State of the sector in summary 2013
Over the past financial year, WA has experienced significant population growth and will continue to do so in the years to come. As a result, there is increasing demand for government services, particularly in the areas of health and education.

In light of this demand and ongoing financial constraints, there is an increasing focus on improving the performance and efficiency of the public sector.

As part of my role, I report to parliament annually on the state of administration and management of the public sector, and on compliance with standards and ethical codes. The *State of the sector report 2013* (2013 SOTS report) highlights progress and key challenges in ethical conduct, governance, workforce management and workforce planning. Good performance in these areas is integral to providing efficient and effective services to the community.

This publication provides a snapshot of information covered in the 2013 SOTS report. I look forward to working with the public sector over the coming year to meet challenges and build a more efficient, effective and ethical sector.

M C Wauchope

PUBLIC SECTOR COMMISSIONER

19 November 2013
• In June 2013, there were 138,863 employees in the public sector.
• There was an increase in public sector employment of 2.8% over the year. This occurred in the context of a 3.4% growth in the WA population.
• Regional staff made up 23.9% of the public sector workforce. The number of employees per head of population was similar across almost all regions, including the metropolitan area.
• Workers aged 45 and over made up a greater proportion of the public sector (51.9%) compared to the broader WA labour force (37.8%).
• Indigenous employee representation decreased slightly to 3.0%, from 3.3% in 2012. However, the 2013 representation remains above the proportion of working age Indigenous Australians in the WA population (2.8%).
• The representation of employees with disability was 2.6%. This is above the WA working age representation of people needing assistance with core activities (1.9%).
• Female employees have increased in representation over the last decade, although women are still underrepresented in senior management roles.
• There has been a shift in the types of work undertaken by public sector employees over the last decade. The workforce is becoming increasingly professionalised.
Strengthening accountability and building trust

- Most employees agreed their agency encourages ethical behaviour by employees (90%), their co-workers demonstrate honesty and integrity (90%), and their senior managers lead by example in ethical behaviour (76%).
- Most employees (89%) also agreed their co-workers are committed to providing excellent customer service and making a positive difference to the community.
- Almost all agencies (97%) reported having a code of conduct, compared to 91% in 2012.
- Four in five agencies reported conducting Accountable and ethical decision making (AEDM) training during 2012/13.
- Most employees (88%) knew how to report unethical behaviour, and 64% were aware of how to report under the Public Interest Disclosure Act 2003 (PID Act).
- Confidence in reporting could be improved, with only 59% of employees reporting at least some instances of unethical behaviour they had witnessed.
- There were 479 breaches of ethical codes, and 14 public interest disclosures (PIDs) were assessed as appropriate under the PID Act.
Creating opportunities for better ways of doing things

- Most agencies reported sophisticated strategic planning processes (70%), and a common operational plan across business units (80%).
- Less than half (45%) indicated they had performance metrics for all business functions, connected to organisational key performance indicators.
- Most agencies (79%) reported having a common risk management framework.

Governance indicators

- Two-thirds of agencies indicated they regularly evaluate the performance of key programs and activities.
- Fifty-five per cent reported using a process for identifying innovation, and a further 13% were developing a process.
- Most agencies (73%) indicated they communicate internal policies and guidelines used in decision making with the aim of increasing awareness about red tape.
- Most agencies (89%) reported providing in-house recordkeeping training.

Innovation, red tape reduction and evaluation programs to support continuous improvement

- Process to identify innovation 55%
- Regular performance evaluation 66%
- Awareness raising to reduce red tape 73%
- In-house recordkeeping training 89%
- Sophisticated strategic planning 70%
- Common risk management framework 79%
Delivering a safe, fair and motivating workplace

- Most staff were satisfied with their job (85%), and agreed their immediate supervisor is effective in managing people (74%).
- Close to three-quarters (72%) of agencies reported having a professional development strategy or framework in place.
- Most agencies (85%) indicated they had defined timelines for completing the performance management cycle. However, only 39% completed at least one session for over 80% of their employees.
- There was a low number of reported grievances, with 70 substantiated cases across the sector.
- Just over one in 10 respondents to the employee perception survey (11%) reported being bullied. This most often took the form of verbal abuse, rumours or exclusion.
- Most agencies (72%) reported monitoring the workplace to ensure any incidents of bullying are addressed.
- There were 181 breach claims finalised across all public sector standards.
- Agencies resolved 36% of these claims internally rather than referring them to the Commission. Of the claims finalised by the Commission, only 4% were substantiated.
Most agencies (85%) reported having a workforce plan. Almost all employees (96%) worked in an agency with a workforce plan.

Almost two-thirds (63%) of agencies had an integrated workforce and diversity plan.

Common workforce risks were addressing capability gaps due to a changing operating environment (51%), and loss of corporate knowledge due to retirement (45%).

There were 510 members of the Senior Executive Service. These leaders were predominantly male (70.8%), with a median age of 53.6 years.

Most employees agreed their agency is committed to a diverse workforce (80%).

Almost two-thirds (65%) of agencies reported having or developing measurable Aboriginal workforce strategies, such as target driven recruitment.

Just under half (48%) had an agency-specific traineeship program in place, 26% had a graduate program, 15% a cadetship and 8% an apprenticeship program.
The following areas of administration and management have been identified through the 2013 SOTS report as key priorities for attention by agencies.

**Participation in core ethical training programs**
Priorities include maintaining a high participation rate and program currency, and refreshing delivery for employees who have not participated for five or more years.

**Support for government boards and committees**
It is important to ensure that boards and committees develop and implement effective governance arrangements that recognise the public sector operating context.

**Continuous improvement**
Building and evaluating employee engagement, productivity and the effectiveness of key programs are important drivers for innovation and service delivery improvement.

**Women in leadership**
Identifying and addressing the reasons for the underrepresentation of women in senior roles should be a key element of succession management in the public sector.
Support from the Commission

The Commission’s motto is to act with integrity and lead with purpose. The ways in which the Commission intends to achieve this, in the context of its strategic priorities and other challenges facing the sector, are highlighted in the following table.

<table>
<thead>
<tr>
<th>2013 SOTS report chapters</th>
<th>Commission strategic priorities</th>
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<td><strong>Integrity and ethical conduct</strong></td>
<td>Build an accountable, knowledgeable and diverse workforce</td>
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<tr>
<td>Support the implementation of programs to enhance the capability of boards and committees through chief executives working with board chairs</td>
<td>Assist agencies to refresh AEDM programs</td>
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<td><strong>Governance and innovation</strong></td>
<td>Facilitate collaboration across the sector to share expertise</td>
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<tr>
<td><strong>Workforce management</strong></td>
<td>Continue to build awareness and understanding of existing and emerging leaders and human resource practitioners</td>
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<tr>
<td><strong>Workforce and diversity planning</strong></td>
<td>Increase understanding of barriers to the progress of women into senior roles, and the achievement of disability and Aboriginal employment targets</td>
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