STATE OF THE SECTOR REPORT

2009-2010

Report by:

COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT
OFFICE FOR ETHICAL STANDARDS AND PROFESSIONAL INTEGRITY
SA DEPARTMENT OF THE PREMIER AND CABINET

REPORT OF THE COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT

COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT'S REPORT
WARREN MCCANN

One of the most important functions the Commissioner for Public Sector Employment has under the new *Public Sector Act* is to issue a Code of Ethics. The Code is binding on the entire public sector and the Commissioner must keep it under review to ensure that its vitality is not diminished with the passage of time and that it remains relevant and useful as a behavioural guide for all public sector employees.

In putting the Code together over the course of about a year the staff of the Office of Ethical Standards and Professional Integrity drew on recent practice throughout the world including all Australian jurisdictions, New Zealand, North America and Europe as well as from theoretical debates from public and private institutions such as the St James Ethics Centre in Australia and the International Business Institute in Washington. The draft Code was then road tested with public sector leaders and people who have a passion for this issue drawn from all of our departments and agencies.

The point is that we did not just sit in a back room and think it up. Each word and phrase in the Code is there deliberately. If we have been different in some of the things we have included or the way in which they are said, it is not through ignorance of other codes and practices but because there are particular South Australian aspirations and ethical beliefs that we wanted to give voice to.

Have we got it right? I think so. But I am conscious that although attempts were made throughout the consultation stage to reach as many people as possible electronically, at the end decisions had to be made between sometimes competing viewpoints. So it is a living document and suggestions for changing it will always be welcome.

The Code has been widely promulgated and is available electronically at www.espi.sa.gov.au/ethics. It is built on a foundation of five broad ethical values: democratic values, service respect and courtesy, honesty and integrity, accountability and professional standards. It is there for everyone to read. However, what the words alone do not convey is an appreciation of the aspirational objectives that underlie the Code and give it a special status in the vast array of documents that govern the working lives of public sector employees.

The first of these objectives is to shift the professional culture from an emphasis on punitive measures traditionally associated with Codes of Conduct of the past to a culture of guiding values and principles in which mature judgment and common sense, rather than a rigid application of the rules, are predominant. Now not everyone has grasped this critical point or indeed supports it. Until recently, documents of this kind were generally referred to as Codes of Conduct which had as their focus the punishment of bad behaviour.

Now let me make it clear that there does need to be a strong statement about what constitutes unacceptable behaviour – and that if employees do the wrong thing there will be serious consequences. Ministers, the Parliament and the community expect this and the Code could hardly claim to be a professional Code without dealing with unacceptable behaviour. I think any objective reader would agree that this strong emphasis on conduct has been achieved.

But that is not the Code's principal purpose. As will be seen from the body of this report there were 48 investigations into breaches of the Code between 1 February and 30 June 2010. That is 48 too many but by any measure it is a tiny proportion of the public sector workforce. By placing the emphasis on values and principles we want to lift up the 100,597 employees who always do the right thing rather than anchor them in the mire of the 48 who do not.

The second objective is to recognise the central place of professionalism in contemporary public sectors and to define for everyone what it means to be a public servant. There is evidence of growing interest in this issue in the public sector workforce: people want to work for an organisation in which they have a strong sense of pride and which they believe has a strong ethical foundation.

For the best part of two decades the public sector has been told that its performance and management systems are inferior to the private sector in almost every respect. Such claims were always nonsense but what was lacking through much of that time was an articulated ethical and values framework that could demonstrate that it was nonsense. The fact is that the public sector is different to the private sector. For a start the public sector places service to the people rather than the market with self-interest as its hallmark at the centre of its ethical framework. What the Code of Ethics does is to allow public sector employees to say with some pride I think: this is what we stand for.

The next broad theme has to do with the restoration of trust between the public service and the community. This loss of trust is not something that is unique to South Australia of course; it is a common phenomenon in many countries throughout the world. The Code seeks to restore a sense of trust by explicitly placing the public sector's obligations to citizens at the core of its ethical principles. Here are the exact words:

> "public sector employees recognise that on behalf of
> the government they hold in trust a duty to provide quality
> services to the citizens of South Australia"

It would be naïve of course to think that the inclusion of these mere words will change everything over night. Of course it won't. It is much deeper than that. But it is a very good start.

One of the objectives of the new Public Sector Act proclaimed earlier in the year is to move the public sector from an employment framework based on rules, regulations and procedures to one defined by a number of employment principles: responsiveness, collaboration and so on. Now this is quite a confronting challenge to a long held bureaucratic tradition. There has always been a measure of comfort and reassurance about operating within a rigid rule based framework. Excessive reliance on the rules meant that we did not have to think too much or use judgment about the best way forward in what was often a complex set of circumstances.

Unfortunately, the price paid for the comfort of this bureaucratic cocoon was a high one. The public sector became risk averse and lost the capacity to be creative or to move quickly to meet some new crisis or to take advantage of some new opportunity. What the new Act does is to give us permission to exercise judgment and, where the circumstances call for it, to take a calculated and rational risk.

But the point is you can't just do this in a vacuum. It is not just a matter of tearing up the rule book; there has to be something to replace it. And this is where the Code comes in: it offers the public sector a values based rather than a rules based framework for decision making. The advantage of this is it allows for commonsense to be used and for creative solutions to be found – provided always that the reasons for a particular decision or action can be anchored in one or more of the ethical values in the Code.

Through the creation of a common employment framework, another objective of the Public Sector Act is to break down the traditional separation between the "public service" and the broader public sector. Again, this will not happen overnight. But it is a critical goal of the new Act. It is critical because modern government is about agility, adaptability and responsiveness. It becomes much easier to achieve this if the artificial barriers that presently serve to segment large parts of the public sector are broken down.

The Code of Ethics is an important instrument to that end: the Act makes it clear that it applies to all public sector workers. For this to have meaning it requires acceptance of the general proposition that, notwithstanding the many occupational groupings that make up the public sector – over 270 at last count – there is a set of behavioural values that are shared by everyone.

This idea of a uniting thread is a contested point attracting some scepticism. However, in response, the key point is that no matter where an employee works or at what level an employee works – a hospital orderly, a doctor, a child protection worker or a project manager, the unifying factor is that everyone works in the service of the public. And that holds whether the work is on the front line of service delivery or on clerical tasks in the back office. If that basic unifying proposition is accepted then everything else in the Code flows from it: fairness, respect, accountability and so on.

Finally there is the issue of performance. South Australia (in common with most other parts of the world) is looking to improve the performance of its public sector. Performance, of course, is a function of many determining factors. But a Code of Ethics which succeeds in encouraging employees to look outward to the people they serve rather than inwards to the machinations of the bureaucratic process, or to treat each other with dignity and respect, has a significant contribution to make.

It is a lateral pathway to higher performance it you like.

A highly skilled workforce, access to the latest technology, strong leadership and so on will remain the main determinants of performance. But there is an increasing awareness that culture and environment – influenced in turn by ethical values – are looming as the way forward to a high performance future.

I hope every public sector employee will become familiar with the Code and embrace it as a set of values which define for everyone to see what it means to be a public sector employee in South Australia.

REPORTING FUNCTION OF THE COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT

The Functions of the Commissioner for Public Sector Employment are defined in the *Public Sector Act 2009 (PS Act).* The Commissioner must, before 30 September in each year, present a report to the Minister on matters relating to the Commissioner's functions under Part 21 of the Act.

The report must:

- relate to the financial year preceding the making of the report; and
- describe the extent of observance of the public sector principles in so far as they relate to public sector employment and measures taken by the Commissioner to promote the observance of those principles; and
- deal with any other matters stipulated by the regulations.

Information in this report covers the reporting requirements of both the former *Public Sector Management Act 1995* and the current *Public Sector Act 2009* where relevant.

PUBLIC SECTOR ACT 2009 / PUBLIC SECTOR MANAGEMENT ACT 1995

The *Public Sector Act 2009* commenced on 1 February 2010. The Act has replaced the *Public Sector Management Act 1995*, which has been amended and retitled to become the *Public Sector (Honesty and Accountability) Act 1995*.

The Act seeks to move the public sector from an employment framework based on rules, regulations and procedures to one defined by employment principles. The Act provides Chief Executives with greater autonomy and flexibility to manage employees of their agencies. Under the new Act, chief executives are required to advance the public sector principles of:

- public focus;
- responsiveness;

- collaboration;
- excellence;
- employer of choice;
- ethical behaviour and professional integrity, and
- legal requirements.

ROLE OF THE COMMISSIONER FOR PUBLIC SECTOR EMPLOYMENT UNDER THE PUBLIC SECTOR ACT 2009

The statutory functions of the Commissioner for Public Sector Employment are defined in the *Public Sector Act 2009*.

The Commissioner has the function of advancing the objects of the Act, and promoting observance of the public sector principles, in so far as they relate to public sector employment and for that purpose is to: –

a) issue the public sector code of conduct;

b) issue public sector employment determinations;

c) monitor and report to the Minister on observance of the public sector principles, code of conduct and employment determinations;

d) issue guidelines relating to public sector employment matters;

e) provide advice on public sector employment matters at the request of public sector agencies or on the Commissioner's own initiative;

f) provide advice on and conduct reviews of public sector employment or industrial relations matters as required by the Premier or the Minister or on the Commissioner's own initiative; and

g) investigate or assist in the investigation of matters in connection with public sector employees' conduct or discipline as required by the Premier or at the request of a public sector agency and investigate such matters on the Commissioner's own initiative (including on receipt of public interest information under the *Whistleblowers Protection Act 1993).*

The role of the Commissioner for Public Sector Employment has changed in the following ways:

The Commissioner:

- is no longer involved in the day to day management responsibilities of Chief Executives;
- guides decision-making through the adoption of strong principles to lead Chief Executives to build themselves better systems and practices; and
- does this at a systemic level rather than the individual transactional level.

THE OFFICE FOR ETHICAL STANDARDS AND PROFESSIONAL INTEGRITY

The Office undertakes a range of functions, including:

- support for the *Public Sector Act 2009* and associated employment legislation;
- employment determinations and guidelines, ethical codes and conduct standards;
- whole of government workforce information, collection, planning and reporting;
- Chief Executive, Statutory and Ministerial Officer appointments for the Premier;

- Public Sector recruitment through the Notice of Vacancies;

- Public Sector development through the Public Sector Management Program;

- Public Sector advancement and recognition through the Premier's Awards;

- Public Sector performance through the provision of support for South Australia's Strategic Plan Targets;

- Machinery of Government changes; and

- support for the operation of the Public Sector Grievance Review Commission.

During the reporting period the Office for Ethical Standards and Professional Integrity has:

- Achieved significant legislative change through the implementation of the *Public Sector Act 2009* on 1 February 2010 and amendment of the *Public Sector Management Act 1995* to become the *Public Sector (Honesty and Accountability) Act 1995*.

- Developed and implemented the Code of Ethics for the Public Sector to guide and support public sector employees in all of their professional activities, strengthen public confidence in the public sector and set out the standards of professional conduct expected of every public sector employee.

- Supported a modern, streamlined and high performing public sector through the development of draft Determinations and Guidelines to promote the Objects and Principles of the *Public Sector Act 2009*.

- Reviewed the data collected on the characteristics of the SA Public Sector in the Workforce Information Collection to enable accountability, performance measurement and evidence based decision making in the public sector, and to make the collection consistent with the *Public Sector Act 2009.*

- Collected and analysed quantitative and qualitative information, in order to evaluate the management and performance of the sector for the purpose of meeting the legislative reporting requirements of the Commissioner for Public Sector Employment.

- Conducted the Premier's Award scheme and ceremony for a third year with increased participation and interest, and high standard South Australia Strategic Plan work initiatives recognised and rewarded through the awards.

- Supported future leadership and management capability of the public sector workforce has through coordination of the Public Sector Management Program.

- Facilitated Public Sector recruitment through the Notice of Vacancies and through the SA Graduate Register.

- Showcased the diverse range of services, initiatives and innovations delivered to the community by the South Australian Public Sector through Public Sector Week 2009.

- Advanced the following South Australian Strategic Plan Targets:

  - Target 1.7- to increase customer and client satisfaction with government services by 10% by 2010 was advanced by driving and supporting agencies to implement customer satisfaction surveys specifically using the Common Measurement Tool; and

  - Target 6.23- Have women comprising half of the public sector employees in executive levels (including chief executives) by 2014.

CODE OF ETHICS

To support the *Public Sector Act 2009* (PS Act), the Commissioner for Public Sector Employment issued a new Code of Ethics for the South Australian Public Sector on 1 February 2010. The Code embodies and builds upon the principles of the Act and in doing so seeks to advance the objects of the Act in the pursuit of good government in South Australia.

The Code of Ethics is the Code of Conduct for the purposes of the PS Act and is built upon a foundation of five ethical values:

- democratic values;
- service, respect, courtesy;
- honesty and integrity;
- accountability; and
- professional conduct standards.

The Code has the standard objectives of guiding and supporting public sector employees in their professional activities and setting the standards of professional conduct expected of them.

REVIEW OF COMMISSIONER'S DETERMINATIONS

The *Public Sector Act 2009* (PS Act) states that the Commissioner for Public Sector Employment may issue determinations relating to:-

- employment in the Public Service; and
- Public Sector employment outside the Public Service that is declared by another Act or the regulations under the PS Act to be employment to which this section applies. Currently the Courts Administration Authority is the only declared public sector employment.

A determination of the Commissioner also applies to public sector employment to the extent that a determination is relevant to the application of the provisions of Part 7 of the PS Act that apply to employment.

To support the operation of the PS Act the following new Determinations have been developed:

1. Merit, Engagement, Assignment of Duties and Transfer of Non-Executive Employees;

2. Excess Employees – Income Maintenance;

4. Whistleblower responsible officer qualifications; and

5. Classification and Remuneration.

Commissioner's Standard 3 is currently under review by Public Sector Workforce Relations and will be replaced by Determination 3.

REVIEW OF EMPLOYMENT DECISIONS

The *Public Sector Act 2009* establishes a new mechanism for the review of employment decisions. There are two review bodies - the Industrial Relations Commissioner (IRC) and the Public Sector Grievance Review Commission (PSGRC).

In the case of a prescribed decision, the appropriate review body is the IRC. A prescribed decision means:

- a decision to take disciplinary action; or
- any decision to reduce an employee's remuneration level; or
- a decision to transfer an employee, or to assign an employee to different duties or a different place, made in conjunction with a decision to take disciplinary action or reduce an employee's remuneration level; or
- a decision to transfer an employee, or to assign an employee to a different place, that reasonably requires the employee to change his or her place of residence.

The appropriate review body for other employment decisions is the PSGRC.

The Promotion and Grievance Appeals Tribunal and Disciplinary Appeals Tribunal that existed under the *Public Sector Management Act 1995* ceased when the *Public Sector Act 2009* commenced on 1 February 2010. Appendix 1 lists the matters heard by these Tribunals during the reporting period.

SA PUBLIC SECTOR MANAGEMENT PROGRAM

During 2009-2010, the SA PSM Program offered four intakes resulting in seventy four (74) new participants. It was particularly pleasing to be able to offer a regional intake in Mount Gambier, which commenced in March 2010. This intake was originally scheduled to commence in August 2009 but was postponed to 2010.

Intake	Location	Commenced	No of new Participants
SA25	Adelaide	October 2009	19
SA26	Adelaide	February 2010	23
SA24	Mt Gambier	March 2010	11
SA27	Adelaide	June 2010	21
		TOTAL	**74**

As at the end of June 2010, the PSM Program had been delivering high quality management education for eighteen years resulting in a total of fifty eight new intakes. Currently, the two SA PSM Program staff manage over 140 participants, who are at various stages of completion of the total four Modules.

In addition, during 2009-2010, fifty participants were eligible to graduate and were awarded a Graduate Certificate in Public Sector Management from Flinders University. The Adelaide Town Hall was once again the venue for the graduation ceremony. The PSM Program was pleased to host Mr Hieu Van Le AO, Lieutenant Governor of South Australia and Chairman of the South Australian Multicultural & Ethnic Affairs Commission who addressed over one hundred and thirty guests in attendance on the night.

In early 2010, the SA PSM Program website underwent an update to bring the branding into line with the national guidelines. The site is much easier to navigate with a secure portal for participants where they can access important assignment information and resources.

Nationally, the SA PSM Program staff have been involved in several major projects. Two examples include the release of the refreshed curriculum in November 2009 resulting in changes to assignment tasks as well as updated content, readings and activities within the four Modules. Mr Michael D'Ascenzo, Commissioner of Taxation, Australian Taxation Office continues as the Chair of the PSM Program National Board.

SA GOVERNMENT GRADUATE REGISTER

During 2009 the SA Government Graduate Register continued to assist graduate recruitment across the public sector. At the end of 2009 there were 3,011 candidates listed on the Register. The Office for Ethical Standards and Professional Integrity and the Local Government Association signed a memorandum of understanding to enable local government councils to access the Graduate Register. This arrangement will be launched and operational in the near future. This will allow access to greater numbers of graduates by employers and more opportunities for the graduate registrants. The management of the Graduate Register has been transferred from the Office for Ethical Standards and Professional Integrity (ESPI) to the Department of Further Education, Employment, Science and Technology.

CAREERSTART SA

The Department of Further Education, Employment, Science and Technology manages the recruitment of all youth trainees, apprentices and cadets into the public sector and local government through the CareerStart SA Program, administered by the Employment Programs Directorate. The strategy supports the Government's commitment to rejuvenating the ageing workforce in the public sector by providing young people and people from groups recognised as disadvantaged in the labour market with entry-level training opportunities in the public sector.

CareerStart SA is the only approved public sector program that allows all state public sector agencies to recruit trainees, cadets and apprentices into government. As such any state public sector agency seeking to recruit a new trainee, cadet or apprentice must do so through the program. CareerStart SA also funds Disability Works Australia to manage a Disability Employment Register for eligible people with disabilities who are seeking employment in the South Australian public sector. This enables public sector agencies to strategically target the employment of people from this group and meet their obligations under the Strategy for the Employment of People with Disabilities in the South Australian Public Sector.

This strategy aligns with *South Australia Works* which states that public sector agencies will actively engage with stakeholders and local communities to deliver an expanded range of opportunities for those disadvantaged in the labour market. Therefore, the long-term objective of the CareerStart SA Program is to continue to increase employment prospects for young people with a disability through current or any future programs

The Skills Register is also a component of CareerStart SA. The Skills Register offers government agencies recruitment referrals from a ready pool of skilled people across metropolitan and regional South Australia. Registered participants are eligible to be considered for all vacant positions within the State Public sector for a period of up to three years from the completion of their traineeship, apprenticeship, cadetship or graduate placement.

WHISTLE BLOWER DISCLOSURES

The *Public Sector Act 2009* requires that each public sector agency ensure that a public sector employee (with qualifications determined by the Commissioner) is designated as a responsible officer for the agency for the purposes of the *Whistle Blowers Protection Act 1993*. A public sector agency's annual report to the agency's Minister must contain information on the number of occasions on which public interest information has been disclosed to a responsible officer of the agency.

The Commissioner for Public Sector Employment's Annual Report must disclose the number of occasions on which public interest information has been disclosed to the Commissioner under the

Whistle Blowers Protection Act 1993 during the financial year to which the report relates. No disclosures were made during the reporting period.

ABORIGINAL EMPLOYMENT

The Aboriginal Affairs and Reconciliation Division (AARD), within the Department of the Premier and Cabinet is the lead agency for Strategic Plan Target 6.24. This target aims to increase the participation of Aboriginal people in the SA Public Sector, spread across all classifications and agencies, to 2% by 2010 and maintain or better those levels through to 2014. Since the establishment of the target in 2004, to June 2009 there has been an increase of over 725 Aboriginal state public sector employees.

Across government figures to the end of June 2009 show that while the overall number of Aboriginal employees in the Public Sector has increased by a small amount, there has been no proportional change since June 2008. The proportion of Aboriginal employees remains at 1.5%. Given the current trajectory, this means that the 2010 target of 2% of all employees is unlikely to be met.

Key findings from the June 2009 statistics include:

- while Aboriginal people are getting new jobs in the Public Sector, many of these are movements within the sector, as distinct from the appointment of new individuals.
- over half of Aboriginal employees in the Public Sector are clustered around the Operational and First Line Supervisors levels (i.e. Trainee to ASO 4).
- Aboriginal people account for less than 1% of each of the Middle Manager, Senior Manager and Executive categories.
- some agencies have exceeded the 2% target by a considerable degree while other agencies are unlikely to achieve it within the nominated time frame.

The full scope of the South Australian Strategic Plan (SASP) Target required that 2% of staff across all departments and at all levels should be Aboriginal. Achievement of this will require highly focused and strategic attention to workforce development, recruitment and retention.

State public sector agencies continue to develop and implement existing Aboriginal employment strategies with the aim of increasing the number of Aboriginal employees. Critical to this is the Aboriginal Employment Register which assists agencies to recruit Aboriginal employees. Agencies apply a range of other strategies aimed at retaining and supporting Aboriginal staff after recruitment, and at supporting career development through all levels of government.

Early in 2010 a number of agencies with low Aboriginal employee numbers completed 'remediation plans' to help bring them closer to meeting the target. These plans will be reported against regularly and their impact will be reflected in the June 2010 statistics.

EMPLOYEES WITH A DISABLITY

The Office for Disability and Client Services (ODACS) within the Department for Families and Communities has responsibility for the South Australian Strategic Plan (SASP) Target 6.22- 'Double the number of people with a disability employed in the Public Sector by 2014'. ODACS undertakes this role in collaboration with the cross-Government reference Group 'Promoting Independence'. The ninth Promoting Independence Report was released in December 2009 which includes a report on progress in achieving the SASP Target 6.22 across Government agencies.

The ninth Promoting Independence Report highlighted the fact that a number of portfolios have reported on the high levels of human resource managers and practitioners undertaking training on recruitment of persons with a disability. A number of portfolios are now implementing a policy whereby all vacant

positions prior to being advertised are referred to Disability Works Australia for identification of potential candidates with a disability.

The South Australian Government is facing the same challenges as the rest of the Australian workforce, an ageing population coupled with skill shortages and a sustained period of tightening labour supply. Evidence suggests that people with a disability have the capacity to be employed in a wide variety of jobs and many have the qualifications and skills to meet the demands of the workforce. With the competition among employers for qualified workers, people with a disability are a potential talent pool that the SA Public Sector could readily access. Furthermore, the employment of people with disabilities not only recognises the innate human rights provided for under national and international law but also provides the opportunity for the South Australian Public Sector to have a diverse, skilled and vigorous workforce that is representative of the South Australian community.

PUBLIC SECTOR WEEK

Public Sector Week was held from Saturday 21 November to Friday 27 November 2009. The key objective for the Week was to raise the profile of the public sector by publicly showcasing a diverse range of programs, services and initiatives, particularly those which are perceived, by the public, to be behind closed doors. The marketing for Public Sector Week 2009 was given a new look through branding in order to increase its appeal within the community. This included new marketing materials, a web site and an online booking system. The effectiveness of the Week was evaluated in more detail this year. There was an increase in public attendance by 17.4%, with total community attendance being 71.7% in 2009 compared to 54.3% in 2008.

Public Sector Week was more widely received in 2009, evidenced by the increase in community participation and reach to a wider demographic. This was the result of a number of key factors including greater emphasis and efforts in promoting Public Sector Week to targeted demographics and segments of the community, increased visibility of marketing and promotions, and new branding.

PREMIER'S AWARDS

The Premier's Awards – *Showcasing excellence in the public sector* aim to recognise, inspire and reward work groups, teams and individuals across the South Australian public sector, who have been involved in outstanding projects or initiatives. The Awards recognise those initiatives that demonstrate innovation, show improved quality of service to customers, brought about lasting improvements, and built partnerships with people and groups in the wider community.

The criteria for the 2009 Awards, as in previous years, were aligned to the six objectives of South Australia's Strategic Plan, Growing Prosperity; Improving Wellbeing; Attaining Sustainability; Fostering Creativity and Innovation; Building Communities; and Expanding Opportunity. The 2009 Awards attracted a total of 77 Expressions of Interest from across the South Australian public sector. The Awards scheme concluded with a ceremony attended by over 200 guests from both the public and private sectors, at which the Hon Mike Rann, Premier of South Australia, presented a framed certificate to the six workgroup winners and two individual winners.

Initiatives honoured with an Award in 2009 included a project that introduced grey water management requirements for all vessels operating on South Australian inland waters; a program that addressed skill shortages through training in the building and construction industry offering young people with a pathway into employment and training; and a project that encouraged very disadvantaged people to make healthy choices and to access primary health services through community gardening.

Since their inception in 2007, the Awards have continued to grow in status and popularity.

SOUTH AUSTRALIA STRATEGIC PLAN TARGET 6.23

Have women comprising half of the public sector employees in the executive levels (including chief executives) by 2014.

The Champions Group, a group of senior level agency representatives, was formed in October, for the purpose of driving the implementation of strategies to achieve the target at the agency level. It has successfully assisted in the implementation of tools to monitor the number and characteristics of people applying for, and leaving, executive positions, and to gain a better understanding of the factors that encourage both genders to aspire to a leadership position.

The T6.23 webpage has been developed, on the Office for Ethical Standards and Professional Integrity website, to communicate information about the manner of progress against the target to the wider public sector and community, and as a communication tool for the Champions Group.

Over the latter part of 2009-2010, 38 profiles of women in executive positions were placed on the website for viewing. There had been 3,886 viewings as at the end of June.

Data for June 2009 shows that the number of women in executive positions has grown by 2.3 percentage points over the past year. SA now leads all Australian jurisdictions with 38.7% of executives being women.

SOUTH AUSTRALIAS STRATEGIC PLAN TARGET 1.7

Performance in the Public Sector – Customer and Client Satisfaction with Government Services.

This target reinforces the drive by the government and its individual agencies to improve the experience of citizens in their dealings with government services. The specific aim of the target is to increase South Australian's satisfaction with government services by 10% by 2010.

The Office for Ethical Standards and Professional Integrity has lead responsibility for achieving this target, however, it is the collective efforts of all agencies that will ultimately lead to an improvement in South Australian's satisfaction with government services.

The SA Public Sector has adopted the eight core questions of the Canadian Common Measurement Tool as the means of measuring progress against the target. These eight core questions have been shown to be the key drivers of customer satisfaction. These questions have been included in the annual Household Survey, which measures progress against a range of different SASP targets, including T1.7. The results of the surveys show that South Australian's are highly satisfied with government services; in 2008 85.9% expressed satisfaction with government services and this increased to 86.1% expressing satisfaction in 2009. The 2010 Household Survey has been conducted and results are currently being analysed. The final report for the 2010 Household Survey will be available later in the year.

PUBLIC SECTOR PERFORMANCE COMMISSION

Since it commenced effective operations in July 2008, the Public Sector Performance Commission (PSPC) has led the development and implementation of key projects aimed at enhancing public sector performance and driving collaboration. It is guided and overseen by an Advisory Board, comprised of experts from the public sector, the private sector, and academia. The PSPC reports to the Minister Assisting the Premier in Public Sector Management and through him to the Premier.

The PSPC's objective is to position the public sector to rise to the key policy challenges facing South Australia over the medium to long term, such as climate change, ageing population, workforce participation, water security, and social inclusion. It will achieve this by helping to position the public sector as:

- strategic leader;
- effective regulator and planner;
- high quality service and infrastructure provider; and
- facilitator of investment.

This is in recognition that in future South Australia will have a smaller public sector faced with increased demands on its services. Such an environment will require that we place even greater emphasis on improving organisational performance, building high quality leadership, building and maintaining a sustainable workforce, driving collaboration, increasing efficiency in workforce practices, and managing effective partnerships with the private sector, not-for-profit organisations, academia, and other tiers of government.

As such, the PSPC has commenced work to deliver important reforms in three key areas:

- developing and embedding a cross-government 'High Performance Framework', for use by agencies as a continuous improvement tool supporting improved agency performance;
- driving the development of, and coordinating investment in, the South Australian Executive Service (including the Action Team initiative); and
- undertaking a major review of public sector workforce recruitment and retention.

The High Performance Framework (HPF)

The HPF is a mechanism for achieving continuous performance improvement across all agencies, regardless of mission or purpose. It focuses on government policy direction and fiscal parameters as the primary inputs for agency performance. It defines ten characteristics of high performing organisations with a corresponding subset of building blocks to guide assessment of agency capability. The Framework review process allows agencies to measure their performance and identify areas for improvement or change through an internally run, four-step review process as follows:

- Step One *Priorities/Accountabilities* – a statement of strategic priorities and accountabilities of the agency;
- Step Two *Enterprise Results* – an analysis of key performance data;
- Step Three *Enterprise Management* – an assessment against 10 high performance characteristics and 35 supporting building blocks for high performance;
- Step Four *Performance and Accountability Statement* - a final report that indicates how well the agency is performing, summarises the findings of the review process and clearly elaborates the four or five key priorities for performance improvement, linked to the annual cycle of chief executive performance appraisals and agreements.

With the support of Cabinet and the Senior Management Council, the HPF has been piloted across a range of agencies during 2009-2010, with the review process facilitated by staff of the PSPC.

Executive employees – SA Executive Service (SAES)

Responsibility for the SAES transitioned to the Public Sector Performance Commission on 1 July 2008. Since then there has been a 79% increase in membership, with 509 eligible executives now members of the SAES (as at 30 June 2010). With the proclamation of the *Public Sector Act 2009*, on 1 February 2010, the SAES was enshrined in legislation, including provision for the Premier to approve a Charter for SAES. The Charter has been under development during 2009-10 and will specify and elaborate on:

- rules governing membership;
- functions of the SAES'
- arrangements to facilitate mobility within the public sector;
- employment contracts and performance management and development systems; and
- competencies expected of SAES members.

With the new Act, eligibility for membership of the SAES was extended to the entire public sector executive workforce and arrangements underpinning the transition of newly eligible candidates are currently being considered by the Public Sector Performance Commission and the Commissioner for Public Sector Employment. By joining the SAES, executives gain access to a range of benefits including ongoing professional development, targeted performance management, attractive remuneration packages, mobility opportunities and rights to flexible working arrangements.

A program of sponsored and cost-recovery professional development events has been delivered to the SAES by the Public Sector Performance Commission during 2009-2010. The PSPC has worked with public, private and academic sector training providers to achieve this, including partnerships with other government departments, the Australia New Zealand School of Government, Carnegie Mellon University, Flinders University, IPAA-SA, senior Commonwealth government guests, and the Deloitte Leadership Academy. This program of events has benefited over 300 SAES members. A highlight was the inaugural whole-of-government induction program for early tenure executives who are new to the SAES. The induction program benefited from the participation of the Premier, agency chief executives and various Ministers.

SAES Action Teams initiative

During 2009-2010, five Action Teams were commissioned by the PSPC to work on projects covering leadership development, improved performance, fostering innovation, citizen-centric government and strengthening families. Team members were drawn from the SAES and nominated for participation by Chief Executives. The Action Team model aims to do three things:

- help develop future leaders through participation in key projects;
- address key issues; and
- promote and develop whole of government collaboration; and collaboration between government, business and the community.

The Teams piloted projects and made recommendations on:

- *Executive Service and Leadership Development*: investigating approaches to high potential talent identification and development;
- *Productivity and Performance Improvement*: reporting on instances of successful productivity improvement and the most useful tools for achieving such improvements;
- *Innovation*: recommending practices that will sustain high levels of innovation, considering improvements to risk and reward structures for supporting innovation, and recommending actions to remove impediments to innovation;
- *Citizen Centric Government*: defining the competencies, practices and values needed for the citizen and community to experience positive interactions with the public sector and sponsoring pilot projects on public engagement; and
- *Strengthening Families*: helping remove unnecessary barriers to effective communication between service agencies and identifying actions to reduce the use of State 'care of children' provisions.

<u>Workforce recruitment and retention review</u>

In February 2010, the PSPC engaged Jan McClelland and Associates to review the effectiveness and efficiency of recruitment and retention practices across the South Australian Public Sector. Specifically, the Review outcomes will:

- provide an evidence base on current and alternative practice to identify opportunities for reforms;
- support the implementation of the *Public Sector Act 2009*; and
- inform the work of the Sustainable Budget Commission in identifying significant Government savings.

The Review is being conducted at a time of greater Government and community expectation that the Public Sector is high performing, within a tighter fiscal environment following the Global Financial Crisis. The key to doing more with less is a responsive and agile workforce, yet the labour market is shrinking and ageing. Furthermore, there are long-standing concerns that the Public Sector is lagging behind its competitors in the labour market, with workforce planning and recruitment practices. If corrective action is not taken, the Public Sector risks losing potential recruits and its best employees. The Review's primary objective is to address these issues and set a clear path for reform. Cabinet will consider the Review's recommendations and findings in late 2010.

SAFETY IN THE PUBLIC SECTOR STRATEGY

As reported in 2007-08, Cabinet approved the *Safety in the Public Sector 2007-2010* Strategy (the Strategy) in March 2007 as the successor to the Workplace Safety Management Strategy 2004-2006. These strategies have been developed by Public Sector Workforce Relations (DPC) to support the South Australian Strategic Plan Target 2.11- Greater Safety at Work and the National OHS Strategy 2002-2012.

The Strategy includes the Premier's Zero Harm Vision (i.e. every harmful incident or injury is considered to be preventable); the aspiration for a 100% Return to Work; and stretch performance targets. It is framed around four elements:

- sustainable commitment;
- financial accountability;
- integrated risk management; and
- rigorous evaluation.

The efforts of chief executives and employees in implementing the Strategy has resulted in improved public sector performance in safety and injury management with a consequent reduction in cost, both human and financial in that:

- no fatalities from injuries since 1 July 2007;
- new workplace claims reduced by 15% (769) from 5,112 in June 2006 to 4,343 in June 2010;
- Claims Frequency Rate (number of injuries per million hours worked during each 12 month period) reduced by 23% (9) from 41 in June 2006 to 32 in June 2010;
- Lost Time Injury Frequency Rate (lost time injuries per million hours worked during each 12 month period) reduced by 16% (3) from 19 in June 2006 to 16 in June 2010;
- psychological injury claims reduced by 19% (109) from 587 in June 2006 to 478 in March 2010 (measured at 3 months lag); and
- rehabilitation is commenced where needed within 5 days in 97% of cases.

The SA public sector has also achieved the nationally agreed target of 40% reduction in injury during 2002-2012 and is thus making a significant contribution towards achieving South Australia's Strategic Plan Target 2.11- Greater Safety at Work.

During 2009-2010, Public Sector Workforce Relations completed the monitoring and reporting of the *Safety in the Public Sector 2007-2010* Strategy and planned for the development of a new strategy for safety and wellbeing in the public sector that would keep government at the forefront in pursuing innovation and improvements in across government safety and injury management performance.

SA Public Sector workplace wellbeing framework

As foreshadowed in 2008-2009, Public Sector Workforce Relations (DPC) completed the development of an innovative SA Public Sector Workplace Wellbeing Framework. In the context of South Australia's Strategic Plan Objective 2- Improving Wellbeing and international developments in the area of workplace wellbeing, the Wellbeing Framework has been developed to promote public sector workforce practices that support workplace health and wellbeing and achieve improved workforce and business outcomes. It will also become an element of a new strategy that is being developed in relation to safety and wellbeing in the public sector.

FLEXIBLE WORK PRACTICES

The revised South Australia Strategic Plan target released in January 2007 includes a new target T2.12 "Improve the quality of life of all South Australians through the maintenance of a healthy work life balance". SafeWork SA is the lead agency for the target. While the Work Life Balance Strategy (WLB Strategy) is targeted at the private sector, an onus exists for State Government employment practices to demonstrate best practice in the availability of flexible working arrangements and the trial and evaluation of work life balance initiatives. The Strategy has established a Public Sector WLB Interest Group to provide a network for representatives from a range of government departments to exchange ideas and initiatives and the group now meets twice a year and welcomes new members and case studies.

South Australia has Australia's oldest and most rapidly ageing workforce and the South Australian public sector has an average age of 47 years, with some sectors averaging over 50 years. In addition, the South Australian labour market will experience a contraction of available staff over the next ten years due to the steady decline in the working age population. This will expose the public sector to significant competition for labour and a significant exit of experienced public servants over the next ten years.
Flexible work arrangements offer public sector managers an opportunity to utilise current arrangements to attract and retain staff. Despite a range of very attractive provisions available to employees and management, the take up of flexible work arrangements in the public sector remains low, concentrated on the utilisation of flexitime.

Initiatives introduced over the past two years have included long service leave provision to enable leave to be taken in single days and changes to superannuation, enabling older workers aged over 55 years to draw down on their superannuation under a transition to retirement contract, thereby reducing their working hours without a loss of income. There is a strong interest from public sector staff in further initiatives and while individual departments have announced some progressive initiatives their usage and evaluation remains patchy. A number of individual government departments have been working with the WLB Strategy and the Centre for Work + Life at the University of South Australia, to survey staff needs with the use of the Australian Work and Life Index survey tool. An examination of the reasons employees leave the public sector reveals that lack of flexible work arrangements and issues balancing work and family remain one of the top four reasons staff are leaving the public sector. Management training to implement flexible work arrangements and support for the reorganisation of work to facilitate their acceptance and utilisation remains an ongoing challenge for the public sector.

STATE OF THE SECTOR COLLECTION – REPORTING AGAINST THE PUBLIC SECTOR PRINCIPLES

State of the Sector Collection

The agency survey was sent to all 20 administrative units in the public sector. These agencies were sent an electronic copy of the survey on 20 July 2010 for completion. Each agency's Chief Executive was required to endorse their agency's response. The results of the agency survey are one of the key sources of information on which the Commissioner for Public Sector Employment relies for reporting against the observance of the public sector principles.

In 2010-2011, a broader range of agencies, including non-administrative unit agencies, will be included within the scope of the agency survey.

Promoting the Public Sector Principles

The public sector principles are a central tenet of the *Public Sector Act 2009* (PS Act). The public sector principles apply to all public sector employees and not just those employed under the *Public Sector Act 2009*. The Commissioner is tasked with promoting the public sector principles across the public sector on an ongoing basis.

The majority of agencies reported that their Chief Executive has primary responsibility for leading and championing efforts, in their agency, to apply the public sector principles (70%), followed by member(s) of the Executive or Senior Management group. It should be noted also that one agency includes the Chief Executive as part of the Senior Management Group. It is clear that agencies recognise that major changes such as the implementation of the *Public Sector Act 2009* should be championed by the leadership group of their agency.

Member(s) of the Executive or Senior Management Groups and human resource directors/managers (84%) were most commonly reported as also having responsibility for championing the Public Sector principles.

Agencies have undertaken a range of actions to support the implementation of the *Public Sector Act 2009* since its introduction on 1 February 2010. The most common action that agencies reported taking was communicating the relevant changes to staff and the impact that the new Act has on their employment, particularly in terms of the principles. Agencies used multiple delivery channels to communicate the changes, including email, web updates, and in-person information sessions. Some agencies provided information sessions on specific topics such as ethical conduct and the public sector principles.

Additionally, some agencies provided information and training sessions on the new Act specifically for their senior managers and executives. A number of agencies have also incorporated the public sector principles into their induction training for new staff.

It seems that most agencies have made efforts to familiarise their staff with the PS Act and to commence integration of its requirements into their method of operation. It is important that agencies and employees continue their efforts to incorporate the principles into the very nature of their organisation's operations. This will ensure that the intended change from a rules and regulation based system to a principle based system occurs and drives a high performing and dynamic public sector into the future.

Agency Focus – Department of Correctional Services

Following the introduction of the Public Sector Act 2009, the Department of Correctional Services undertook the following actions to educate and promote the Act to their employees:

- *Presentation of full and half day Public Sector Act 2009 Training/Information sessions to:*
  - *Executive*
  - *Senior Managers*
  - *Business Managers and HR Administration Staff*
- *Incorporated into training as part of all courses for new prison officer recruits, supervisors, aspiring managers and current line managers.*
- *Incorporated the information into the Corporate Induction Programs.*
- *Updated HR Delegations and promoted them on the DCS Intranet for staff*
- *Updated processes and forms*
- *Provided Help Desk consultancy support to managers and staff*
- *Commenced monitoring of the application of the new Act*

Public Focus

The Public Focus principle means that the public interest and provision of services to the public is at the core of the public sector's work.

Customer service charters

The majority of agencies have a service charter outlining the agency's expectations and standards for delivery of services that they provide to the public (63%) or are in the process of developing one (26%). These service standards communicate to the public the level of service provided, and how they can expect to be treated by employees of the organisation. In general, customer service charters are tailored to individual business units of the agencies, and reflect the types of customers/clients and the diverse business of government.

The communication of service standards to the public is an important way of making agencies accountable for high levels of service provision. Agencies reported that the public are able to access these standards usually through the agency's website or they are available in front office locations.

The majority of agencies report to parties, internal to the public sector, against their performance standards and indicators. This includes reporting within their agencies as well as reporting to other government agencies. For example, agencies report to the Office for Ethical Standards and Professional Integrity against their progress towards SASP target 1.7.

A number of agencies also report performance indicators externally either through their annual reports or through external organisations such as Commonwealth funding bodies (e.g. HACC, COAG), and the Productivity Commission's annual report on government services.

Obtaining customer/client feedback

The majority of agencies either currently have customer feedback mechanisms (90%) or they are being developed (5%). One agency responded that it does not have direct contact with the public.

Agencies use a diverse range of mechanisms to gain customer/client feedback on their services. The most common mechanism is a customer service survey, with some agencies conducting surveys annually and others biennially.

Many agencies also reported that customers/clients can provide feedback via their website or through telephone hotline. Other feedback mechanisms employed by agencies include, focus groups, community advocacy committees and taskforces, and feedback 'postcards'.

Agencies reported that the feedback collected is used to inform continuous improvement in the provision of services to the public. This includes informing program design and delivery, as well as establishing new initiatives based on community feedback.

Agency Focus – Department of Education and Children's Services

Schools, Preschools and Regional Offices implement a range of mechanisms to obtain feedback on service delivery at the local level.

Schools

Each year schools distribute a DECS School Opinion Survey with students, parent/caregivers and staff. Parents without internet access are provided with paper questionnaires and reply-paid envelopes so that lack of internet access does not hinder participation.

Data is fed back to schools in the form of custom reports about each site's responses, and results are included in their annual report. In addition, surveys of parents include eight questions mandated by State Cabinet for all government agencies for inclusion in 'customer satisfaction' surveys.

Family Day Care and Child Care

DECS has clear processes and telephone contact details for lodging complaints regarding Family Day Care. DECS also deals with complaints in relation to Child Care Centres, Baby Sitting Agencies or Crèches in South Australia through telephone, email and mail mechanisms.

The Chief Executive also provides a number of scheduled and ad hoc meeting opportunities with key stakeholder groups each term (quarterly) that represent the public i.e. South Australian Association of State School Organisations (SAASSO) and the South Australian Association of School Parent Clubs (SAASPC) and other groups within local school communities.

Responsiveness

Public servants serve the public through serving the government of the day in a politically impartial and responsive way through implementing the policies and programs of the government. Responsiveness is therefore an important measure of the public sector's effectiveness.

All agencies (that report to a Minister(s)) reported that they have mechanisms and/or measures in place to ensure that advice provided to Ministers and their offices is timely, accurate, and comprehensive.

A range of mechanisms are used to ensure that high quality, timely, and comprehensive advice is provided to the agencies respective Ministers. The most common mechanism is central coordination for all cabinet, Ministerial, and complex advice. This function is usually performed by the Chief Executive's office, or a dedicated unit that provides support to the Executive. The majority of agencies have identified

minimum level for sign off on all ministerial correspondence. Often this is the Chief Executive, or in larger agencies, it is executive director level, with further ratification by the Chief Executive's office.

Many agencies also reported that procedures and protocols for ministerial correspondence is readily available as well as briefing templates to ensure standardised formats for ministerial correspondence.

A number of agencies have also implemented electronic management systems or workflow systems to ensure the orderly completion of ministerial correspondence.

The majority of agencies reported that they conducted some form of evaluation of the services/advice/policy that the agency provides to its Minister(s). Evaluations generally assess the timeliness and quality of the responses provided to Minister(s). Three agencies reported that they recently reviewed their protocols/procedures in relation to the information they provide to their Minister(s). A number of agencies reported using electronic records management systems to evaluate the timeliness of responses to the Minister(s).

Agency Focus – Department for Water

The Department for Water used a number of methods, including policies, protocols and templates to ensure that advice provided to Ministers and their offices were timely, accurate, and comprehensive:

- *The Ministerial Correspondence Policy documented departmental expectations for all staff to ensure the effective management of correspondence forwarded to and from the Minister's office;*

- *The agency used electronic tracking software 'E-courier' to enable both effective tracking of correspondence and the ability to measure fidelity to timelines. Settings within this software enabled the agency to set minimum classification levels for sign off of documents to be forwarded to the Minister;*

- *Weekly reports were generated and forwarded to the Chief Executives (CE) Office and other Senior Executives that showed the number of E-couriers by division. This information also captured the number of E-couriers that were outstanding;*

- *Templates were provided on the Intranet to guide employees in their drafting of documents; and*

- *Regular feedback was sought from the CE Office.*

Collaboration

Agencies reported a range of collaborative activities in the provision of services to the community. The following are selected examples from the diverse range of collaborative activities undertaken by agencies.

Agency Focus – Attorney - General's Department: Office for Consumer and Business Affairs

The Office for Consumer and Business Affairs (OCBA) has an ongoing collaboration with SAPOL in relation to licensing of security agents. SAPOL provided OCBA with information that has resulted in over 40 licence suspensions or cancellations in 2009/10.

OCBA and DTEI have been involved in a number of projects including -

- *Checks of insulation installations under the Commonwealths Home Insulation Program. DTEI's electrical inspectors conducted an electrical safety audit of several of retirement village units and found a number to be unsafe.*

- *Production of the Autocheck guide about cars. Also through Service SA, shopping publications and CD's for indigenous communities.*

- *Assisting in the review and revision of its Evidence of Identity policy and procedure document which is used by all DTEI licensing services and Service SA.*

- *All cashiering for the registration unit is done through the State Government online transaction portal, BizGate, which is managed by DTEI.*

- *Business name and association forms are available on the Business Licensing Information Service website http://www.bli.net.au/sa which is maintained by the Department of Trade and Economic Development.*

- *Service Delivery (Formerly Network Services) which is a part of Department for Transport, Energy and Infrastructure supports the BOS telephone system, messages etc.*

OCBA and the Department of the Premier and Cabinet have been involved in a number of projects including -

- *Delivery of education for Aboriginal people and work in conjunction with ORIC and Aboriginal Affairs and Reconciliation Division of DPC (AARD) to deliver governance training to members of indigenous associations.*

- *Participation by OCBA in an initiative of AARD to provide governance training to Aboriginal associations and corporations.*

- *Collaborating with DPC, Department of Treasury and Finance, Office of the Chief Information Officer and technical regulators (water and electrical) in relation to implementation of a national occupational licensing scheme.*

Agency Focus – Department of Education and Children's Services

DECS collaborates with a range of State government agencies including Department of Further Education, Employment, Science and Technology; Department for Families and Communities; Department of Health and the Department of Premier and Cabinet in the delivery of services to children and young adults. Examples include:

Children's Centres

Children's Centres are an across Government integrated services for families and children. DECS works closely with the Department of Health and the Department for Families and Communities to deliver this service.

Services to students with specific needs

Each of DECS' educational regions provides regional support services in areas such as Aboriginal support, disability services coordination, speech pathology, student attendance, social work and behaviour management. Support services staff members have working links with a range of other agencies including Department for Families and Communities and the Department of Health. They may also work in partnership with another agency towards a coordinated support for the child or student.

Supporting early school leavers to successfully re-engage in accredited learning and earning pathways

The Innovative Community Action Network (ICAN) model led by DECS provides local community-based partnerships between key government agencies (Department for Families and Communities; Department of Further Education, Employment, Science and Technology; Attorney-General's Department; Courts Administration Authority; and SA Police) to help young people to address individual barriers that prevent them from engaging in mainstream schooling options.

Intergovernmental Policy and Agreements

In the development of key intergovernmental policy and agreements (both state and national), DECS works closely with the Department of Premier and Cabinet, and the Department of Treasury and Finance to agree state positions.

Excellence

Organisational effectiveness

All agencies reported that they had taken action to improve their effectiveness in the management of the organisation's functions and delivery of services, and the organisation generally. Agencies reported using a diverse range of activities to improve effectiveness. This included the use of external performance measures, such as the Business Excellence Framework and ISO standards.

Seven agencies assessed themselves against the High Performance Framework (HPF). The HPF was developed by the Public Sector Performance Commission. The High Performance Framework is a tool for assessing organisational performance against a set of standardised criteria. It identifies areas in need of improvement in individual agencies. For instance, as a result of assessment against the High Performance Framework, some agencies have identified gaps in their measurement of the quality of customer service and in leadership training and are developing strategies to address these issues.

The majority of agencies reported that the measures taken by their agency to improve effectiveness were successful in doing so. Measures of effectiveness are agency specific. The following examples are provided to demonstrate the improvements reported by agencies:

- The Department for Families and Communities won the Bronze Award against the Business Excellence Framework

- The Department of Health

    o Reduced the historical increase in demand for hospital services

    o Reduced the patient's length of stay in hospital and increased the agencies capacity to manage people in and out of the hospital setting

    o Significantly reduced the number of patients over due for surgery on the elective surgery waiting list.

- Primary Industries and Resources SA

    o Relative inputs measured by expenditure, and collated by the Commonwealth Grants Commission, shows SA's expenditure on administration, regulation, planning, support and management of agriculture, forestry, commercial fishing and hunting is below the national average, suggesting that SA is providing the average level of service with greater cost efficiency.

Agency Focus – Department for Transport, Energy and Infrastructure

DTEI participated in the implementation of the High Performance Framework and continued to operate within the DTEI Strategic Management Framework.

DTEI continued to implement a series of strategies to improve performance reporting by:

- *monitoring environmental factors and tracking progress in implementing programs and projects, and to gauge their success in achieving objectives;*

- *reducing duplication of reporting effort by aligning KPIs used in divisional business plans, SASP implementation plans and external reporting;*

- *establishing a common set of KPIs to be used for external reporting and communications to ensure consistency. This was further enhanced in 2009-10 through the implementation of an online KPI Reporter Tool;*

- *implementing a system to provide improved access across DTEI to performance information and reports; and*

- *identifying appropriate indicators for comparing the department's performance against appropriate benchmarks (e.g. targets, national or state-wide standards).*

During 2009-10 DTEI began the integration of Public Transport Services within DTEI, with improved collaboration with Trans Adelaide occurring ahead of the formal integration in 2010-11.

DTEI has undertaken or commenced Round 2 initiatives for Red Tape Reduction, including:

- *developing and implementing a strategy to rationalise and update DTEI website content and reduce the number of websites.*

- *developing and implementing www.sa.gov.au   This site provides a consolidated web presence to access government services, thereby enabling rationalisation of existing government websites.*

Improved administrative efficiency through a review of boards and committees.

DTEI have implemented an intranet site on corporate governance, providing information to all managers and employees on corporate governance structures and requirements. DTEI policies and procedures were also reviewed to streamline delegation in line with the requirements of the Public Sector Act 2009.

Agency Focus – South Australia Police

SAPOL's Future Direction Strategy (FDS), reviewed every three years, is a blueprint for the future by providing new direction in response to the current environment and future challenges. In late 2010 SAPOL will release the Future Directions Strategy 2010 – 2013 which includes a key focus to improve community confidence in policing. Other important dimensions of action are Service Delivery, Professional Capability, and Science and Technology.

The Corporate Planning Framework (CPF) contained in SAPOL's Corporate Business Plan has a well defined strategic planning cycle where planning drives budgeting. The CPF has planning strategies and approaches to drive the achievement of desired outcomes. Also, SAPOL's key Management Areas (KMAs) of continuous improvement, resource management and performance management help deliver organisational performance at optimal levels and provide service excellence.

During 2009 -10 SAPOL continued to use the Performance Outcome Review (POR) process and Benchmarking Meetings (BMM) to achieve key corporate goals, identify best practice examples in service delivery, and promote continuous improvement across SAPOL.

A project team is currently developing initiatives that will assist in improving service delivery and community confidence in police. These include:

- *Neighbourhood Policing Teams being deployed within selected suburbs at the Elizabeth and South Coast Local Service Areas. These teams represent an innovative and creative approach to increasing community engagement, confidence and satisfaction in the delivery of policing services.*

- *Initiatives to better manage demand including the formation of a Police Service Desk at SAPOL's Call Centre to better manage public requests for assistance, revised Call Grading processes and on line reporting of minor accidents and lost property.*

- *Police Volunteers - being used within all major police stations to provide a 'meet and greet' function. This will improve waiting times and customer service expectations. A specific project to improve service delivery and improve community confidence, including the measurement of community satisfaction has recently commenced. This will consider a range of additional programs and strategies to further enhance the existing Service Excellence Framework.*

Agencies reported using a range of measures to assess organisational effectiveness. For instance, a number of agencies assess their performance against quality frameworks, either developed by the agency (e.g. DECS's Improvement and Accountability Framework) or external quality frameworks (such as the Business Excellence Framework used by PIRSA and DFC). The HPF is also increasingly used by agencies to assess organisational performance and drive continuous improvement.

A small number of agencies reported using surveys of employees to assess organisational climate as part of the range measures used to assess organisational effectiveness. Whilst it is likely that many agencies conduct employee climate surveys, linking employee engagement to organisational effectiveness and outcomes is an important step forward and is a feature of the High Performance Framework.

Agency Focus – Department of Further Education, Employment, Science and Technology

DFEEST has a wide range of formal assessment of its effectiveness. Examples include:

- *At a whole of agency level, quarterly performance reports for the DFEEST Executive provide progress against key performance measures, analysis of the progress and outlines actions to be taken to improve performance.*

- *The largest section of the agency, TAFE SA, undertakes a range of both internal and external effectiveness assessments, including Budget Performance Reviews including against a suite of KPI's in Institute Funding Agreements, Employee Evaluations Surveys, monitoring against strategic plans, reviews of workforce profiles, analysis of student feedback and the Australian Quality Training Framework (AQTF) audits against standards.*

- *The DFEEST Directorates have business plans that map back to the DFEEST Strategic Plan and South Australia's Strategic Plan and they are monitored by senior executives.*

- *Some Directorates have developed, implemented and consistently applied a performance management system which underpins the Directorate's effectiveness and is linked to the Directorate's business planning process which involves extensive staff consultation on the development of a business plan directly linked to DFEEST's strategic plan.*

Ensuring the right people are in the right jobs

Agencies reported undertaking a range of strategies to ensure that the right people are in the right job. Succession planning was a commonly reported strategy, as well as the analysis of critical roles and core functions. Such strategies are usually couched within a broader workforce planning strategy, which is discussed below.

While not all agencies have a formal workforce plan, the majority of agencies reported conducting skills audits to determine skill shortages or over supply. Such analysis was generally incorporated into the agencies workforce planning process, if it had a workforce plan. Agencies conducted skills audits at the whole of agency level, and at the divisional level as well in larger agencies.

Agency Focus – Department for Families and Communities

- *DFC undertakes comprehensive workforce planning, which includes: capability profiling that link with role statements; the performance process; and the development of workforce strategies. It identifies workforce trends; gaps and key capability needs. Succession planning has been implemented and is linked to the performance process. It also has an Aboriginal Employment Strategy.*

- *Workforce planning is linked to the development of learning pathways through their registered training organisation "College for Learning and Development" so that capability based training is linked to workforce needs and priorities.*

- *The workforce planning process has won awards for its comprehensive approach and connection with learning, job design and performance management.*

- *Health and safety data is also analysed to determine potential trends, areas for change, and support and capability needs.*

Selection decisions without a merit-based selection process **-** *under the Public Sector Management Act 1995*

Agencies were required to provide data to the Commissioner on the use of Section 22(1)(d) of the PSM Act between 1 July 2009 and 29 January 2010, namely where the Chief Executive or appropriate delegate has determined that a merit based selection process was not required for an appointment under the PSM Act.

The most frequent use of section 22(1)(d) was when an employee on a temporary contract had their contract converted to either an ongoing or 1-5 year contract. This was used 392 times. The following table details the number of instances in which section 22(1)(d) was used by agencies.

The person to be appointed was clearly the best person for the position based on an assessment of merit and therefore the selection process would be an unnecessary procedure	69
The position was of a critical and short term nature	10
The appointment was required to ensure that whole of government workforce policies could be effectively implemented (such as management of excess and work injured employees)	9
The appointment of a contract employee with a right of appointment to an ongoing position at the end of their contract when this had not been written into their contract	1
The conversion of a contract employee to ongoing (or a 1-5 year contract), where there had been a previous merit based selection process	392
The appointment to an ongoing position of a temporary contract employee following appointment for 2 or more years in a temporary position ('two year rule-breach of Section 40 (5) of the PSM Act)	7
The appointment of an existing ongoing employee to the same position on a 1 - 5 year contract where it was necessary to offer special conditions to attract/retain the employee	37

Selection decisions without a merit-based process - under the Public Sector Act 2009

Under regulation 17(1)(i) Public Sector chief executives are able to determine in particular cases that special circumstances exist warranting the engagement of a person without the conduct of merit based selection processes. There were a total of 32 engagements appointed without a merit-based selection process between 1 February 2010 and 30 June 2010.

Managing workplace absence

Agencies reported a variety of strategies for managing workplace absence. The most common mechanism reported by agencies was regular monitoring and reporting of workplace absence. The frequency of monitoring varied between agencies, from monthly, quarterly to annual reporting.

Managing underperformance

Agencies most commonly reported that they have policies and procedures in place for addressing employee underperformance. Often this is part of a broader performance management policy.

All agencies reported providing training to managers to deal with underperforming employees. Training ranged from one day workshops focusing specifically on 'having difficult conversations' to broader performance management training lasting several weeks.

Some agencies also reported providing one-on-one support or case management for managers dealing with underperforming employees.

Agency focus – Department for Trade and Economic Development

- *The Department (DTED) has for a number of years had a policy and procedure in place for structured and consistent management of staff who demonstrate unsatisfactory performance as specified under the Public Sector Management Act 1995.*

- *As part of DTED's cultural improvement program ("Aurora"), the outcome focussing on capability development and inspiring people-focussed leadership included the development of a "Sharpening the People Stuff" project, part of which was managing underperformance. Key areas of focus for this project include :*

  - *Developing processes and measures by which managers can identify and manage underperformance;*

  - *Developing training that will increase manager's ability to recognise and manage underperformance; and*

  - *Increasing staff members' confidence in their managers' ability to recognise and manage underperformance.*

- *The general internal administrative process for managing unsatisfactory performance remains similar to that which applied under the Public Sector Management Act but, with a renewed focus on positive people management, and significant reinforcement of a number of leadership/management development programs held during the year:*

  - *"Leadership Hothouse" – a comprehensive 2 day leadership program for all DTED people managers that included learning of high performance drivers, constructive use of individual strengths, and feedback/coaching mechanisms in difficult circumstances;*

  - *"Crucial Conversations" – a mandatory 1 day training session for all staff where participants were involved in practical training in dealing with difficult conversations related to performance and managing change;*

  - *"Managing People, Managed Performance" – a highly hands-on performance conversations program held over a number of weeks, having a view to seeing managed performance as a positive process designed to facilitate the growth and learning of staff, with the principle objectives of enabling and building confidence in:*

    - *developing skills in daily performance conversations;*

    - *holding performance conversations;*

    - *identifying causes of performance issues;*

    - *developing reasoned solutions to performance issues;*

    - *when to seek additional support and from whom.*

Excess employees

Almost all agencies reported having a policy addressing the management of, and processes associated with, excess employees. Some were currently developing or reviewing their existing policy to be in line with the *Public Sector Act 2009*. The management of excess employees is an increasingly important issue given the need for the public sector to manage their workforce efficiently.

There were 335 employees who had been declared excess at 30 June 2010. Of these employees, 128 were actively seeking placement, 160 were in long-term placements (inactive), 21 were on leave, and 26 were inactive for reasons other than placement.

Of the 128 employees whose agency was actively seeking a position for them, 103 were in positions funded by their agency (unfunded), 16 were in positions funded by their host agency, and 9 were in part-funded positions (both home and host agency provide funding).

The number of excess employees (335) reported by agencies, at 30 June 2010, represents a decrease of 69 excess employees, since 30 June 2009. A proportion of this decrease is attributed to a number of employees accepting packages through a targeted voluntary separation package scheme conducted during August and September 2009.

Employer of choice

Training and development

Agencies were asked to identify the top five priority areas for development of employees in each broad classification level. The results show there is some level of commonality in the views of the agencies. Therefore there is some scope for across agency programs or whole of government programs for employee development in these areas. The advantage of such programs would also promote between agency communication, and may enhance collaboration and mobility between agencies. The *Public Sector Act 2009* has been structured with the aim of encouraging employee mobility across government.

Top five	Entry Level	First Line Manager	Middle Manager	Senior Manager	Executive
1	Interpersonal skills (70%)	People management (85%)	Leadership (80%)	Leadership (80%)	Leadership (80%)
2	Self management (70%)	Interpersonal skills (70%)	People management (75%)	People management (70%)	People management (55%)
3	Corporate (60%)	Technical relevant to specific jobs (45%)	Interpersonal skills (55%)	Interpersonal skills (45%)	Other public administration (50%)
4	Delivering services to the public (55%)	Self management Corporate Business (35%)	Corporate (40%)	Corporate (45%)	Interpersonal skills (45%)
5	Technical, relevant to specific jobs (55%)		Business (35%)	Business (40%)	Corporate (40%)

Performance management

All agencies reported having a performance management and development system in place which is a requirement of the *Public Sector Act 2009*. In most cases these systems are well established as they have been operating for some years. Seventy percent of agencies reported that employees are required to undergo a performance review at least annually, whilst 25% of agencies reported that employees were required to undergo at least biannual review.

All agencies reported that they monitor the frequency of individual employee's participation in performance management reviews. Most commonly, this information is monitored through the agency's Human Resource Management/Payroll systems.

Other agencies document performance reviews and plans which are held by their HR departments. A small number of agencies also reported that climate surveys are used to monitor the frequency and effectiveness of the agency's performance management and development system.

Almost all agencies reported that they currently assess the effectiveness of the agency's performance management and development system. Assessment is most commonly achieved through employee surveys and monitoring of participation rates and these two strategies are often combined. In general the sector could benefit from a broader view of the way in which agencies evaluate performance management and development systems so that effectiveness is measured in terms of its contribution to their employee's level of engagement and the organisation's performance.

The majority of organisations provide training to managers on conducting performance management reviews.

Rewarding good performance

The majority of agencies (85%) reported that they provide clear expectations about what constitutes good performance. Most commonly, this forms a part of the broader performance management process.

Almost all agencies (95%) reported having mechanisms for recognising the good performance of individuals and teams. The two most common forms of recognition are mentioned in the agency newsletter and through the giving of awards. Some agencies also reported that staff are recognised through Chief Executive communications, either through emails or regular communications such as newsletters.

Agency Focus – Department of Trade and Economic Development

- *DTED's organisational cultural improvement program ("Aurora"), includes the action "Engaging Staff" as a means of achieving capability development.*

- *An upgraded Rewards and Recognition (for good performance) process was developed and implemented in December 2009 by an "Aurora" cultural improvement project working group.*

- *The awards system involves four new, annual staff awards that comprise a commemorative plaque, funding for individual staff training and development, and a public announcement and presentation by the Chief Executive at DTED's end of year forum.*

- *The award administrative process involves:*

  - *Establishment of an awards panel which forwards advice to all staff including information on the award criteria, and seeks nomination submissions on behalf of worthy staff for the four awards;*

  - *The panel then shortlists and selects the award winners through a formal structured assessment process involving interviews with nominees, their managers and other stakeholders as needed;*

  - *The successful staff members are announced at the end of year DTED Forum presentation attended by all DTED staff;*

  - *The winners are also announced in the CE Newsletter.*

- *In addition, regular and ad-hoc recognition of high quality work via the DTED intranet is provided (e.g. completion of the estimate's committee process and flagship project completion)*

Grievances

Internal reviews under the Public Sector Act 2009

Under the *Public Sector Act 2009*, employees aggrieved by an employment decision of a public sector agency, directly affecting the employee, are able to apply for an internal review of the decision that is a review conducted by the employing public sector agency. There were 21 applications for internal review between 1 February 2010 and 30 June 2010.

The majority of agencies have reviewed their grievance policy to be in line with the *Public Sector Act 2009* (65%) or are in the process of doing so (30%).

Fifty-five percent of agencies reported that they have provided training to their employees about the internal review process associated with a grievance, and another 25% are developing such training. Training for employees in the internal review process generally takes the form of workshops and information sessions provided to employees. Information on the internal review is generally incorporated into a broader framework of changes in the *Public Sector Act 2009*. In other cases, information on internal reviews is provided on the intranet, which could be accessed by all employees. A small number of agencies also indicated that advice is provided by HR on a needs-basis, but it is likely that most HR departments provide such a function.

Some agencies are in the process of reviewing and updating their grievance policies and reported that information would be distributed to employees following the completion of the policy review.

Grievances under the Public Sector Management Act 1995

There were a total of 26 grievances formally raised for external review between 1 July 2009 and 29 January 2010, which included: 11 regarding bullying and harassment, three regarding discrimination/EEO, two regarding promotion and advancement opportunities, one regarding voluntary flexible working arrangements, and nine other.

Determinations made under Public Sector Act Regulation 6(9)

Regulation 6(9) of the *Public Sector Regulations 2010* enables Chief Executives to determine that the right of return by employees to their home agency, from employment external to the home agency, is not to apply to specific areas of the agency's operations. The Chief Executive must be satisfied that such a decision is warranted in the circumstances having regard to the urgency or significance of the agency's operations.

No agency Chief Executive reported using this power between 1 February 2010 and 30 June 2010.

Ethical behaviour and professional integrity

The Commissioner for Public Sector Employment issued a new Code of Ethics on 1 February 2010. The Code applies to all public sector employees regardless of the:

- nature or level of employment;

- employment status (i.e. ongoing, term, casual, traineeship, apprenticeship); or

- nature of the public sector organisation.

All agencies have responsibility for promulgation of the Code of Ethics and all employees have a responsibility to be familiar with all aspects of the code.

Most agencies reported that employees have been provided with the Code of Ethics, or that the Code is promoted on their agency's intranet.

Agency Focus – Department of the Premier and Cabinet

- *A new Statement of Commitment on Ethical Conduct reflecting the Code of Ethics has been drafted for promulgation from The Chief Executive to all employees*

- *DPC Human Resources has developed a comprehensive suite of policies relating to ethics including employee conduct, conflict of interest, outside employment, whistleblowing and providing information to politicians.*

- *Internal communications highlighting values and ethical standards include the DPC Intranet site and the Corporate Plan.*

- *External communications highlighting values and ethical standards include the external public website and the DPC Customer Service Charter.*

- *All DPC position descriptions make reference to ethics and integrity. Executive recruitment is informed by the SAES competencies which include ethical standards.*

Sixty percent of agencies reported that the agency has a policy/procedure for investigating employee misconduct, and a further 35% report that a policy is currently being developed.

Forty-five percent of agencies reported that they assess their employees' confidence that agency investigations into suspected breaches of the Code of Ethics are conducted fairly and objectively. The majority of these agencies assessed this through staff climate surveys. One agency reported that they obtain employee feedback about the process from those who are the subject of investigations.

One agency reported that this question is not applicable because no incident has occurred to date.

Agency focus – Department of Treasury and Finance

A review conducted in 2009-10 has supported and led to the endorsement of the approach described below:

- *Triennial Fraud and Ethics Training: two hour session commencing in the first half of 2011 covering –*

    - *An overview of Code of Ethics for the South Australian Public Sector;*

    - *An overview of the DTF Fraud and Corruption Control Framework;*

    - *An overview of the responsibilities for the prevention, detection and reporting of fraud and corruption (e.g. to executive, managers, employees, Audit Committee, Audit and Risk Management Services);*

    - *Outlining what a staff member should do if they suspect fraud or some other ethical issue is occurring;*

    - *The protection given to whistleblowers; and*

    - *Raising awareness of what constitutes fraud and unethical behaviour and how this should be treated through the application of ethical scenarios (e.g. branch specific case studies, indicators of fraud, security and confidentiality of data (e.g. tenders, personal taxpayer's information), conflicts of interest, gifts/probity issues, passwords).*

- *Induction: ongoing Fraud and Ethics training (15 minutes) for all new employees (excluding SSSA) as part of the induction program; and*

- *Workshop: an annual two hour workshop for new staff members who have commenced within the triennium and staff in 'high risk' positions (as identified by branch heads and excluding SSSA) to be conducted in approximately April each year.*

This enhancement of existing mechanisms has been signed off by the DTF Audit Committee and is to be referred to the Under Treasurer for approval.

Preliminary investigations and disciplinary inquiries under the Public Sector Management Act 1995

Agency Chief Executives were delegated with the power to investigate matters of employee conduct or discipline under section 25 of the PSM Act. Agencies reported that 53 preliminary investigations initiated between 1 July 2009 and 29 January 2010.

Agency Chief Executives, under section 25 of the PSM Act, were also able to conduct disciplinary inquiries. Agencies reported that a total of 58 disciplinary inquiries were invoked between 1 July 2009 and 29 January 2010.

There were also eight disciplinary inquiries and appeals in relation to PSM Act employees that remained unresolved at the end of the previous reporting period, but were subsequently resolved between 1 July 2009 and 29 January 2010.

Investigations of breaches of the Code of Ethics

Between 1 February 2010 and 30 June 2010, there were 48 investigations into breaches of the Code of Conduct/Ethics. The following table summarises the types of breaches investigated by agencies.

Type of breach investigated	Total
Criminal conviction	3
Improper conduct	18
Improper use of govt resources	2
Negligent in the discharge of duties	4
Non-approved absence	3
Other	5
Outside employment without approval	1
Professional conduct standards not otherwise defined	10
Improper disclosure of info	2
Grand Total	**48**

Appendix 1

Remuneration Reviews

A total of 14 appeals were received. The agencies and their number of appeals were as follows: five from the Department of Families and Communities, four from Health, one from Department of Treasury and Finance, two from Courts Administration Authority, one from Correctional Services, one from SAPOL and one from Department of Transport, Energy and Infrastructure. The five applications from the Department for Families and Communities represented a total of 38 employees. The one application from Department of Treasury and Finance represented a total of 4 employees. The one application from SA Police represented two employees. Of these, five were dismissed, two were withdrawn, one fell outside the jurisdiction of the Remuneration Tribunal, one was successfully conciliated and four were upheld.

Promotion Appeals

A total of two appeals were received both from the Department for Families and Communities. Of these, one was dismissed and the other fell outside the jurisdiction of the Appeals Tribunal.

Grievance Appeals

There were a total of seven Grievance Appeals received. The following agencies were represented including one from Primary Industries and Resources SA, one from the Department for Families and Communities, one from Attorney General's Department, three from Correctional Services and one from Department of Transport, Energy and Infrastructure. Of these, two were withdrawn, one was successfully conciliated, three were dismissed and one was upheld.

Public Sector Grievance Review Commission Reviews

The Review Commission as at 30 June 2010 had five Grievance Review Applications lodged. The following agencies were represented - one from Department of Planning and Local Government, one from the Department of Further Education, Employment, Science and Technology, one from the Department of Health, one from Department for Families and Communities and one from SA Police. Of these, one was withdrawn, one fell out of the jurisdiction of the Review Commission and three matters were scheduled for an external review hearing. As at 30 June 2010 one matter was heard and the agency's decision was supported.