outcomes.

There are strong benefits in tackling these challenges. Appropriate productivity measures are useful in better understanding public sector performance both over time and compared to similar entities. They are also useful in helping demonstrate to the public how well the APS uses its resources.

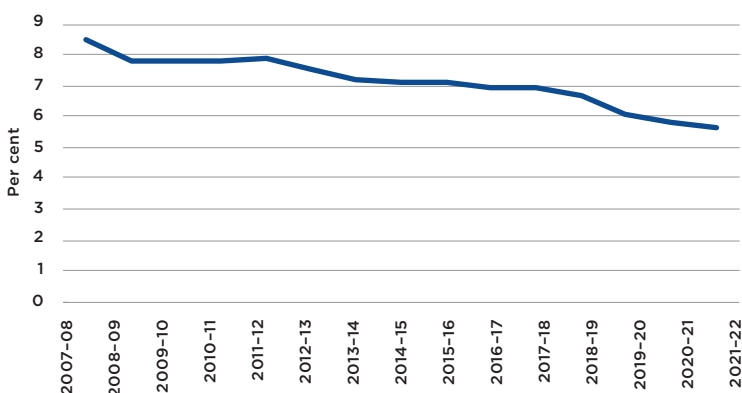
---

56 [https://www.finance.gov.au/sites/all/themes/pgpa\\_independent\\_review/report/PGPA\\_Independent\\_Review\\_-\\_Final\\_Report.pdf](https://www.finance.gov.au/sites/all/themes/pgpa_independent_review/report/PGPA_Independent_Review_-_Final_Report.pdf) (accessed 16 October 2018).

57 <https://www.apsreview.gov.au/news/tale-of-2-reviews> (accessed 16 October 2018).

High-level improvements to public sector productivity are evident. For example, the 150,000 APS workforce is now at its lowest level since 2006, managing a volume of transactions well in excess of 2006 levels. The cost of government administration as a proportion of overall expenditure fell from 8.5 per cent in 2007–08 to 6.9 per cent in 2017–18 and is on track to continue to fall to 5.6 per cent by 2021–22 (Figure 38).

**Figure 38: Departmental expenditure as a percentage of total Government expenses, 2007-08 to 2021-22**



Notes:

- Total government expenses reflects total expenses at the Commonwealth General Government Sector level, and includes activities of all relevant Government-controlled non-market entities. The GGS covers officials employed under the Public Service Act (as APS officials) as well as other arrangements.
- Expenses data from 2007-08 through to 2017-18 is derived from Final Budget Outcome Statements. From 2018-19 onwards expenses data reflects revised budget and forward estimates as at 2018-19 Budget.
- Excludes the Department of Defence and National Disability Insurance Agency.
- This graph is consistent with the Graph 1, the Preface, Agency Resourcing Budget Paper No. 4 2018-19.

The Government Business Analytical Unit, established under the Data Integration Partnership for Australia, is undertaking a pilot to measure productivity of selected public sector functions. The pilot will assess public sector performance against a range of known drivers of productivity, such as risk tolerance, innovation, use of technology, employee engagement and workforce capability.

A range of existing data sources, including output-based sources and employee sentiment indicators, will inform an appropriate basket of productivity measures. The project forms part of the productivity stream under the Roadmap. Benefits from it could include cost savings through more efficient transactional processes, increased employee engagement, greater cross-skilling between agencies leading to more sophisticated policy advice, better alignment of risk and innovation, technology uptake and more flexible use of resources.

## Agency performance

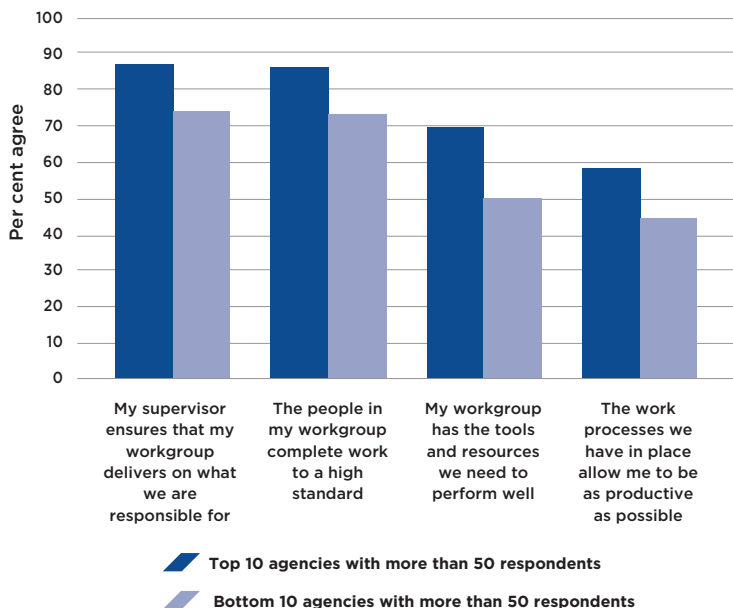
Agency performance measures, as reported in their Annual Performance Statements, provide a solid base from which to understand an agency's key deliverables and whether targets are achieved. Feedback from the APS employee census and APS agency survey provide further insight into workforce perspectives on performance.

In the 2018 APS employee census, employees were asked to reflect on their agency's success in meeting its goals and objectives using a 10-point scale. On average, employees rated their agency a 6.7, indicating they viewed their agency's performance as above average.

Figure 39 shows that where employees perceived their agency as having high levels of organisational performance, they also perceived their agencies more likely to have:<sup>58</sup>

- workgroups with access to the necessary tools and resources
- work processes that facilitate productivity
- workgroup members that complete work to a high standard
- supervisors that ensure their workgroups deliver.

**Figure 39: Productivity-related perceptions of APS employees from agencies with high and low perceived organisational performance**



Source: 2018 APS employee census

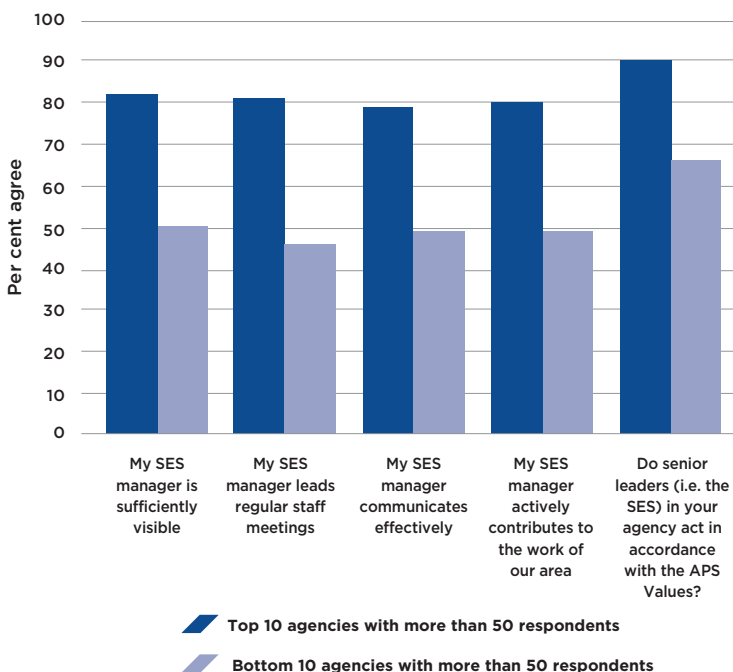
<sup>58</sup> Analysis in this section presents results when there are more than 50 respondents to the question. This is to facilitate agency comparisons and prevent results from being skewed towards small agencies who typically exhibit more positive views.

Agencies with higher ratings of organisational performance were also more likely to be viewed positively on multiple metrics. For instance, when comparing higher organisational performance agencies with lower performance agencies, immediate supervisors were seen as more:

- likely to be encouraging, consultative and welcoming of new ideas and suggestions
- committed to developing employee capability
- committed to performance management.

There is also a contrast between how SES managers are viewed in high and low-performing agencies. Respondents from agencies with perceived high levels of performance were more likely to indicate that their SES managers were visible, led regular employee meetings, communicated effectively, contributed to the work of their agency, and acted in accordance with the APS Values (Figure 40).

**Figure 40: Perceptions of SES managers held by APS employees from agencies with high and low-perceived organisational performance**



Source: 2018 APS employee census

APS employees of agencies with perceived higher levels of performance were more likely to believe their agency was a better manager of change, had more effective internal communication and was more likely to promote an inclusive workplace culture.

These agencies were also viewed as being better managers of their workforces and having sufficient opportunities for career progression.

Where agencies were rated as higher performing, individuals were more likely to be satisfied with their work-life balance, feel they had choice in how they did their work and hold more positive attitudes towards risk management.

When viewed holistically, respondents from higher performing agencies reported higher levels of employee engagement and more positive attitudes towards innovation and wellbeing.

## Cutting red tape

Unnecessary regulatory burden, or red tape, is a known inhibitor of action and decision making. Cutting red tape is important for improving efficiency both in the public sector and for the community. It has been an objective of successive governments since the 1970s.<sup>59</sup>

The last review of government red tape, the 2015 Belcher Red Tape Review, encouraged removal of internal red tape to enable agility and responsiveness, and to develop a culture of risk management rather than regulation.<sup>60</sup> Four whole-of-government themes emerged from the review:

1. over regulation
2. inefficient regulation
3. unclear and inaccessible regulations and guidance
4. culture of risk aversion.<sup>61</sup>

In the 2018 APS employee census, employees were asked to rate the level of action within their agency to reduce red tape on a scale of 1 to 10 (with 1 being no action and 10 signifying the highest level of action). The level varied across agencies, with an average level of 5. This is consistent with the previous year.

This result suggests that cutting red tape may go unnoticed, may not be well-promoted within agencies, or may not be pursued by the agency. Also, employees may not see red tape removal beyond their immediate workgroup.

---

59 Australian National Audit Office (2016), *Implementing the Deregulation Agenda: Cutting Red Tape*, ANAO Report, no. 29, 2015–16, Canberra.

60 Belcher, B (2015) 'The Independent Review of Whole-of-Government Internal Regulation', Canberra.

61 Department of Finance (2015), *Independent Review of Whole-of-Government Internal Regulation (Belcher Red Tape Review)*, Report to Secretaries Committee on Transformation.

## Collaborating for better outcomes

To deliver most value to the public, the APS must collaborate and be well connected across agencies, jurisdictions, businesses and the community.

Many examples highlight the APS's ability to work effectively with multiple tiers of government, community organisations, businesses, and educational institutions to deliver quality community outcomes.

Responses to the 2018 APS agency survey demonstrated collaborative initiatives, such as the:

- Department of Agriculture and Water Resources collaborating with the University of Melbourne's Centre of Excellence for Biosecurity Risk Analysis, relevant state and territory agencies and New Zealand authorities to research ways to combat growing biosecurity threats
- Great Barrier Reef Marine Park Authority collaborating with the Australian Institute of Marine Science, the CSIRO, Reef and Forest Research Centre, and several universities (James Cook, Queensland and Sydney) to enhance the effectiveness of Crown of Thorns Starfish surveillance and control
- National Library of Australia working with state and territory libraries to maintain the National Electronic Deposit service for accessing published electronic material across Australia.

### Department of Infrastructure, Regional Development and Cities—City Deals

The Government's negotiation of City Deals is an example of active engagement by the Australian Government with state, territory and local governments, as well as the community. City Deals is a tailored partnership aligning the planning, investment and governance across three levels of government to accelerate growth and job creation, stimulate urban renewal and drive economic reforms. City Deals allow customised approaches to addressing particular needs of Australian cities.

The Western Sydney City Deal, signed in March 2018, is an agreement between the Australian and New South Wales (NSW) governments and eight councils in Sydney's outer west. With the 2016 Census reporting that around 40 per cent of workers living in the City Deal region travelled outside of the area for work, and the population of Western Sydney set to grow by an extra one million people over the next 20 years, including more than 450,000 in the City Deal region, a new approach was needed. The City Deal sets up agreed conditions for the planning, reforming and investing needed to transform Western Sydney and provide the public with the transport, housing, employment and educational opportunities needed to accommodate growth.



This City Deal includes enduring governance arrangements between the three levels of government around better aligning planning, investment and policy decision making for Western Sydney. These governance arrangements are supported by a tri-government delivery office to co-ordinate delivery of City Deal commitments. Australian Government employees work in the Parramatta-based City Deal office.

The needs of the community are at the heart of the Western Sydney City Deal. The Australian and NSW governments have worked closely with local councils to identify local community needs. Through the joint governance arrangements, councils will continue to apply community views to shape the City Deal.

The Western Sydney City Deal will achieve significant outcomes for Western Sydney residents.

The APS is capable of working well within an essentially hierarchical system. The cross-agency taskforce model is regularly deployed to address issues requiring multi-disciplinary skills. While there is evidence that demonstrates effective collaboration, there are also examples where poorer policy outcomes have resulted from a disconnect between front-line service delivery and relevant policy areas. These lessons emphasise the need to work collaboratively for successful delivery of policy and continuous improvement of services.

Efforts to improve public outcomes by mobilising capability are described in Chapter 8, Mobilising capability.

To ensure confidence, we need to pay attention to both policy development and delivery. Each of us needs to consider how the ultimate recipient, the citizen, will experience, or be impacted, by a policy.

*Kathryn Campbell, CSC, Secretary, Department of Social Services<sup>62</sup>*

## Workplace relations

Workplace relations arrangements underpin and inform many aspects of HR management. These arrangements support consultation and cooperation across organisations, with the view to continuously improve organisational performance. This is particularly important when managing complex organisational change.

Trust is an important feature in a healthy workplace relations environment. Arrangements for workplace relations support and build employer-employee relationships. Strong, positive leadership

---

62 IPAA Secretary Series, 26 September 2018.

and effective communications are essential. SES and line managers need to work together to foster such an environment. The 2018 APS employee census results on leadership performance are outlined at Chapter 9, Leadership and stewardship.

Each APS agency is responsible for its own workplace relations arrangements within a legislative and policy framework. These arrangements can support or stymie workforce performance and productivity. Over recent years, APS workplace relations have focused on the effect of enterprise agreement content on agency performance.

A key government objective is modernising public sector workplaces so they can adapt quickly to changing operational needs. Large shifts in the economy and changing priorities of agencies will continue over the coming decade.

Paragraph 2(a) of the Government’s Workplace Bargaining Policy 2018 states that ‘enterprise agreements and other workplace arrangements are not to contain restrictive work practices, unduly limit flexibility, or otherwise impede workplace reform’.

The removal of administrative detail and procedures from enterprise agreements enables agencies and employees to:

- respond more flexibly to changing circumstances and priorities
- take advantage of new workplace innovations more quickly
- pursue different ways of working through technological change.

In addition to flexible workplace arrangements, agencies pursue measures to improve workplace productivity. Examples include:

- business process improvements
- capability development
- technological improvements
- reforms to HR policies and delegations
- staffing or establishment reviews
- performance management streamlining
- flexible workforce structures and resourcing.

Increasingly the APSC is seeing a shift in agency thinking from finding productivity gains within enterprise agreements to seeking these gains more broadly within their operations. This is consistent with the Government’s Workplace Bargaining Policy 2018, which requires agencies to identify productivity improvements to support their proposed remuneration increases.

In 2017–18, employees in 18 APS agencies voted up new enterprise agreements. Generally strong employee support for recent enterprise agreement ballots and a low level of protected industrial action suggests that employees are largely satisfied with their employment terms and conditions. This is broadly consistent with the 2018

APS employee census results, where more than three-quarters of respondents reported satisfaction with their non-monetary employment conditions.

Thirty-six APS enterprise agreements reach their nominal expiry dates in 2018–19. In some instances, agencies and employees are considering providing wage increases through determinations made under the Public Service Act while leaving nominally expired enterprise agreements in place.

In response to agency demand and the need for greater strategic focus on workplace relations, the APSC is working with agencies to enhance the capability of their workplace relations specialists and raise awareness of good workplace relations practice. The Workplace Relations Capability Program includes:

- resources such as a bargaining guide
- peer-to-peer learning through small group sessions and panel events
- problem solving through small group sessions.

## Engagement

Research over many decades has shown that high levels of employee engagement are associated with positive benefits. These include better organisational performance, productivity and retention. Engagement is more than job satisfaction or commitment to an organisation. It is the extent to which employees are motivated, inspired and enabled to improve organisational outcomes. It is a two-way relationship between an employee and their organisation.

The employee engagement index included in the APS employee census measures the emotional commitment that employees have to working for their organisation.

In this model, an engaged employee will ‘say’, ‘stay’ and ‘strive’:

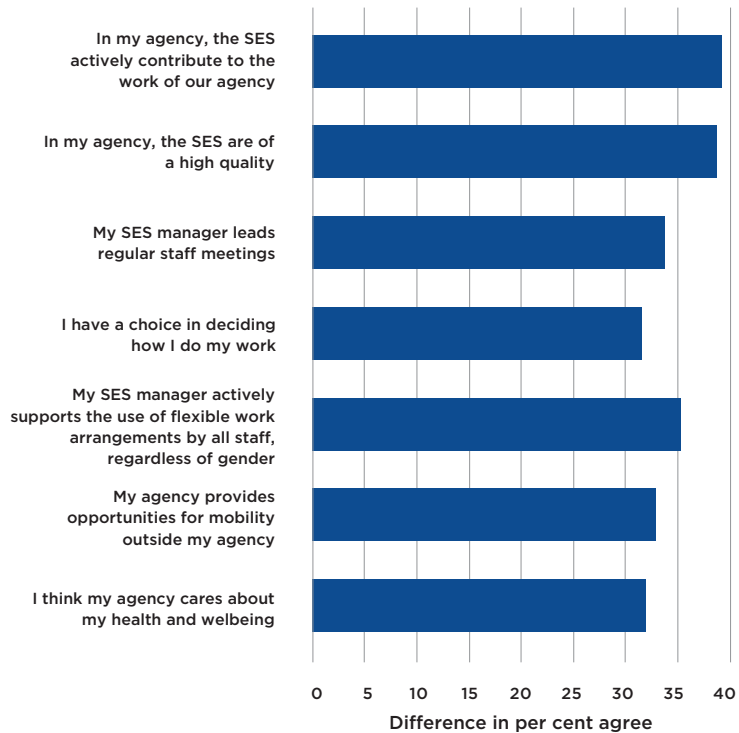
- Say—the employee is a positive advocate of the organisation.
- Stay—the employee is committed to the organisation and wants to stay.
- Strive—the employee is willing to put in discretionary effort to excel in their job and help their organisation succeed.

Results of questions against each element produce an overall engagement index score. This score for the APS in 2018 was 70.

Across APS agencies, levels of employee engagement vary. Results from the 2018 APS employee census show some key factors differentiating between agencies with the highest and lowest engagement scores.

Figure 41 shows that agencies with a higher engagement index are perceived as more than 30 percentage points better in their SES actively contributing to the work of the agency, seen as high quality, regularly leading employee meetings and supporting flexible work. These agencies are also perceived by their employees to be better in providing opportunities for mobility, to care about employee health and wellbeing, and to provide opportunities for autonomy and choice in how to perform work.

**Figure 41: Percentage point differences between the top 10 and bottom 10 agencies for employee engagement**



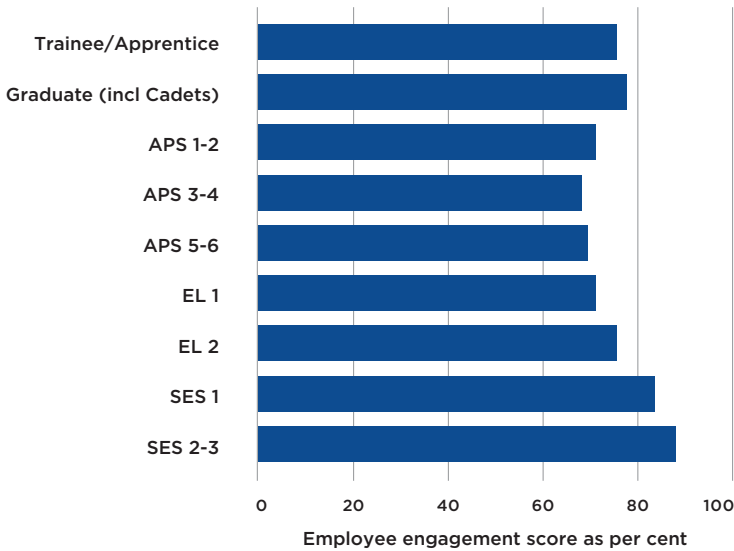
Source: 2018 APS employee census

What drives employee engagement varies from agency to agency with some differences due to size and function. In examining drivers for employee engagement, some of the highest factors influencing this in the APS include:

- employees believing that one of their responsibilities is to continually look for new ways to improve the way they work
- employees having a clear understanding of their development needs
- employee satisfaction with recognition for doing a good job
- employees having a clear understanding of how their workgroup's role contributes to their agency's strategic direction
- agency managing change well
- agency actively encouraging ethical behaviour by all employees

Employee engagement also varies across classification levels in the APS. Figure 42 shows that SES employees have substantially higher levels of engagement compared to EL and APS employees.

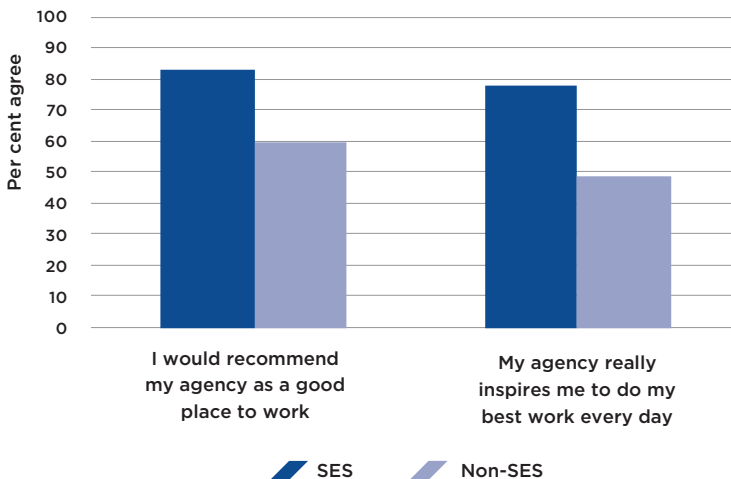
Figure 42: Employee engagement scores by classification



Source: 2018 APS employee census

A number of employee engagement items indicate large differences between SES and non-SES respondents. In particular, a greater proportion of SES respondents would recommend their agency as a good place to work and feel their agency inspires them to do their best every day (Figure 43).

Figure 43: APS employee perceptions of their agency, SES and non-SES employees



Source: 2018 APS employee census

## Wellbeing

Employee wellbeing is important for maintaining high performance and high levels of employee engagement. The APS employee census measures the practical and cultural elements allowing for a sustainable and healthy working environment.

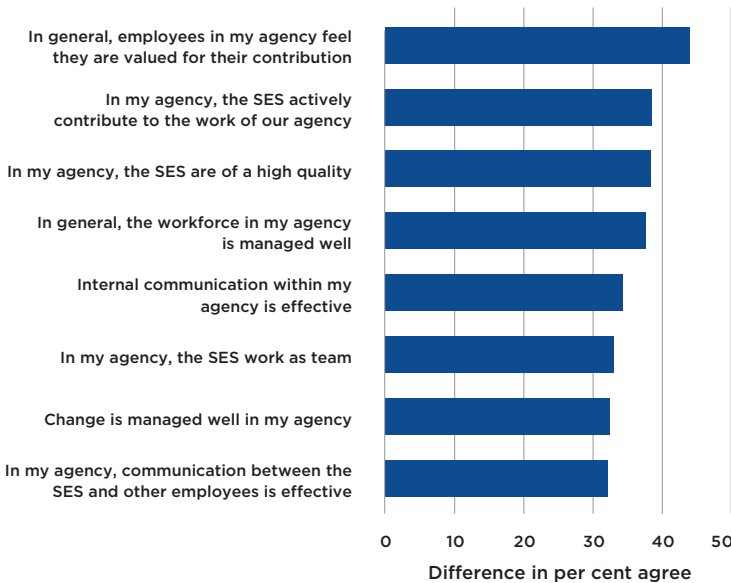
The wellbeing index included in the APS employee census provides a measure of wellbeing for employees within an organisation. The overall index for the APS in 2018 was 66, a one percentage point increase from 2017.

Figure 44 shows that agencies with a higher wellbeing index are perceived as being more than 30 percentage points better in:

- SES actively contributing to work, seen as high-quality, working as a team member and communicating effectively with others
- managing the workforce and change well
- communicating effectively.

Employee census results suggest that employees feeling valued for their contribution is the biggest differentiator between agencies with the highest and lowest wellbeing scores.

Figure 44: Percentage point differences between the top 10 and bottom 10 agencies for wellbeing



Source: 2018 APS employee census



Most 2018 APS employee census respondents (81 per cent) believed their immediate supervisor cared about their health and wellbeing and were comfortable in approaching their immediate supervisor about personal circumstances that may impact on work.

## Flexible work

APS agencies need workforce flexibility to adapt quickly in a rapidly changing environment. This can be achieved while still ensuring employee work-life balance. Flexible work encompasses practices supporting when, where and how work can be conducted.

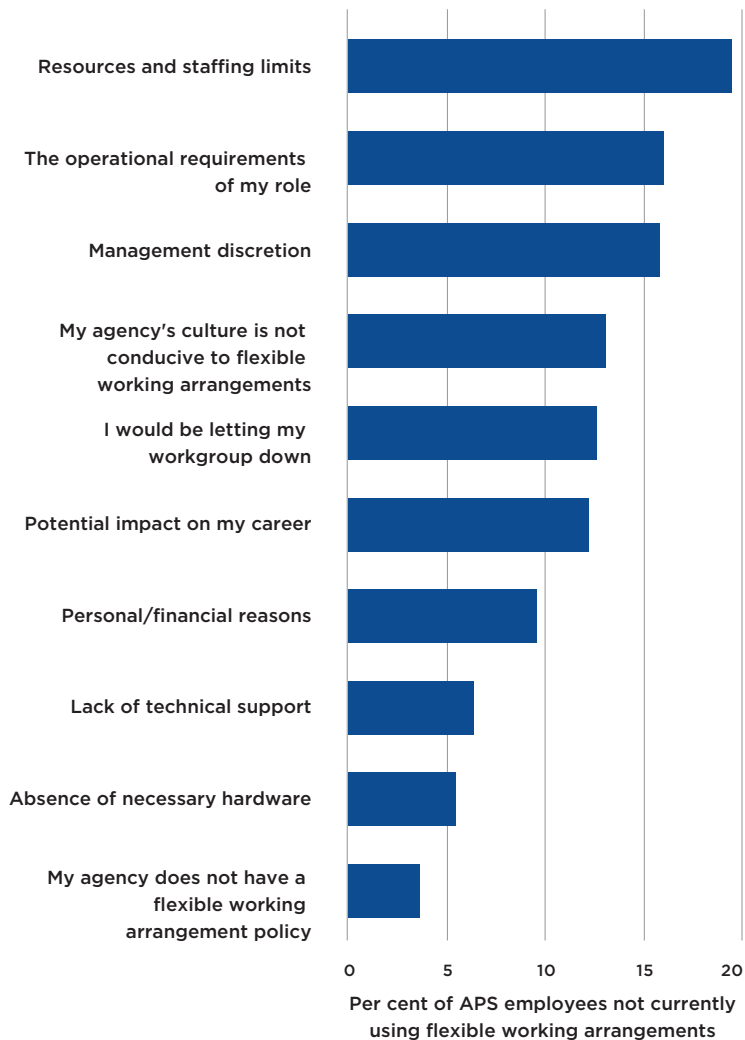
The APS has a reasonably flexible work culture. Approximately half of respondents in the 2018 APS employee census said they access flexible working arrangements. The other half said they did not need to do so.

Out of all respondents:

- 82 per cent agreed their supervisor actively supports the use of flexible working arrangements by all employees, regardless of gender
- 60 per cent agreed their SES manager actively supports the use of flexible working arrangements by all employees, regardless of gender
- 77 per cent said they were satisfied with their non-monetary employment conditions, including access to flexible working arrangements
- 74 per cent said they were satisfied with work-life balance in their job.

It is not always possible to access flexible working arrangements in specific jobs. Some operational environments require more structured approaches to work, for example with shift work. The top three barriers to flexible work reported were: resourcing and staffing limitations; operational requirements of the role; and managerial decision making (Figure 45).

**Figure 45: Barriers cited as reasons for not using flexible working arrangements**



Source: 2018 APS employee census





# CHAPTER 7

## BUILDING

## CAPABILITY

### Key points

- Sixty-eight per cent of APS employee census respondents reported being able to access learning and development solutions that meet their needs.
- Agencies reported a need to develop digital skills. They also reported skill shortages in various digital roles.
- A data literacy program has been released to support agency efforts in building data capability.
- More than half of APS employee census respondents were attracted by the security, stability and employment conditions in seeking APS employment.
- Around half of employees applied for another job over the previous 12-months, with most applying for jobs in their current agency.

A fit-for-purpose APS needs an engaged and highly capable workforce that is able to serve government and citizens into the future.

While the future is opaque, some trends are likely to impact on the capabilities required by the APS. These include globalisation, demographic change, technological change, resource challenges and workforce changes.

The APS is grappling with building and maintaining the capability needed to respond to increasingly complex challenges. Two themes emerge as the APS looks to the future:

1. The ability to quickly re-configure around a problem will be crucial in managing complexity. Adaptability and agility will be the norm, with the need to build new capabilities rapidly, and bring together skills and resources in new ways.
2. The need for the APS to maintain the continuity and stability that government and citizens expect. There will continue to be a need for professional public service skills, including deep public policy and implementation expertise. Employees will need to know how to operate within the APS framework of values and integrity. Accountability to government and citizens will remain central to a trusted and high-performing institution.

Given the breadth of APS operations, agency-specific knowledge and skills are likely to continue to be important for delivering outcomes for government and citizens. Deep expertise will remain crucial to APS performance particularly in specialised agencies. This deep, technical expertise cannot be undervalued.



*As managers and as future leaders, we have to spend, I think quite rightly, a significant amount of time thinking about how we prepare our workforce for the capabilities and skills they need for the future. Optimising the collective ability to deliver for the government and for the people of Australia, and that's an immense challenge for all of us.*

**Chris Moraitis PSM, Secretary of the Attorney-General's Department<sup>63</sup>**

Changes in the way work is performed will also have an impact on building capability. The likely shift to a more mobile APS workforce will require the APS to find ways of developing and maintaining skills throughout more fluid careers. The impacts of technology such as automation and artificial intelligence will require re-training employees as technology becomes even more integrated into their daily lives and work.

As the APS engages with future trends, including technological advancements, new capabilities are emerging as necessary for the functioning of the modern organisation and workplace. In the APS, the current focus is on digital and data capability, systems thinking, adaptation and change, and agile design. Operating globally will mean capabilities such as cross-cultural competence and intercultural communication will be increasingly necessary, as will a global mindset.

An early theme emerging from the Independent Review of the APS is the need to build, maintain and renew skills and capabilities in employees. Numerous submissions have highlighted the need to strengthen relationships with other jurisdictions and sectors to better use external capabilities.<sup>64</sup> The need to improve digital capability is a recurring theme, including in the submission from the Office of Innovation and Science<sup>65</sup>, which reports that ‘...the APS needs new mindsets, skills and capabilities to deliver innovative digital services’.

In the 2018 APS agency survey, the top three learning and development needs for agencies over the next 12 to 24 months were:

1. improving digital literacy
2. developing leadership and management capability
3. improving core skills in areas such as policy development and project management.

---

<sup>63</sup> IPAA Secretary Series, 21 February 2018.

<sup>64</sup> Submissions include from the Building Council of Australia, ANZ bank, QBE Insurance, Department of Infrastructure, Regional Development and Cities, and the Australian Information Industry Association, <https://contribute.apsreview.gov.au/submissions>

<sup>65</sup> Part of the Department of Industry, Innovation and Science.

## Investing in capability

... we all know how important on-the-job coaching and mentoring are—passing on traditions, insight and guidance is like a capability multiplier.

I sometimes think about my own public service career as a lifelong apprenticeship: I've never stopped learning from people around me and hope the Australian Public Service can deliver this for all its members.

**Dr Martin Parkinson AC PSM, Secretary, Department of Prime Minister and Cabinet** <sup>66</sup>

The development of capability occurs across a career through experiences, job roles, manager support, mentoring, coaching, and formal learning and development programs.

The APSC plays a role in fostering leadership and high-quality development in the APS. This is provided through guidance, advice and some program delivery, however responsibility for capability development is largely devolved to agencies. For this reason, it is difficult to accurately assess total APS expenditure on formal learning and development.

Responses to the 2018 APS employee census showed that around 70 per cent of employees report being able to access learning and development solutions to meet their needs. A similar proportion agreed that their supervisor provides time for them to attend learning programs and supports them to apply their learnings back in the workplace.

There are areas for improvement regarding supervisor support for capability development. Just under 60 per cent of employees agreed their immediate supervisor coaches them as part of their development and/or discusses their career plans. Ensuring the optimum level of investment in the development of employees will contribute to a more capable workforce, better able to provide government services. These results are discussed in more detail in Chapter 8, Mobilising capability.

<sup>66</sup> *The Mandarin*, 'Brexit, multilateralism and how the media impacts policy work', 19 October 2018, <<https://www.themandarin.com.au/100211-dr-martin-parkinson-brexit-multilateralism-and-how-the-media-impacts-policy-work/>>

## Professional public service

Professional public service skills underpin the ability of the public service to serve citizens through the government of the day. These skills go to the heart of what a public service does—policy, service delivery, regulation, implementation design, program management, and evaluation.

Recent work to analyse the capabilities that underpin the professionalism of APS employees identified six core enabling capabilities. These include working with government, working with people, effective communication, APS decision making, and management. The sixth capability, data and digital, is increasingly critical for all public servants.

While many of these skills have traditionally been learned on the job, there is a role for more structured learning and development to accelerate their acquisition and ensure consistency and fitness for purpose.

A case study highlighting recent evaluation results for ‘working with government’ and ‘APS decision-making’ capabilities demonstrates the extent to which ongoing attention to development is needed. Workforce renewal, including recruitment through entry-level programs and lateral recruits, means developing professional public service skills is an ongoing task.

### Building professional public service skills

The APSC offers learning programs for employees across the APS. All programs are evaluated for quality, relevance and learning outcomes. This includes participants assessing their level of capability before a program begins and after it finishes. The assessment is expressed as a percentage, with 100 per cent indicating a very high level of confidence in capability and 0 per cent indicating no confidence. The shift between before and after assessments indicates a movement in capability.

Recent evaluation results on the capability shift for programs focused on the ‘working with government’ and ‘APS decision-making’ capabilities demonstrate the extent to which ongoing development of employees is required. These capabilities are specific to the APS context and all new APS employees are required to acquire knowledge and skills in these areas.

Participants attending ‘working with government’ programs in 2017–18 rated their average capability level before starting a program as 39 per cent. At program end, the self-rated average capability level was 94 per cent. This is an average increase of 55 percentage points.

The learning programs to develop the ‘working with government’ capability include: appearing before parliamentary committees; briefing and responding to APS decision makers, ministers and Parliament; crafting quality new policy proposals; and producing a quality cabinet document. Participants of the Cabinet document program reported the greatest increase in capability, from a pre-program capability of 29 per cent to a post-program capability of 94 per cent.

Similar results were reported for the ‘APS decision-making’ capability, with participants in 2017–18 reporting an average pre-program capability level of 38 per cent, and a post-program average capability level of 95 per cent. This is an average increase of 57 percentage points.

These programs include: improving analytical and critical thinking; APS decision making; APS ethics and values; and APS frameworks. Participants in APS frameworks reported the strongest shift in capability, from a pre-program capability of 32 per cent, to a post-program capability of 96 per cent.

## Building digital capability

Rapidly changing technology is transforming the economy and significantly altering the way the community interacts with government. A breadth and depth of digital capability is crucial for a public sector that is fit-for-purpose now and into the future.

Connectivity and the growth of networks are outpacing national laws, rules, regulations and policies—and indeed the technical comprehension of many regulators and administrators.

**Michael Pezzullo, Secretary, Department of Home Affairs<sup>67</sup>**

For the first time in 2018, the APS employee census captured the proportion of employees working in digital roles. While just 1 per cent of respondents indicated that digital best described the work they do, this percentage is expected to increase. Agencies are reporting a need to develop digital skills. They are also reporting skill shortages in some digital roles.

In the 2018 APS employee census, 50 per cent of respondents agreed that SES in their agency support and provide opportunities for new ways of working in a digital environment.

<sup>67</sup> Speech to the fourth Australian Security Summit, 17 July 2018, Canberra.



In the 2017–18 Budget, the Government announced funded work by the APSC and the Digital Transformation Agency to build APS digital capability.

As part of this, Learning Design Standards have been developed for various specialist digital capabilities. These standards outline the knowledge and skills required to be competent in a digital role, with recommended training content. One standard focuses on the foundational level of digital capability required for all employees. The standards are being progressively placed on the Digital Training Marketplace, where they can be used by agencies and training organisations to deliver training in the digital skills the APS needs.

### Digital Training Marketplace

In mid-2018, the Digital Transformation Agency launched the Digital Training Marketplace. This new component of the existing Digital Marketplace is a platform for simplifying and speeding up government procurement of digital services and expertise. It also makes it easier for businesses to access opportunities to provide services to government.

The Digital Transformation Agency and the APSC worked together for close to 18 months under the Building Digital Capability program to lift digital skills in the APS. As part of this work they collaborated broadly across the APS to identify and define the capabilities needed by agencies to drive digital transformation. By co-designing with relevant experts, they developed blueprints for learning these skills, called Learning Design Standards.

Standards have been developed for:

- digital foundations
- user research
- agile delivery management
- content design
- Cloud service management
- cyber security
- digital performance analysis
- product management
- service design
- digital service management
- interaction design
- technology lead.

These standards can be used by agencies to help design and procure learning services for employees. The Digital Training Marketplace provides agencies with a one-stop shop for sourcing these services.

The Learning Design Standards make it is easier for agencies to tailor procurement to the skills they need most and give clear guidance to providers on how to respond.

The market reaction has been very positive with more than 170 training organisations joining the Digital Training Marketplace in the first three months of operation. This has created choice for agencies and is enabling them to find training that truly meets their needs.

The Learning Design Standards are supporting the design of digital career pathways. This is important for attracting and retaining the digital talent needed to transform the way government does business. The expansion of entry-level programs, such as the ICT apprenticeship program, are also important for this, as is mentoring and access to professional networks.

It is also critical that SES understand and support digital ways of working. Recognising the need for this group to value and champion digital ways of working, a program has been designed to enhance SES digital leadership skills.

Initial results of the digital leadership program are positive. Data shows significant shifts in capability for all areas of learning, with an average increase of 56 percentage points. The three program areas showing the strongest capability growth were 'Principles of digital leadership', 'Applying digital strategies, methodologies and tools' and 'Systems-thinking to meet digital transformation challenges'. Program participants reported strong commitment to implementing program learning, such as creating a digital culture in their agencies, applying digital methodologies and continuing their digital leadership development.

## Data capability

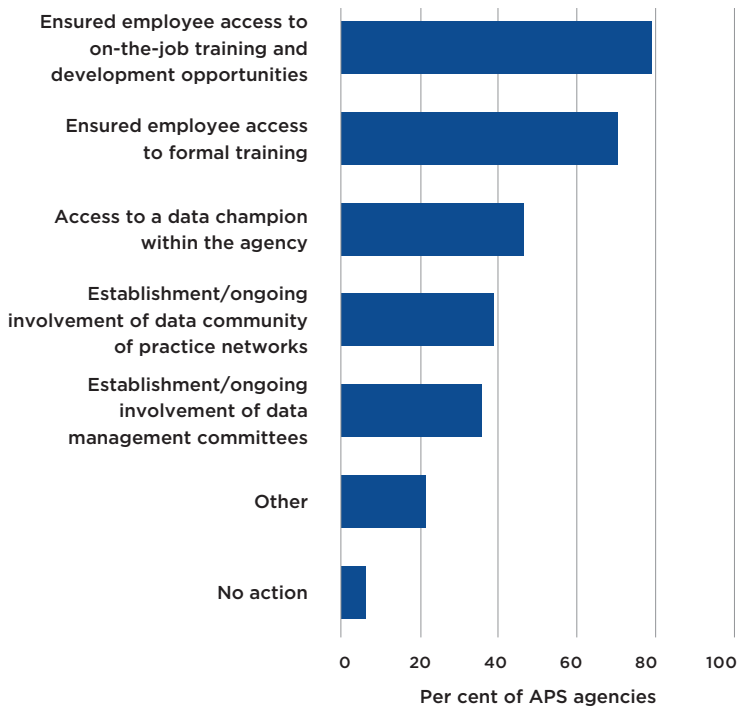
Government has provided funding across the APS through the Modernisation Fund to improve the use and management of data. Better data analytics will improve policy and program implementation and expenditure. It will also lead to better design and delivery of services.



The 2018 APS agency survey indicated that a priority area for capability development is data analysis and reporting. Most agencies (65 per cent) cited skills and capability as a barrier impeding data use.

To further develop data literacy capability, most APS agencies have taken a range of actions (Figure 46). Most have ensured that employees can access on-the-job training and development opportunities (79 per cent) or formal training (71 per cent). Just under half (46 per cent) facilitated access to an internal data champion.

**Figure 46: Proportion of APS agencies undertaking actions to improve data literacy capability**



Source: 2018 APS agency survey

To support agency efforts, a data literacy program was designed and released in 2018, a partnership between the APSC and the ABS. The program includes five eLearning modules, focused on using data, undertaking research, using statistics, visualising information and providing evidence to decision makers. In addition, a ‘Using statistics’ workshop was piloted twice in mid-2018 before general release.

Pilot participants reported an average of 37 percentage point increase in capability. Most noteworthy was the reported improvement in ‘basic statistical terms and concepts’ and ‘selecting the most appropriate measure for a purpose’. In a recent interview, one participant reported that program impacts went beyond increased knowledge and competency, with benefits including improved reporting and credibility with stakeholders.

## Strategic policy skills

The APS Policy Capability Project is an initiative of the APS Reform Committee of the Secretaries Board and is linked to the Roadmap. This cross-agency project aims to align, leverage and support efforts to lift policy capability across the APS. It is a response to the rapidly changing policy environment, concern about potential capability gaps and the expanding policy toolkit. The project is taking a collaborative and system-wide approach, as long-term efforts to lift capability need to be owned by practitioners and reflect the practical reality of policy work. While still in its early phases, the project will identify practical actions and engage with APS policy professionals to co-design a longer-term approach to improve capability.

## Attraction and retention

The APSC's Contestability Review 'Unlocking Potential', outlined the importance of having appropriate mechanisms in place to attract, recruit and retain talented people with the skills and capabilities the APS needs.<sup>68</sup>

The Review found that unnecessarily complex and lengthy recruitment processes had developed over time. To help agencies better understand their obligations under the Public Service Act, and to improve transparency for employees and the wider community, the APSC has been working towards a streamlined approach. Agencies are encouraged to develop methods of attracting and selecting the right person for the right job in a way that continues to support the APS Employment Principles by being open, fair and competitive.

Some innovative recruitment and selection methods being used by agencies include:

- one-page pitch without requiring responses to selection criteria
- video applications
- informal face-to-face interviews
- Skype interviews
- online psychometric assessment at various stages of the process.

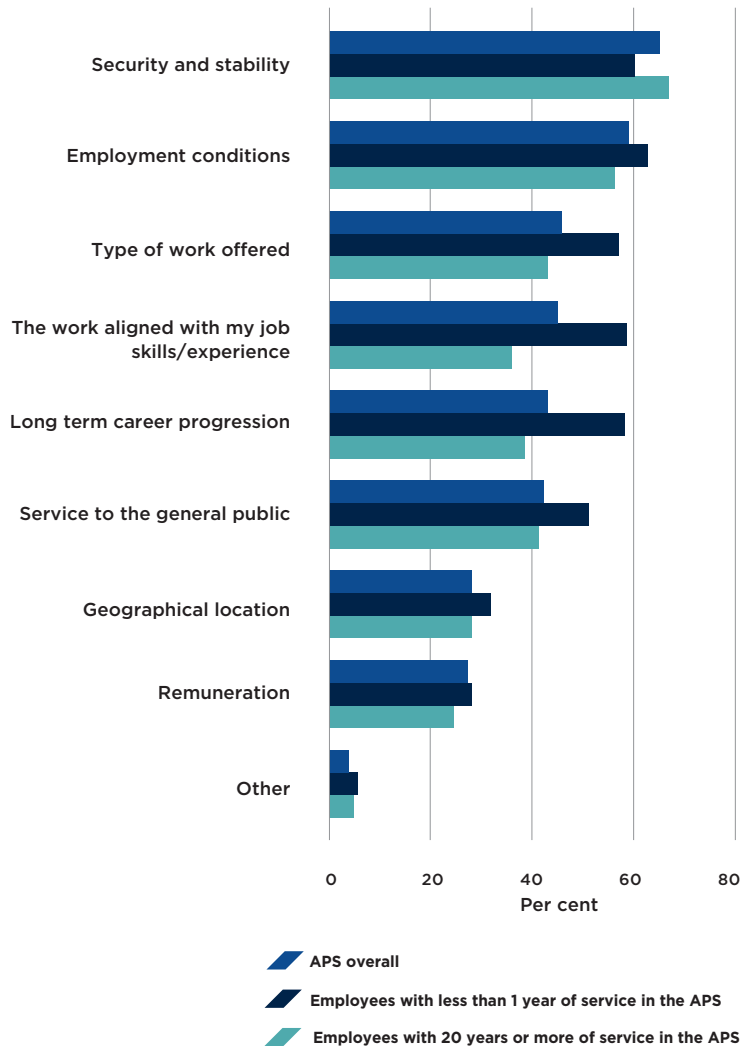
The APSC has reviewed its online material on recruitment and introduced the Management Essentials<sup>69</sup> series. Agencies are being consulted to better understand and share innovative recruitment practices. The APSC is reviewing changes made to the Commissioner's Directions in 2016, in particular to understand the impact of enabling agencies to share merit lists for similar vacancies.

68 APSC (2015), *Unlocking potential: If not us, who? If not now, when?*, Australian Public Service Workforce Management Contestability Review, Canberra.

69 <https://www.apsc.gov.au/management-essentials> (accessed 16 October 2018).

The 2018 APS employee census sought views from employees about why they joined the APS. Figure 46 shows that more than half of respondents sought employment for security, stability and employment conditions. Newer employees were more likely to be attracted to employment conditions (Figure 47). Remuneration is a lower motivating influence on employees to join the APS.

Figure 47: Most common reasons why employees joined the APS



Source: 2018 APS employee census

Over time, reasons for joining the APS have shifted. Twenty years ago people remember joining because the APS offered security and stability. While this is still a main reason for starting an APS career, results from the 2018 APS employee census indicate a far greater proportion of new employees are attracted by employment conditions and work that aligns with their skills and experience. In addition, more new starters are attracted by the long-term career progression being offered by the APS.

### Digital Transformation Agency—Digital Entry Level Programs

The Digital Transformation Agency (DTA) delivers a broad range of services. Its central focus is on simple, clear and fast access to government. Its four strategic priorities for 2018–19 are to deliver:

1. a whole-of-government Digital Transformation Strategy and Roadmap
2. a digital capability improvement program, including procurement reform
3. whole-of-government digital platforms, including digital identity
4. investment advice, and whole-of-government portfolio oversight on ICT and digital investments.

The DTA is working towards delivering reliable, consistent and easy-to-use government services. These services will be trusted and secure, with smarter use and storage of personal data and the ability for the user to control its use.

To facilitate this transition, the DTA is building digital capability across the APS and attracting candidates to the digital discipline. This includes end-to-end recruitment and development specific to the digital profession and needs of the APS. The DTA is working towards this through its Digital Emerging Talent programs and is the lead Australian Government agency administering this centralised approach to enhance the APS workforce.

The DTA provides services against three distinct digital programs through recruitment and development to include the:

- Apprenticeship Program
- Cadetship Program
- Graduate Program

These programs are designed to improve digital recruitment outcomes for government agencies. They also support agencies with limited resources and reach and provide cost-effective solutions while fostering skills development in the APS.

The programs were implemented in 2007 and have seen more than 1,100 participants being employed within the APS between 2007 and 2018, directly increasing digital capability. Another 120 participants will join the programs in 2019 and the DTA will continue having oversight of these programs into the future.

### Entry-level programs

Attracting high-calibre candidates and investing in their foundational development is an important aspect of building APS capability.

One way of achieving this is through strong entry-level programs.

Part of the APS Workforce Strategy, under the Roadmap, commits to ensuring new entrants are adequately developed to provide a strong foundation for their career. This includes through improved entry-level programs. Effective induction, on-the-job learning, support from teams and managers, and specific training can all bring new entrants up to speed quickly and build their capability.

This will be increasingly important as the APS becomes more permeable and people join the APS, or move in and out of it, throughout their career.

### APS Induction Portal

A pilot of an APS Induction Portal began in 2018, with 71 agencies now participating. The portal is designed to support employees as they begin their careers in the APS. In addition to general guidance material, the portal provides eLearning modules on relevant topics for new employees. Developed in partnership with subject-matter experts across the APS, the modules cover:

- working in the APS
- structure of government and role of Parliament
- departments and agencies
- APS frameworks
- information management
- fraud awareness
- integrity and values
- money and resources
- work, health and safety
- security
- risk
- diversity.

Resources and reference materials are provided to managers, who have an important role in inducting new employees into the APS. Agencies will complement learning from the portal with agency-specific induction processes.

The pilot will test the value of a cross-APS approach to induction across the four objectives of an effective induction process:

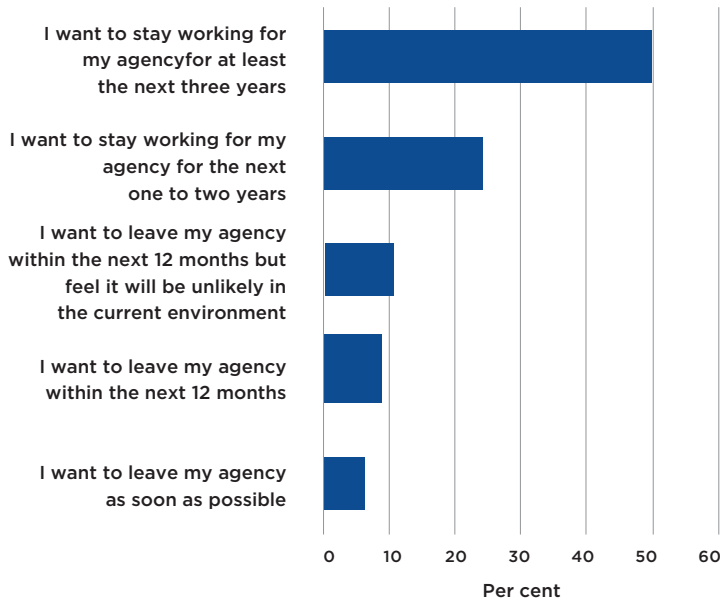
1. increasing the rate at which a new employee becomes fully productive
2. ensuring the behaviour of a new employees aligns with the APS Values and culture
3. helping a new employee learn how to work with APS frameworks
4. fully engaging a new employee in the work of the APS, capitalising on their individual talents and strengths.

## Retention

Half of respondents to the 2018 APS employee census reported they had applied for a job over the previous 12 months. Employees were most likely to apply for a job within their own agency (37 per cent), ahead of another APS agency (18 per cent) and/or outside of the APS (12 per cent).

Figure 48 reflects employee thoughts about tenure in their agency. Half of respondents said they wanted to stay working for their agency for at least the next three years. Another 24 per cent said they want to work for their agency for the next one to two years.

Figure 48: APS employee intention to remain with their agency



Source: 2018 APS employee census

The top reasons employees cited for wanting to leave their agency in the next 12 months were:

1. lack of career opportunities within the agency (26 per cent)
2. a desire to try a different type of work or seek a career change (14 per cent).

Overall, 47 per cent of respondents to the 2018 APS employee census indicated they would consider leaving the APS for other job opportunities. Just more than a quarter (26 per cent) said that they would not.

Many reasons exist for preventing respondents from seeking job opportunities outside the APS.<sup>70</sup> The main ones included:

- current pay and conditions would not be met (38 per cent)
- the impact on their superannuation (36 per cent)
- values being more aligned with their APS work (22 per cent)
- nearing retirement (12 per cent).

While younger respondents were more likely to consider leaving the APS for other job opportunities, the possibility that their current pay and conditions would not be met would prevent them from doing so. Respondents 50 years of age and older reported that the impact on superannuation, or the fact that they were nearing retirement, would prevent them from doing so.

<sup>70</sup> Respondents could select more than one reason.

# CHAPTER 8

## MOBILISING

## CAPABILITY

### Key points

- Mobility can foster diversity of thinking, contestability of ideas and assist in capability development.
- Most APS employees (72 per cent) have only worked for one agency.
- Mobility within the ACT was higher than in other jurisdictions.
- Most movements occurred between, and into, policy agencies.
- Just more than half of respondents to the APS employee census agreed their agency supports mobility within the agency.

From a system perspective, mobilising people across the APS as and where required is an important means to building collective capability. Mobility can foster diversity of thinking, contestability of ideas and assist in capability development, lifting overall APS capability, not just individual capability.

In his first speech to the APS, the Senator the Hon Mathias Cormann, Minister for Finance and the Public Service, tasked the APSC to look at ways to rotate public servants through state and territory governments, private sector companies and the community sector. Such rotations are a way of building understanding and familiarity across sectors of the economy.

The APS has experience in providing such rotations. The Jawun APS secondment program is a successful example of the benefits of short-term mobility opportunities for APS employees outside the APS.





*... how can we be confident that we are providing well-informed and integrated advice to government on Australia's place in the world, or the transformation of the Australian economy, if the bulk of the APS has only worked in one department?*

*Dr Heather Smith PSM, Secretary, Department of Industry, Innovation and Science<sup>71</sup>*

### **Jawun APS secondment program**

The Jawun program enables APS employees to work alongside others from government, corporate, philanthropic and Indigenous organisations within an Indigenous organisation. The program aims to provide secondees with a deeper understanding of Indigenous culture and communities while helping to build the capacity of Indigenous leaders and organisations.

Since 2011, more than 430 secondees from more than 50 APS agencies have participated in Jawun, with most secondments being for six weeks. In 2017–18, 28 senior executive visits were undertaken and 72 EL employees from 26 agencies placed within one of the 10 Jawun regions. Many secondments are in remote or regional Australia; some are in Sydney.

The professional and personal development reported by participants includes:

- improved flexibility and readiness to adapt to new routines and situations
- increased tolerance of ambiguity
- improved self-awareness
- improved interpersonal and engagement skills
- improved resilience.

The impact of the Jawun experience has far reaching implications for how secondees work when they return to their agency.

'I learned a lot from interacting with Government, as opposed to being part of Government. In particular, roadblocks and issues that Government practices and processes can cause and the impact of communication styles and approaches,' said one secondee.

'It was a great opportunity to see how policy is made from the other side of the table'.

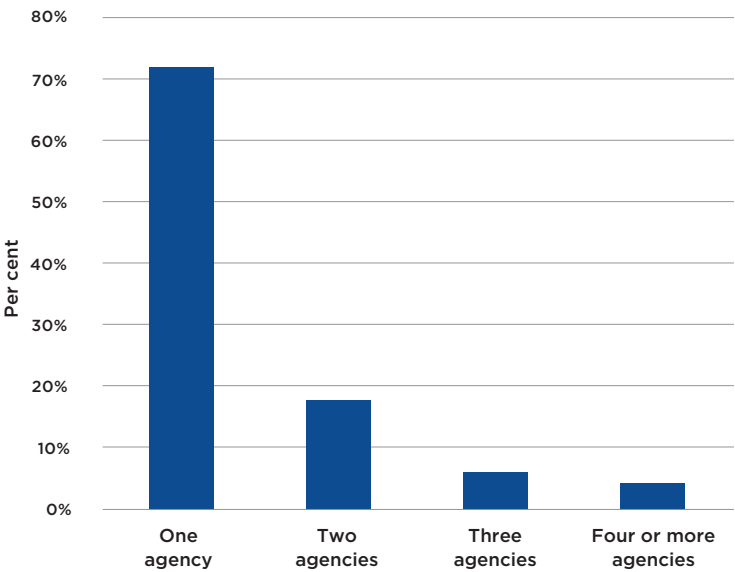
## Degree of APS mobility

The headline mobility rate, measuring the proportion of employees who have moved between agencies in a year, is 2.5 per cent. This number has remained constant over the past 15 years.

Data is not consistently captured to allow reporting of internal agency movements because agencies often have difficulty in recording and reporting on this data. If internal mobility was included, it is likely that mobility would be significantly higher than the reported 2.5 per cent.

Most APS employees, 72 per cent, have only worked for one agency (Figure 49).

Figure 49: APS employees by number of agencies worked in



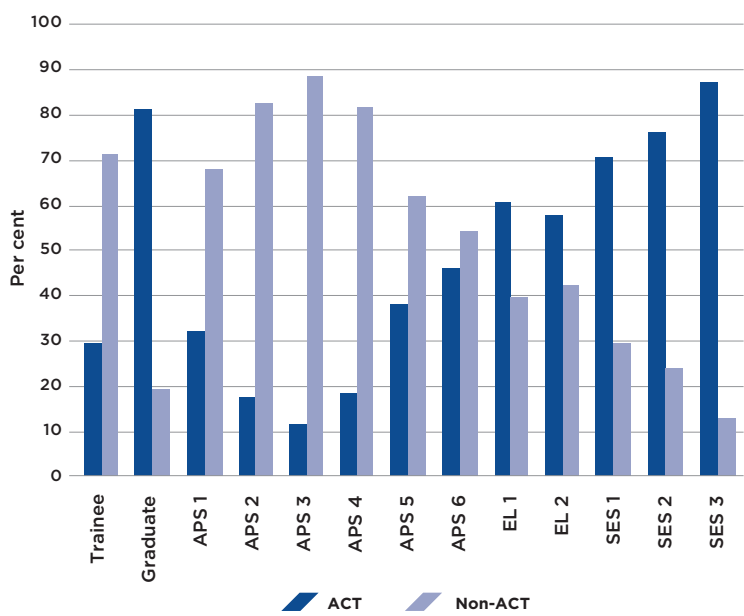
Source: APSED

When viewing these numbers, it is easy to conclude there is little mobility in the APS. There is, however, more detail to this story and, to an extent, it is a story of two regions: the ACT and non-ACT.

Mobility within the ACT is significantly higher than it is in other jurisdictions. In 2017-18, 79 per cent of total movements were attributed to the ACT. Higher mobility in the ACT contrasts with most APS employees (62 per cent) working outside the territory.

The greatest proportion of the ongoing workforce is at the APS 1-6 classifications (Figure 49). These roles are primarily based outside the ACT, and most of these employees are in service delivery. From the EL 1 classification upwards, employees are more likely to be located in the ACT where mobility occurs.

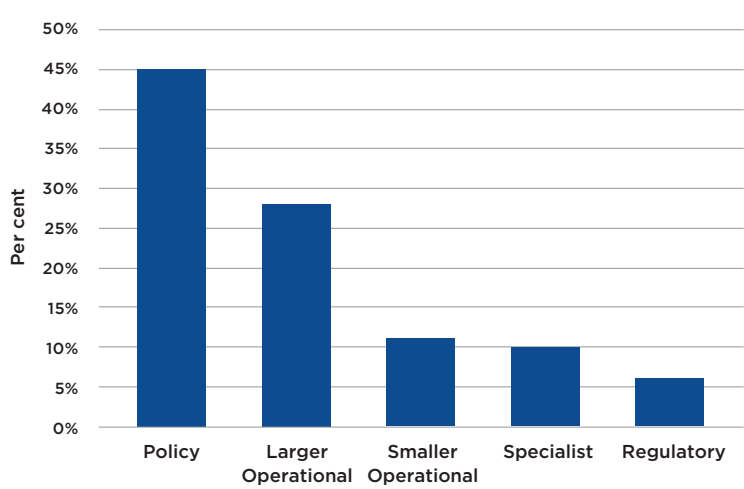
Figure 50: Location of ongoing APS employees by classification



Source: APSED

Policy agencies attract the most movements between agencies. In 2017–18, 45 per cent of all transfers were into agencies focused on policy development (Figure 51). Most of these are primarily located in Canberra. This is consistent with the majority of movements between agencies being reported in the ACT.

Figure 51: Proportion of transfers of ongoing employees into an agency by type



Source: APSED

APS employees that belong to more technical or specialised job families are more likely to only work for one agency. Those belonging to the organisational leadership and strategic policy job families are most likely to have worked for multiple agencies (Figure 52).

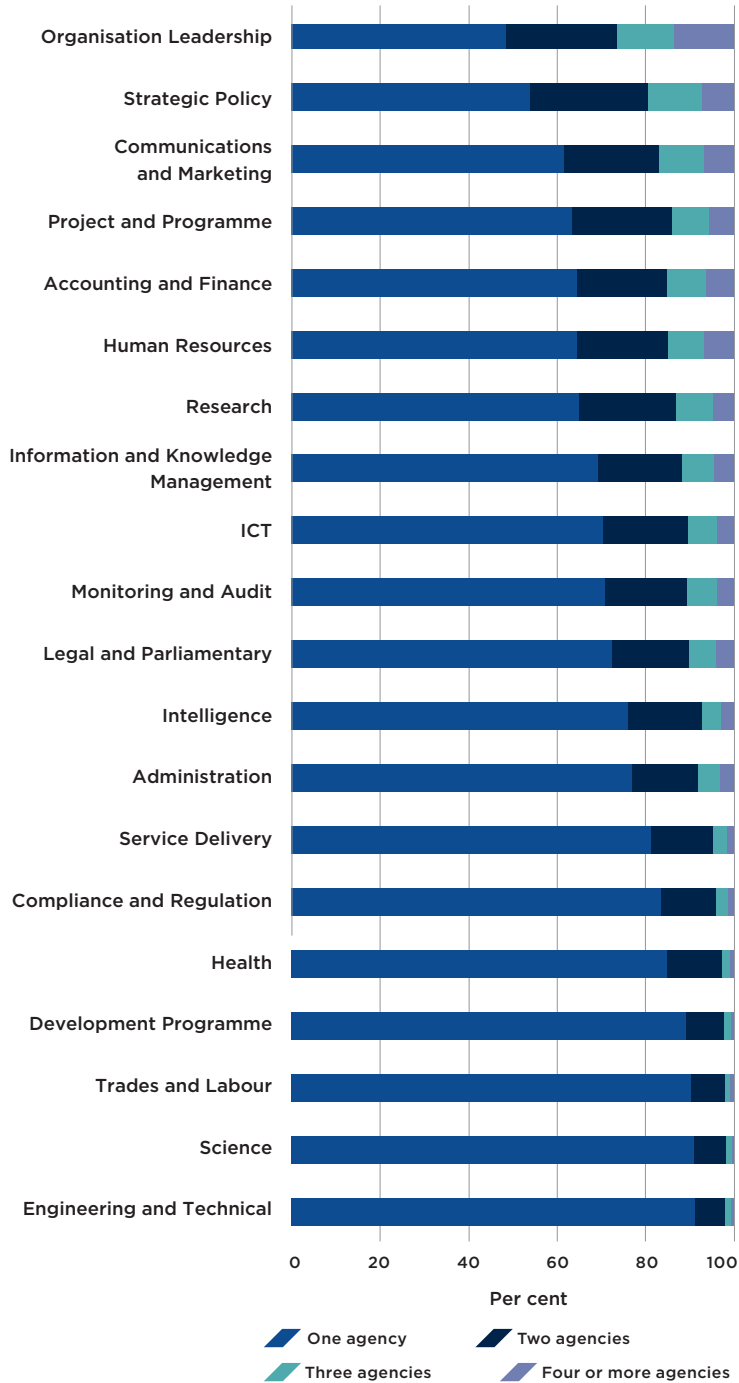
These two most mobile job families are also primarily based in the ACT, with 59 per cent of organisational leadership and 89 per cent of strategic policy roles being based in the territory.

While promotions also provide opportunity for mobility, they are far more likely in an employee's current agency than into a different agency. Of the 9,564 promotions reported for ongoing APS employees in 2017–18, 90 per cent were in an employee's current agency.

The 2018 APS employee census sought feedback from employees on whether internal mobility was encouraged. Fifty-two per cent of respondents agreed their agency provided opportunities for mobility within the agency. Slightly less, 50 per cent, reported their supervisor actively supported opportunities for mobility. Less again, 32 per cent, agreed their agency provided opportunities for mobility outside their agency.

When agencies were asked about how they give visibility to their mobility initiatives, the most common responses were through expressions of interest, intranet-based job boards and mobility registers. Some agencies reported they use internal mobility to deliver project work by matching required capabilities with project needs. Agencies tended to express a preference towards using internal expertise before looking externally.

Figure 52: Number of agencies worked by an APS employee by job family



Source: APSED



THEME 3:

LEADERSHIP

# CHAPTER 9

## LEADERSHIP AND STEWARDSHIP

### Key points

- Effective leaders shape an ethical and productive culture and build the capability of organisations and teams.
- The Secretaries Board endorsed a set of leadership capabilities for the most senior APS roles, reflecting what is needed now and in the future from senior leaders.
- Most APS employees viewed their SES managers positively, although less so than perceptions of immediate supervisors.
- Immediate supervisors and SES needed to invest more time in developing the capability of employees.

Leadership is central to APS performance. Effective leaders shape an ethical and productive culture and build the capability of organisations and teams. They engage people to give their best in making progress on complex challenges for government, business and the Australian community.

From a system-wide perspective, the leadership of secretaries and agency heads provides vision and direction for the APS. Their leadership provides the impetus to share, collaborate and mobilise efforts across the APS to deliver quality outcomes for government and citizens.

From an organisational perspective, leaders drive performance, helping to steer agencies to more effectively deliver. Leaders engage broadly with ministers and their offices, stakeholders and the community to bring people together to find policy and service delivery solutions.

There is an expectation that leadership is exercised at a range of levels in the APS. It can be seen in the day-to-day use of good judgement, in problem solving and teamwork.





*If values are the bedrock of an institution, leadership is what links values with function and purpose. And central to leadership is the capacity to set out a vision.*

*Peter Varghese, former Secretary, Department of Foreign Affairs and Trade<sup>70</sup>*

## Secretaries Board

The Public Service Act was amended in 2013 to formally establish the Secretaries Board. The 2010 report *Ahead of the Game: Blueprint for the Reform of Australian Government Administration* recommended the establishment of the Board to provide stewardship across the APS.<sup>73</sup> The Board is the pre-eminent forum for the debate of key strategic priorities and it develops and implements strategies to improve the APS.

The APS Reform Committee is a subcommittee of the Board. It drives work to ensure the success of the Government's program to deliver better and more efficient services to citizens and business, including identifying and delivering new short-to-medium term reform opportunities as part of the Roadmap.

The Board is overseeing the implementation of public sector modernisation initiatives under the Government's \$500 million Modernisation Fund investment in the innovation, transformation and sustainability of the public sector.<sup>74</sup>

After five years of operation the Board is reviewing its operating model and considering changes to strengthen stewardship over the achievement of policy and program outcomes and the effectiveness of people and administrative management. The Board is also actively engaging with the Independent Review of the APS around these issues.

---

<sup>72</sup> IPAA Secretary Series: Secretary Valedictory, 9 June 2016.

<sup>73</sup> Advisory Group on Reform of Australian Government Administration (2010), *Ahead of the Game: Blueprint for the Reform of Australian Government Administration*, Canberra.

<sup>74</sup> 2017–18 Budget, Paper 4.

## Leadership capabilities for senior roles

We think that management skills, technical competency and subject matter expertise will continue to be critical skills, but they are not enough in themselves. We also need our leaders to be visionary, influential, collaborative, enabling and entrepreneurial. We see those as the crucial additional capabilities for the future. Of course, our leaders need to be self-aware, courageous and resilient.

*Finn Pratt AO PSM, Secretary of the Department of the Environment and Energy and Chair of the Secretaries Talent Council, November 2016<sup>75</sup>*

As they create leadership pipelines for the future, organisations are grappling with defining requirements for senior leadership roles. They are balancing what is needed for success in the current business environment with the requirements for the future.

Many organisations are explicit when expressing what good leadership looks like for them, linking leadership to their culture and values. Recent research into a range of private sector and public sector organisations indicates some common leadership themes (Figure 53).

Figure 53: Common leadership themes

KNOWLEDGE/ KNOWING	SKILLS/DOING	ATTRIBUTES/BEING
Business acumen Strategic insight Thought leadership	Engaging and motivating others Delivering results Managing change Collaborating and influencing	Adaptability Learning agility Drive Self-awareness Courageous Creative Integrity Inspiring

Harvard University research<sup>76</sup> on leadership for the future emphasises adaptability, self-awareness, boundary spanning, collaboration and network thinking. This research suggests that in an environment characterised by turbulence and complex challenges, more complex thinking skills will be needed, including learning agility, comfort with ambiguity, and strategic thinking.

75 IPAA ACT Conference: ‘Identifying and Developing Future Leaders’, 10 November 2016.

76 Petrie, N (2014), *Future Trends in Leadership Development*. Center for Creative Leadership White Paper. Included a review of approaches to developing leaders across the schools of Harvard University (education, business, law, government, psychology); a literature review; interviews with 30 experts in the field.

In 2017, the Secretaries Board endorsed a set of leadership capabilities for the most senior APS roles. These reflect their views on what is needed from senior leaders now and in the future. These capabilities underpin SES talent management and are being used to guide development conversations. They reflect the expectation that in serving government and citizens, senior APS leaders will provide vision and direction, be influential and collaborative, look for new ways of doing things that add public value, and build the capability of their teams and organisations.

### Leadership capabilities for senior roles



#### *Visionary*

To provide the best policy advice to government, senior leaders need to be able to scan the horizon for emerging trends, identifying opportunities and challenges for the nation.

#### *Influential*

To take the government's policy agenda forward, senior leaders need the capacity to persuade others towards an outcome, winning and maintaining the confidence of government and key stakeholders.

*Collaborative*

In making progress on issues that cut across agencies, sectors and nations, senior leaders need to be able to develop relationships, build trust and find common ground with others. An openness to diverse perspectives is critical.

*Entrepreneurial*

In finding new and better ways of achieving outcomes on behalf of government and citizens, senior leaders need to be able to challenge current perspectives, generate new ideas and experiment with different approaches. They also need to be adept at managing risk.

*Enabling*

Creating an environment that empowers individuals and teams to deliver their best for government and citizens is a core requirement for senior leaders. This includes setting expectations, nurturing talent and building capability.

*Delivers*

Senior leaders need to be highly skilled at managing the delivery of complex projects, programs and services. This includes harnessing the opportunity provided by digital technology to improve delivery outcomes for citizens.

*Self-awareness, courage and resilience*

These personal qualities sit at the heart of effective leadership in the APS. For APS leaders, mobilising and driving change requires a strong capacity for action and agency on the one hand, and an equally strong capacity for understanding and contending with constraints. Self-awareness, courage and resilience enable senior leaders to hold steady through the challenges of leadership.



## Leadership performance

### Secretaries

The Secretary of the Department of the Prime Minister and Cabinet and the Australian Public Service Commissioner conduct annual performance discussions with secretaries. This practice started in 2013. This year the methodology changed to include an assessment process against the new leadership capabilities, drawing on feedback from ministers, stakeholders, peers and direct reports, as well as interviews with an organisational psychologist.

The assessment went to three dimensions of a Secretary's role: chief advisor to the Minister; leader of a department; and steward of the APS. This process allowed for a deeper discussion with secretaries aimed at providing a basis for enhancing the individual and collective performance of the most senior leadership group.

APS leaders have been successful in establishing a responsive and action-oriented culture. The challenge remains to balance this against the requirement to be stewards of the APS and bring a holistic approach to complex and interconnected issues.

### SES and immediate supervisors

Every year the APS employee census measures employee views about the quality and capability of leaders at all levels.

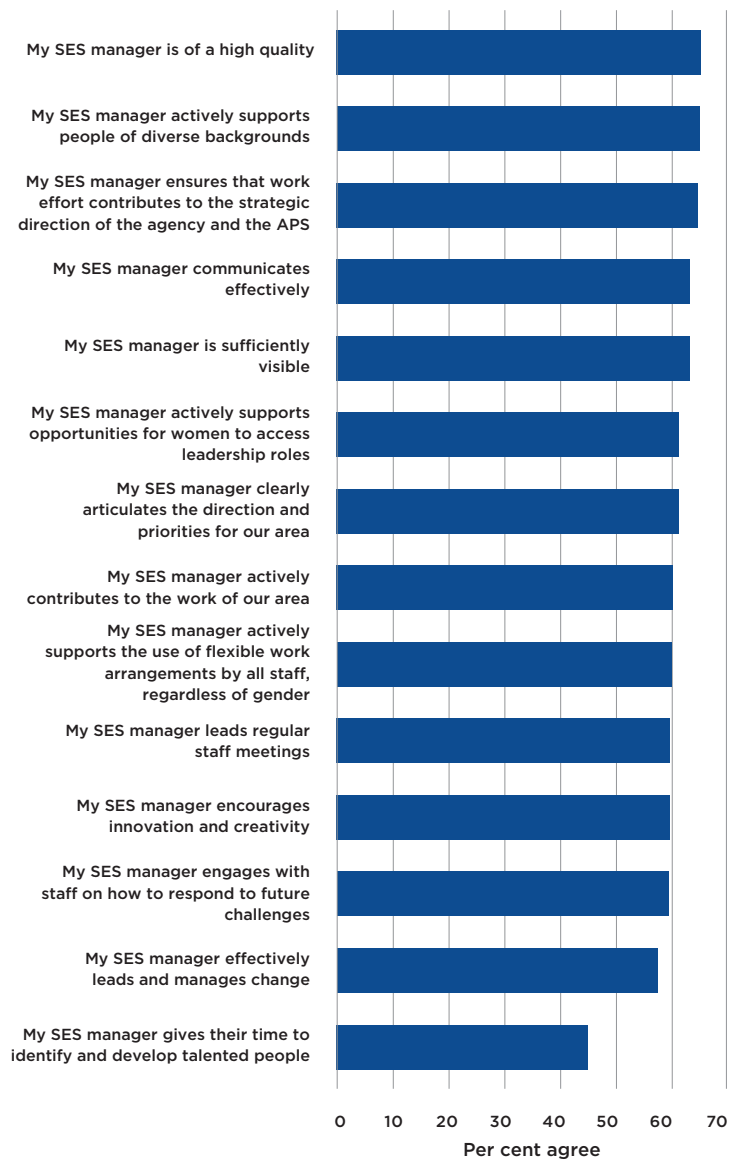
Most APS employees view their SES managers positively, although less so than their immediate supervisors (Figure 54).

APS employees were most likely to agree that their SES manager was of high quality at 65 per cent, an increase from 62 per cent in 2017. This is closely followed by supporting people of diversity and ensuring work effort contributes to strategic direction. The lowest result was in response to whether SES gave time to identify and develop talented people, at 45 per cent. This lower score is a small increase on last year at 43 per cent.

A smaller proportion of employees (58 per cent) also perceived their SES managers to be able to effectively lead and manage change. The ability to manage change well is key to implementing APS reform, steering new policy and service delivery. This is discussed in more detail in Chapter 4, Managing change.

Differences in the perceptions of SES managers exist, depending on their physical location to the respondent. Perceptions of an immediate SES manager are more positive when this manager is in the same office as the respondent, even if their work location is on a different floor. When an SES manager is in a different office, regardless of whether the office is in a different town or city, perceptions of the immediate SES manager are lower.

Figure 54:APS employee perceptions of their immediate SES managers



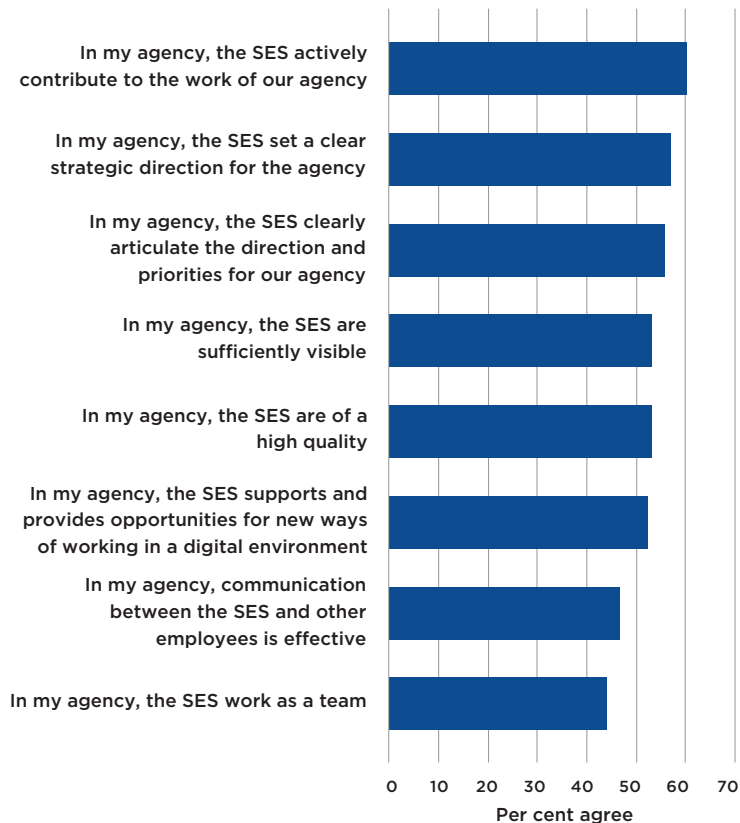
Source: 2018 APS employee census

Across both immediate supervisor and SES manager questions, employees were less likely to agree on questions relating to developing employees, and on identifying and taking time to develop talent. Again, these relate to the ‘enabling’ capability. The low responses are consistent with previous years. Lower scores on these questions suggest that immediate supervisors and SES may not be investing time in capability development of employees. It may also suggest a

lack of skill in coaching and performance management. This is of significant concern as the APS grapples with the need to rapidly build capability. Leaders are a key source of development and there may be a need to significantly lift their performance in this area.

The APS employee census also captures employee perceptions of the SES as a cohort within their agency. Figure 55 reports on the general impressions of this group.

**Figure 55: APS employee perceptions of the SES managers within their agency**



Source: 2018 APS employee census

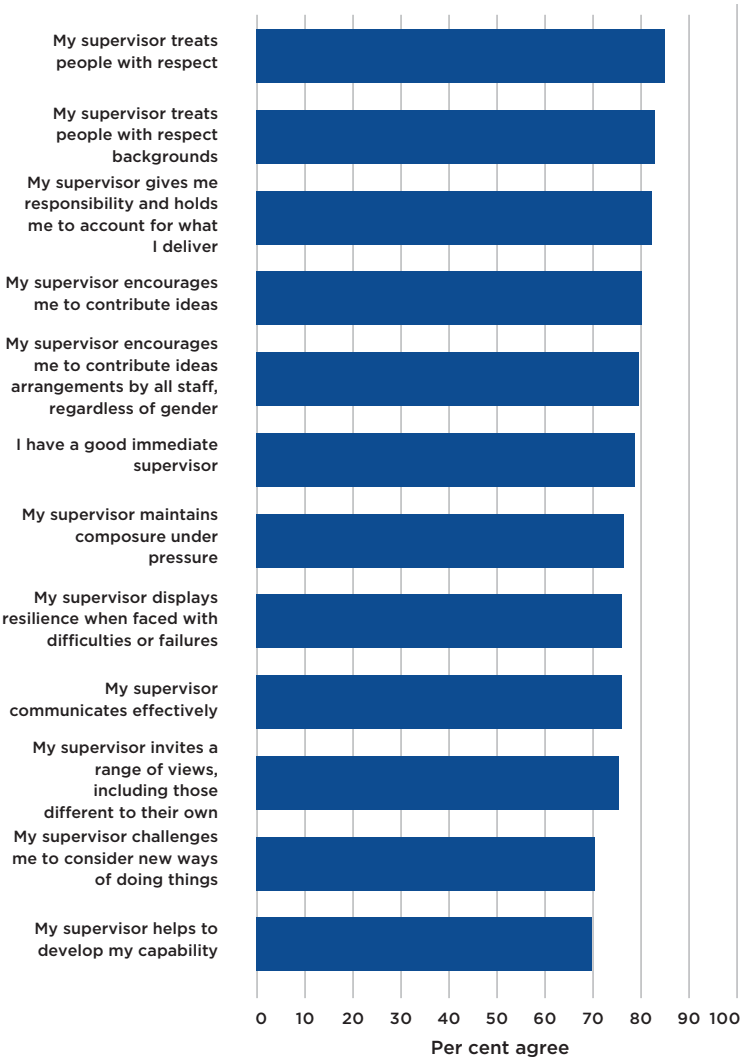
Consistent with past years, employee perceptions of the SES group in their agency are lower than perceptions of their immediate SES and supervisor. The highest rated perceptions of the SES group include contributing to the work of their agency, setting strategic direction and articulating priorities. These align with the 'delivers' and 'visionary' capabilities.

However, employees are less likely to agree that their SES work as a team, with only 43 per cent of respondents agreeing to this question. This may point to a weakness in the 'collaboration' capability.

This is a concern given the cross-cutting nature of the issues senior leaders need to progress on behalf of government and citizens. Working across teams, agencies and sectors is a core requirement in a senior role and there appears to be a need to improve capability in this area.

At the individual manager level, as in previous years, the 2018 APS employee census reveals that most APS employees view their immediate supervisor favourably (Figure 56). Responses to all questions relating to immediate supervisor were very positive, ranging from 72 per cent to 88 per cent. Employees rated their immediate supervisor highly, regardless of their supervisor’s normal work location (for example, same office, different town or city).

Figure 56: APS employee perceptions of their immediate supervisors



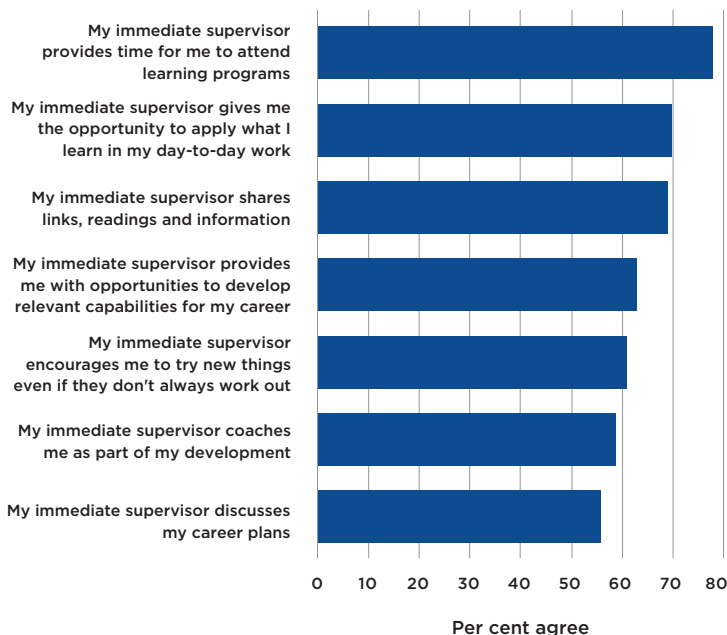
Source: 2018 APS employee census



APS employees were most likely to agree that their immediate supervisor treats people with respect, supports people from diverse backgrounds and holds employees to account. Though still a reasonably high result, employees were least likely to agree that their supervisor helped develop their capability. This has remained consistent across time and aligns with the trends for SES leaders.

An analysis of the approaches immediate supervisors took to develop employee capability reveals an interesting pattern (Figure 57).

**Figure 57: APS employee perceptions of their immediate supervisors' approach to developing capability**



Source: 2018 APS employee census

Immediate supervisors were most likely to provide time for their employees to attend learning programs and provide opportunities for employees to apply what has been learned. Sharing links to useful information is also a common approach. The least commonly used approaches to developing capability are for supervisors to discuss individual career plans and provide coaching as part of development.

Arguably, coaching should be the most likely approach given the day-to-day working relationship between a supervisor and an employee. Delivering work outputs provides many opportunities for guidance and coaching.

The lower likelihood of career conversations aligns with emerging themes from recent SES talent-management processes, where few SES appear to have had career conversations. In the 2018 APS employee census, SES respondents, trainees, apprentices and graduates were the most likely to have had career plan discussions, although still relatively low at 66 per cent. APS and EL employees were less likely to have had a career plan discussion, both at 56 per cent.

# CHAPTER 10

## DEVELOPING LEADERSHIP

### Key points

- There was no systematic approach across the APS to ensure that all leaders get the development they need at various stages in their career. There are patches of excellence, and areas of neglect.
- How the APS best develops the leadership capability of employees in future will be an area of focus for the APS Reform Committee and the Independent Review of the APS.
- Leadership and management were top priorities for capability development across the APS.
- APS employees required more managerial support to implement new learnings in the workplace.
- APS managers needed to focus on incorporating feedback and development opportunities into their day-to-day engagement with employees.

### Leadership development focus

The 2017 OECD *Skills for a high performing civil service* report notes that leadership development is the highest priority for OECD countries. Executive leadership training and coaching was a training priority for 23 of the 35-member countries in 2016.<sup>77</sup>

Data from the 2018 APS agency survey indicates that leadership and management is a top priority for capability development across the APS. Specific leadership development areas include resilience and change management. Leadership development for APS 5, APS 6, and EL employees is a priority for some small agencies.

Agencies suggest that a number of factors drive this demand, including the need to operate effectively in an environment of continuous change, complexity and uncertainty. A recent report by *Harvard Business Review* underlines the importance of leadership development in organisational transformation. The study found that organisations where leadership development is viewed as critical to success are 29 times more likely to have a successful transformation than those where leadership is viewed as not important. The same report found that organisations that view learning and development as critical to business success are continuing to deliver top performance compared with their peers.<sup>78</sup>

<sup>77</sup> <https://www.oecd.org/gov/pem/Skills-Highlights.pdf> (accessed 16 October 2018).

<sup>78</sup> Harvard Business Publishing, 2018. *The 2018 State of Leadership Development: Meeting the Transformation Imperative*, Research Report.



Submissions to the Independent Review of the APS have emphasised the importance of leadership in the future due to the competition for talent that will occur.<sup>79</sup> General themes are centred on identifying the right leadership attributes and nurturing future leaders to achieve success. Key characteristics discussed include a more inclusive leadership style where alternative viewpoints are sought, delegation is undertaken effectively and measured risk taking is encouraged. Additionally, the development of soft skills, such as responding calmly, thoughtfully, respectfully and dealing with underperformance, is vital for senior officials. Submissions recommend rotating public servants across the APS for further development and undertaking training to develop transformational leadership capabilities and behaviours.

As discussed in Chapter 9, Leadership and stewardship, results from the 2018 APS employee census indicate that specific leadership development areas for the APS include skills in developing the capability of employees, and collaboration.

## Leadership development approach

A range of activities over a career are most likely to result in improvements in leadership skills. This includes coaching by managers, mentoring from a more experienced leader, being part of a peer or professional network, and having different work experiences such as taking on a new role or completing a secondment. It also includes formal education, such as through university programs, executive education courses, workshops and seminars.

In the APS, leadership development is managed within agencies, with various approaches used to building this critical capability. The APSC also offers cross-APS leadership development for SES and EL employees. For some agencies, this complements their own leadership development efforts. For others, access to APSC programs is their main source of formal development.

---

79 Submissions include: Martin Stewart-Weeks, Australia and New Zealand School of Government, Australian Risk Policy Institute, Australian Trade Training and Assessment, Interaction Consulting Group, Grey Swan Consulting, Melbourne School of Government, Brendan Sargeant, Patricia Kelly, <https://contribute.apsreview.gov.au/submissions>

Overall, there is no systematic approach across the APS for ensuring that all leaders get the development needed at various stages in their career. There are patches of excellence, and areas of neglect. Recent SES talent management processes indicate that the approach to development is somewhat 'hit and miss' (discussed further in Chapter 11, Talent). This is unlikely to produce the quality of leadership the APS needs as it strives to serve government in a more dynamic operating environment. The question of how the APS best develops the leadership capability of employees in the future will be an area of focus for the APS Reform Committee and the Independent Review of the APS.

## Observations from APS leadership development programs

### Capability shifts

Each year, around 400 SES and EL employees from across the APS participate in cross-APS leadership programs. Evaluation data indicates that before they begin their leadership development, participants report less confidence in their enabling, influencing and collaboration capabilities. This aligns with the areas of capability need emerging from the 2018 employee census results.

Participants report strong capability growth in these areas at the end of programs. In interviews with participants six to nine months after completing a program, participants describe sound improvement in many areas of their leadership practice. In particular, this includes skills in influencing others, engaging with diverse perspectives and building resilience.<sup>80</sup>

### Leadership transitions

The programs with the greatest capability shifts appear to be at key leadership transition points: the move to the SES level (SES Orientation and SES Band 1 Leadership), and the shift from being a technical specialist to taking on a formal leadership role (EL2 Leadership Practice). This is not surprising. Transitions require an individual to leave behind their deep competence in a familiar role, and step into a new role where fresh skills and behaviours are required. The need to reach a new level of competence often drives learning. Although challenging, leadership transition points can be a point at which people are most open to development.

The program with the greatest shift in capability is the Women in Leadership program, with an average shift of 42 per cent. This program challenges women at middle management level to

---

<sup>80</sup> Refer to statistical appendix for evaluation data.



work more effectively with the social and organisational gender dynamics that may impede them from stepping fully into a leadership role. It is interesting to note that for this program, only 57 per cent of participants say they will get the support they need to implement the learning. This is much lower in comparison to other leadership programs.

### **Strengthening community engagement**

In 2017, the SES Band 2 Leadership Program was updated with a strong focus on understanding the citizens the APS serves, and the community's experience of working with government. Two groups of Band 2s visited Nowra to engage with various sectors in the community. In 2018, two groups visited Wagga Wagga. The questions posed by Dr Martin Parkinson in his 2017 address to the APS helped frame the visits:

- How well do you know the public you serve?
- Are you ready for disruption?
- What's your big idea?

The visits resulted in increased awareness of the need for deep engagement with the community when formulating policy advice and designing services. There was greater recognition of the importance of working collaboratively across government sectors to achieve the best outcomes for citizens. Band 2s benefited from observing the outstanding leadership of community leaders in regional Australia.

#### **Band 2 Leadership Development—Community visits**

In 2018, as part of the APS Band 2 Leadership Development program, senior leaders spent time in Wagga Wagga listening to community leaders speak about their challenges and experiences working with government. Insights from the program are influencing how these senior leaders approach their work.

These include:

Listening and learning

- Talking with and listening to community members helps you make better decisions.
- You do not really get to know a community unless you are prepared to spend time listening to the variety and diversity of voices.
- There are many diverse perspectives and voices in communities. To deliver effectively, we need to listen to them all.
- We can learn much about stewardship from Indigenous culture and heritage.

### The experience of communities

- Communities do not wait for government to help, there are many people and organisations doing things to improve the lives of citizens.
- Communities are frustrated by their experience of governments not asking what is needed.
- Navigating government services is complex. We need to use human-centred approaches in service design keeping the Australian people front of mind.
- There is a disconnect between what agencies are trying to push down in terms of policies and implementation and what citizens and communities are trying to push up. We need to understand and address the disconnect.

### Working across boundaries

- Networking across government sectors is essential to deliver better policies and services to citizens.
- Learning from other agencies helps deliver joined up services for citizens.
- Getting out of your comfort zone makes you realise how transferable your skills are across the government sector.
- There are commonalities in the problems and opportunities agencies face and we are more effective when we work together.
- It is important to remember the wider context of our work. It is not just about the work of our individual agencies, but how the government combines to deliver to the Australian community.
- It isn't good enough to think whole of APS. We need to work across jurisdictions—all levels of government.



Chapter 2, Transparency and integrity, discusses the importance of citizen engagement in establishing public trust in the decisions of the APS, including advice to government.

## The role of managers in leadership development

Cross-APS leadership programs span a six to 12-month period with touchpoints over the period including workshops, coaching sessions and peer activities. Participants are expected to test new skills between sessions, with practice and feedback. These are important ingredients for developing more effective leadership skills.

In this regard, managers play a vital role in developing the leadership capability of their employees. One measure in the program evaluation data that consistently scores the lowest is ‘support’ from the workplace to implement program learning, including from managers. Between 20 and 40 per cent of participants indicate they do not have the support they need. This presents a risk that a significant proportion of those attending APS leadership programs will not build the required skills. There is also potential for some wastage in the investment.

This finding aligns with the 2018 APS employee census results. There are generally lower ratings for supervisors developing capability through coaching, providing development opportunities, and encouraging experimentation. It appears that a significant element in improving the leadership capability of the APS will be shifting the perceptions of managers about their role and equipping them with the skills to incorporate development and feedback into their daily engagement with employees.

# CHAPTER 11

## TALENT

### Key points

- Two talent management councils oversee the development of high-potential SES employees.
- SES employees participating in talent management programs benchmarked well against counterparts in other jurisdictions and the private sector.
- There was limited cultural and professional diversity among SES talent management participants.
- Many SES employees received limited support for career management. This has often been left to the individual to pursue.
- A common challenge faced by agencies when implementing talent management included not having the capability and capacity to implement a talent strategy.

Modern organisations recognise the importance of their people to the achievement of business outcomes.

Recent research across a range of private and public sector organisations indicates that successful ones invest in talent management as a key business strategy so the right people are ready for critical roles.

The main driver for talent management in the public sector is to deliver better public value for government and citizens. In recent years the APS has evolved its talent management approach to ensure it has people with the vision, capability and diverse perspectives to lead the service.

There is a risk that APS talent management is seen as exclusive. This is not the case. All employees provide a valuable contribution in delivering for government and citizens. It is important that all employees be supported to operate to their full potential, with opportunities to develop and grow, including through high-quality learning and development. Harnessing the full potential of individuals should contribute to a more productive APS.

At the same time, there is a growing recognition of the need to identify employees with the potential to take on larger and more complex jobs (high-potential employees), and through targeted career development, improve their readiness for critical APS roles. Taking a systematic approach to building the depth, breadth and capability of high-potential employees is a long-term investment in the institutional strength of the APS.

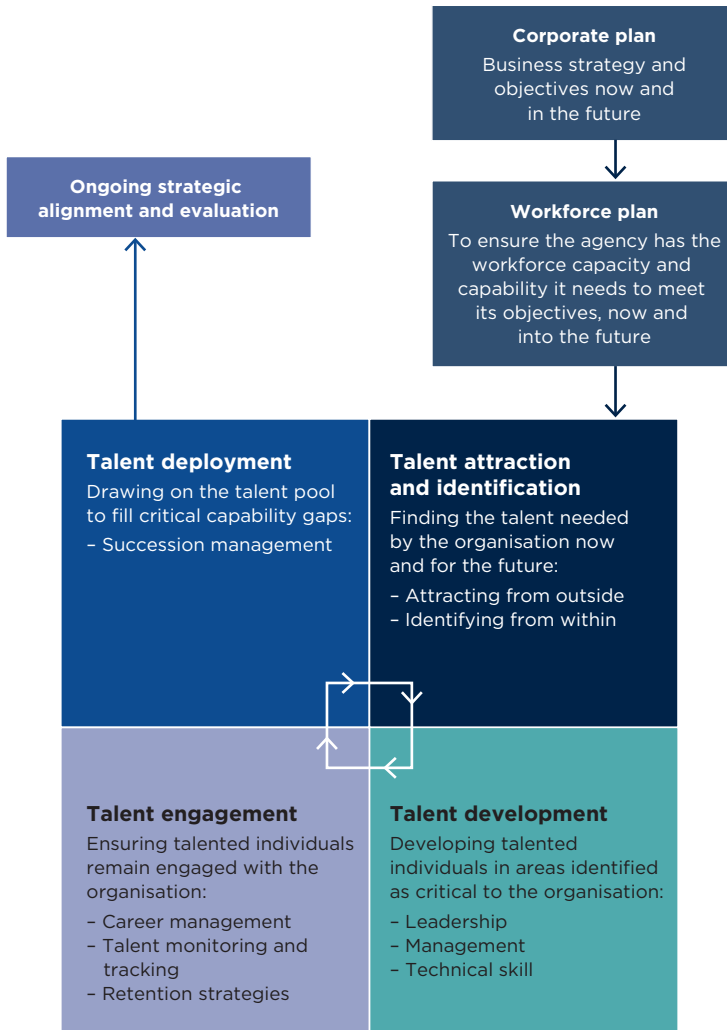


“

*The challenge for the APS is to be really serious about talent management. Recognise the value of your people, what they will bring into your organisation and the future they give us.*

*Ann Sherry AO, Chairman, Carnival Australia<sup>81</sup>*

Figure 58: Talent Management System



81 IPAA, Helen Williams oration, 23 August 2018.

## Talent management in the APS

The Secretaries Board, as stewards of the APS, has engaged with efforts to implement talent and has started developing talent management for senior offices with oversight from a group of secretaries, the Secretaries Talent Council. The Council, reporting to the Board, has led a process to design and test talent management for the most senior APS roles. The design is built on the work of a group of deputy secretaries who initiated a cross-APS talent process for SES Band 1s in 2015.

In December 2017, following the Talent Council's successful pilot process with a small group of high-performing Band 3s, the Secretaries Board endorsed an APS approach to talent management. This approach is based on an agreed set of principles and includes:

- SES talent being managed at a cross-APS level to promote 'one APS' senior leadership and facilitate career mobility as necessary.
- Below the SES, talent processes being managed by individual departments and agencies, under the ownership and guidance of agency executive boards.

### Principles underpinning talent management in the APS

- Talent management is owned and led by APS leaders as part of their stewardship role.
- Talent processes are based on valid and objective data about an individual's potential<sup>82</sup>, ensuring the right people are receiving focused development and career management at the right time.
- Talent management recognises the importance of a diverse leadership cadre and actively seeks to develop one.
- Talent management is both systematic and dynamic:
  - » the performance and potential of leaders is regularly monitored, with a commitment to active management
  - » potential is regularly re-assessed as it may change depending on an individual's career stage or life circumstances.

82 The APS framework for identifying high potential includes: ability (cognitive capacity, emotional intelligence, learning agility and propensity to lead); aspiration for a bigger, more complex role; and engagement with the purpose and values of the APS. This framework was developed after a review of 150 papers and models for predicting potential used across the world.



## Talent management at SES level

Talent management at SES level is overseen by two talent councils. The Secretaries Talent Council focuses on high-performing SES Band 3s with potential for Secretary or Agency Head roles, or more complex Band 3 roles. The Deputy Secretaries Talent Council considers SES Band 1 and 2 employees with the potential for SES Band 3 roles.

To date, the Talent Councils have managed five talent assessment and development planning processes, involving 98 high-performing SES. Two processes are underway, with plans for more assessment rounds by the end of 2019. The intention is to embed SES talent management by 2020, aligning it with annual SES performance cycles.

The results from talent processes are providing fresh insights into the senior APS leadership group, including what drives them to contribute for the public good. General themes include:

- The SES participating in talent processes are intelligent, resilient and courageous, and benchmark well compared to public and private sector counterparts.
- Most SES have excelled in demanding roles, often through disruptive and changing circumstances. They have the ability to navigate a unique APS environment, with a complex set of objectives, issues and multi-stakeholder environments.
- The drive to deliver consistently rates as the strongest leadership capability. Collaborative and enabling capabilities appear to be less well developed, as is self-awareness.
- Motivations and aspirations are diverse, underpinned by a strong notion of 'service to others' and making a difference for the nation. The sense of purpose is palpable.
- Most have lacked formal career planning and constructive feedback over their career in the APS. This may be contributing to lower self-awareness and enabling capability.

Some themes are also emerging about APS cultural settings. These have broader implications for the capability and performance of the service:

- The diversity of SES talent management participants in terms of their cultural and professional backgrounds is limited. Such homogeneity may mean less diversity in thinking and fewer challenges to existing ideas. This is a concern. The best leadership teams have a mix of people with different life experiences, who bring many insights to the consideration of issues.
- SES appear to have little systematic career management and development. Many talented participants describe themselves as self-taught leaders with little formal leadership development, and little supportive feedback from managers. This aligns with perceptions from the 2018 APS employee census. There is a question about whether this has impacted on individuals being able to realise their full potential.

- The low mobility rates observed across the APS are reflected in the career histories of some talent management participants. In particular, at the SES Band 1 classification, many participants have quite narrow experience, having worked in a limited number of agencies or in similar types of roles for most of their careers. Individuals most often require experience-based development (that is, role moves) to improve depth and breadth of capability.

As an outcome of its work, the Deputy Secretaries Talent Council has seen high mobility rates and merit-based promotions from within the talent pool. As at 30 June 2018, more than half of talent pool members had broadened their experience by moving to a new agency.

Feedback from talent pool members is that being ‘noticed’ and given a ‘nudge’ has made a significant impact to the way they view their career development. Many have said they would not have considered moves or taken on experiences outside their comfort zone without the focus from the Talent Council. This highlights the importance of career conversations, and of senior level sponsorship in encouraging high-potential individuals and their agencies to ‘loosen their grip’, allowing for more career movement.

## Talent management in agencies

The Secretaries Board agreed that talent processes below SES level would best be managed within agencies, under the guidance of an agency’s Executive Board. An agency’s Executive Board is likely to have closer insight into talent at these levels, with capacity to support development and career moves. As they implement talent management processes appropriate to their needs, agencies can draw on central support, guidance and tools.

Talent management approaches for non-SES employees vary by agency. In the 2018 APS agency survey, just over one-quarter of agencies reported having a formal talent management strategy in place, while 58 per cent reported having a governance body that oversees employee development. This suggests that while conversations about talent are happening, the process underpinning the work may be less formal.

Eleven agencies had talent management strategies dedicated to developing leadership capacity and capability. These strategies focused on identifying and building high-potential employees for future leadership roles.

Eight agencies described their talent management strategy as concentrating on the identification and development of high-potential employees. These strategies generally incorporated a framework or similar tool to identify high-potential employees, followed by skills and career development programs for identified employees. As a



result, agencies were able to fill critical roles in response to business needs and ensure continuity and stability across the organisation.

Agencies reported that talent pools were the most common mechanism used to support their talent management strategies. By establishing pools, agencies reported being able to develop and deploy people with the right mix of skills and experience to fill more complex roles. For this reason, strategies were widely linked to succession planning and equipping the organisation to respond to changing needs and priorities.

Finally, agencies identified their most common challenges in implementing talent management. The three most common challenges were:

1. capability to implement a talent strategy
2. capacity to implement talent management
3. a strategy in place to guide implementation.

As talent management matures in agencies, there is an opportunity to strengthen the link between strategic intent and practical implementation.

## Talent management in the future

APS talent management will continue to evolve as more is learned about how it best delivers value in a changing APS environment. The APS Reform Committee of the Secretaries Board will explore ways to strengthen the approach as part of developing a whole-of-government workforce strategy. A fit-for-purpose APS for the future is likely to require a more integrated talent management approach. Questions to be considered include:

- How can the APS attract the talented people it needs for key leadership and technical positions? How can it better support those people in their transition to the APS?
- How does the APS ensure greater diversity in its talent pipeline, for example through building the diversity of feeder groups to leadership roles, or recruiting laterally?
- How can the potential of employees be identified at an earlier career stage and nurtured more purposefully over a career?
- What development approach would best support career-long learning for all, as well as providing accelerated development of high-potential employees?
- How can career moves be more easily facilitated for high-potential employees?
- What mechanisms could the APS adopt to retain talent?
- How can talent be deployed across the APS to fill critical job roles?
- What will succession management look like in the APS of the future?



# STATE OF THE SERVICE APPENDICES



# CONTENTS

<b>Appendix 1—APS workforce data</b>	<b>134</b>
<b>Appendix 2—Australian Public Service agencies</b>	<b>142</b>
<b>Appendix 3—APS workforce trends</b>	<b>146</b>
<b>Appendix 4—Supporting statistics to the report</b>	<b>151</b>
Chapter 2—Transparency and integrity	151
Chapter 3—Risk and innovation	158
Chapter 5—Diversity and inclusion	159
Chapter 6—Organisational performance and efficiency	161
Chapter 7—Building capability	164
Chapter 8—Mobilising capability	167
Chapter 9—Leadership and stewardship	168
<b>Appendix 5—Unscheduled absence</b>	<b>171</b>

## List of tables

Table A2. 1: APS agencies, 2017–18	142
Table A3.1: Ongoing APS engagements by classification, 2009–18	147
Table A3.2: Ongoing APS engagements by age group, 2009–18	147
Table A3.3: Ongoing APS separations by classification, 2009–18	148
Table A3.4: All APS employees by base classification, 2009–18	148
Table A3.5: All APS employees by age group, 2009–18	149
Table A3.6: Gender representation in the APS, as at 30 June, 2009–18	149
Table A3.7: Gender representation by classification, 2009–18	150
Table A4.1: Number of APS employees investigated and found in breach of elements of the APS Code of Conduct, 2017–18	151
Table A4.2: Type of reports leading to finalised Code of Conduct investigations, 2017–18	152
Table A4. 3: Outcome of investigations into suspected breaches of the Code of Conduct, 2017–18	153
Table A4.4: Sanctions imposed for breaches of the Code of Conduct, 2017–18	153
Table A4.5: Type of harassment or bullying perceived by respondents	154
Table A4.6 – Perceived source of harassment or bullying	154
Table A4.7: Reporting behaviour of harassment or bullying	155
Table A4.8: Complaints to agencies about harassment and bullying	155
Table A4.9: Type of discrimination perceived by respondents	156
Table A4.10: Perceptions of corruption	156
Table A4.11: Type of potential corruption witnessed	157
Table A4.12: Perceptions of workplace corruption risk	157
Table A4.13: Perceptions of risk culture in agencies	158
Table A4.14: Results for individual elements of the innovation index	159
Table A4.15: Proportion of employees by diversity group, 2009–18	159
Table A4.16: Agency self-reporting—implementation of initiatives in Balancing the Future: APS Gender Equality	160
Table A4.17: Agency self-reporting—implementation of initiatives in the Commonwealth Aboriginal and Torres Strait Islander Employment Strategy 2015-18	160
Table A4.18: Agency self-reporting—implementation of initiatives in the As One; Making it Happen, APS Disability Employment Strategy 2016-19	160
Table A4.19: Percentage of employees using flexible working arrangements, by classification	161
Table A4.20: Reasons for not using flexible working arrangements, by classification	161
Table A4.21: Types of work arrangements being used, by classification	162
Table A4.22: Support for using flexible working arrangements, by classification	162



Table A4.23: Agency availability of flexible working arrangements, by type	163
Table A4.24: Employee engagement—components of the Say, Stay, Strive employee engagement model	163
Table A4.25: Wellbeing measures	164
Table A4.26: Agency actions to improve employee data literacy capability	164
Table A4.27: Strategies applied to appropriately use and manage data	165
Table A4.28: Agency barriers to the use of data	165
Table A4.29: Reasons for joining the APS	165
Table A4.30: Applications for another job during the 12 months preceding the census	166
Table A4.31: Intention to leave	166
Table A4.32: Primary reason for wanting to leave current agency	166
Table A4.33: Agency support for employee mobility	167
Table A4.34: Mobility by agency type, 2017–18	167
Table A4.35: Mobility by location, 2017–18	168
Table A4.36: Employee perceptions of immediate SES manager	168
Table A4.37: Employee perceptions of agency SES leadership	169
Table A4.38: Employee perceptions of immediate supervisors	170
Table A4.39: Cross-APS leadership programs, capability shift	170
Table A5.1: Unscheduled absence, 2013–14 to 2017–18	171
Table A5.2: Unscheduled absence by agency size, 2016–17 and 2017–18	171
Table A5.3: Unscheduled absence by agency, 2016–17 and 2017–18	171

## List of figures

Figure 1: Say, Stay Strive employee engagement model elements	138
---	-----

# APPENDIX 1—APS WORKFORCE DATA

## APS employee database

The Australian Public Service Employment Database (APSED) contains employment, diversity and education details for all people employed in the Australian Public Service (APS) under the authority of the *Public Service Act 1999* (Cwlth).

Information on staffing, including trends in the size, structure and composition of the APS, contributes to research and evaluation work on the changing nature of the APS and the impact of people-management policies on the structure of the APS. This, in turn, assists agencies to formulate their people management policies and practices.

APSED is the definitive source of APS employment data, supporting strong evidence-based APS workforce policy, people management and advice.

### APSED scope and collection methodology

APSED stores the employment data of all current and former APS employees. The database was established in 1999 but contains data on APS employees from 1966. The most recent snapshot, conducted on 30 June 2018, contained records relating to 150,594 employees.

APSED is maintained by the Australian Public Service Commission (APSC) and the data is supplied to APSED from the human resources (HR) systems of APS agencies.

Two types of data files are used to update and maintain APSED—movement files and snapshot files. In general, both file types contain the same data items, but they differ in purpose.

1. **Movement files** are provided to the APSC from each agency every month. They are used to document changes in employment history (for example, engagements, promotions and maternity leave) for all people employed under the Act on a monthly basis.

Changes in employment characteristics every month are recorded using movement codes. Movement files contain a record for every movement relevant to updating and maintaining employee records in APSED that has been processed in an agency's HR system during the month. Therefore, if an employee undertakes multiple movements within a reference period, the corresponding movement files will contain multiple records for that employee. Conversely, if an employee has no movements during the reference period they will not appear in the movement file.

2. **Snapshot files** are provided to the APSC from each agency on a six-monthly basis. They are used to verify that the information stored in APSED, as provided by each agency in the monthly movement files, is correct and current at 31 December and 30 June each year. Snapshot files contain a single record for every person employed by a particular agency on a particular day (that is, on 30 June or 31 December).

## APSED items

Agency HR systems supply APSED with unit records containing this personal information:

- **personal particulars:** Australian Government Staff Number, name, and date of birth
- **diversity data:** gender, Indigenous identification, country of birth, year of arrival, first and main languages spoken, parents' first languages, disability status
- **employment data:** classification, email address, date of engagement, employment status, standard hours, workplace postcode, movement codes and dates, operative status, previous employment, job family code, agency
- educational qualifications and main fields of study.

Under Section 50 of the Australian Public Service Commissioner's Directions 2016, an agency head must ensure there are measures in place to collect information from each employee and give collected information to the Australian Public Service Commissioner. While individuals do not explicitly consent to the collection of their movement and employment data, they can choose to supply or withhold all diversity data except gender, as well as data relating to their educational qualifications. In relation to these items, Section 50 states that an agency head must allow APS employees to provide a response of 'choose not to give this information'.

## Management and administration

Agency HR systems collect relevant data items through movement and snapshot files, and supply these to the APSC through secure or encrypted means. Agencies are responsible for the collection, security, quality, storage, access, use, and disclosure of their HR data as well as compliance with the Australian Privacy Principles. While agency HR systems capture detailed information on each APS employee's pay, leave history and entitlements, these are out of scope for APSED. Only data fields supplied to the APSC are in scope.

Upon receipt, each data file is corrected in an iterative process. Once validated and transferred to the APSC, error checks on the new files are performed by the APSC against the extant data in APSED. The APSC and agency work together to resolve these differences. Once resolved, cleaned data is incorporated.

APSED data is stored on a secure information technology system that is password protected and accessible only by a small team in the APSC who have been granted access by team supervisors and trained in protecting and using these collections. Standard operating procedures dictate when personal information can be added or changed. All changes to the database are logged in an audit file.

## Privacy and confidentiality

APSED is fully compliant with the APSC's privacy policy, which sets out the kinds of information collected and held, how this information is collected and held, its purposes, and authority for its collection. The full APSC privacy policy, which includes specific information related to APSED collection, is available at [www.apsc.gov.au/Privacy](http://www.apsc.gov.au/Privacy). The APSC has undertaken a detailed privacy impact assessment in relation to APSED, concluding that it complies with all relevant Australian Privacy Principles.

Data protections within APSED include secure transfer of information between agencies and the APSC, storage of data on APSC servers requiring individual logons to access, restriction of access to a small number of authorised users, and ensuring public release of data is undertaken in aggregate format only.

## APS employee census

The APS employee census is conducted between early May and early June each year. It has been conducted since 2012.

The APS employee census is administered to all APS employees. It collects confidential attitudinal information on important issues, including employee engagement, wellbeing, performance management, leadership, and general impressions of the APS.

Data from the employee census helps target strategies to build APS workplace capability now and in the future.

### APS employee census collection methodology

The 2018 APS employee census was administered to all available APS employees during the period 7 May to 8 June 2018. This timing was consistent with the timing of the past six annual employee censuses.

The employee census provides a comprehensive collection of the opinions and perspectives of APS employees and gives all eligible respondents the opportunity to have their say on their experiences of working in the APS.

Although participation is encouraged, the APS employee census is voluntary. If a respondent chooses to participate, only a limited number of demographic-type questions must be answered. The remaining questions do not need a response.

### APS employee census design

The 2018 APS employee census was designed to measure key issues such as employee engagement, leadership, wellbeing, diversity, job satisfaction and general impressions of the APS. Questions from previous years were used as the basis for the 2018 APS employee census. Some questions are included every year or on a particular cycle (for example, every two or three years). Some questions were included for the first time to address topical issues or improve the quality of the data collected following a thorough evaluation of the content of the 2017 APS employee census. To maintain a reliable longitudinal dataset, changes to questions are kept to a minimum. While a standardised questionnaire is employed, agencies can ask their employees a limited number of agency-specific questions.

### APS employee census development

The 2018 APS employee census questionnaire included 212 individual questions grouped into 15 sections. Each section addressed a key aspect of working for an APS agency.

Each year the content of the APS employee census questionnaire is reviewed to ensure each question has value and meets a specific purpose. The APSC researches and consults broadly to develop and select questions for inclusion. In 2018, the APSC:

- Considered strategic-level priorities coming from the Secretaries Board and other senior-level committees to ensure the employee census would capture appropriate information to inform these priorities.
- Consulted with subject matter experts from within the APSC and other APS agencies to seek their input to question design and information requirements for supporting APS-level policies and programs.

- Researched contemporary understanding of issues and options for questionnaire content.
- Provided participating agencies with an opportunity to give feedback and input to questionnaire design.

The resulting questionnaire covered numerous themes and measures. Central to these are three indices addressing employee engagement, innovation and wellbeing.

### **APS employee census delivery**

The 2018 APS employee census was administered using these collection methods:

- online, through a unique link provided to each employee by email from ORC International, the contracted census administrators
- telephone surveys with a number of employees working in specific agencies and employees who did not have available supportive information technology to provide reasonable adjustment for their disability
- paper-based surveys for employees who did not have access to an individual email account or did not have suitable access to the Internet.

### **Sampling and coverage**

The 2018 APS employee census covered all ongoing and non-ongoing employees from 101 APS agencies. Two APS agencies elected not to participate. The initial population for the census comprised all APS employees from the 101 participating agencies who were recorded in APSED as at 31 March 2018. This population was then provided to each participating agency for confirmation.

Invitations to participate in the census were sent to employees from 7 May 2018. The number of invitations was adjusted as new employees were added, separations processed, and incorrect email addresses corrected. The deadline for survey completion was 8 June 2018.

The final sample size for the census was 140,291. Overall, 103,137 employees responded, giving a response rate of 74 per cent, the highest response rate in the history of the annual APS employee census. This response rate is encouraging given the size of the APS workforce, the number of participating agencies, and that the employee census has been administered annually for some time.

### **Management and administration**

The APS employee census is managed and coordinated by the Workforce Information Group within the APSC. The APSC contracts an external service provider to support survey administration and reporting activities. ORC International was this service provider in 2018.

### **Privacy, anonymity and confidentiality**

Maintaining confidentiality throughout the employee census process is of primary concern to the APSC. To ensure confidentiality, each APS employee was provided with a unique link to the survey questionnaire by email. Only a small number of staff at ORC International had access to individual email addresses and the associated responses. All responses provided to the APSC by ORC International were de-identified. As a result of these precautions, APSC staff could not identify individual respondents to the survey or identify those who had not taken part.


## Employee engagement index

The APSC employs a model of employee engagement developed by ORC International. This model addresses three attributes associated with employee engagement and measures the emotional connection and commitment employees have to working for their organisation. In this model, an engaged employee will:

- **Say**—the employee is a positive advocate of the organisation.
- **Stay**—the employee is committed to the organisation and wants to stay as an employee.
- **Strive**—the employee is willing to put in discretionary effort to excel in their job and help their organisation succeed.

The Say, Stay, Strive employee engagement model is flexible and the APSC has tailored the questions for the APS context, making further amendments in 2018 following the introduction of the model in 2017. The elements that address each attribute and contribute to the index score for employee engagement are presented in Figure 1.

Figure 1: Say, Stay Strive employee engagement model elements

 <b>SAY</b>	<ul style="list-style-type: none"><li>• I am proud to work in my agency</li><li>• I would recommend my agency as a good place to work</li><li>• Considering everything, I am satisfied with my job</li><li>• I believe strongly in the purpose and objectives of my agency</li></ul>
 <b>STAY</b>	<ul style="list-style-type: none"><li>• I feel a strong personal attachment to my agency</li><li>• I feel committed to my agency's goals</li></ul>
 <b>STRIVE</b>	<ul style="list-style-type: none"><li>• I suggest ideas to improve our way of doing things</li><li>• I am happy to go the 'extra mile' at work when required</li><li>• I work beyond what is required in my job to help my agency achieve its objectives</li><li>• My agency really inspires me to do my best work every day</li></ul>

The results for the individual elements of the employee engagement index are presented in Appendix 4.

## Innovation index

In part, the 2018 APS employee census addressed innovation through a set of dedicated questions that contribute to an index score. This innovation index score assesses both whether employees feel willing and able to be innovative, and whether their agency has a culture that enables them to be so.

The results for the individual elements of the innovation index are presented in Appendix 4.

## Wellbeing index

The wellbeing index included in the APS employee census provides a measure of wellbeing for employees within an organisation. It measures both the practical and cultural elements that allow for a sustainable and healthy working environment.

The results for the individual elements of the wellbeing index are presented in Appendix 4.

### Calculating and interpreting index scores

The questions comprising the employee engagement, innovation and wellbeing indices are asked on a five-point agreement scale. To calculate the index score, each respondent's answers to the set of questions are recoded to fall on a scale of between 0 and 100 per cent. The recoded responses are then averaged across the five or more index questions to provide the index score for that respondent. An individual only receives an index score if they have responded to all questions comprising that index.

	Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree	Score
Weight	100%	75%	50%	25%	0%	%
Example question 1		Yes				75
Example question 2		Yes				75
Example question 3			Yes			50
Example question 4				Yes		25
Example question 5		Yes				100
Sum of question weights for this employee						325
<b>Index score for this example respondent (325/5)</b>						<b>65</b>

Index scores for groups of respondents are calculated by averaging the respondent scores that comprise that group.

An index score on its own can provide information about the group to which it relates.

Index scores, however, have the most use when compared with scores over time or between work units, organisations and demographic groups.

## Treatment of responses of 'don't know' and 'not applicable'

Specific questions included within the 2018 APS employee census and other surveys enabled respondents to provide responses of 'don't know', 'not applicable' or similar. Responses of this nature were typically excluded from the calculation of results for inclusion within this report. This was so results reflected respondents who expressed an informed opinion to the relevant question.

Depending upon the intent, other products generated from the 2018 APS employee census and other surveys may not apply these same rules. The method in analysis and reporting will be made clear within these products.

## APS agency survey

The APS agency survey is conducted annually from late June to mid-August. It collects functional data and workforce metrics from APS agencies with at least 20 APS employees.<sup>83</sup> The information collected through the agency survey is used to inform workforce strategies and for other research and evaluation purposes.

### Data collection methodology

Since 2002, the agency survey has been administered to APS agencies with employees employed under the Public Service Act. The annual survey assists the Australian Public Service Commissioner to fulfil a range of duties as specified in the Act. These duties include, but are not limited to:

- informing the annual State of the Service report
- strengthening the professionalism of the APS and facilitating continuous improvement in its workforce management
- monitoring, reviewing and reporting on APS capabilities.

Participating agencies complete the survey across an eight-week fieldwork period that begins in late June. The survey collects information on a range of workforce initiatives, strategies and compliance matters, including the number and type of APS Code of Conduct breaches, workplace diversity strategies and agency approaches to enable staff mobility.

### APS agency survey collection methodology

In 2018, the APS agency survey was administered to 95 agencies during 25 June to 17 August 2018. The response rate for 2018 was 100 per cent, which is typical for the agency survey.

Each year the APS agency survey is sent to the contact officers nominated for each agency. These contact officers are responsible for coordinating the input from relevant areas and uploading responses to an agency survey portal managed by ORIMA Research. The survey requires each agency head to verify the agency's submission for completeness and accuracy of responses.

---

83 An APS employee is an employee engaged under the *Public Service Act 1999 (Cwlth)*.





### **APS agency survey design**

The agency survey measures activities related to the APS Values and Code of Conduct, as well as other broader HR management activities such as diversity, mobility, innovation, talent management and workforce planning.

Before fieldwork each year, the content of the APS agency survey questionnaire is reviewed so each question has value and meets a specific purpose. The APSC researches and consults broadly to develop and select questions to include in the questionnaire.

### **APS agency survey management and administration**

The Workforce Information Group within the APSC manages and coordinates the APS agency survey. The APSC contracts an external service provider to support survey administration. ORIMA Research was this service provider in 2018.

### **Privacy, anonymity and confidentiality**

Maintaining confidentiality and security throughout the agency survey process is of primary concern to the APSC. All responses are stored in a secure password-protected environment.

The questions in the survey require only de-identified or aggregated agency responses and data is further aggregated before reporting.



# APPENDIX 2—AUSTRALIAN PUBLIC SERVICE AGENCIES

This appendix covers a range of data about Australian Public Service (APS) agencies. Table A2.1 lists all APS agencies and employee numbers and reflects data in the Australian Public Service Employment Database (APSED) as at 30 June 2018. These are headcount numbers and include ongoing, non-ongoing and casual (intermittently engaged) employees. APS agencies are grouped into categories or ‘functional clusters’ to allow comparisons to be made between agencies with similar primary functions. The functional clusters applied to APS agencies are:

- **Policy:** agencies involved in the development of public policy.
- **Smaller operational:** agencies with fewer than 1,000 employees involved in the implementation of public policy.
- **Larger operational:** agencies with 1,000 employees or more involved in the implementation of public policy.
- **Regulatory:** agencies involved in regulation and inspection.
- **Specialist:** agencies providing specialist support to government.

Table A2. 1: APS agencies, 2017-18

Agency name	Functional cluster	Headcount
<b>Agriculture and Water Resources</b>	<b>Larger operational</b>	<b>4 977</b>
Australian Fisheries Management Authority	Regulatory	185
Australian Pesticides and Veterinary Medicines Authority	Regulatory	201
Murray Darling Basin Authority	Policy	307
Attorney-General's	Policy	834
Australian Government Solicitor	Policy	612
<b>Administrative Appeals Tribunal</b>	<b>Smaller operational</b>	<b>670</b>
Australian Commission for Law Enforcement Integrity	Specialist	53
Australian Financial Security Authority	Smaller operational	511
Australian Human Rights Commission	Specialist	142
Australian Law Reform Commission	Specialist	10
Commonwealth Director of Public Prosecutions	Smaller operational	385
Federal Court Statutory Agency	Smaller operational	1 181
National Archives of Australia	Specialist	399
Office of the Australian Information Commissioner	Regulatory	90
Office of Parliamentary Counsel	Specialist	102
<b>Communications and the Arts</b>	<b>Policy</b>	<b>598</b>
Australian Communications and Media Authority	Regulatory	436
Australian National Maritime Museum	Specialist	133
National Film and Sound Archive	Specialist	179



Agency name	Functional cluster	Headcount
National Library of Australia	Specialist	432
National Museum of Australia	Specialist	265
National Portrait Gallery	Specialist	65
Old Parliament House	Specialist	102
Screen Australia	Specialist	7
<b>Defence</b>	<b>Larger operational</b>	<b>18 780</b>
Defence Housing Australia	Smaller operational	681
<b>Education and Training</b>	<b>Policy</b>	<b>1 776</b>
Australian Institute of Aboriginal and Torres Strait Islander Studies	Specialist	114
Australian Research Council	Specialist	146
Australian Skills Quality Authority	Regulatory	186
Tertiary Education Quality and Standards Agency	Regulatory	53
<b>Environment and Energy</b>	<b>Policy</b>	<b>2 571</b>
Bureau of Meteorology	Larger operational	1 672
Clean Energy Regulator	Regulatory	344
Climate Change Authority	Specialist	10
Great Barrier Reef Marine Park Authority	Specialist	242
<b>Finance</b>	<b>Policy</b>	<b>1 664</b>
Australian Electoral Commission	Smaller operational	1 912
Future Fund Management Agency	Specialist	161
Independent Parliamentary Expenses Authority	Specialist	58
<b>Foreign Affairs and Trade</b>	<b>Policy</b>	<b>3 767</b>
Australian Centre for International Agricultural Research	Specialist	53
Australian Trade and Investment Commission	Specialist	561
<b>Health</b>	<b>Policy</b>	<b>3 714</b>
Therapeutic Goods Administration	Policy	650
Office of the Gene Technology Regulator and National Industrial Chemicals Notification and Assessment Scheme	Policy	130
Australian Aged Care Quality Agency	Regulatory	276
Australian Commission on Safety and Quality in Health Care	Specialist	84
Australian Digital Health Agency	Specialist	47
Australian Institute of Health and Welfare	Specialist	343
Australian Radiation Protection and Nuclear Safety Agency	Specialist	143
Australian Sports Anti-Doping Authority	Regulatory	346
Cancer Australia	Specialist	79
Food Standards Australia New Zealand	Regulatory	98
National Blood Authority	Specialist	56
National Health and Medical Research Council	Specialist	190
National Health Funding Body	Specialist	22
National Mental Health Commission	Specialist	26

Agency name	Functional cluster	Headcount
Organ and Tissue Authority	Specialist	28
Professional Services Review	Specialist	21
<b>Home Affairs</b>	<b>Larger operational</b>	<b>14 463</b>
Australian Criminal Intelligence Commission	Smaller operational	788
Australian Transaction Reports and Analysis Centre	Regulatory	334
<b>Human Services</b>	<b>Larger operational</b>	<b>32 852</b>
<b>Industry, Innovation and Science</b>	<b>Policy</b>	<b>2 259</b>
Geoscience Australia	Specialist	614
Questacon	Policy	275
IP AUSTRALIA	Larger operational	1 115
National Offshore Petroleum Safety And Environmental Management Authority	Regulatory	116
<b>Infrastructure, Regional Development and Cities</b>	<b>Policy</b>	<b>898</b>
Australian Transport Safety Bureau	Smaller operational	111
Infrastructure and Project Financing Agency	Specialist	8
National Capital Authority	Specialist	71
<b>Jobs and Small Business</b>	<b>Policy</b>	<b>2 155</b>
Asbestos Safety and Eradication Agency	Policy	11
Australian Building and Construction Commission	Regulatory	148
Comcare	Smaller operational	653
Fair Work Commission	Smaller operational	294
Office of the Fair Work Ombudsman	Regulatory	823
Safe Work Australia	Policy	109
<b>Prime Minister and Cabinet</b>	<b>Policy</b>	<b>2 152</b>
Aboriginal Hostels Limited	Smaller operational	471
Australian National Audit Office	Specialist	349
Australian Public Service Commission	Policy	243
Commonwealth Ombudsman	Specialist	205
Digital Transformation Agency	Smaller operational	234
Office of the Inspector-General of Intelligence and Security	Specialist	22
Office of National Assessments	Specialist	192
Torres Strait Regional Authority	Specialist	158
Workplace Gender Equality Agency	Specialist	25
<b>Social Services</b>	<b>Policy</b>	<b>2 318</b>
Australian Institute of Family Studies	Specialist	90
National Disability Insurance Agency	Smaller operational	2 622
<b>Treasury</b>	<b>Policy</b>	<b>990</b>
Australian Bureau of Statistics	Specialist	2 694
Australian Competition and Consumer Commission	Regulatory	1 018
Australian Office Of Financial Management	Specialist	39
Australian Securities and Investments Commission	Regulatory	1 845



Agency name	Functional cluster	Headcount
Australian Taxation Office	Larger operational	20 281
Commonwealth Grants Commission	Specialist	29
Office of the Inspector-General of Taxation	Specialist	28
Royal Australian Mint	Specialist	261
Productivity Commission	Specialist	156
<b>Veterans' Affairs</b>	<b>Larger operational</b>	<b>1 873</b>
Australian War Memorial	Specialist	322

Source: APSED

# APPENDIX 3—APS WORKFORCE TRENDS

This appendix summarises some overall trends in Australian Public Service (APS) employment for 2017–18, and over the past 10 years. The primary source of data is the Australian Public Service Employment Database (APSED). While this appendix briefly summarises APS workforce trends, the June 2018 APS employment data release<sup>84</sup> provides detailed data.

From this year's analysis of workforce trends, the typical APS employee is a 43-year-old woman with a bachelor's degree. She is working in a service delivery role at the APS 6 level in the ACT and has worked for the APS for 11 years.

## APS employment trends

As at 30 June 2018, there were 150,594 employees in the APS, comprising:

- 136,175 ongoing employees, down by 0.8 per cent from 137,222 ongoing employees in June 2017
- 14,419 non-ongoing employees, down by 2.9 per cent from 14,740 non-ongoing employees in June 2017.

During 2017–18:

- 9,000 ongoing employees were engaged, down by 1.4 per cent from 9,131 ongoing engagements in 2017)
- 10,042 ongoing employees separated from the APS, up by 2.9 per cent from 9,753 separations of ongoing employees in 2017).

## Engagements and separations

Engagement trends have fluctuated over the last 10 years, ranging from 2,363 in 2014–15 to 13,105 in 2008–09. Tables A3.1 and A3.2 cover ongoing APS engagements by classification and by age group. Table A3.3 covers ongoing APS separations by classification.

---

<sup>84</sup> June 2018 APS employment data release, APSC, <https://www.apsc.gov.au/aps-employment-data-30-june-2018-release-0> (accessed 21 October 2018).

Table A3.1: Ongoing APS engagements by classification, 2009–18

Classification	Employees engaged (number), financial years ending June									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Trainee</b>	153	196	278	299	283	251	130	581	546	565
<b>Graduate</b>	1 266	1 225	1 494	1 398	1 237	1 152	1 037	1 434	1 477	955
<b>APS 1</b>	423	194	369	160	130	181	36	48	57	54
<b>APS 2</b>	679	429	707	458	272	281	151	486	461	224
<b>APS 3</b>	4 006	2 341	3 048	2 019	1 297	533	246	2 495	1 643	2 402
<b>APS 4</b>	1 663	1 322	1 767	1 768	1 222	463	141	2 015	1 538	1 510
<b>APS 5</b>	1 294	1258	1 546	1 600	879	427	157	1 316	1 058	1 074
<b>APS 6</b>	1 836	1 665	1 876	1 832	1 147	673	241	1 315	1 301	1 200
<b>EL 1</b>	1 211	1 153	1 237	1 215	777	468	139	782	683	670
<b>EL 2</b>	465	466	441	437	346	184	56	358	294	265
<b>SES 1</b>	70	46	47	51	44	24	17	156	48	49
<b>SES 2</b>	32	25	16	26	13	12	10	31	19	26
<b>SES 3</b>	7	3	4	9	1	1	2	9	6	6
<b>Total</b>	13 105	10 323	12 830	11 272	7 648	4 650	2 363	11 026	9 131	9 000

Source: APSED

Table A3.2: Ongoing APS engagements by age group, 2009–18

Age group (years)	Employees engaged (number), financial year ending June									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Under 20</b>	322	187	231	232	152	108	74	158	169	126
<b>20–24</b>	2 862	2 229	2 780	2 368	1 689	1 095	703	2 018	1 807	1 753
<b>25–29</b>	2 736	2 398	2 891	2 481	1 717	1 034	631	2 529	2 100	1 932
<b>30–34</b>	1 871	1 489	1 874	1 624	1 148	674	314	1 791	1 355	1 428
<b>35–39</b>	1 567	1 164	1 378	1 276	838	470	166	1 293	996	1 091
<b>40–44</b>	1 267	945	1 205	1 134	732	380	163	1 059	870	879
<b>45–49</b>	1 096	794	1069	896	552	339	130	892	715	740
<b>50–54</b>	710	566	751	660	419	254	102	684	593	536
<b>55–59</b>	499	418	458	411	278	188	55	423	382	342
<b>60 and over</b>	175	133	193	190	123	108	25	179	144	173
<b>Total</b>	13 105	10 323	12 830	11 272	7 648	4 650	2 363	11 026	9 131	9 000

Source: APSED

In 2017–18, there were 10,042 ongoing separations (Table A3.3). The number of separations increased slightly from 9,753 in 2016–17. Unlike engagements, separations have remained relatively steady over time.

Table A3.3: Ongoing APS separations by classification, 2009-18

Classification	Separated employees (number), financial year ending June									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Trainee</b>	44	26	36	52	40	44	38	59	61	74
<b>Graduate</b>	83	67	85	76	55	60	38	42	60	58
<b>APS 1</b>	203	137	143	135	123	100	85	59	61	69
<b>APS 2</b>	508	366	375	363	315	328	331	279	241	288
<b>APS 3</b>	1 977	1 837	1 575	1 452	1 235	1 273	1 139	991	1 190	1 162
<b>APS 4</b>	1 899	1 805	2 074	1 768	1 627	1 800	1 748	1 554	1 690	1 846
<b>APS 5</b>	1 483	1 259	1 466	1 436	1 354	1 422	1 391	1 285	1 436	1 448
<b>APS 6</b>	2 083	1 818	2 167	2 162	2 052	2 272	2 302	1 911	2 119	2 265
<b>EL 1</b>	1 450	1 467	1 588	1 842	1 736	2 375	2 191	2 275	1 755	1 689
<b>EL 2</b>	726	821	843	951	931	1 363	1 147	1 082	882	900
<b>SES 1</b>	124	129	120	130	142	188	170	177	174	161
<b>SES 2</b>	40	33	44	57	47	78	72	71	64	64
<b>SES 3</b>	17	11	14	15	15	13	13	14	20	18
<b>Total</b>	10 637	9 776	10 530	10 439	9 672	11 316	10 665	9 799	9 753	10 042

Source: APSED

## Classification structures

At 30 June 2018, almost one-quarter of all APS employees were engaged at the APS 6 level. This continues a trend that began in 2011 after a lengthy period of the APS 4 level being the most common (Table A3.4).

Table A3.4: All APS employees by base classification, 2009-18

	All APS employees (number) at 30 June									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Trainee</b>										
<b>Graduate</b>	1 322	1 294	1 595	1 528	1 413	1 318	1 196	1 570	1 665	1 198
<b>APS 1</b>	2 408	2 943	2 691	4 009	5 260	4 943	4 349	3 898	2 909	2 889
<b>APS 2</b>	7 013	6 497	6 282	5 994	5 225	5 072	4 672	5 004	4 609	4 796
<b>APS 3</b>	24 845	24 115	22 477	20 907	20 466	19 201	19 398	20 767	18 460	17 610
<b>APS 4</b>	32 764	32 743	32 213	32 010	31 857	30 707	30 638	30 578	29 491	29 458
<b>APS 5</b>	21 049	21 569	22 179	22 545	22 241	21 239	20 670	20 932	21 233	20 849
<b>APS 6</b>	30 956	31 955	33 150	33 904	33 678	32 406	31 246	32 670	33 124	32 981
<b>EL 1</b>	25 653	26 847	28 445	29 540	29 310	27 569	25 853	25 484	25 543	25 672
<b>EL 2</b>	12 310	12 858	13 366	13 701	13 550	12 541	11 521	11 486	11 670	11 761
<b>SES 1</b>	1 968	1 986	2 032	2 095	2 054	1 918	1 821	1 963	1 977	2 017
<b>SES 2</b>	563	574	584	590	596	550	530	542	560	557
<b>SES 3</b>	127	137	144	140	132	121	116	125	119	124
<b>Total</b>	161 270	163 785	165 469	167 330	166 138	157 931	152 231	155 597	151 962	150 594

Source: APSED



## Age profile

The average age of APS employees has increased steadily in the last decade. This mirrors the trend seen across the general Australian population and its workforce.

The proportion of the APS population aged 50 years of age or over has continued to increase, while the proportion of employees under the age of 30 has declined (Table 6).

Table A3.5: All APS employees by age group, 2009–18

Age group (years)	All APS employees (number) at 30 June									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Under 20	758	718	635	659	727	470	458	579	408	453
20–24	8 785	8 618	8 207	7 729	7 039	5 641	5 238	5 885	5 506	5 550
25–29	18 840	19 245	19 320	18 888	18 049	15 833	14 390	14 317	13 647	12 980
30–34	20 668	20 754	21 408	21 892	21 983	21 032	20 146	20 261	19 184	18 474
35–39	22 741	22 914	22 336	22 223	21 898	21 142	20 588	21 304	21 256	21 146
40–44	22 024	22 090	22 558	23 090	23 137	22 438	22 086	21 979	21 282	20 870
45–49	24 444	24 319	23 973	23 459	22 839	21 836	21 059	21 707	21 791	21 922
50–54	22 220	22 679	23 241	23 856	24 033	23 184	22 353	22 173	21 262	20 656
55–59	13 423	14 125	14 758	15 328	15 663	15 578	15 406	16 164	16 360	16 740
60 and over	7 367	8 323	9 033	10 206	10 770	10 777	10 507	11 228	11 266	11 803
Total	161 270	163 785	165 469	167 330	166 138	157 931	152 231	155 597	151 962	150 594

Source: APSED

## Gender

The gender profile of the APS has been skewed towards females since 1999 when they became the majority of employees. However, in the last 10 years the proportion of female employees has grown from 57.9 per cent to 59.1 per cent (Table A3.6).

Table A3.6: Gender representation in the APS, as at 30 June, 2009–18

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Men</b>	67 905	69 079	70 030	70 798	69 867	66 223	63 232	63 711	62 307	61 629
<b>Women</b>	93 354	94 693	95 426	96 518	96 253	91 688	88 978	91 863	89 633	88 914
<b>Gender X</b>	-	-	-	-	-	-	-	23	22	51

Source: APSED

## Gender profile by classification

There remains a lower proportion of women at Executive Level (EL) 2 and Senior Executive Services (SES) levels compared to men. However, the numbers at both levels continue to rise (Table A3.7).

Table A3.7: Gender representation by classification, 2009-18

Classification	Gender	Employees (number) at 30 June									
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Trainee	Men	156	126	139	187	146	153	113	273	308	366
	Women	136	141	172	180	210	193	108	305	294	313
Graduate	Men	601	616	794	778	657	678	629	791	817	595
	Women	721	678	801	750	754	640	567	778	848	602
APS 1	Men	774	970	989	1 332	1 833	1 728	1 453	1 220	967	974
	Women	1 634	1 973	1 702	2 677	3 427	3 215	2 896	2 678	1 942	1 915
APS 2	Men	2 402	2 187	2 128	2 226	1 948	1 931	1 802	1 977	1 842	1 909
	Women	4 610	4 309	4 153	3 766	3 275	3 140	2 869	3 027	2 767	2 881
APS 3	Men	8 465	8 347	7 834	7 079	6 909	6 442	6 505	7 003	6 260	6 036
	Women	16 379	15 767	14 642	13 827	13 555	12 755	12 889	13 760	12 195	11 561
APS 4	Men	10 003	9 995	9 717	9 782	9 922	9 555	9 578	9 391	9 060	9 173
	Women	22 757	22 743	22 491	22 223	21 930	21 145	21 052	21 180	20 423	20 268
APS 5	Men	8 858	8 987	9 195	9 254	9 060	8 605	8 321	8 343	8 385	8 174
	Women	12 191	12 581	12 983	13 290	13 180	12 633	12 348	12 587	12 848	12 673
APS 6	Men	14 017	14 448	14 886	15 261	15 043	14 463	13 827	14 270	14 246	14 094
	Women	16 936	17 504	18 261	18 640	18 632	17 940	17 416	18 396	18 874	18 883
EL 1	Men	13 322	13 833	14 597	15 023	14 735	13 857	12 905	12 519	12 474	12 438
	Women	12 329	13 012	13 846	14 515	14 572	13 708	12 944	12 961	13 065	13 229
EL 2	Men	7 618	7 857	8 032	8 154	7 929	7 258	6 636	6 418	6 437	6 380
	Women	4 692	5 001	5 334	5 547	5 621	5 283	4 885	5 067	5 232	5 381
SES 1	Men	1 221	1 231	1 238	1 252	1 212	1 118	1 053	1 088	1 099	1 075
	Women	747	755	794	843	842	800	768	875	878	942
SES 2	Men	371	379	378	370	380	351	336	338	343	343
	Women	192	195	206	220	216	199	194	204	217	214
SES 3	Men	97	103	103	100	93	84	74	80	69	72
	Women	30	34	41	40	39	37	42	45	50	52

Source: APSED

Note: Data for employees identifying as gender X was collected, however proportions are too small to be presented.

# APPENDIX 4—SUPPORTING STATISTICS TO THE REPORT

This appendix presents additional data that supports the content included in the main chapters of this report.

## Chapter 2—Transparency and integrity

### Breaches of the APS Code of Conduct

Table A4.1 presents the number of employees investigated by agencies for suspected breaches of individual elements of the APS Code of Conduct and the number of breach findings in 2017–18. One employee can be investigated for multiple elements of the Code of Conduct.

**Table A4.1: Number of APS employees investigated and found in breach of elements of the APS Code of Conduct, 2017–18**

Element of Code of Conduct	Number of employees	
	Investigated	Breached
a. Behave honestly and with integrity in connection with APS employment—s.13(1)	243	199
b. Act with care and diligence in connection with APS employment—s.13(2)	216	189
c. When acting in connection with APS employment, treat everyone with respect and courtesy and without harassment—s.13(3)	154	107
d. When acting in connection with APS employment comply with all applicable Australian laws—s.13(4)	42	28
e. Comply with any lawful and reasonable direction given by someone in the employee's Agency who has authority to give the direction—s.13 (5)	147	121
f. Maintain appropriate confidentiality about dealings that the employee has with any Minister or Minister's member of staff—s.13(6)	0	0
g. Take reasonable steps to avoid any conflict of interest (real or apparent) and disclose details of any material personal interest of the employee in connection with the employees' APS employment—s.13(7)	31	25
h. Use Commonwealth resources in a proper manner and for a proper purpose—s.13(8)	124	98
i. Not provide false or misleading information in response to a request for information that is made for official purposes in connection with the employee's APS employment—s.13 (9)	51	41
j. Not make improper use of: inside information, or the employee's duties, status, power or authority in order to: a gain or seek to gain a benefit or advantage for the employee or any other person b. cause or seek to cause a detriment to the employee's Agency, the Commonwealth or any other person—s.13 (10)	51	33

Element of Code of Conduct	Number of employees	
	Investigated	Breached
k. At all times behave in a way that upholds the APS values and APS Employment Principles and the integrity and good reputation of the employee's Agency and the APS—s.13 (11)	412	356
l. While on duty overseas at all times behave in a way that upholds the good reputation of Australia—s.13(12)	7	6
m. Comply with any other conduct that is prescribed by the regulation—s.13 (13)	4	3

Source: 2018 APS agency survey

## Sources of reports

Table A4.2 presents the number of employees investigated for suspected breaches of the APS Code of Conduct during 2017–18 that resulted from each type of report.

**Table A4.2: Type of reports leading to finalised Code of Conduct investigations, 2017–18**

Type of report	Employees investigated (number)
A report made to a central conduct or ethics unit or nominated person in a HR area	215
A report generated by a compliance/monitoring system (for example, audit)	183
A report made to an email reporting address	45
A report made to a fraud prevention and control unit or hotline	41
A Public Interest Disclosure	22
A report made to another hotline	2
A report made to an employee advice or counselling unit	1
Other	52

Source: 2018 APS agency survey

## Outcomes of reports

Table A4.3 presents the outcomes for employees investigated for suspected breaches of the APS Code of Conduct during 2017–18.

**Table A4. 3: Outcome of investigations into suspected breaches of the Code of Conduct, 2017–18**

Outcome	Employees investigated (number)
Breach found and sanction applied	336
Breach found no sanction applied—employee resigned prior to sanction decision	87
Breach found no sanction applied—other reason	66
No breach found (for any element of the Code)	56
Investigation discontinued—employee resigned	18
Investigation discontinued—other reason	6

Source: 2018 APS agency survey

Table A4.4 presents the sanctions applied to employees found to have breached the APS Code of Conduct during 2017–18.

**Table A4.4: Sanctions imposed for breaches of the Code of Conduct, 2017–18**

Sanction	Employees found to have breached the Code (number)
Reprimand	224
Reduction in salary	99
Deductions from salary by way of a fine	78
Termination of employment	75
Reduction in classification	20
Re-assignment of duties	13

Source: 2018 APS agency survey

## Harassment and bullying

In the 2018 APS employee census, 13.7 per cent of respondents indicated they had been subjected to harassment or bullying in their workplace in the 12 months preceding the census. Table A4.5 presents the types of behaviour perceived by respondents.

**Table A4.5: Type of harassment or bullying perceived by respondents**

Type of behaviour	% of those who indicated that they had been subjected to harassment or bullying in their workplace in the previous 12 months preceding the census
Verbal abuse	49.3
Interference with work tasks	40.8
Inappropriate and unfair application of work policies or rules	37.4
Other	20.3
Cyberbullying	7.3
Physical behaviour	5.4
Interference with your personal property or work equipment	5.1
Sexual harassment	3.3
'Initiations' or pranks	3.1

Source: 2018 APS employee census

Percentages are based on respondents who said they had been subjected to harassment or bullying in their current workplace. As respondents could select more than one option, percentages may not total to 100 per cent.

Table A4.6 presents the perceived source of the harassment or bullying indicated by respondents.

**Table A4.6: Perceived source of harassment or bullying**

Perceived source	% of those who indicated they had been subjected to harassment or bullying in their workplace in the previous 12 months preceding the census
Co-worker	38.2
Someone more senior (other than your supervisor)	33.5
A previous supervisor	26.1
Your current supervisor	19.4
Someone more junior than you	8.9
Client, customer or stakeholder	4.0
Contractor	2.5
Unknown	2.0
Representative of another APS agency	0.9
Consultant/service provider	0.8
Minister or ministerial adviser	0.4

Source: 2018 APS employee census

Percentages are based on respondents who said they had been subjected to harassment or bullying in their current workplace. As respondents could select more than one option, percentages may not total to 100 per cent.



Table A4.7 presents the reporting behaviour of respondents who had perceived harassment or bullying in their workplace in the 12 months preceding the census.

**Table A4.7: Reporting behaviour of harassment or bullying**

<b>Reporting behaviour</b>	<b>% who perceived harassment or bullying in their workplace during the 12 months preceding the census</b>
I reported the behaviour in accordance with my agency's policies and procedures	35.4
It was reported by someone else	8.3
I did not report the behaviour	56.3

Source: 2018 APS employee census

Table A4.8 presents the number of recorded complaints of harassment and bullying made by employees within APS agencies during 2017–18.

**Table A4.8: Complaints to agencies about harassment and bullying**

<b>Type of harassment or bullying</b>	<b>Number of complaints</b>
Verbal abuse	259
Inappropriate and unfair application of work policies or rules	137
Interference with work tasks	65
Sexual harassment	34
Cyberbullying	30
Physical behaviour	26
Other	22
Interference with your personal property or work equipment	10
'Initiations' or pranks	1

Source: 2018 APS agency survey

## Discrimination

In the 2018 APS employee census, 12.3 per cent of respondents indicated they had been subjected to discrimination during the 12 months preceding the census and in the course of their employment.

Table A4.9 presents the types of the discrimination perceived by respondents during the 12 months preceding the census and in the course of their employment.

**Table A4.9: Type of discrimination perceived by respondents**

Categories	% of those who indicated they had been subjected to discrimination during the 12 months preceding the census and in the course of their employment
Gender	32.4
Age	25.8
Caring responsibilities	23.7
Other	22.2
Race	19.4
Disability	11.7
Sexual orientation	5.2
Identification as an Aboriginal or Torres Strait Islander person	3.7

Source: 2018 APS employee census

Percentages are based on respondents who said they had perceived discrimination during the 12 months preceding the census and in the course of their employment. As respondents could select more than one option, percentages may not total to 100 per cent.

## Corruption

Table A4.10 presents the proportion of respondents who, during the previous 12 months, had witnessed another APS employee within their agency engaging in behaviour they considered may be serious enough to be viewed as corruption.

**Table A4.10: Perceptions of corruption**

Potential corruption witnessed	%
Yes	4.6
No	87.4
Not sure	5.1
Would prefer not to answer	2.9

Source: 2018 APS employee census



Of those who had witnessed potential corruption, the types of corruption are presented in Table A4.11.

**Table A4.11: Type of potential corruption witnessed**

Type of potential corruption witnessed	% who had witnessed potential corruption
Cronyism—preferential treatment of friends	64.6
Nepotism—preferential treatment of family members	25.0
Green-lighting	21.9
Acting (or failing to act) in the presence of an undisclosed conflict of interest	21.8
Fraud, forgery or embezzlement	15.2
Other	10.2
Theft or misappropriation of official assets	6.8
Unlawful disclosure of government information	6.0
Insider trading	3.0
Perverting the course of justice	2.5
Bribery, domestic and foreign—obtaining, offering or soliciting secret commissions, kickbacks or gratuities	2.2
Blackmail	1.4
Colluding, conspiring with or harbouring, criminals	1.4

Source: 2018 APS employee census

Percentages are based on respondents who said they witnessed potential corruption. As respondents could select more than one option, percentages may not total to 100 per cent.

Table A4.12 presents employee perceptions of workplace corruption risk.

**Table A4.12: Perceptions of workplace corruption risk**

Type of workplace corruption risk	%		
	Agree	Neither agree nor disagree	Disagree
My workplace operates in a high corruption-risk environment (for example, it holds information, assets or decision-making powers of value to others)	67.0	19.3	13.6
My agency has procedures in place to manage corruption	82.9	14.7	2.4
It would be hard to get away with corruption in my workplace	69.0	21.8	9.1
I have a good understanding of the policies and procedures my agency has in place to deal with corruption	74.4	18.6	7.0
I am confident that colleagues in my workplace would report corruption	79.5	15.5	5.1
I feel confident that I would know what to do if I identified corruption in my workplace	82.0	13.1	4.9

Source: 2018 APS employee census



# Chapter 3—Risk and innovation

Table A4.13 presents employee perceptions of the risk culture in their agencies.

Table A4.13: Perceptions of risk culture in agencies

Questions	Responses	% of total
My agency supports employees to escalate risk-related issues with managers	Agree	70.7
	Neither agree nor disagree	22.6
	Disagree	6.7
Risk management concerns are discussed openly and honestly in my agency	Agree	62
	Neither agree nor disagree	27.3
	Disagree	10.7
Employees in my agency have the right skills to manage risk effectively	Agree	48.9
	Neither agree nor disagree	37.6
	Disagree	13.5
Employees in my agency are encouraged to consider opportunities when managing risk	Agree	52.7
	Neither agree nor disagree	36.8
	Disagree	10.6
Appropriate risk taking is rewarded in my agency	Agree	27.8
	Neither agree nor disagree	50.2
	Disagree	22.1
In my agency, the benefits of risk management match the time required to complete risk management activities	Agree	31.6
	Neither agree nor disagree	52.3
	Disagree	16.1
Senior leaders in my agency demonstrate and discuss the importance of managing risk appropriately	Agree	47.6
	Neither agree nor disagree	36.3
	Disagree	16.1
When things go wrong, my agency uses this as an opportunity to review, learn, and improve the management of similar risks	Agree	48.5
	Neither agree nor disagree	35.2
	Disagree	16.3

Source: 2018 APS employee census

Table A4.14 presents the 2018 APS employee census results for the individual elements of the innovation index.

Table A4.14: Results for individual elements of the innovation index

	%				
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
I believe that one of my responsibilities is to continually look for new ways to improve the way we work	25.8	57.1	12.3	3.9	0.9
My immediate supervisor encourages me to come up with new or better ways of doing things	19	49.4	21.4	7.5	2.6
People are recognised for coming up with new and innovative ways of working	12.4	44.4	28.8	10.8	3.5
My agency inspires me to come up with new or better ways of doing things	9.5	35.3	36.0	14.6	4.6
My agency recognises and supports the notion that failure is a part of innovation	6.6	28.2	41.4	16.7	7.1

Source: 2018 APS employee census

## Chapter 5—Diversity and inclusion

Table A4.15 presents the proportion of APS employees belonging to each diversity group.

Table A4.15: Proportion of employees by diversity group, 2009–18

	% of all employees									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Women	57.9	57.8	57.7	57.7	57.9	58.1	58.4	59	59	59
Indigenous	2.6	2.6	2.5	2.5	2.6	2.8	2.9	3.1	3.3	3.3
People with disability	3.4	3.4	3.3	3.3	3.2	3.5	3.5	3.7	3.7	3.7
Non-English Speaking Background	13.2	13.6	14.1	14.4	14.4	14.6	14.6	14.5	14.5	14.3

Source: APSED

In the 2018 APS agency survey, agencies were asked to rate the implementation of initiatives in three Australian Government diversity strategies (Table A4.16, Table A4.17 and Table A4.18)). They were asked to do so against five levels of practice, defined here:

- **Level 1:** Practices are applied inconsistently and/or unskilfully and have a poor level of acceptance.
- **Level 2:** Practices are performed and managed with some skill and consistency, and a focus on compliance.
- **Level 3:** Practices are defined, familiar, shared and skilfully performed.
- **Level 4:** Practices are embedded and seen as a part of daily work and as adding real value to work.
- **Level 5:** Practices are continuously improved and leveraged for organisational outcomes.

**Table A4.16: Agency self-reporting—implementation of initiatives in Balancing the Future: APS Gender Equality**

	%					Average rating
	Level 1	Level 2	Level 3	Level 4	Level 5	
Driving a supportive and enabling culture	3.2	23.2	33.7	30.5	9.5	3.20
Gender equality in APS leadership	4.2	18.9	29.5	37.9	9.5	3.29
Innovation to embed gender equality in employment practices	8.4	25.3	29.5	32.6	4.2	2.99
Increased take-up of flexible work arrangements by men and women	5.3	14.7	30.5	37.9	11.6	3.36
Measurement and evaluation	8.4	31.6	27.4	27.4	5.3	2.89

Source: 2018 APS agency survey

**Table A4.17: Agency self-reporting—implementation of initiatives in the Commonwealth Aboriginal and Torres Strait Islander Employment Strategy 2015-18**

	%					Average rating
	Level 1	Level 2	Level 3	Level 4	Level 5	
Expand the range of Indigenous employment opportunities	15.8	38.9	30.5	10.5	4.2	2.48
Invest in developing the capability of Indigenous employees	20.0	28.4	31.6	15.8	4.2	2.56
Increase the representation of Indigenous employees in senior roles	34.7	42.1	16.8	4.2	2.1	1.97
Improve the awareness of Indigenous culture in the workplace	11.6	21.1	35.8	24.2	7.4	2.95

Source: 2018 APS agency survey

**Table A4.18: Agency self-reporting—implementation of initiatives in the As One; Making it Happen, APS Disability Employment Strategy 2016-19**

	%					Average rating
	Level 1	Level 2	Level 3	Level 4	Level 5	
Expand the range of employment opportunities for people with disability	22.1	42.1	26.3	9.5	0.0	2.23
Invest in developing the capability of employees with disability	21.1	37.9	26.3	11.6	3.2	2.38
Increase the representation of employees with disability in senior roles	37.9	38.9	17.9	5.3	0.0	1.91
Foster inclusive cultures in the workplace	1.1	28.4	36.8	25.3	8.4	3.12

Source: 2018 APS agency survey

## Chapter 6—Organisational performance and efficiency

### Flexible work

Table A4.19 presents the percentage of 2018 APS employee census respondents using flexible working arrangements, by classification.

**Table A4.19: Percentage of employees using flexible working arrangements, by classification**

	Employees using flexible working arrangements (%)		
	Trainee, Graduate or APS	EL	SES
Yes	52.4	48.7	34.9
No	47.6	51.3	65.1

Source: 2018 APS employee census

Table A4.20 presents the reasons for respondents not using flexible working arrangements.

**Table A4.20: Reasons for not using flexible working arrangements, by classification**

	Reasons for not using flexible working arrangements (%)		
	Trainee, Graduate or APS	EL	SES
My agency does not have a flexible working arrangement policy	5.0	2.1	0.7
My agency's culture is not conducive to flexible working arrangements	12.6	14.5	8.6
Lack of technical support (for example, remote access)	6.5	6.6	3.2
Absence of necessary hardware (for example, phone, computer, internet)	5.6	5.5	2.0
The operational requirements of my role (for example, rostered or otherwise scheduled work environment such as shift work)	16.6	14.4	19.8
Management discretion	16.9	14.4	4.3
Resources and staffing limits	17.5	23.6	19.0
Potential impact on my career	10.8	15.3	11.4
Personal and/or financial reasons	10.5	7.9	5.6
I would be letting my workgroup down	9.9	17.8	17.7
I do not need to	56.2	54.3	62.2

Source: 2018 APS employee census

Percentages are based on respondents who said they were not using flexible working arrangements. As respondents could select more than one option, percentages may not total to 100 per cent.

Table A4.21 presents the types of work arrangements used by respondents.

Table A4.21: Types of work arrangements being used, by classification

	Types of arrangements being used (%)		
	Trainee, Graduate or APS	EL	SES
Part time	19.1	14.2	5.5
Flexible hours of work	40.5	33.6	21.9
Compressed work week	1.7	3.2	2.0
Job sharing	0.8	0.8	0.9
Working remotely and/or virtual team	4.5	9.6	10.8
Working away from the office and/or working from home	11.9	32.1	32.5
Purchasing additional leave	7.8	7.9	4.8
Breastfeeding facilities and/or paid lactation breaks	0.5	0.5	0.5
Return to work arrangements	2.0	1.4	1.2
None of the above	39.3	40.0	53.2

Source: 2018 APS employee census

Percentages are based on respondents who said they were using flexible working arrangements. As respondents could select more than one option, percentages may not total to 100 per cent.

Table A4.22 presents 2018 APS employee census results for questions on support for using flexible working arrangements.

Table A4.22: Support for using flexible working arrangements, by classification

		Support for use of flexible working arrangements (%)		
		Trainee, Graduate or APS	EL	SES
My supervisor actively supports the use of flexible work arrangements by all staff, regardless of gender	Agree	80.8	83.5	86.2
	Neither agree nor disagree	12.2	11.2	11.2
	Disagree	7.0	5.3	2.6
My SES manager actively supports the use of flexible work arrangements by all staff, regardless of gender	Agree	55.2	69.1	86.7
	Neither agree nor disagree	36.0	25.0	10.6
	Disagree	8.9	5.9	2.7

Source: 2018 APS employee census

Table A4.23 presents the percentage of APS agencies that made each type of flexible work available to their employees.

**Table A4.23: Agency availability of flexible working arrangements, by type**

Type	% of agencies offering flexible working arrangements
Part-time work agreements	100.0
Breastfeeding/lactation breaks	74.7
Non-standard working hours	89.5
Work from home and/or remote work arrangements	98.9
Job share arrangements	78.9
Individual flexibility agreements	96.8
Purchased leave schemes	96.8
Career break or sabbatical schemes	49.5
Flex leave	98.9
Other	22.1

Source: 2018 APS agency survey

As agencies could select more than one option, percentages may not total to 100 per cent.

## Employee engagement

Table A4.24 presents the 2018 APS employee census results for the components of the Say, Stay, Strive employee engagement model.

**Table A4.24: Employee engagement—components of the Say, Stay, Strive employee engagement model**

		%				
		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
<b>Say</b>	Considering everything, I am satisfied with my job	15.6	52.6	18.1	10.1	3.7
	I am proud to work in my agency	22.9	49.1	19.1	6.3	2.6
	I would recommend my agency as a good place to work	15.0	46.0	23.5	10.0	5.5
	I believe strongly in the purpose and objectives of my agency	25.3	51.5	18.1	3.4	1.7
	I feel a strong personal attachment to my agency	18.2	45.6	22.8	10.1	3.3
<b>Stay</b>	I feel committed to my agency's goals	17.4	58.7	18.6	3.7	1.6
	I suggest ideas to improve our way of doing things	21.2	61.7	13.9	2.6	0.6
<b>Strive</b>	I am happy to go the 'extra mile' at work when required	36.3	54.5	6.5	1.9	0.8
	I work beyond what is required in my job to help my agency achieve its objectives	22.8	55.1	17.8	3.4	0.8
	My agency really inspires me to do my best work every day	10.4	39.4	32.6	12.7	4.8

Source: 2018 APS employee census

Wellbeing

Table A4.25 presents the 2018 APS employee census results for the individual elements of the wellbeing index.

Table A4.25: Wellbeing measures

	%				
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
I am satisfied with the policies and/or practices in place to help me manage my health and wellbeing	12.9	55.3	21.6	7.6	2.6
My agency does a good job of communicating what it can offer me in terms of health and wellbeing	11.3	47.9	25.7	12	3.1
My agency does a good job of promoting health and wellbeing	11.5	46.1	27.2	12	3.2
I think my agency cares about my health and wellbeing	11.5	43.6	27.2	12.2	5.5
I believe my immediate supervisor cares about my health and wellbeing	32.8	48.3	12.5	4	2.3

Source: 2018 APS employee census

Chapter 7—Building capability

Data capability

Table A4.26 presents the actions taken by APS agencies to improve employee data literacy capability.

Table A4.26: Agency actions to improve employee data literacy capability

Action	% of agencies
Ensured employee access to on-the-job training and development opportunities	78.9
Ensured employee access to formal training	70.5
Access to a data champion within the agency	46.3
Establishment and/or ongoing involvement of data community of [practice networks	38.9
Establishment and/or ongoing involvement of data management committees	35.8
Other	21.1
No action	6.3

Source: 2018 agency survey

As agencies could select more than one option, percentages may not total to 100 per cent.

Table A4.27 presents the strategies applied by APS agencies to use and manage data in a way that is secure, effective and supports operations.





Table A4.27: Strategies applied to appropriately use and manage data

Action	% of agencies
Compliance with portfolio parent directives, governance frameworks such as the Australian Government Protective Security Policy Framework, and Codes of Professional Practice	86.3
Use of electronic document and records management systems	83.2
Continual review of existing data management policies and procedures	71.1
Other	17.9
No action	0.0

Source: 2018 APS agency survey

As agencies could select more than one option, percentages may not total to 100 per cent.

Table A4.28 presents the barriers to use of data reported by APS agencies.

Table A4.28: Agency barriers to the use of data

Barriers	% of agencies
Legacy systems and/or data storage methods	66.3
Skills and/or capability	65.3
Funding	54.7
Costs and/or availability of software	52.6
Organisational maturity	52.6
Privacy-related issues	34.7
Insufficient access to relevant data	29.5
Other	17.9
No action	8.4

Source: 2018 APS agency survey

As agencies could select more than one option, percentages may not total to 100 per cent.

## Attraction and retention

Table A4.29 presents the reasons provided by respondents for joining the APS.

Table A4.29: Reasons for joining the APS

Reasons for joining the APS	%
Security and stability	64.8
Employment conditions	58.7
Type of work offered	45.8
The work aligned with my job skills and/or experience	45.1
Long term career progression	42.9
Service to the general public	42.2
Geographical location	28.0
Remuneration	27.1
Other	3.9

Source: 2018 APS employee census

Percentages and totals are based on respondents. As respondents could select more than one option, percentages may not total to 100 per cent.

Table A4.30 presents the proportion of respondents who had applied for a job during the 12 months preceding the census.

**Table A4.30: Applications for another job during the 12 months preceding the census**

	%
Had not applied for a job	49.7
Had applied for a job in their agency	36.7
Had applied for a job in another APS agency	18.1
Had applied for a job outside the APS	12.2

Source: 2018 APS employee census

Percentages and totals are based on respondents. As respondents could select more than one option, percentages may not total to 100 per cent.

Table A4.31 presents respondents' intention to leave their agency.

**Table A4.31: Intention to leave**

	%
I want to leave my agency as soon as possible	6.2
I want to leave my agency within the next 12 months	8.9
I want to leave my agency within the next 12 months but feel it will be unlikely in the current environment	10.6
I want to stay working for my agency for the next one to two years	24.2
I want to stay working for my agency for at least the next three years	50.1

Source: 2018 APS employee census

Table A4.32 presents the reasons provided by respondents for wanting to leave their agency as soon as possible or within the next 12 months.

**Table A4.32: Primary reason for wanting to leave current agency**

	% of respondents who wanted to leave their agency as soon as possible or within the next 12 months
There is a lack of future career opportunities in my agency	25.9
I want to try a different type of work or I'm seeking a career change	14.2
Other	12.3
I am in an unpleasant working environment	8.1
Senior leadership is of a poor quality	7.7
I am not satisfied with the work	6.7
My agency lacks respect for employees	5.8
I am intending to retire	5.6
I can receive a higher salary elsewhere	5.4
My expectations for work in my agency have not been met	3.6
I want to live elsewhere—within Australia or overseas	2.6
I have achieved all I can in my agency	2.1

Source: 2018 APS employee census

## Chapter 8—Mobilising capability

### Degree of APS mobility

Table A4.33 presents 2018 APS employee census results for questions relating to employee mobility.

Table A4.33: Agency support for employee mobility

	%		
	Agree	Neither agree nor disagree	Disagree
My agency provides opportunities for mobility within my agency (for example, temporary transfers)	52.3	28.1	19.6
My agency provides opportunities for mobility outside my agency (for example, secondments and temporary transfers)	31.8	40.9	27.4
My immediate supervisor actively supports opportunities for mobility	50.3	37.0	12.7

Source: 2018 APS employee census

Table A4.34 presents the transfers of ongoing APS employees between types of APS agencies during 2017–18.

Table A4.34: Mobility by agency type, 2017–18

Agency type moved from	Agency type moved to (%)				
	Regulatory	Smaller operational	Larger operational	Specialist	Policy
Specialist	5.1	6.3	26.7	17.5	44.4
Regulatory	11.5	8.3	28.6	8.3	43.2
Smaller operational	9.2	10.8	38.2	10.4	31.3
Larger operational	7.7	17.5	30.4	7.9	36.5
Policy	4.6	7.1	24.5	10.3	53.5
All	6.4	11.1	28.0	9.9	44.5

Source: APSED

Table A4.35 presents the number of ongoing APS employees who moved between locations during 2017–18.

Table A4.35: Mobility by location, 2017–18

Location moved from	Location moved to									Total
	ACT	NSW	VIC	QLD	SA	WA	TAS	NT	Overseas	
Australian Capital Territory	.	602	502	357	163	101	50	57	552	2 384
New South Wales	695	.	132	132	30	39	12	18	32	1 090
Victoria	502	148	.	89	60	54	26	14	28	921
Queensland	325	102	70	.	27	37	13	18	34	626
South Australia	166	17	74	31	.	20	4	13	25	350
Western Australia	110	37	48	39	21	.	9	16	11	291
Tasmania	54	14	26	17	5	2	.	1	2	121
Northern Territory	72	18	12	44	19	16	3	.	4	188
Overseas	555	30	33	28	15	5	5	5	.	676
Total	2 479	968	897	737	340	274	122	142	688	6 647

Source: APSED

## Chapter 9—Leadership and stewardship

### Organisational leadership

The 2018 APS employee census provided respondents with an opportunity to share their perceptions of leadership in their agencies. This included perceptions of their immediate SES manager (Table A4.36), the broader SES leadership team in their agency (Table A4.37) and their immediate supervisor (Table A4.38).

Table A4.36: Employee perceptions of immediate SES manager

	%		
	Agree	Neither agree nor disagree	Disagree
My SES manager is of a high quality	65.4	25.7	8.9
My SES manager is sufficiently visible (for example, can be seen in action)	63.3	20.8	15.9
My SES manager communicates effectively	63.5	23.0	13.6
My SES manager engages with staff on how to respond to future challenges	59.4	26.0	14.5
My SES manager gives their time to identify and develop talented people	44.9	37.3	17.8
My SES manager ensures that work effort contributes to the strategic direction of the agency and the APS	64.8	26.8	8.3

	%		
	Agree	Neither agree nor disagree	Disagree
My SES manager effectively leads and manages change	57.6	28.6	13.7
My SES manager actively contributes to the work of our area	60.4	27.3	12.3
My SES manager encourages innovation and creativity	59.7	29.3	10.9
My SES manager actively supports people of diverse backgrounds	65.0	30.8	4.2
My SES manager actively supports opportunities for women to access leadership roles	61.5	33.6	4.8
My SES manager actively supports the use of flexible work arrangements by all staff, regardless of gender	60.0	32.1	7.8
My SES manager leads regular staff meetings (for example, in person or by video conference)	59.7	24.2	16.1
My SES manager clearly articulates the direction and priorities for our area	61.5	25.5	13.0

Source: 2018 APS employee census

**Table A4.37: Employee perceptions of agency SES leadership**

	%		
	Agree	Neither agree nor disagree	Disagree
In my agency, the SES are sufficiently visible (for example, can be seen in action)	52.8	24.6	22.6
In my agency, communication between the SES and other employees is effective	46.3	30.3	23.3
In my agency, the SES set a clear strategic direction for the agency	56.9	27.6	15.5
In my agency, the SES actively contribute to the work of our agency	59.9	28.3	11.8
In my agency, the SES are of a high quality	52.7	33.1	14.3
In my agency, the SES supports and provides opportunities for new ways of working in a digital environment	52.0	33.4	14.6
In my agency, the SES work as a team	43.3	40.0	16.7
In my agency, the SES clearly articulate the direction and priorities for our agency	55.5	29.7	14.8

Source: 2018 APS employee census

Table A4.38: Employee perceptions of immediate supervisors

	%		
	Agree	Neither agree nor disagree	Disagree
My supervisor actively supports people from diverse backgrounds	85.3	12.3	2.4
My supervisor treats people with respect	87.5	7.6	4.9
My supervisor communicates effectively	78.4	11.6	10.0
My supervisor encourages me to contribute ideas	82.4	10.9	6.7
My supervisor helps to develop my capability	71.7	16.8	11.5
My supervisor invites a range of views, including those different to their own	77.5	14.1	8.4
My supervisor displays resilience when faced with difficulties or failures	78.5	14.4	7.1
My supervisor maintains composure under pressure	78.8	13.7	7.5
I have a good immediate supervisor	81.1	11.6	7.3
My supervisor gives me responsibility and holds me to account for what I deliver	84.7	10.7	4.6
My supervisor challenges me to consider new ways of doing things	72.3	18.8	8.8
My supervisor actively supports the use of flexible work arrangements by all staff, regardless of gender	81.7	11.9	6.4

Source: 2018 APS employee census

Table A4.39 presents valuation data for cross-APS leadership programs completed in 2017. Participants assessed their level of capability before a program began and after it finished. The assessment is expressed as a percentage, with 100 per cent indicating a very high level of confidence in the capability and 0 per cent indicating no confidence at all. The shift between the before and after assessments indicates a movement in capability. SES Band 3 employees were not included due to low survey responses rates.

Table A4.39: Cross-APS leadership programs, capability shift

Capability Shift	%					
	SES Band 2	SES Band 1	SES orientation	EL2 expansion	EL2 practice	Women in Leadership
Pre-program capability	65	49	65	74	53	46
Post-program capability	72	90	92	90	91	88
Shift	+7	+41	+27	+16	+38	+42

Source: Cross-APS leadership program results, APSC Centre for Leadership and Learning

## APPENDIX 5— UNSCHEDULED ABSENCE

The APSC remains committed to managing workplace absence and collects data from APS agencies on personal and miscellaneous leave use. This appendix reports on unscheduled absence, measured as the average number of unscheduled absences per employee during the year.

The unscheduled absence rate has remained relatively stable over the last five years (Table A5.1).

**Table A5.1: Unscheduled absence, 2013–14 to 2017–18**

	2013–14	2014–15	2015–16	2016–17	2017–18
<b>Rate</b>	11.2	11.6	11.5	11.4	11.4

Table A5.2 shows the personal and miscellaneous leave usage by agency size during 2017–18. The overall rate of unscheduled absence in the APS has remained stable since 2016–17.

**Table A5.2: Unscheduled absence by agency size, 2016–17 and 2017–18**

Agency size	Unscheduled absence 2017–18	Unscheduled absence 2016–17
Small agencies	10.5	10.6
Medium agencies	11.9	12.1
Large agencies	12.5	12.3
Overall APS	11.4	11.4

Table A5.3 provides unscheduled absence data by individual agency.

**Table A5.3: Unscheduled absence by agency, 2016–17 and 2017–18**

Agency name	Days				
	Sick leave 2017–18	Carer's leave 2017–18	Misc. leave 2017–18	Total unscheduled absence rate 2016–17	Total unscheduled absence rate 2017–18
Aboriginal Hostels Limited	11.8	1.4	0.7	16.7	13.9
Administrative Appeals Tribunal	9.6	2.0	2.2	13.2	13.8
Agriculture and Water Resources	11.3	2.6	0.2	14.5	14.0
Attorney-General's Department	7.1	2.1	0.3	10.9	9.5
Australian Aged Care Quality Agency	10.2	2.5	0.6	11.1	13.3
Australian Building and Construction Commission	8.1	2.0	0.2	11.8	10.4
Australian Bureau of Statistics	9.6	2.3	0.5	11.8	12.3
Australian Centre for International Agricultural Research	7.0	1.9	0.3	8.2	9.2

Agency name	Days				
	Sick leave 2017–18	Carer's leave 2017–18	Misc. leave 2017–18	Total unscheduled absence rate 2016–17	Total unscheduled absence rate 2017–18
Australian Charities and Not-for-profits Commission	8.4	1.2	0.6	8.7	10.2
Australian Commission for Law Enforcement Integrity	6.5	1.5	0.4	10.5	8.4
Australian Commission on Safety and Quality in Health Care	10.1	1.7	1.0	9.9	12.8
Australian Communications and Media Authority	8.7	2.2	0.3	11.7	11.2
Australian Competition Consumer Commission	6.1	1.7	0.3	8.1	8.1
Australian Criminal Intelligence Commission	10.2	2.3	0.2	13.3	12.7
Australian Digital Health Agency	9.5	1.4	0.5	8.2	11.5
Australian Electoral Commission	11.1	3.4	0.4	14.6	14.9
Australian Financial Security Authority	9.4	2.7	0.3	12	12.5
Australian Fisheries Management Authority	12.0	2.9	0.8	15.4	15.7
Australian Human Rights Commission	5.2	1.6	0.4	8.9	7.3
Australian Institute of Aboriginal and Torres Strait Islanders Studies	10.6	2.4	0.4	12.1	13.4
Australian Institute of Family Studies	8.6	1.3	0.2	14.9	10.2
Australian Institute of Health and Welfare	8.7	2.1	0.7	11.2	11.5
Australian National Audit Office	8.1	2.1	0.4	11	10.6
Australian National Maritime Museum	6.4	1.7	1.0	8.6	9.2
Australian Office of Financial Management	5.6	3.1	0.3	8.6	9.0
Australian Pesticides and Veterinary Medicines Authority	12.4	2.7	0.5	15.5	15.5
Australian Public Service Commission	7.4	2.8	0.6	9.8	10.8
Australian Radiation Protection and Nuclear Safety Agency	8.2	2.1	0.2	10	10.6
Australian Research Council	9.1	3.1	0.7	13	12.8
Australian Securities and Investments Commission	7.2	1.7	0.4	9.4	9.4
Australian Skills Quality Authority	9.6	1.4	1.5	13.1	12.5
Australian Sports Anti-Doping Authority	4.5	1.0	0.1	7.5	5.6
Australian Taxation Office	9.1	2.1	0.4	11.8	11.6
Australian Trade Commission	7.8	1.8	0.2	9.1	9.9





Agency name	Days				
	Sick leave 2017–18	Carer's leave 2017–18	Misc. leave 2017–18	Total unscheduled absence rate 2016–17	Total unscheduled absence rate 2017–18
Australian Transaction Reports and Analysis Centre	7.9	1.8	0.3	10.4	10.0
Australian Transport Safety Bureau	6.4	2.6	0.3	10.7	9.3
Australian War Memorial	7.6	2.7	0.2	11	10.4
Bureau of Meteorology	8.2	2.6	0.3	10.4	11.0
Cancer Australia	4.9	1.0	0.7	10.1	6.6
Clean Energy Regulator	10.1	2.3	0.9	12.9	13.2
Comcare	12.8	2.3	0.6	15.4	15.6
Commonwealth Grants Commission	9.0	1.9	0.4	9.8	11.3
Commonwealth Ombudsman	10.5	2.2	0.3	12.5	13.1
Communications and the Arts	8.7	2.4	0.3	12	11.4
Defence	11.3	2.5	0.4	12.9	14.2
Defence Housing Australia	8.6	2.1	0.8	11.5	11.5
Digital Transformation Agency	6.9	1.7	0.2	9.9	8.8
Director of Public Prosecutions	8.6	1.8	0.2	9.8	10.6
Education and Training	9.9	2.8	0.8	13.8	13.6
Environment and Energy	9.7	2.0	0.3	11.3	12.1
Fair Work Commission	7.2	1.7	1.0	11.3	9.9
Federal Court Statutory Agency	7.6	1.6	0.5	7.7	9.7
Finance	10.0	2.7	0.3	13.3	13.1
Food Standards Australia New Zealand	7.1	2.6	0.6	10.7	10.3
Foreign Affairs and Trade	7.8	2.2	0.2	10	10.1
Future Fund Management Agency	3.6	0.9	0.3	4.7	4.8
Geoscience Australia	8.2	2.6	0.2	11.2	11.0
Great Barrier Reef Marine Park Authority	7.6	2.9	1.0	11.4	11.5
Health	10.7	2.3	0.7	14.1	13.6
Home Affairs	11.4	2.9	0.7	13.6	15.0
Human Services	13.3	2.3	0.6	15.5	16.1
IP Australia	9.1	2.8	0.3	12.1	12.1
Independent Parliamentary Expenses Authority	11.1	2.3	0.3	.	13.6
Industry, Innovation and Science	8.9	1.9	0.1	10.6	10.9
Infrastructure and Regional Development	10.2	2.6	0.4	12.6	13.1
Jobs and Small Business	10.5	2.8	0.4	13.4	13.7
Murray-Darling Basin Authority	8.1	2.8	1.0	9.7	11.9

Agency name	Days				
	Sick leave 2017–18	Carer's leave 2017–18	Misc. leave 2017–18	Total unscheduled absence rate 2016–17	Total unscheduled absence rate 2017–18
Museum of Australian Democracy at Old Parliament House	7.6	2.3	0.6	10.8	10.5
National Archives of Australia	13.0	3.7	0.3	16.7	17.1
National Blood Authority	7.6	2.6	0.2	9	10.4
National Capital Authority	8.0	3.1	1.1	12.4	12.2
National Disability Insurance Agency	10.1	1.9	0.8	12.6	12.8
National Film and Sound Archive	9.6	3.6	0.3	14.3	13.5
National Health and Medical Research Council	8.1	2.4	0.4	12.8	10.9
National Library of Australia	11.0	2.7	0.4	13.4	14.1
National Museum of Australia	11.1	2.8	0.5	13.8	14.3
National Offshore Petroleum Safety and Environmental Management Authority	7.6	2.1	0.2	8.2	9.9
National Portrait Gallery	7.6	2.5	0.4	12	10.5
Office of National Assessments	5.0	2.6	0.5	9.5	8.1
Office of Parliamentary Counsel	9.3	3.4	0.7	15.3	13.5
Office of the Australian Information Commissioner	7.9	2.4	0.3	13.1	10.6
Office of the Fair Work Ombudsman	9.9	2.3	0.4	13.6	12.6
Office of the Inspector-General of Taxation	4.7	0.4	0.3	5.1	5.5
Organ and Tissue Authority	8.5	1.3	0.6	9.9	10.4
Prime Minister and Cabinet	10.7	2.4	0.5	12.9	13.6
Productivity Commission	7.2	1.5	0.3	9	8.9
Royal Australian Mint	6.5	1.3	0.2	11.6	8.0
Safe Work Australia	8.9	1.9	0.9	13.2	11.6
Social Services	10.4	2.7	0.4	14.1	13.4
Tertiary Education Quality and Standards Agency	6.5	1.5	0.6	7.5	8.7
Torres Strait Regional Authority	6.4	2.0	0.4	8.3	8.8
Treasury	7.5	1.9	0.4	9.4	9.9
Veterans' Affairs	11.8	1.7	0.3	14.6	13.8
Workplace Gender Equality Agency	6.2	1.6	0.7	8.1	8.4

# GLOSSARY

Term	Meaning
2018 APS agency survey	The APS agency survey, conducted from June to August 2018, collected functional data and workforce metrics from APS agencies with more than 20 APS employees.
2018 APS employee census	The APS employee census conducted in May and June 2018 collected information on attitudes and opinions of APS employees.
ACT	Australian Capital Territory
APS	Australian Public Service
APSC	Australian Public Service Commission
APSED	Australian Public Service Employment Database
ARC	APS Reform Committee of the Secretaries Board
Capability Review Program	Program of forward looking, whole-of-agency reviews that assessed the capability of agencies to meet future objectives and challenges. The reviews were conducted by the APSC between 2012 and 2015 and focused on leadership, strategy and delivery capabilities.
Commissioner	Australian Public Service Commissioner
EL	Executive Level
Employee engagement	Employee engagement is the extent to which employees are motivated, inspired and enabled to improve an organisation's outcomes. It is the emotional connection and commitment employees have to working for their organisation.
Engagement	An engagement refers to the engagement or re-engagement of staff under Section 22 of the Public Service Act. Employees of agencies moving into coverage of the Public Service Act are counted as engagements.
HR	Human resources
Median	A measure of central tendency, found by arranging values in order and then selecting the one in the middle.
Non-ongoing	Non-ongoing employment is a generic term which refers to the engagement of APS employees for either a specified term or for the duration of a specified task or for duties that are irregular or intermittent as mentioned in sections 22(2)(b) and (c) of the Public Service Act.
NSW	New South Wales
NT	Northern Territory
Older worker	An employee aged 50 years or older. This classification, as recommended by the Australian Human Rights Commission, acknowledges that Australians can work as long as they want. This is aligned with the practices of other industrialised nations.
Ongoing	Ongoing employment refers to the employment of an APS employee as an ongoing employee as mentioned in Section 22(2) (a) of the Public Service Act.
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i> (Cwlth)
Public Service Act	<i>Public Service Act 1999</i> (Cwlth)
Roadmap for Reform	Government's Roadmap for Reform, as outlined in the 2018–19 Budget Paper No. 4
QLD	Queensland
SA	South Australia
Separation	A separation occurs when an employee ceases to be employed under the Public Service Act. It does not refer to employees moving from one APS agency to another.
SES	Senior Executive Service
Tas	Tasmania
Vic	Victoria
WA	Western Australia

# INDEX

## A

- Aboriginal and Torres Strait Islander peoples
  - see* Indigenous employees; Indigenous employment; Indigenous mentoring program;
  - see also* *Commonwealth Aboriginal and Torres Strait Islander Employment Strategy 2015–18*
- ABS Standards for Statistics on Cultural and Language Diversity, 67
- absence
  - see* unscheduled absence
- accountability, 2, 4, 17, 39, 86
- adaptability, 7, 10, 78, 83, 86, 87, 101, 110
- advisory capability, 3, 4, 15, 18, 53, 72, 101, 111, 113, 121
- age profile, vi, 149
- agencies
  - client/customer surveys, 20–2
  - HR systems and gender X reporting, 57
  - HR systems and data supply to APSC, 135
  - Indigenous representation target, 59
  - list of, 142–5
  - number of, vii
  - talent management, 128–9
  - unscheduled absence, 171–4
  - see also* large agencies; regulatory agencies; small agencies
- agency performance, 49, 73–5, 78
  - see also* organisational performance
- agency self-assessment
  - change management, 8, 45
  - risk management, 8, 43
- agency survey
  - age group plans, 63
  - APS Values, 23–5
  - bullying and/or harassment, 27, 155
  - change management, 45
  - Code of Conduct investigations, 26, 31, 151–3
  - collaborative initiatives, 76
  - data analysis and reporting capability, 93, 164
  - diversity strategies, 159–60
  - flexible working arrangements, 163
  - Gender Equality Strategy, 55, 56, 160
  - Indigenous representation target, 59–60
  - leadership and management development, 10, 118
  - learning and development, 87
  - list of APS agencies, 142–5
  - methodology, 140–1
  - SES championing diversity, 53
  - talent management strategy, 128
  - support of workforce diversity and inclusion, 53, 160
- Ahead of the Game: Blueprint for the Reform of Australian Government Administration*, 21, 109
- Annual Performance Statements, 73
- APS 1–6
  - classification and gender, vi, 55, 150
  - employee engagement, 81
  - Indigenous employees, 58
  - location, 102, 103
  - number by classification, 148
  - number recruited, 147
  - separations, 148
- APS 5 and 6
  - Indigenous employees leadership development, 59
  - leadership development, 10, 118
- APS agencies, 2017–18, 142–5
  - see also* agencies; agency survey
- APS agency survey
  - see* agency survey
- APS Commissioner's Directions 2016, 94, 135
- APS Diversity and Gender Equality Awards, 52, 61, 63
- APS employee census
  - see* employee census
- APS Employment Database (APSED), 134
  - data storage, 135
  - list of APS agencies, 142–5
  - privacy and confidentiality, 135
  - scope and collection methodology, 134
  - third gender category, 57
- APS Employment Principles, 51, 94, 152
- APS Induction Portal, 97–8
- APS Policy Capability Project, 94
- APS Reform Committee, 5, 94, 109, 120, 129
- APS Values, 22–5, 30, 74, 98
  - commitment to service, 34
  - embedding, 24
- APS workforce data, 134–41
- APS workforce strategy, 5, 6–7, 67, 97
  - core components, 6
- APS workforce trends, 146–50
- APSC privacy policy, 135
- As One: Making it Happen—APS Disability Employment Strategy 2016–19*, 62, 160

## Australian Bureau of Statistics (ABS)

2016 Census, 41–2, 76

Australian Marriage Law Postal Survey, 42

data literacy program, 5, 93

risk management capability, 42

Standards for Statistics on Cultural and Language Diversity, 67

## Australian Commission for Law Enforcement Integrity, 30

*Australian Community Attitudes to Privacy Survey 2017*, 15

Australian Federal Police, 30

Australian Government Agencies Privacy Code, 16

Australian Government expenditure, 3, 70

departmental expenditure, proportion of, 72

Australian Government Guidelines on the

Recognition of Sex and Gender, 57

Australian Government Indigenous Lateral Entry (AGILE) pilot, 60

Australian Government Leadership Network, 61

Australian Institute of Marine Science, 76

Australian National Audit Office, 30

Australian Public Service Commissioner, iv, 5, 52, 113, 135, 140

Commissioner's overview, 1–10

Directions issued by, 94, 135

Australian Taxation Office (ATO)

ATO Making Inclusion Count (ATOMIC), 61

Australian Transaction Reports and Analysis Centre (AUSTRAC)

ASEAN–Australia Codeathon, 37–9

Innovation Hub, 38

averse risk culture, 8, 9

**B***Balancing the Future: The Australian Public Service Gender Equality Strategy 2016–19* (Gender Equality

Strategy), 52, 55, 56, 160

barriers to implementing, 56

initiatives to implementing, 56

key focus areas, 55

Belcher Red Tape Review 2015

whole-of-government themes, 75

biosecurity, 76

Building Digital Capability program, 91

bullying and/or harassment, 26–9

experienced by diversity groups, 29

reporting, 155

source, 154

successful strategies to reduce, 29

types, 154

business engagement, 1, 5, 19, 65, 76

business users, 3, 109, 129

**C**

capability, iv, 5, 9, 70–105

advisory, 3, 4, 15, 18, 53, 72, 101, 111, 113, 121

APSC learning programs, 89–90

building, 9, 86–99, 115

change management, 8, 45

data, 92–3

digital, 5, 87, 90–2, 96–7

entry-level programs, 97

external, 87

future needs, 87

investment in development, 88, 114

leadership, 110–12, 118–23

mobile, 9, 77, 87, 100–5

policy and innovation, 5, 94

professional, 9, 89–90

risk management, 42

capability review programs, 44, 48

career plan discussions, 88, 117, 128

career progression, 51, 75, 92, 95, 96, 128

Indigenous employees, 59, 60

promotions, 104, 128

carer's leave, 171–4

change

incremental, 37

transformational, 37, 118

change management, 44–9

barriers to successful, 48

costs of poor management, 48

culture, 7, 44, 49

effective, 46, 47, 48

employee consultation, 48

failure rate of government transformations, 44

importance of communication, 46–7

OECD countries, 46

change management capability, 7, 44

citizen engagement, 1, 5, 14, 18–22

benefits of, 19, 21

*see also* community engagement

Citizen Survey, 21

City Deals, 76–7

classification levels, vi, 55

classification structures, 148–9

Code of Conduct, 22, 25, 25–32

investigations, 26, 31, 151–2

outcomes of investigations, 153

sanctions for breaches, 25, 153

collaboration across agencies, jurisdictions, business and the community, 76–7

*see also* partnerships

Collaborative Partnership on Mature Age Employment, 65

*Commonwealth Aboriginal and Torres Strait Islander Employment Strategy 2015-18*, 59-60, 160 evaluation, 60

Commonwealth Fraud Control Framework 2014, 30

Commonwealth Ombudsman, 30

Commonwealth Risk Management Policy, 42-3  
annual self-assessment by entities, 42

communication  
between SES and other employees, 41, 46, 47, 74, 115  
importance in change management, 44, 46  
influence of new technologies, 3, 4

communication technologies, 4, 16

community education, 42

community engagement, 17, 121-2  
students, 21-2

community expectations, 1, 2, 4, 9, 86

contact information, ii

continuity and stability, 2, 86

corporate plan, 125

corporate services, 5

corruption, 30-3, 156-7  
employees investigated, 31  
employees witnessing, 33, 157  
international comparisons, 30-1  
types, 31, 32, 157  
workplace corruption risk, 157

Corruption Perception Index, 30-1

counter-terrorism, 37

cross-agency  
collaboration, 77  
policy capability project, 94  
traineeship, 62

CSIRO, 76

culture, 7-8, 13-67  
change management, 7, 44, 48  
inclusiveness, 7, 52, 61, 62, 160  
innovation, 8, 36  
positive risk, 8, 38, 39, 41, 43  
risk, 8, 38, 40, 41, 43, 71, 75, 158

## D

data, government  
barriers to use of, 18, 93, 165  
governance reform, 18  
improving use of, 5, 16  
privacy, 18  
review of activities, 18  
transparency, 17-18

data capability, 5, 87, 92-3, 164-5

Data Integration Partnerships for Australia, 5, 72

data literacy program, 5, 93, 164

Data Sharing and Release Bill, 18

Department of Agriculture and Water Resources  
collaborative project on biosecurity, 76

Department of Finance, 42, 43

Department of Human Services  
digital service delivery, 38  
student payment systems, 21-2

Department of Infrastructure Regional Development and Cities  
City Deals, 76-7

Department of the Prime Minister and Cabinet (PMC), Secretary of the, 19, 21, 113

Department of Veterans' Affairs, 38  
MyService Pilot, 20

Deputy Secretaries Talent Council, 127, 128

digital capability, 5, 87, 90-2, 96-7  
Learning Design Standards, 91-2

Digital Emerging Talent programs, 96

Digital Marketplace, 16, 91

digital strategy, 5

Digital Training Marketplace, 91, 92

Digital Transformation Agency, 5, 38, 91  
co-lab innovation hub, 38  
digital entry level programs, 96-7

Digital Transformation Strategy and Roadmap, 96

Director of Public Prosecutions, 30

disability *see* employees with disability

discrimination, 26, 27-8  
age, 65  
experienced by diversity groups, 28  
types, 156

diversity, vi, 7, 50-67  
agency-specific strategies, 56  
representation, vi, 7, 159  
SES talent management participants, 127  
*see also* inclusion, workplace

## E

Edelman Trust Barometer, 2, 14-15

education *see* learning and development; training

effectiveness, 1, 2, 3, 4, 5, 7, 10, 25, 44, 67, 71, 76, 118, 122  
change management, 47, 48, 49  
communication, 44, 46-7, 74, 78, 82, 89  
induction process, 97, 98  
international ranking, 3  
leadership, 7, 10, 108, 112, 113, 119, 121, 123  
policy implementation, 2, 48, 50, 77  
risk management, 39, 41, 43  
services, 1, 3, 18, 19, 48  
use of data, 18, 165

efficiency, 1, 34, 37, 70-84

- services, 19, 48, 109
- use of data, 18
- Embedding Gender Equality in the Australian Public Service: Changing practices, changing cultures*, 56
- employee census
  - administrator of, 137
  - agency performance, 49, 73
  - bullying or harassment, 26–7, 28, 29, 154–5
  - career intentions, 64, 98, 99
  - change management, 7, 36, 37, 45–9, 113
  - commitment to agency goals and APS purpose, 65
  - communication between SES and employees, 41, 46, 47
  - compliance with APS Values, 23
  - corruption, 32, 33, 156–7
  - corruption management, 32, 33, 41
  - cultural and linguistic diversity, 67
  - data collected, 136
  - digital roles, 90
  - disability status, 61, 63
  - discrimination, 27, 28, 156
  - diversity, 52–3, 113, 159
  - diversity group respondents and discrimination, 28
  - employee engagement index score, 79, 81
  - employee engagement index model, 79, 138, 163
  - employment conditions, 79, 83, 95, 96
  - flexible work arrangements, 161–3
  - gender equality, 56
  - gender status, 57
  - inclusive workplace culture, 52, 160
  - innovation, 35–7, 38
  - innovation index, 139, 159
  - intention to leave, 64, 99, 166
  - internal communication, 46
  - internal mobility, 104, 167–8
  - learning and development, 88
  - LGBTI+ status, 61
  - methodology of, 136–7
  - older age status, 64–5
  - reason for joining APS, 95–6, 165
  - red tape reduction, 75
  - risk management and culture, 8, 38, 40–2, 43, 158–9
  - senior leadership, 10, 36, 41, 46, 74, 80, 88, 113, 114, 115, 168–70
  - verbal abuse, 27
  - wellbeing, 82–3
  - wellbeing index, 139, 164
  - work-life balance, 75, 83
  - working arrangements, 83, 84, 161
- employee engagement, 79–81, 163–4
  - drivers for, 80
  - engagement by classification, 81
  - engagement index, 79–81
  - Say, Stay, Strive employee engagement model, 79, 138, 163
- employee retention, 50, 52, 59, 65, 79, 92, 98, 165–6
- employee rotation, 9, 100, 119
- employees
  - engagements by age group, 147
  - engagements by classification, 147
  - gender profile by classification, 150
  - gender representation, 54, 149, 159
  - location by classification, 103
  - mean age, 63
  - number of, 146
  - separations by classification, 148
  - summary profile, vi–vii
  - total, by age group, 149
  - total, by base classification, 148
  - see also* employee census
- employees with disability, 61–3
  - bullying and/or harassment of, 29
  - cross-agency traineeship, 62
  - discrimination against, 28, 156
  - employment strategy, 62
  - graduates, 62
  - representation, 61–2, 159
- employment trends, 146–8
- engagements *see* recruitment, engagements
- enterprise agreements, 78, 78–9
- excELerate, 59
- Executive Level (EL)
  - classification, 148
  - classification and gender, vi, 150
  - employee engagement, 81
  - Indigenous employees, 58, 60
  - leadership development, 10, 118, 119
  - mobility, 102
  - number recruited, 147
  - representation, iv, 148
  - separations, 148
- Executive Level (EL) employees: EL1
  - gender representation, vi
  - number of, 148
- Executive Level (EL) employees: EL2
  - gender representation, vi
  - leadership programs, 170
  - number of, 148
- expenditure, Australian Government, 3, 70
  - departmental expenditure, proportion of, 72

## expertise

- external, 91, 104
- functional, 4, 86
- policy, 9, 86
- specialist, 9, 86
- subject matter, 9, 110
- see also* capability

**F**

- financial intelligence, 37–8
- flexible work arrangements, 55, 56, 65, 78, 83, 160, 161–3
  - barriers for not using, 84, 161
  - employees using, 161
  - support for, 80, 83, 162–3
  - types, 142, 162, 163
- flexible work environment/use of resources, 7, 72, 78, 83
- fraud, 25, 30, 31, 152, 157
  - awareness, 97
- functional clusters of agencies, 142–5
- future needs/trends, 1, 4, 6, 9, 42, 90, 97
  - leadership, 110–11, 119, 120, 128
  - workforce, 5, 7, 9, 44, 52, 60, 67, 86, 87, 125, 129

**G**

- gender, 54–7
  - discrimination, 28, 156
  - profile by classification, vi, 55, 150
  - representation, 54, 149, 159
- Gender Equality Strategy, 52, 55, 56
  - barriers to implementing, 56
  - initiatives to implementing, 56
- gender reporting, 57
- gender X employees, vi, 57
- globalisation/global trends, 2, 6, 86, 87
- governance, 5, 24, 39, 42, 70, 76, 77, 128
  - data, 18, 165
- Government Business Analytical Unit, 72
- GradAccess, 62
- graduates, vi, 55, 58, 62
  - employee engagement score, 81
  - gender, vi, 55, 150
  - Indigenous, 58
  - location, 103
  - number of, 148
  - number recruited, 47
  - people with disability, 62
  - representation, vi, 148
  - separations, 148
- Great Barrier Reef Marine Park Authority, 76

**H**

- harassment *see* bullying and harassment
- human resource (HR) management, 3, 77, 141
  - HR records, 61
  - HR systems, 57, 61, 65, 78, 134, 135

**I**

- impartiality, 4, 23
- inclusion, workplace, 50, 51, 52, 62, 63, 67, 74, 119, 159–60
  - ATO Making Inclusion Count (ATOMIC), 61
  - SES support for, 53, 61
- Independent Review into the Operation of the Public Governance, Performance and Accountability Act 2013 and Rule* (Alexander and Thodey Review), 8, 39, 40, 71
  - recommendations, 71
- Independent Review of the APS, 1, 4–5, 109, 119, 120
  - panel, 1
  - themes emerging from, 4–5, 87
- Indigenous employees
  - affirmative recruitment process, 60
  - agency representation target, 59–60
  - capacity building, 101
  - career development program, 59
  - bullying and/or harassment of, 29
  - classification, 58
  - discrimination against, 28, 156
  - employment strategies, 59–60, 62
  - leadership in the APS, 52, 58, 59, 101
  - representation, vi, 58, 159
  - retention, 52, 59
  - SES network, 52
- Indigenous employment, 52, 58–60, 160
- Indigenous mentoring program, 59
- induction programs, 97–8
  - APS Values, 25
- innovation, 5, 34–8
  - barriers to implementing, 37
  - combatting financial crime and terrorism, 37–9
  - culture, 8, 36
  - government data opportunity for, 17
  - OECD draft proposal, 34
  - positive risk culture, 8, 38, 41, 43
- innovation index
  - APS innovation index score, 35, 36
  - individual elements, 159
- Inspector-General of Security and Intelligence, 30
- integrity, 2, 3, 5, 7, 14, 22–5, 30, 97, 110
  - APS framework, 23, 30, 86
  - see also* APS Values; Code of Conduct



International Civil Service Effectiveness Index, 3  
 International Open Data Charter, 16  
 international public sector comparisons, 3, 7, 45  
     corruption, 30–1

## J

Jawun APS secondment program, 100, 101

## K

key agency capability themes, iv, v  
 key points in this report, 14, 34, 44, 50, 70, 86, 100,  
 108, 118, 124

## L

large agencies  
     definition, 142  
     employee mobility, 103, 167  
     list of, 142–5  
     unscheduled absence, 171  
 leadership, 10, 78, 108–29  
     capabilities for senior roles, 111–12  
     capability, 46, 110–13  
     development, 10, 118–23  
     future, 110, 119, 120, 128  
     Indigenous employees, 52  
     performance, 113–17  
     personal qualities, 112  
     requirements for senior roles, 110  
     women, 51, 120–1, 170  
 leadership development programs, 120–3  
     capability improvement, 120, 170  
     capability improvement, transition points, 120  
     number of participants, 20  
     role of managers, 123  
 Leading Digital Transformation program, 5  
 learning and development, 24, 89, 118, 124  
     agency needs, 87  
     APSC leadership development programs,  
     119–22  
     APSC learning programs, 89–90  
     eLearning modules, 97  
     formal programs, 88, 89  
 ‘Learning from Failure: why large government policy  
 initiatives have gone so badly wrong in the  
 past and how the chances of success in the  
 future can be improved’ (Shergold Review),  
 39, 43  
 leave, 171–4  
     flex, 63  
     misuse of, 32  
     purchasing additional, 162, 163  
 lesbian, gay, bisexual, trans and/or intersex  
 (LGBTI+) employees  
     bullying and/or harassment of, 29

    discrimination against, 28  
     representation, vi, 61

letter of transmittal, iii  
 location of APS employees, vii, 103

## M

Management Essentials series, 94  
 mature age employees *see* older employees  
 Medicare  
     number of services provided, 3  
 men employees  
     APS classification, 150  
     bullying and/or harassment of, 29  
     discrimination against, 28  
     number of, vi, 149  
     representation, 54, 55, 150  
 Minister for Finance and the Public Service, 9, 100  
 ministers  
     advising, 42, 53  
     opportunity to work in ministerial offices, 4  
     working relationships with, 4  
 miscellaneous leave, 171–4  
 misconduct, 25–32  
     management, 25  
     public investigative bodies, 30  
     types, 25  
     *see also* Code of Conduct  
 Modernisation Fund, 92  
     investment, 109

## N

National Census 2016, 39, 41–2, 76  
 National Disability Insurance Agency (NDIA)  
     APS Diversity and Gender Equality Award, 63  
 National Electronic Deposit service, 76  
 National Library of Australia, 76  
 New South Wales Government, 76  
 New Zealand, 76  
 NextStep, 62  
 non-English speaking backgrounds (NESB),  
     employees from, 65–7  
     continent of origin, 66  
     representation, iv, 65–6, 159

## O

OECD countries, change management experience,  
 46  
 Office of the Australian Information Commissioner,  
 15  
 Office of the National Data Commissioner, 18  
 older workers, 63–5  
     definition, 64  
     discrimination against, 65, 156  
     interest in leaving APS, 64, 99

- recruitment, 65
- retention, 65, 99
- Open Government Forum, 17
- Open Government National Action Plan, 16–17
  - 2016, 16
  - 2018–20, 17
- Open Government Partnership, 16
  - values, 17
- openness, government, 13, 16, 17, 19
- ORC International, 137, 138
- Organisation for Economic Co-operation and Development (OECD)
  - Declaration on Public Sector Innovation, draft proposal for, 34
  - Government at a Glance data, 2017, 3
  - Public Service Leadership and Capability, draft Recommendation, 51
  - Skills for a high performing civil service*, 118
- organisational culture, 43, 48
  - see also* culture
- organisational performance, 43, 70–84, 161–4
  - assessment of, 70–2
  - improving, 77
  - measurement of, 71
  - pilot to measure selected functions, 72
  - see also* agency performance
- organisational transformation, 118
- outside experience, 9

## P

- Parkinson, Dr Martin, 19, 21, 88, 121
- partnerships
  - APSC and ABS, 5, 93
  - APSC and Digital Transformation Agency, 5
  - City Deals, 76
  - Collaborative Partnership on Mature Age Employment, 65
  - Data Integration Partnership for Australia, 5, 72
  - Open Government, 17
  - public and private, 37
- performance
  - see* agency performance; organisational performance; *see also* productivity
- performance assessment, 24, 25
- performance management, 74, 78, 115
- performance management frameworks
  - APS Values, 23, 24, 25
- policy advice/policy capability, 5, 9, 15, 72, 90, 94, 111, 121
- policy agencies
  - definition, 142
  - employee mobility, 103, 104, 105, 167

- list of, 142–4
- policy development and implementation, 2, 5, 18–19, 20, 77, 86
  - taskforce model, 4
- policy toolkit, 94
- political astuteness, 4
- positive risk culture, 8, 38, 39, 41, 43
- privacy
  - employee data, 135–6
  - government agencies code, 16
- privacy policy, 135
- procurement
  - digital services and expertise, 91–2
  - information and communications technology, 16
- productivity, 1, 55, 70, 71–2, 78
  - achieved high level improvements, 72
  - agency identification of improvements, 78
  - employee perceptions of, 73
  - workplace, 78
- Productivity Commission
  - Data Availability and Use*, 17
  - Public Governance, Performance and Accountability Act 2013* (Cwlth) (PGPA Act), 30
  - Independent Review into the Operation of the Public Governance, Performance and Accountability Act 2013 and Rule* (Alexander and Thodey Review), 8, 39, 40, 71
  - risk management, 39, 42
- Public Interest Disclosure Act 2013*, 30
- Public Service Act 1999*, iv, 5, 22, 51, 79, 94, 109, 134

## Q

- quality assurance, 42

## R

- recruitment, vii, 57
  - digital, 96–7
  - employees with disability, 62, 63
  - engagements, vii, 57, 146, 147
  - graduates, 62
  - Indigenous employees, 60
  - innovation, 94
  - older workers, 65
  - processes, 94
  - practices and Gender Equality Strategy, 56
  - women employees, 56
- red tape reduction, 75
- reform, 1, 3, 5, 10
  - data governance, 18
  - importance of change management, 44, 48, 113
  - increased need for, iv, 1

- MyService pilot, 20
- procurement, 96
  - see also Ahead of the Game: Blueprint for the Reform of Australian Government Administration*;
  - Roadmap for Reform (the Roadmap); APS Reform Committee
- regulatory agencies
  - definition, 142
  - employee mobility, 103, 167
  - list of, 142–4
- resignations *see* separations
- retirement (age), 63, 64, 99
- Review of Australian Government Data Activities 2018*, 18
  - response to, 18
- Review of the APS, Independent *see* Independent Review of the APS
- risk culture, 71, 75, 158
  - averse, 8, 9
  - building, 8
  - positive, 8, 38, 39, 41, 43
- risk management, 3, 39–43, 75, 158
  - capability, 42
  - failure, 39
  - maturity, 8, 40
  - performance, 43
- Risk Management Policy, 42–3
- Roadmap for Reform (the Roadmap), 1, 5, 94, 97, 109
  - productivity stream, 72
  - strategies for improvement, 1
- S**
- Science, Technology, Engineering and Mathematics (STEM) skills, 9
- Secretaries, 1, 113
  - gender balance, 7
- Secretaries Board, 109, 127, 128
  - APS approach to talent management, 126
  - APS Reform Committee, 5, 94, 109, 120, 129
  - leadership capabilities for senior leaders, 10, 111–12
  - role, 109
- Secretaries Equality and Diversity Council, 51, 52, 67
- Secretaries Talent Council, 127
- Secretary of the Department of the Prime Minister and Cabinet, 113
  - Citizen Survey, 21
  - knowledge about citizens, 21
- Senior Executive Service (SES)
  - classification, 148
  - communication with employees, 41, 46, 47, 74, 115
  - developing talented staff, 10, 113, 114
  - digital leadership, 5, 90, 92
  - diversity of, 7, 127
  - engagement score, 81
  - gender balance, vi, 7, 54
  - Indigenous, 58, 60
  - Indigenous Network, 52
  - leadership capabilities, 10, 80, 168–9
  - leadership development, 119–20
  - managing talent of, 111, 126, 127–8
  - number of, 150
  - number recruited, 147
  - promotion of APS Values, 22, 23, 74
  - representation, vi, 148
  - risk management, 40
  - role in change management, 7, 36, 47
  - separations, 148
  - supporting inclusion values, 53, 61
  - teamwork, 10, 115
- Senior Executive Service (SES) Band 1
  - Leadership Program, 120, 170
  - limited agency experience, 128
  - talent management, 126, 127
- Senior Executive Service (SES) Band 2
  - Leadership Program, 121–2, 170
  - talent management, 127
- Senior Executive Service (SES) Band 3
  - talent management, 127
- Senior Executive Service (SES) Orientation, 120
  - Leadership Program, 170
- senior leaders
  - performance, 113–17
- senior leadership
  - capabilities, 111–12
  - Indigenous Australians, 59
  - women, 51, 170
- separations, vii, 146, 147, 148
  - by classification, 148
- service delivery
  - citizen survey, 20, 21
  - digital, 38
  - expectations, 1, 2
  - improving, 5, 19, 20, 21, 37, 50, 77, 108, 113
  - personal approach to, 2, 19
  - summary of activity, 2
- shared services program, 5
- sick leave, 171–4
- small agencies
  - definition, 142
  - employee mobility, 103, 167
  - leadership development, 10, 118
  - list of, 142–4

- unscheduled absence, 171
- social media, 2
  - influence on reform, 3
- specialist agencies
  - definition, 142
  - employee mobility, 103, 104, 167
  - expertise, 9, 86
  - list of, 142–5
- states and territories
  - citizen engagement, 21
  - collaboration with, 76–7
  - Open Government Plan, 17
  - public sectors, 4, 9, 15
- State of the Service Report, themes and structure, v
- supervisors, 10, 23, 56, 73, 74, 113, 114, 116, 117, 123

## T

- talent management, 4, 50, 94, 98, 112, 119, 124–9
  - APS framework for identifying high potential, 126n
  - below SES level, 52, 128–9
  - challenges in implementing, 129
  - development of talent, 10, 113, 114
  - digital, 92, 96
  - future, 1, 129
  - Indigenous, 60
  - pools within agencies, 129
  - principles, 126
  - processes, 117, 120
  - SES level, 111, 117, 120, 126, 127–8
  - within agencies, 128–9
- Talent Management System, 125
- talent programs, 52, 96
- technology, new/emerging, 4, 8, 9, 37, 87, 90
- trainees
  - classification, 148, 150
  - employee engagement, 81
  - gender, vi, 150
  - Indigenous, 58
  - separations, 148
- training, 97, 118
  - APS Values, 25
  - bullying or harassment reduction, 29
  - data literacy, 164
  - digital, 91–2, 93
  - Indigenous employees, 59, 60
  - technology, 87
  - transformational leadership skills, 119
  - see also* learning and development
- transparency, 2, 16, 71, 94
  - government data, 17–18
- Transparency International, 30–1

- Treasurer, 42
- trust in government institutions, 7, 14–16, 25, 30, 39, 86, 96
  - building, 16, 17, 18
  - declining, 2, 6, 14, 15
  - global measure of, 14–15
  - measuring, 21
- typical APS employee, 146

## U

- United Kingdom
  - civil service capability reviews, 45
  - employee satisfaction surveys, 45
- university collaboration, 76
- ‘Unlocking Potential’, 94
- unscheduled absence
  - by agency, 171–4
  - by agency size, 171
  - rate, 171

## W

- Western Sydney City Deal, 76–7
- whole-of-government approach, 5
- women employees
  - APS classification, vi, 55, 150
  - bullying and/or harassment of, 29
  - discrimination against, 28
  - leadership, 120–1, 170
  - number of, vi, 149
  - representation, 54, 55, 150
- Women in Leadership program, 120–1, 170
- Workforce Information Group, 137
- workforce mobility, 7, 9, 87, 100–5, 167–8
  - between locations, 168
  - mobility rate, 102
  - transfers by agency type, 103, 167
  - within ACT vs. other jurisdictions, 102, 104
- workforce planning, 5–7, 25
  - ageing workforce, 63
  - Roadmap, 5–6
- workforce renewal, 89
- workforce, Australia
  - APS proportion of employed, vii
- workplace absence, 171–4
- Workplace Bargaining Policy 2018, 78
- workplace relations, 77–9
  - specialists, 79
  - trust, 77–8
- Workplace Relations Capability Program, 79
- workplace stressors, 48
- World Justice Project Open Government Index, 16

