

Commissioner's overview



The Western Australian public sector has much to be proud of. Against a backdrop of fiscal constraint and increasingly complex policy and service delivery priorities, our public sector has continued to innovate, collaborate and deliver. Many of our areas of expertise have global implications, particularly food security and production, medical science, mental health, education, public policy and governance. Our leaders regularly engage with significant social and scientific challenges and our key initiatives have been applied successfully for the benefit of both the state and global community.

State of the WA public sector 2014 – Measuring up (the report), is a contemporary assessment of the public sector's performance which supports our objective of continuous improvement. This year I have applied a thematic approach to the report to assist Parliament, those in the sector and the broader community to understand where the sector 'is at', where we are going and how we are progressing on that journey.

The theme of this year's report emphasises how we compare with other jurisdictions and I am pleased to announce that our sector rates highly. This report highlights the key challenges and opportunities facing our sector, and showcases some of the good work occurring at the grass roots level. Navigating through significant rescaling while maintaining our capacity to deliver quality services to the community, is the most visible milestone and also our most urgent challenge. This will require building our capacity to manage change and boost productivity.

I believe it is imperative for the public sector to continue to build its own capability in this changing context. While public services are increasingly being delivered through alternative models such as partnerships with the private and not-for-profit sectors, ultimately effective service delivery requires a capable and responsive public sector.

Fiscal constraint is one certainty we face, with revenue sources becoming less stable and expenditure continuing to have upward pressure. In this equation, the critical cost drivers are our people. It is important we view our current and forthcoming limits as an opportunity to optimise our resources, build on existing good practice, foster innovation and collaboration and develop consistent and evidence-based practices. History shows that limiting our investment in professional development will undermine longer-term workforce planning. Accordingly, we must continue these activities with a greater emphasis on seeking efficiencies and 'a mind' for sharing our knowledge across the sector.

Key observations

My key observations on this year's trends and future directions for the sector follows, including a number of case studies showcasing the quality of work taking place across the sector.

Engaging employees

Employee engagement is the emotional commitment an employee has to the organisation and its goals. When employees are engaged, they use discretionary effort to go that extra mile. Each year, my organisation undertakes an independent assessment of the public sector workforce based on information from a range of tools to ascertain employee views on workplace issues. More recently, we have begun to identify the workplace factors that are strong drivers of employee engagement and productivity.

This research has highlighted that the most important factors in increasing engagement and productivity are the effectiveness of our senior leaders, and having employees with the right skills, in the right job, at the right time. The findings demonstrate we need to be much more strategic about the employment relationship as a whole, from the decisions made prior to recruitment through to cessation of employment.

With this in mind, we need a different approach to designing roles and attracting people with suitable skill sets. It is essential we have a strong sense of what the future may look like and that we recruit for skills, values and attributes capable of meeting the sector's changing priorities. More than ever, increasing the mobility of our employees enabling them to move easily from one role to another, within or between agencies, is essential to match our priorities and respond effectively to emerging trends. This requires a fundamental shift in public sector culture and one which we intend to pursue into the future.

Building capability

Aligned with strategic recruitment is the need to be much more considered in how we develop our people, that is, ensuring we have a strategic connection to join the 'capability dots'. This is based upon the notion that well developed employees should be more capable and confident in their roles, and their performance should be monitored, supported and managed to achieve better outcomes.

With tightening budgets, it is often professional development funds which are reallocated for other purposes. The 'here and now' imperatives take over culminating in critical investment in the future being curtailed. We have seen this approach taken in our public sector over the last two decades, most notably resulting in the age profile of our senior leaders. So now, more than ever, is the time to focus on the future.

Over the year ahead we will be working with entities across the sector to promote graduate programs, traineeships and internships to strengthen our reputation as an employer where young people can find rewarding jobs and develop meaningful careers.

Central to this is reinforcing the sector's demonstrated commitment to improving employment and development opportunities for Aboriginal and Torres Strait Islander peoples and people with disabilities. I am pleased that Aboriginal employment levels in the WA public sector continue to outperform all other states, except for the Northern Territory. Although this is a positive result, there is still work to be done. Knowing more about the systemic barriers faced by these employees will provide a more robust basis for future policies and strategies. Through the newly established Centre for Public Sector Excellence, we will continue to work with entities to build career pathways and provide development opportunities for disadvantaged employee groups over future years.

Valuing performance

It is no surprise that a significant driver of performance is an employee's understanding of what is expected of them in their role, and how the work they undertake relates to their entity's objectives. Effective performance management helps build that understanding and align employees' performance with their entity. Our public sector has long been required to implement performance management, however in common with other jurisdictions, it is an area where there is scope for improvement.

Transforming an entity's culture to optimise performance is a long term process of embedding good practice and changing mindsets. It requires every employee to understand that managing performance and building capability are responsibilities they share with their manager. In the coming year we will look to develop, in consultation with the sector, values to underpin the accountability framework of the *Western Australian public sector code of ethics*, and agencies' codes of conduct.

Increasing collaboration

Collaboration between the public sector and not-for-profit and private sector organisations can deliver excellent results for our community. It is widely accepted that public sector service delivery in our state, across Australia and internationally, has changed to a 'mixed' model.

One such collaborative partnership is the Department of Housing's Shared equity EOI program, which provides low income Western Australians with the opportunity to purchase a home. By sharing up to 30 per cent of the purchase price of a property with the Department of Housing, and borrowing the remaining through a SharedStart loan from Keystart Home Loans on a two per cent deposit, dreams of home ownership have become a reality. These loans have been directly linked to a major construction project to maximise and capitalise on partnerships with industry. In acknowledgment of this successful partnership, the project was the overall winner for the 2014 Premier's Awards for Excellence in Public Sector Management.

Leading in the regions

Approximately one in four of our public sector employees work in the regions, largely involving service delivery roles across a range of diverse agencies. These varied functions, in addition to the geographical sprawl of this state, make service delivery and leadership development in the regions critical and highly complex. As the face of their entity in the local community, regional leaders require well-developed management skills, the ability to interpret policy, and an understanding of the cultural considerations and social factors relevant to their region.

There are many entities actively working to build regional leadership and the capability of those responsible for regional management. When working with our regional colleagues throughout the year, I have been encouraged by their resourcefulness and resilience and their willingness to share their knowledge and experience with others. Earlier this year, we conducted a regional leadership study through consultation with our regional and metropolitan colleagues. This work culminated in the publication of [*Leading for the regions – a resource for agencies*](#). This resource offers ideas and discussion points for entities across areas such as employee capability and development, performance management, succession planning and the particular challenges unique to regional areas.

Looking ahead

The effectiveness of our public sector fundamentally depends on public trust in its integrity as an institution and its capacity to look after the public interest. It is my belief that a values-based culture is at the heart of a high-performing and trustworthy public sector. A culture in which employees are expected and encouraged to act ethically, in which ethical behaviour is modelled for them by their leaders and peers, is one in which the public can have confidence.

Overall, data suggests the ethical culture in our sector is sound. Nevertheless, over the past year we have seen an increase in public scrutiny of the private use of public resources and the effective management of the receipt of gifts, benefits and hospitality, as well as the management of sponsorships. These events are a reminder that the risks to the integrity of our sector are real and cannot be ignored. It is my view, that while the vast majority of our employees do not engage in deliberate misconduct, the ethical health of our sector depends upon each public officer's commitment and capacity to do the right thing.

The delicate balance of my role and the accountability relationships I have between chief executive officers and government ministers, is unique within Australian jurisdictions. Earlier this year the Parliament, through its Public Accounts Committee, confirmed 'that a reasonable balance is being struck' between an operationally independent public sector that is still sufficiently responsible to the policy priorities of the Government of the day.

The year ahead is likely to bring fundamental changes to the legislation governing misconduct. It is envisaged the transference of the minor misconduct function from the Corruption and Crime Commission to the Public Sector Commission will strengthen the integrity, accountability and performance of our sector. This shift will allow the Commission to continue transitioning from its broadly regulatory functions to providing more engaging and enabling services for agencies. We have done this with success in the past and I have every confidence we will use this opportunity to do our business differently as we evolve.

I conclude with acknowledging the dedication and professionalism of the state's public sector and I look forward to working with the sector to respond to emerging opportunities and challenges over the year ahead.

A handwritten signature in blue ink, appearing to read 'M C Wauchope', with a stylized flourish at the end.

M C Wauchope
PUBLIC SECTOR COMMISSIONER
20 November 2014