

Review of NSW Public Service Recruitment Reforms

Recruitment is the most important staffing decision
you will ever make.....

Lynelle Briggs AO

June 2018

Contents

Review of NSW Public Service Recruitment Reforms	4
Background	4
Key Points	5
Recommendations	6
Recruitment Matters Recommendation	8
Merit Recommendations	8
Capability Recommendation	8
Timeliness Recommendation	9
Valued Support Recommendations	9
Mobility Recommendations	10
Future Proofing Recommendations	10
Recruitment is the most important staffing decision you make	12
Recruitment Matters Recommendation	14
To secure the best people in the interests of good government: Merit	15
Merit Recommendations	17
Quality recruitment does deliver the best: the capability framework	18
Capability framework works for senior executives and for early adopters	18
Implementation problems	18
Are the capabilities fit for purpose?	22
Assessment mechanisms	22
Capability Recommendation	24
Time and Value	25
Bulk recruitment and recruitment pools of talent	25
Timeliness Recommendation	28
Valued Recruitment Support	29
People Matter	29
Human Resource Focus and Capability	30
Technical Support	33
Valued Support Recommendations	34
Movement Matters	36
Job Ownership	36
Rationalise Provisions	38
Mobility Recommendations	39

Diversity and Inclusion	40
Future Proofing	42
Demographic Change	42
Great Leadership.....	43
Good candidate experience	43
The Burning Platform is Now	44
Workforce planning	48
The relationship between strategic business planning, workforce planning and human resources strategies.....	49
Future Proofing Recommendations	53
Attachments	54

Review of NSW Public Service Recruitment Reforms

Background

The NSW Public Service Commissioner asked me to assess how the 2013 recruitment reforms had been implemented over the last four years, covering recruitment practice and mobility utilization, and focusing on the maturity of the public service in applying the framework embedded in the Government Sector Employment Act 2013 (GSE Act). A copy of the scoping document for the recruitment review is at [Attachment A](#).

In undertaking this review, I spoke to all Secretaries; conducted a deep dive into three clusters—Planning and Environment, Finance, Services and Innovation, and Justice—which involved interviews across the clusters; conducted a public service wide survey into recruitment practices; and reviewed other jurisdictional practice.

Led by their Secretaries, many people in the three clusters gave very generously of their time and provided quality input that laid the basis for the commentary and many of the recommendations in this report. I think it is a testament to the interest in recruitment across the public service that 90% of the agencies contacted completed the recruitment survey.

An overview of what other public sector jurisdictions are trying out in recruitment is at [Attachment B](#), a case study in bulk recruitment is at [Attachment C](#), and the public service-wide recruitment survey results are at [Attachment D](#).

Most direct quotations used in this report are not attributed as they are from NSW public servants interviewed or surveyed as part of this review, unless otherwise specified.

I would like to thank Adam Bove, Emma Worthing, Susan Dobinson, Lisa Stewart, George Sklavounos, Melissa Cavallo, Joanne Atkin and Cassandra May from the NSW Public Service Commission who supported me exceptionally well in this review, and all the officers of the NSW public service who so very generously shared their time and experiences with me. Thank you all.

Key Points

The recruitment reforms introduced by the Government Sector Employment Act 2013 were leading edge and ambitious, and have provided sound employment architecture for the future. They have given discipline to capability assessment and established a service-wide assessment framework that was needed in NSW. The reforms are overwhelmingly regarded as a success by NSW government agencies. They have delivered high quality recruits, and can deliver shorter time to hire when applied effectively. However, the full potential of the recruitment arrangements and the flexibilities they provide has not yet been realised.

After an initial flurry of activity with the Senior Executive Implementation Plan, most agencies floundered at the next step—implementing the reforms more widely—and, as a result, the reforms have not reached the level of maturity that might have been expected after four years.

In many ways this was because the leading edge reforms were introduced against the backdrop of a strong rules-based culture and a very low recruitment capability base. However, amidst a fairly fragmented public service, agency leaders failed to drive the reforms further down into their organisations and across clusters, and the Public Service Commission neglected to provide sufficient tools and practical supports to help agencies adjust to the reforms. The upshot was that many public servants struggled to understand the new capability framework and some actively resisted it, which meant that implementation progress has been slower than might have been anticipated and the results have been mixed and varied across agencies.

It is timely to produce some lasting changes that will deliver the full potential of the reforms.

It is important that agency heads drive home to all their employees that people management is central to everything they do; that recruitment is the most important staffing decision they make; and that people management and leadership needs to be taken very seriously. Secretaries should introduce high level people committees to co-ordinate people strategy across their clusters, and drive and embed recruitment and other people reforms, such as workforce planning. Accepting that Secretaries are not accountable for people management (beyond senior executives) in many of their cluster agencies, there are people reform initiatives that agency leaders of goodwill should be able to work on together through these committees in or across clusters to bring about widespread change more quickly.

There needs to be engagement with public servants at all levels, explaining what the reforms are designed to do and how to go about implementing them, through communication, information exchange and learning and development. It's a truism that attitudes will change once behaviours are changed, but in this case (where the recruitment reforms were so significant a change) public servants need greater support to understand and implement them well so that they become the new normal and culturally accepted way of recruitment in the public service.

At its most basic, the purpose of merit-based recruitment in the public service needs to be understood—to secure the best people in the interests of good government through fair and open recruitment processes. I have also identified serious gaps in understanding and effective training in the capability framework, assessment practice, HR, middle management and senior leadership, talent pool processes, and so forth, which need to be addressed. Further, mobility should be legitimised and promoted as a way to gain experience and build skills, with mobility being normalised through orchestrated and regular movement of Secretaries and agency heads, at the

top, down to levels 11/12, and mobility being supported, advertised on multiple channels, and encouraged more generally.

There is much to be gained by further building the capability of HR in the public service towards a more strategic, customer-focused business service where HR is able to align with the business objectives of agencies and support their activities. While personnel procedures will always need to be managed, the value add that the public service needs now is in expertise in selection, talent hunting, talent strategy, talent marketing, digital marketing and business partnerships. Within a year or two, I would hope that all clusters have in-house expert recruitment teams and active learning and development interventions, coupled with quality performance development regimes and workforce plans.

The public sector is weighed down by recruitment rules that were introduced to provide guidance in order to set new recruitment benchmarks and achieve consistency and coherence across agencies and the public service. However, many of these rules are somewhat over-egged and there is room to provide greater flexibility to the system by moving to some common operating principles in areas such as mobility and key or focus capabilities. More generally, the Public Service Commission has advised me that it was never envisaged that all these rules would be necessary once the reforms were embedded. The Commission might look progressively towards providing more supporting tools to the sector and fewer prescriptive rules, and should actively be working towards reducing red tape and providing selective incentives for more highly performing agencies.

Time to recruit should be further reduced by setting measurable recruitment time benchmarks, using bulk recruitment and much wider use of talent pools. There is a lot of confusion about how talent pools work and what they are. The best place to start is that they provide a quick and easy means to find new and upcoming talent that can be readily deployed when needed for short and long term work. Talent pools shouldn't be thought of as just recruitment to fill a job—they should be seen as the process of touting for and recruiting new talent at various levels in job families, so that when jobs become available, they can be filled quickly from a list of talented people who have already been assessed as suitable.

Much of the intent of the Government's employment reforms was to position the public service in the modern world and, while more needs to be done to embed the reforms more widely, they do provide an excellent basis for the future. But, it will not be sufficient for the public service to rest on its laurels once the enhancements I have suggested are made for we are in a demographic and technical transformation of society and the economy, which will bring lasting change to our country and to the workforce as we currently know it.

It is necessary for agencies' business areas to step up and drive a second stage of transformational change in people stewardship in the public sector through engaging in proactive, business-driven workforce planning and forward thinking strategies to recruit, adaptively train and support capable young and other skilled people from all walks of life so that the public service workforce is able to adapt to economic and social change, and lead and thrive in the new environment. And, I expect the Public Service Commission and agency HR areas to be there supporting them.

The potential is enormous.

This report contains a host of recommendations which reflect the changes I consider to be necessary to deliver on the full potential of the Government's employment reforms agenda. They can be summarised as:

The NSW public service should be planning for the future needs of its workforce.

Secretaries and agency heads should lead and steward recruitment and other workplace reforms down and across their clusters, and establish high level cluster people committees with their business areas to help them to drive initiatives forward, implement reforms and plan for future workforce needs.

The purpose of merit-based recruitment in the public service should be explained. Merit needs to be both reflective of capabilities, achievements, experience, knowledge and skills and forward looking in terms of potential to make a difference.

The capability framework should be easier to use and adjusted over time to remain fit for purpose.

Talented people should be supported and fast tracked into leadership positions, especially from the graduate cohort. More generally, public service management and leadership training needs to be spread more widely.

Mobility should be orchestrated—starting at the top with Secretaries, agency heads, senior executive and 11/12 employees moving progressively to new positions as an example to others—and mobility provisions streamlined.

The HR model should be transformed to a customer service model—where HR areas and business areas partner together professionally to support each other in people development, practice, workforce development and planning—and where rules and red tape are progressively reduced, and public servants' learning, development and mobility is actively managed and supported. HR areas should also provide in-house expert cluster recruitment teams to search, source and engage possible new recruits.

Time to hire should be reduced through setting agency benchmarks of, say, up to 10 days for talent pool recruitment and 30 days for other recruitment, and through much wider use of bulk recruitment and talent pools.

HR recruitment systems and human capital management systems need to be easy to use and work together seamlessly and effectively to provide important recruitment and workforce information that is accessible and transferrable between agencies and maintains intact individual public servants' historical records.

Recommendations

Recruitment Matters Recommendation

1. That agencies develop a clear appreciation among their senior executives, middle managers and human resources areas that recruitment is the most important staffing decision that they will make and that recruitment has very high priority.

Merit Recommendations

2. That the Government Sector Employment (General) Rules 2014 (GSE Rules) relating to merit be extended to:
 - a) provide a working definition of merit's purpose, so that people understand why merit is important and what it is intending to deliver, along the lines of:

Merit is designed to secure the best people in the interests of good government through fair and open recruitment processes.
 - b) include a merit principle that promotes and acknowledges the power of potential, motivation, entrepreneurialism and leadership.
3. That Secretaries, agency heads and senior executives champion merit's purpose and meaning to NSW public servants, and the Public Service Commission develop a short training programme on merit in the public service.

Capability Recommendation

4. That the capability framework be made easier to use by:
 - a) removing the option for occupation specific capabilities; ensuring technical expertise, knowledge and professional skill sets have appropriate weight in the materials and guidance released by the Public Service Commission on the capability assessment framework¹, and the inclusion of professional job families into the recruitment assessment process in practice, then publicizing that this has been done;
 - b) enabling the use of a smaller number of key or focus capabilities for recruitment, which provide a better fit for recruitment assessment;
 - c) adjusting the capability framework at the margins to deal with gaps around creativity, curiosity, imagination and design; social and emotional intelligence; the use of technology and data analytics;
 - d) adopting comparative assessment as the standard assessment mechanism for all but temporary arrangements up to twelve months, where candidate suitability would be assessed at the agency head's discretion, without the requirement for a suitability assessment;
 - e) the Public Service Commission providing more practical assistance to agencies about applying the capability framework, including one page guides to the sorts of assessment mechanisms that might work most effectively to recruit in particular areas or levels, for efficiency purposes and so that undue reliance is not given to psychometric testing; and
 - f) accredited training being mandated for hiring managers and HR recruitment officers in the practical application of the merit principles, the capability framework and assessment methodology.

¹ Currently referred to as "experience and knowledge" in that framework.

Timeliness Recommendation

5. That the recruitment system will deliver much faster recruitment results if:
 - a) bulk recruitment and associated pools of talent are understood and utilised far more widely in the NSW public service;
 - b) information on people in talent pools is held centrally and made accessible—see also recommendation 10 e);
 - c) performance benchmarks for time to recruit are introduced to guide clusters and agencies on efficient and effective time frames, with annual reporting on timeliness against these benchmarks by the Public Service Commission.

Valued Support Recommendations

6. That clusters provide institutional priority to recruitment by:
 - a) addressing the communication gaps apparent in the public service which are impeding information and engagement with the recruitment (and likely other) reforms;
 - b) extending corporate governance by establishing cluster (or district) people committees, comprising mainly of high level business managers and including an independent external people expert, to drive the implementation of the GSE Act reforms and proactively pursue workforce planning, people leadership and management goals.
7. That agencies are freed up to recruit quickly and effectively by:
 - a) transforming human resource areas so that they focus on customer service to their business areas by—
 - i. helping people to use the recruitment system
 - ii. telling them what they need to do to make it work well and faster
 - iii. taking some of the load off line areas by taking on some of the screening and assessment processes which need specialist expertise;
 - iv. providing in-house expert cluster recruitment teams to search, source and engage possible new recruits;
 - v. upskilling to accredited best practice standards;
 - b) reinforcing the principles-driven recruitment system, taking out unnecessary process, inflexibility and central direction, and streamlining guidance material;
 - c) the Public Service Commission providing best practice examples, “how to” guides, talent analytics, and stronger support for recruitment, as well as training and development of HR personnel;
 - d) the Public Service Commission conducting an annual review of recruitment red tape once there is a higher level of recruitment practice maturity across the public service—likely in 2020-21;
 - e) agencies judged by the Commission to be leaders in the GSE reforms be incentivised through fewer mandated requirements than other agencies.
8. That a high level working party be convened to progress the transition to new cluster-wide human capital management systems for the NSW public service (to establish consistent technology, frameworks and effective operating arrangements, including connections between systems, information and public sector-wide coverage for the new systems), so that recruitment systems are easy to use and work together seamlessly and effectively to provide important recruitment and workforce information that is accessible and transferrable between agencies and maintains intact individual public servants’ historical records.

Mobility Recommendations

9. That mobility should become an expectation across the NSW Public Service, with:
 - a) leadership from the top, through all Secretaries moving between Secretary positions after 5 years in their appointed position;
 - b) Secretaries conducting annual senior executive and level 11/12 mobility rounds where they select employees, including those from non-departmental agencies, to be moved at level or act at a higher level to grow senior capability;
 - c) those beneath the senior executive being kept informed of mobility opportunities in real time and encouraged to take up opportunities for mobility and development at level or across the public service, including for project work or acting while someone is on extended leave (rather than engaging contractors to fill in).
10. That mobility be facilitated by:
 - a) rationalising mobility provisions down to three core movement arrangements:
 - i. movement at level within and across agencies occurs without any advertisement or assessment process determined at the discretion of the Secretary or agency head or their delegate (as is currently the case with senior executives);
 - ii. movement to a higher level role within the public service on an ongoing basis or on a temporary basis for more than 12 months, and any offer of new ongoing employment requires advertising and a comparative assessment;
 - iii. movement to an above level role for less than 12 months or an offer of new employment for less than 12 months requires Secretary or agency head or their delegate's satisfaction that the person is suitable for the role;
 - b) provide no further extensions to temporary arrangements (including new temporary employments, secondments and acting arrangements) beyond a year;
 - c) helping public servants understand that as ongoing employees they will move between different job roles or types over short or longer periods, that those moves don't need restrictive labels, that all jobs will change, and that such movements do not affect their ongoing employment status;
 - d) the Public Service Commission releasing new non-executive work level standards which complement the capability framework;
 - e) the Public Service Commission act as the facilitator of mobility pools for common roles in the public service;
 - f) the vestiges of the old system of establishment and structures being removed as a budgeting tool and replaced by the more flexible system of working within a budget envelope.

Diversity Recommendations

11. That agencies give priority to all aspects of diversity as part of their application of the merit principle in recruitment and have diversity and inclusion as upfront considerations before jobs are even advertised.
12. That the Public Service Commission provides strategic leadership and support to the NSW public sector to improve its diversity outcomes.

Future Proofing Recommendations

13. That the public service position itself better for the future by:

- a) actively engaging with strategic workforce planning and regular workforce shaping, and ensuring that business drives HR strategies and workforce plans.
- b) agency heads and senior executives leading and driving people leadership reforms and stewarding their agencies and clusters through the necessary changes that will be required to better position the public service workforce for the future;
- c) a rethink of NSW public service training and development strategies so that leadership and management training is much more widely available and areas of new training needs are provided for in many different areas;
- d) the Public Service Commission engaging with clusters and agencies to help them develop their workforce plans and develop strategy around contract and 'gig' employment;
- e) recruiting larger numbers of graduates through the Public Service Commission's graduate programme;
- f) facilitating the fast tracking of the top graduates from the Public Service Commission's graduate programme into positions of strategic influence through a public service wide programme that facilitates career progression, mobility, development and advancement;
- g) improving candidates' experience of the recruitment and on-boarding process through survey work about their recruitment journey, more accessible recruitment advertisements and clear and simple recruitment material, sound induction, careful workforce placement with engaging managers who apply sound management practice and quality performance feedback and development;
- h) HR areas leading the way with smart sourcing strategies for recruits outside the public service which make it clear that the public service is a great place to work, with wonderful opportunities, and the chance to make a significant contribution to society;
- i) talent pools being used to identify, develop and selectively place future leaders across the public service;
- j) reconsidering the candidate experience and providing a much more accessible and supportive application and onboarding experience thereby capitalising on the external interest in working in the public service.

Recruitment is the most important staffing decision you make

One of the great mysteries of the workplace is that few people understand that recruitment is the most important staffing decision that they will ever make. It is the most important decision because people drive everything that happens in any workplace. The better the choice of those people, the more likely it is that the workplace will be productive, effective, happy and a good place to be. The worse the recruitment outcome, the more likely a workplace will fail to deliver on its objectives, go broke, or become an awful place to work, with numerous problems, difficult relationships and poor communication.

In the 2017 People Matter Employee Survey, recruitment was judged to be one of the worst performing areas in the NSW public service, with only 34% saying that their organisation generally selects capable people to do the job and 52% saying that they had confidence in the way recruitment decisions are made.

Recruitment practice should therefore be taken very seriously, and more seriously than it is now. It needs quality recruiters' time and focus to deliver the right results and it needs executive priority.

I am pleased to record that at the very top of the NSW public service, recruitment does have a very high priority—with any number of top level executives saying that it was their first or second highest priority.

“The people you bring in are your legacy.”

However, implementation of the recruitment reforms has been slow across the public service and I failed to witness that recruitment priority was being driven successfully downwards and across agencies—with most business and HR managers having little sense of recruitment's importance to them and their agencies, and few expectations about what their particular role in the recruitment process might be. In the recruitment survey for this review, only half of the responding agencies said their senior executives and hiring managers have a good or very good understanding of the recruitment and mobility framework.

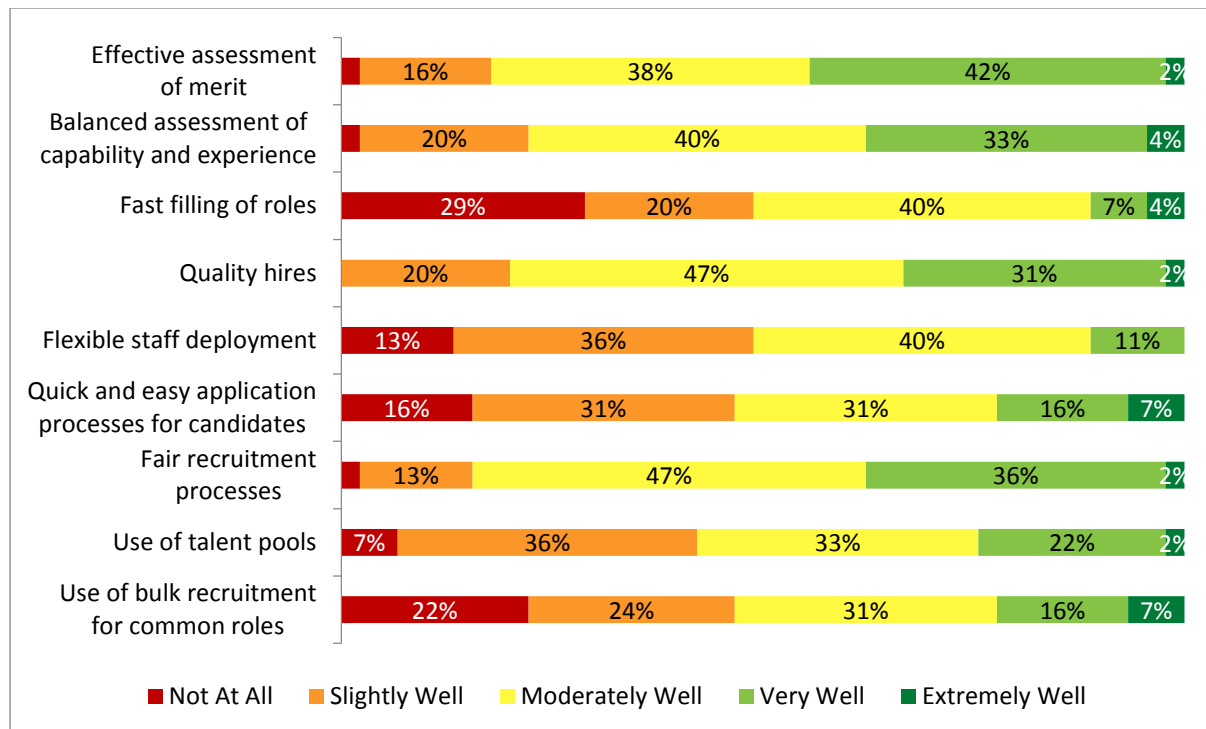
To this day, some still reach for the old system's recruitment guidelines, the Personnel Handbook, to tell them what to do, while others have replaced the selection criteria assessment process of old with the practice of “box ticking” capabilities either because they could not understand it or to prove that they have completed the process necessary for recruitment under the GSE Act. More often than not, the rules of the old system have simply been replaced by the rules of the new system, with few agencies having capitalised fully on the potential of the new recruitment arrangements and the flexibility they provide. Although, most are trying.

This stems from the fact that the recruitment reforms were leading edge and ambitious, but introduced against the backdrop of a strong rules-based culture, a fragmented public service, and a very low recruitment capability base, which I found to be even lower than most people realised at the time. In essence, the recruitment reforms were great and have provided the new architecture for the system, but their practical implementation left a lot to be desired, given the ground to be covered.

As a result, there is not a high level of maturity across the public service in the implementation of the recruitment reforms. But, even though there is an enormous spectrum of recruitment practice and performance as evidenced by the survey and the three cluster deep dives, agencies generally do not want to go back to the previous recruitment arrangements. In fact, the recruitment reforms are widely regarded as a success.

Overall, however, the implementation experience is mixed, with some seeing major improvements and others saying that they still have a long way to go. The recruitment survey illustrates the variability in reform outcomes.

How well have the reforms achieved their outcomes?



The highest level of reform maturity is among those agencies who implemented the GSE reforms most rigorously from the start. It is very clear that those who assessed thoroughly their senior executives against the capability framework early have done best—embedding the reforms, working through how to build on the flexibilities provided, and starting to push the envelope on next steps. A number commented to me that they are hopeful of being soon freed from the shackles of public sector rules.

This stands in contrast with most others who lag behind with just about every aspect of the reforms and still want the Public Service Commission to tell them what to do and how to do it².

It is clear that the recruitment reforms need more time to permeate the public service more deeply and comprehensively, and to be embedded fully.

Meanwhile, there is much that can be done to improve on what is being done; tweaked to make it work more effectively; and built upon to liberate the opportunities it provides; or even lessened in rules-terms when agencies have reached a higher level of maturity. This will involve not only a different agenda for the Public Service Commission, but also a continuing effort to drive further opportunities to embed and build on the reforms in agencies and clusters.

² Although it might equally be said that the Public Service Commission could have provided more implementation support earlier on to assist them through the process.

Recruitment Matters Recommendation

That agencies develop a clear appreciation among their senior executives, middle managers and human resources areas that recruitment is the most important staffing decision that they will make and that recruitment has very high priority.

To secure the best people in the interests of good government: Merit

Merit-based recruitment is about recruiting the best person for the job.

Emeritus Professor Richard Mulgan³ said recently that merit in the public service is designed to secure the best people in the interests of good government. And I agree. He went further to argue that merit is about equity in recruitment and that the public service should guard against patronage, bias and other undue influence, through competitive entry. I agree with that too.

And yet, merit is not defined in the NSW Government Sector Employment Act 2013. The core values in the Act merely require accountability to ensure that employees are recruited and promoted on merit. I suspect this is because merit principles have been applied in public services across the world since the Northcote-Trevelyan report in the 1850s, and public servants are presumed to appreciate their meaning.

Despite this, historically, insider groups have been able to systematically apply merit principles to protect their own and hire those just like them, and I have deduced in this review that there are vestiges of this occurring in the NSW public service today, including against those public servants attempting to work in different or new areas and those trying to enter the public service from the commercial and not-for-profit sectors. So, the application of merit principles needs careful consideration if merit is to remain contemporary and relevant in NSW today.

I therefore welcome The Government Sector Employment (General) Rules 2014 Part 3, which provide a number of principles underlying merit-based employment for the NSW Public Service and a “how to” list to go about merit-based recruitment:

“...Any employment decision relating to a role in the Public Service is to be based on an assessment of the capabilities, experience and knowledge of the person concerned against the pre-established standards for the role to determine the person best suited to the requirements of the role and the needs to the relevant Public Service agency.

Without limiting...[this], the following principles apply in relation to employment decisions:

- (a) any recruitment action...is to take into account:

 - i. long and short term capability needs to meet the objectives of the relevant agency, and*
 - ii. existing workforce capabilities,**
- (b) pre-established standards for the role are to be expressed as levels against each capability or other requirements of the role,*
- (c) any assessment for a role is to include appropriate methods to assess different requirements,*
- (d) except in the case where a development opportunity is being provided, a person may be employed in a role only if the person meets the pre-established standards for the role or type of role,*
- (e) any employment decision is to be made on balance taking into account all the results provided by the assessment process.”*

³ Richard Mulgan is Emeritus Professor at the Crawford School of Public Policy within the Australian National University. He made these comments in response to reflections on merit in the [Unlocking Potential](#) report on the Australian Public Service.

The definition is deliberate. It deliberately seeks to raise the bar on quality recruitment by establishing standard, core measurement and assessment mechanisms which are to be applied consistently across the NSW public service.

The Public Service Commission's website provides further support:

"...merit....means that from a field of applicants the assessment panel selects the person best suited to the requirements of the role and the needs of the public service agency in which the person is to be employed."

I found that the application of the merit principles in the GSE Rules has been largely successful in forging a consistent approach to merit in the NSW public service.

For the most part, the most tangible everyday view of merit in the NSW public service is that it requires a job to be advertised, with a standard process to follow and, conversely, merit is seen as not being applied when a job is not advertised and an interview process isn't conducted.

Secretaries and agency heads need to engage with this issue because it is undermining both perceptions of what is otherwise merit-based recruitment and mobility in their agencies and trust in the outcomes of recruitment and mobility processes.

Importantly, I found that few people could explain what merit in the public service meant and why it might be different or require a higher standard in the public service.

Public servants need a simple and clear statement of what merit means in the context of the public service and why it matters—good government.

It is also clear that in aiming rightly in the public service for a higher standard, merit has become in practice extraordinarily value laden, process driven, and personal—with the perceived absence of merit becoming the "go to" excuse for failing to win a job and the "catch-all" reason to criticise recruitment⁴.

"Merit feels very heavy....It tries to mitigate against all the dodgy things people can do around assessment....and that leads to more and more process..."

"Few would argue that the merit principle has often been used to justify cumbersome and time-consuming procedures. There may well be room for further simplification and flexibility of the application of the principle."⁵

I found that, all too often, the absence of performance management meant that public servants didn't know they weren't up to standard until they missed out on promotions, transfers or periodic above level acting arrangements. A better system of performance management and ongoing engagement with employees about the quality of their work, as well as clarity about what merit actually means, is necessary to restore trust in merit-based recruitment and reduce time-consuming processes, such as advertising roles that could otherwise be filled very quickly internally.

It is a sad paradox that the correct application of merit can exclude those very people who can take the agency the farthest because they don't have all the necessary technical experience/subject area expertise as others. More often than not, the "safe pair of hands" wins.

⁴ There are, of course, other reasons to criticise recruitment which have been identified in this report, including candidate experience, the clunkiness of Taleo, and not receiving feedback.

⁵ Richard Mulgan, *ibid*.

One of the great challenges of merit-based recruitment in the NSW public service is securing the future by finding the candidates who are going to do more than just meet the capabilities, experience and knowledge, and who are not just “good”, but who have the potential to do great things and to drive business performance. This is because merit can be backwards looking about demonstrated outcomes and pre-established standards, rather than being forward looking to the future. The principles in the GSE Rules suffer from this tendency because they seek to establish a common standard across the public service (which I endorse) and because it is difficult to measure for potential.

The result can be recruitment which delivers jobs for familiar insiders who have been working in the area for years, know the job well and have a similar experience and mindset. As part of this review, I heard many stories about this being the most common recruitment practice in the NSW public service, which was reinforced by recruitment trend data which shows that external applicants have a lower rate of recruitment than internal applicants even though they have a higher application rate.

While the current approach might deliver good people, I am not satisfied that this approach is sufficient to deliver recruitment which is in the best interests of good government, nor of equity and fairness because it favours insiders working in the relevant areas over outsiders from other parts of the public service or from other sectors external to the public service.

The recruitment firm Hudson Australia identifies potential for high performance, amongst other things, from three discrete features—“can do”, “want to” and “performance”. Deloitte says that leaders need to think, act and react differently to drive progress and make their organisation successful.

In my opinion, potential is about the spark of behaviours that ignite opportunities and take a workplace forward. Historically, these behaviours have been ascribed to “leadership”. They are about motivation; energy, drive and initiative; and the ability to take people, issues or ideas, or problem solving forward to a new level. They are not new, but they are what is required in a public service challenged constantly by new developments and demands, and a heightened level of risk taking. They are a necessary evolution in a contemporary definition of merit in the public service.

Merit Recommendations

That the Government Sector Employment (General) Rules 2014 relating to merit be extended to:

- a) provide a working definition of merit’s purpose, so that people understand why merit is important and what it is intending to deliver, along the lines of:

Merit is designed to secure the best people in the interests of good government through fair and open recruitment processes.

- b) include a merit principle that promotes and acknowledges the power of potential, motivation, entrepreneurialism and leadership.

That Secretaries, agency heads and the senior executive champion merit’s purpose and meaning to NSW public servants, and the Public Service Commission develop a short training programme on merit in the public service.

Quality recruitment does deliver the best: the capability framework

The new capability framework has given discipline to assessment and established a service-wide assessment framework that was sorely needed in the NSW public service. For the first time, job applicants have a clear understanding of what capabilities are required to get a job in the public service, irrespective of agency.

It is evident from the cluster deep dives and Secretary interviews that the capability framework, with thoughtful review of experience and knowledge, has delivered better quality recruits. It is seeing a change from settling on “the best available” to getting the best quality people with the right capabilities and experience into jobs, and it is delivering a new discipline that encourages agencies with higher levels of recruitment sophistication to only recruit for quality and not recruit if they cannot find the talent they need.

Those who embraced the capability framework earliest and purposefully have achieved the greatest success.

Capability framework works for senior executives and for early adopters

The main trigger for early action on capabilities was the need to assess executives for senior executive roles in the wake of the Senior Executive Implementation Plan over a period of up to three years. A number of Secretaries and agency heads said that the reforms had been a tremendous asset which enabled them to refresh their organisations—to understand what they needed to take their organisation forward and who they needed for it.

“It gave us cover for the structure and necessary capabilities of the business....a real opportunity and I grabbed it with both hands.”

It delivered a genuine boost in the quality of senior executives.

More generally across the rest of the public service, I heard similar claims about the capability framework, when used properly, delivering high quality recruits, particularly from large scale recruitment, graduate recruitment, and major restructures.

One senior executive voiced the views of many committed users when he said *“the capability framework is gold”*. A new HR manager in a large organisation said *“the capability framework is very good....it’s a beautiful thing and very clever...Assessment against all capabilities facilitates mobility and delivers on quality improvement.”* Another said, *“the GSE tests merit more thoroughly....It works well for assessing transferrable skills.”*

The Public Service Commission has successfully used the capability framework to recruit high quality graduates, and is now offering cross-cluster recruitment services based on capabilities at other levels through its public service talent pools programme, which are also bringing in high quality recruits.

I consider that the capability framework has delivered a leading edge guide to the capabilities needed in the public service and that it provided a massive breakthrough in terms of establishing recruitment expectations across the NSW public service. It also provides a wonderful basis for future recruitment reforms.

Implementation problems

Once senior executive ranks were reviewed and appointed against the capability framework it seems, however, as if the public service collectively took a very deep breath and paused for some

time before taking the framework much further down through the public service hierarchy. The over-riding impression is that implementation stalled, possibly because no one really knew how or where to start on the very much larger task or because they needed more support to do so. I observed only three agencies in the cluster deep dives where they spent a lot of time engaging with employees, testing assessment mechanisms and making the capability framework work effectively for them. The rest faltered.

This is confirmed by the recruitment survey, which found that only 40% of agencies consider the capability framework to be somewhat well understood by their employees.

If you look closely at the capability framework⁶, its sixteen core capabilities, and the associated documentation that tiers down through the capabilities from foundational through to advanced, it becomes clearer why many parts of the NSW public service—used to the age-old system of job-based selection criteria, interviews, references and appointments for particular jobs—initially found the capability framework beyond their understanding, challenging to switch to, and hard to use.

Capabilities required by the NSW public sector workforce



The capability framework laid the basis for such a massive leap in recruitment expectations that it necessarily required lots of support, information and explanation to make it work as it was intended. This was not forthcoming from middle managers unfamiliar with the language; HR areas which struggled to get across the concepts themselves, having largely been processing areas and rules advisers; or from the Public Service Commission.

The best I can say about the application of the capability framework further down the hierarchy, beneath the senior executive level, is that it is less mature and often somewhat flaky, with evidence of pockets of resistance in some agencies, where compliance is merely an optical thing and in name only. For the most part, public servants didn't understand what to do with the capabilities or how to apply them across different levels. For many, from both inside and outside the public service, the capabilities might just as well be another language, which they are still struggling to appreciate.

⁶ NSW Public Service Commission, Capability Framework: NSW Public Sector.

“The capability framework is witchcraft.”

“The capability framework is detailed and extensive, but this can then make it complicated and difficult for hiring managers to apply to recruitment action.”

Unsurprisingly, the recruitment survey identified hiring manager capability and buy-in as the top two barriers to implementation of the reforms.

I heard in some agencies that managers hadn’t been taught how to develop people, making them risk averse in terms of taking the necessary leap into capability assessment and more likely to revert to what is known—experience and knowledge.

“There’s a feeling of being overwhelmed...and sometimes it’s easier to run away from it.”

It is time for simplicity and greater clarity in how to apply the new recruitment system, and more practical operational assistance from both the Public Service Commission and cluster HR areas.

Although the Public Service Commission provided excellent foundational documentation, I found that its particular emphasis on the sixteen new capabilities meant that many people struggled to understand that knowledge and experience were still important, and many thought that they were either no longer relevant to recruitment or were inappropriately being downplayed. I found, in particular, that mandating in the GSE Rules two or three forms of assessment against capabilities necessarily meant that technical knowledge and experience, which are not directly reflected in the capabilities, were downplayed, and left a question in people’s minds about where these important baseline business skills should sit. This destroyed some trust in the new system among middle managers and employees.

Paradoxically, the recruitment survey found that, after four years, 47% of agencies consider that more value is still placed on experience than capability when making recruitment and mobility decisions.

Considered together, both reflections tell us that a comfortable balance hasn’t been reached in either rhetoric or practice. The rhetorical pendulum needs to swing back a bit towards knowledge and experience (to acknowledge their importance), but without going too far, as capability based assessment is most definitely the way of the future (as discussed in the section on Future Proofing later in this report), such that the practice pendulum needs to swing more towards capability.

“The capability framework is a good benchmark for what we should look for, and a great onboarding tool for a person’s career journey....but there is not enough on fit, experience and qualifications.”

The recruitment survey found that the biggest challenges with applying the capability framework are that the capabilities are too broad for specialist roles (60%); there are too many capabilities (58%) and that hiring managers don’t understand capabilities (49%).

However, I found that the development of selective occupational capabilities in finance, legal, project management, ICT and HR to be used in conjunction with the core sixteen capabilities had deepened the confusion in people’s minds about how to judge between candidates. I also found that some other areas requiring specialist knowledge are demanding their own occupational

capabilities (or have developed their own already⁷) in order to enable them to recruit the expertise they need.

At the same time, I did not find in interviews that the areas in the cluster deep dives with occupational capabilities actually used them to any consistent degree—so, whilst the occupational capabilities are beautifully crafted, they are not very useful and add further complexity to an already challenging framework. This contrasted with the recruitment survey results which suggested that the occupational capability sets for ICT, finance and HR were in use in over 60% of agencies.

I think the problem is that many of the occupation specific capabilities are actually references to technical expertise and knowledge required to work in various fields, rather than capabilities. In the circumstances, it would be much better to use them as a basis for role descriptions and thus enable agencies to specify concisely what areas of technical experience and knowledge are needed to be recruited to the level in particular “job families”, like planning, finance, project management and ICT.

This would go a long way to address the perceived need for the pendulum swing back a bit more towards experience and knowledge; acknowledging that particular employees in specialist fields must know their craft and have expertise in their professional areas, whilst still retaining the public service wide core capability sets. It could be done by replacing the occupation specific capability sets with professional requirements in role descriptions which would vary by job family and be weighted according to cluster or public service wide needs.

The apparent requirement to test against all sixteen capabilities has worked well for bulk recruitment and where recruiters have taken recruitment seriously, but has become a box ticking exercise in many parts of the public service, where the relevance of all sixteen capabilities (and potentially twice that number for specialist occupations) is lost on both applicants and recruiters. In many areas, all sixteen capabilities are simply not relevant to what is done in any number of roles, especially where the recruitment exercise remains focused on individual jobs rather than levels.

“Sixteen capabilities is way too much to meaningfully assess...You need four or five that you can meaningfully assess. If you assess for everything, it can water down what really matters and doesn't give us fit for purpose.”

I wondered if this might be corrected by reducing the number of capabilities to the six capability leaders—personal attributes, relationships, results, business enablers, people management and occupation specific. After much consideration, I doubted that it would help because the degree of specification in the capability framework would be lost and agencies would begin to create their own rules about what it is they would be looking for and, thus, undermine the entire service-wide framework.

I found a better approach to lessen the recruitment burden of the capability framework. Despite the rules, some agencies are increasingly using “focus” capabilities, which represent the most important capabilities for assessment purposes for their agency and cluster or their particular recruitment exercises. This is sound practice and should be enabled in the GSE Rules.

It might also drive responsibility back to clusters for determining what is needed to better meet their requirements, thence opening up more visibly the ability to recruit for experience, expertise and knowledge, as well as capabilities. In turn, this rebalancing has the potential to ease the perceived deficiency of the framework in so far as it applies to regional areas, where capabilities and

⁷ 18% of agencies have developed their own capability frameworks that they use for recruitment.

knowledge and experience can be scarce to one extent or another, by supporting agencies to find people suited to the core requirements of the role and the needs of their agency.

Are the capabilities fit for purpose?

There is a lot of discussion in HR circles about whether the sixteen capabilities selected are the right ones; if they are actually behaviours or functional skills requirements; and whether they will stand the test of time. I think that they are an exceptionally good summation of what capabilities are required now to work anywhere in the NSW public service.

It is important to understand, however, that the core sixteen capabilities were never intended to remain fixed in time, and will and should evolve to meet the circumstances of the future.

I matched the core capabilities against reputable assessments of workforce skills requirements in 2020 to test their durability.

The Institute for the Future⁸ lists its top ten skills for the 2020 workforce as: sense making, social intelligence, novel and adaptive thinking, cross cultural competency, computational thinking, new media literacy, transdisciplinary, design mindset, cognitive load management, and virtual collaboration. The World Economic Forum⁹ has devised the following list of the top skills needed in 2020: complex problem solving, critical thinking, creativity, people management, co-ordinating with others, emotional intelligence, judgement and decision making, service orientation, negotiation and cognitive flexibility.

I found that the capability framework stands up pretty well in comparison, with the only apparent gaps being around: creativity, curiosity and imagination; social and emotional intelligence; data analysis; and the suite of things around the application and use of new technologies and concepts, in particular—virtual collaboration, new media literacy, cognitive load management and design mindset. I think that these skills could be accommodated within the more advanced capabilities for thinking and solving problems, influence and negotiate, and technology. However, I have a lingering doubt that this would satisfy the clear need for capability around creativity, curiosity and imagination, and high level data analytics, and I consider that these areas should be reviewed with a view to inclusion in the capability framework.

Assessment mechanisms

“The ability to bring people into an agency on a suitability assessment is a terrific initiative, and helps to bring people in quickly and easily in a way that assists the agency in carrying out its important work.”

“Using capability assessments in the recruitment process helps get a broader assessment of the candidate and their ability to do the job.”

The switch to two or three capability based assessment mechanisms (one of which is an interview) for suitability assessment and comparative assessments seems to have been widely understood, and the recruitment survey found that 67% of agencies found the distinction necessary and valuable.

For the most part, however, I found that agencies in the cluster deep dives were mainly using comparative assessments and that they were deemed to be fairer and seen to be producing higher

⁸ Institute for the Future, Future Work Skills 2020.

⁹ World Economic Forum, The Future of Jobs

quality recruits, drawn from a wider field. Suitability assessments were primarily used for short term appointments.

I think it would be helpful if comparative assessments became the default recruitment option to assess wider fields, for people coming into the public service, for roles longer than 12 months and for promotion. That would remove another level of complexity from the system. It would also remove the need for another capability assessment after twelve months where candidates from suitability assessments are deemed to be of such high quality that they should be retained or where projects are continuing.

To introduce more flexibility into the system, it would be better to leave assessment for temporary arrangements of up to 12 months to agency heads to determine candidate suitability and not to mandate a process. Current suitability assessments are, of course, useful in these circumstances, where fast deployment is likely to be necessary and an extended process is deemed unnecessary, however, they should not be a requirement in the GSE Rules.

Up to now, the Public Service Commission (through the GSE Rules and associated guidelines) has enabled agencies to rely on “temporary” arrangements for significant periods beyond twelve months. This should no longer be necessary if comparative assessments become the standard for all but short-term temporary arrangements.

“The assessment tools are not well understood by hiring managers and sometimes HR, and they are used almost randomly – inappropriate assessments are conducted as a result....hiring managers do not know how to interpret assessments.”

There is evidence that psychometric testing has been used extensively as a tool to reduce the time and process burden of two or three assessment types, but without much appreciation of whether it is actually relevant and how to apply it effectively to the process, let alone consideration of the cost involved. This is a good example of the problem I found with people not understanding how to go about assessment against the capabilities.

Many agencies sought more guidance on the best types of assessment mechanisms to use for different jobs and different levels of the public service. It would be useful, for example, if service areas knew what particular assessment mechanisms would work best for them, or if there were some reliable assessment methodologies that would work for middle manager and leadership recruitment. After four years, there is now a body of evidence that could be brought to bear, and I propose that the Public Service Commission assist agencies with the framing of capabilities; provide some best practice examples of where they are used well and the sorts of questions/assessments that might test for them; and develop some simple one-page guidance tools to assist agencies’ HR areas make the best use of assessment types.

It would also be most helpful if all hiring managers and all HR employees were trained in the application of the merit principles, the capability framework and assessment methodology, so that they better understand how to apply them and how to balance appropriately capabilities with experience and knowledge, and the fit for purpose needs of their agency.

Overall, my view is that it has taken some time for the capability framework to be accepted and that it remains a work in progress. It was a major change and necessarily took some getting used to. The experience with the framework is mixed—the capability framework is leading edge, but its implementation is far from mature in all but a few agencies. The most that can be said is that it is

generally in good use for senior executives and levels 11/12, but that its full potential is yet to be realised right across the public service.

When the then Public Service Commissioner introduced the GSE reforms he said that:

“...For the sector to fully benefit from the reforms, it is important that the Capability Framework is embedded across the full range of workforce management and development activities, including recruitment, performance management and capability development. This will facilitate sector wide capability building, mobility within and across clusters, and a more agile and responsive public service workforce that is well equipped to deliver efficient and effective essential services to the people of NSW.”

We are not yet at this point, but are getting there. The recruitment survey identified that the capability framework is most commonly and regularly used in recruitment (93%), role design (87%), assigning people to different roles (60%), performance management (60%), career development (51%) and learning (47%). It is less commonly used in workforce planning (38%) and succession planning (18%).

I am confident that, with some adjustments to streamline arrangements and restore the balance between capabilities and experience and knowledge, capability-based recruitment will eventually become the culture of the way good practice recruitment is done in the NSW public service and that, with this enhanced practice, we will come to see the flexibilities and potential of the system being fulfilled.

Capability Recommendation

That the capability framework be made easier to use by:

- a) removing the option for occupation specific capabilities; ensuring technical expertise, knowledge and professional skill sets have appropriate weight in the materials and guidance released by the Public Service Commission on the capability assessment framework, and the inclusion of professional job families into the recruitment assessment process in practice, then publicizing that this has been done;
- b) enabling the use of a smaller number of key or focus capabilities for recruitment, which provide a better fit for recruitment assessment;
- c) adjusting the capability framework at the margins to deal with gaps around creativity, curiosity, imagination and design; social and emotional intelligence; the use of technology and data analytics;
- d) adopting comparative assessment as the standard assessment mechanism for all but temporary arrangements up to twelve months, where candidate suitability would be assessed at the agency head’s discretion, without the requirement for a suitability assessment;
- e) the Public Service Commission providing more practical assistance to agencies about applying the capability framework, including one page guides to the sorts of assessment mechanisms that might work most effectively to recruit in particular areas or levels, for efficiency purposes and so that undue reliance is not given to psychometric testing; and
- f) accredited training being mandated for hiring managers and HR recruitment officers in the practical application of the merit principles, the capability framework and assessment methodology.

Time and Value

Time to recruit is necessarily higher in a system that involves more steps and more assessment mechanisms than before, unless the flexibilities provided in the system for bulk recruitment and talent pools are in place, which can reduce recruitment times substantially.

I found that even though recruitment times have reduced significantly across most agencies since the reforms were introduced (from 70 days on average in 2015 to 51 days in 2017 for recruitment rounds with one opening), the previous times to recruit were so bad that it was relatively easy to pick the low hanging fruit and provide a measurable reduction in recruitment times.

No one I spoke to for this review felt that recruitment time outcomes across the public service were sufficient and most said that much more needed to be done to reduce them further. No one expected to reach the recruitment outcome times of the private sector because they argued that the merit principles require more open and equitable processes and service-wide consistency, and many jobs in the private sector involve lower level skills. Many felt that getting better quality necessarily meant that extra time would be involved, which they did not begrudge—citing similarities with quality hire times in the private sector.

“Recruitment is a time consuming process, but if you implement it effectively, you get good value outcomes. If you don’t; you don’t get the outcomes. For those who have actively engaged with the GSE, it’s not an operational impediment...and it’s become our way of working.”

Comments such as this highlight the value seen in the push to quality hires in a public service built on merit principles, needing to be balanced against timely recruitment. However, they may also provide a convenient excuse not to fuss about time to recruit, which needs to be turned around.

“The long process means that the time to hire is longer, and we are losing high quality private sector people who pick up jobs elsewhere very quickly.”

The recruitment survey found that a good time to hire, excluding advertising time of typically two weeks, would be in the range of 4 to 6 weeks—with 31% of agencies saying 28 days, 24% saying 35 days and 29% nominating 42 days. While these time to hire expectations might seem to be mediocre, they are not too out of step with private sector benchmarks both here and overseas¹⁰. However, in the search for scarce talent or in a tight labour market, every minute counts and the longer the delays, the more likely the public service is to lose quality recruits.

Bulk recruitment and talent pools

The recruitment survey found that bulk recruitment is used regularly in just 2% of agencies for executive appointments, 18% of agencies for non-executive generalist roles, and 13% of agencies for non-executive specialist roles, which is extraordinarily low.

Where recruitment has been given priority and where both quality and timeliness have been emphasised in clusters, bulk recruitment arrangements have, however, started to mature. Agencies using bulk recruitment have tended to start small or in particular job families (such as law), then

¹⁰ A 2016 LinkedIn survey of corporate talent acquisition leaders showed 50% were comfortable with 1-2 months’ time to hire, while 30% worked on less than 30 days and 17% on 3-4 months. USA’s Jobvite estimated that average time to hire through their systems was 38 days in 2017.

have continued to develop and modify their bulk recruitment practice as they have learnt, and then extended the practice more broadly in their agencies and cluster.

Bulk recruitment in these agencies is proving to deliver reduced average time to hire and better candidates because it attracts larger fields in genuine talent competitions and the assessments being used tend to be more robust, focused and thorough.

It has taken a long while to get to this point. I found that most agencies are just starting to try out bulk recruitment. The reasons for this are many and interrelated, but they are largely around historical recruitment practice about recruiting to a particular job and not recruiting to a level and role; the fragmented nature of the public service; the failure to trust anyone else with recruitment for any other area; and the over-emphasis on experience in particular areas which has created barriers to entry and mobility.

“Hiring managers prefer to choose their own employee.”

The graduate recruitment process run by the Public Service Commission is a good example of how good practice has developed and is now being increasingly picked up with other agencies joining in and taking advantage of the great talent pool produced; albeit there are still only 17 participating government sector agencies from a potential 92. Similarly a 3/4 and 5/6 administrative officer round run by the Commission is delivering wonderful recruits to the talent pool, and they are being picked up by more and more agencies, but not all. **Attachment C** shows how service-wide programmes can be great influencers in a sea of doubters.

More hardened cases might be won over by simple arithmetics. I understand from the Public Service Commission that traditional recruitment methods cost on average about \$6500 per hire, with an average time to hire of 51 days. Use of talent pools provides significant savings by reducing the cost to hire by over half per candidate and shortening the time to hire to an average of 7 days, once the talent pool has been created.

The talent pool experience is also mixed. While talent pools are now routinely being used by various clusters for certain types of roles, many agencies are just starting to use them. Some agencies feel they deliver genuine quality pools, which they can capitalise on quickly. There is not much visibility of these pools across clusters or the public service more generally, and some agencies are unwilling to share their talent more widely. These cluster deep dive interview results are reflected in the recruitment survey outcomes, which show the variability of talent pool type and usage.

Type of Talent Pool	% of Agencies
Talent pools created/managed by the Public Service Commission	42.2
Talent pools unique to my department/agency	84.4
Talent pools shared with other NSW Public Service departments/agencies	31.1
My department/agency does not use talent pools to fill roles	11.1

Use of Talent Pool	% of Agencies
Existing employees for temporary at-level moves (i.e., temporary lateral moves)	51.3
Existing employees for ongoing at-level moves (i.e., ongoing lateral moves)	53.9
Existing employees for temporary above-level moves (i.e., acting opportunities)	74.4
Existing employees for ongoing above-level moves (i.e., promotions)	71.8
External candidates from other NSW Public Service departments/agencies	74.4
External candidates from outside the NSW Public Sector	66.7

I heard many stories of frustration that no one knows what talent has already been recognised and selected into talent pools. There is a clear need for a mechanism to enable agencies and recruiters to find out where talent pools are held and access them as and when they need to find quality people at the required level.

“Use of talent pools limits the opportunity for internal candidates to progress.”

The culture of suspicion about the new recruitment arrangements and evident lack of trust in new and unfamiliar bulk talent competitions flows over to talent pools of successful but as yet unplaced candidates. I found that many people view them with suspicion as a place for insiders (who use the system for their advantage over others who missed out on the opportunities) or for those not up to scratch (who didn't get appointed first off and no one would want to appoint later) or as a way of avoiding giving bad news (rather than providing proper performance feedback) or as another screening tool before “the talent” is reassessed for appointment in another lengthy process.

It is also evident that some agencies are treating public service wide talent pools as a “tick the box” step before advertising, assessing and selecting candidates themselves, much like the old excess employee register. This not only provides a diluted candidate experience—as matched candidates are never contacted by the hiring candidate—but also adds additional time to an already lengthy recruitment process.

These attitudes are disingenuous and undermine the great advantage of talent pools derived from bulk assessments—that is, quality recruits, fast time to hire and cost savings. They will only be overcome through the experience of trying them out and seeing what great talent the pools can deliver and, in time, growing to trust those doing the recruitment to do it well.

“Having agencies involved in the recruitment for talent pools has helped them see how robust the assessment process is and the value of talent pools. Reference checks done by people drawing upon the talent pools gives them ownership of the recruitment process.”

“There should be greater collaboration across agencies and clusters for common roles/capabilities to create the scale necessary to support a bulk recruitment approach.”

I think that few hiring managers actually understand how talent pools work. They shouldn't be thought of as recruitment to fill a job; they should be seen as touting for and recruiting talent at various levels in job families (by technical expertise or job function, such as policy or administration or service), so that when roles become available, they can be filled quickly from a list of talented

people who have already been assessed as ready and qualified for the level and role, relieving the hiring manager of a lot of time and effort.

Suggestions have been made that cluster departments should lead the embedding of talent pools:

“...have the cluster lead agency manage the pools and allow the cluster agencies access to the pools. This will drive consistent behaviour in recruitment, take away prejudices and promote the efficient use of resources to run the one model rather than multiple versions of the process in each agency.”

There are also some simple procedural fears that can be addressed quickly by:

- explaining more widely, what talent pools are about and how they work, including using case studies to promote them;
- explaining to hiring managers in agencies that they can meet with people recommended for appointment to their area from a talent pool and do their own reference checks;
- advising employees that it is worth their while to apply in bulk recruitment/talent pool rounds so that they can gain opportunities for wider experience, promotion, or acting, without having to go through an assessment each time;
- running rolling bulk recruitment and talent pool rounds so that “talent” is available for immediate appointment as and when jobs become available;
- sharing talent pools widely across and within clusters;
- managing talent pools effectively, so that they are up to date and the people on them are conscious that they continue to be in line for appointment for up to a year; and
- up to date talent pools being held centrally in the Public Service Commission where all recruiters can access the tested and available talent.

However, until fast recruitment or recruitment using bulk assessment mechanisms becomes standard practice in the NSW public service, it is necessary to introduce some indicative timeliness target performance benchmarks.

Targets could be graded according to single or two roles, groups of up to fifteen recruits, and large-scale bulk recruitment exercises, however it might be easier to simply require up to 10 days for talent pool recruits and 30 days for all other recruits, excluding advertising. Whichever approach to settling the benchmark is taken, agencies performance against the benchmarks should be reported on the Public Service Commission’s website. This will raise awareness about timeliness expectations and about the importance of timely recruitment to the effective operation of public service organisations.

Timeliness Recommendation

That the recruitment system will deliver much faster recruitment results if:

- a) bulk recruitment and associated pools of talent are understood and utilised far more widely in the NSW public service;
- b) information on people in talent pools is held centrally and made accessible—see also recommendation 10 e);
- c) performance benchmarks for time to recruit are introduced to guide clusters and agencies on efficient and effective time frames, with annual reporting on timeliness against these benchmarks by the Public Service Commission.

Valued Recruitment Support

People Matter

One of the areas where there is a marked difference between the private and public sectors is in the people value proposition, with many governments and some public services undervaluing the people function. This needs to be addressed quickly if these and future reforms in other areas of people management are to be embraced in the NSW public service.

“Everyone still thinks that recruitment is an HR issue, but others need to take some ownership of the process.”

“They are not looking through the lens of what the GSE enables us to do—workforce planning, flexibility, mobility and so much more...”

Consideration also needs to be given to the challenge of information asymmetry and engagement between the Secretaries, agency heads and the senior executives and their employees. I found a gap in communications and understanding in just about every aspect of recruitment practice between these groups, and I expect that this is symptomatic of wider problems in the public service.

Communications always work best in smaller agencies, and the challenge of managing a large, dispersed cluster make them particularly difficult. However, effective communication and feedback, and constant engagement between agency leaders and their employees about the way the recruitment system works and the opportunities it provides for a fairer and more consistent recruitment system across the public service; an even higher quality workforce; and staff development, mobility and training, is a sensible place to start to remove these barriers.

Dealing with the greater challenge of public/private sector recruitment disparities requires governance change. I consider that it is necessary to elevate people and recruitment issues to dedicated high level cluster or agency or district committees designed specifically to oversee implementation and further reform initiatives, like effective workforce planning. There are a number of these committees in operation, but, with some notable exceptions, they are largely driven by HR areas (rather than the business areas), are often at lower levels, and are not generally at the cluster level. Where the Secretary or agency head drives them, they work much better and recruitment results are faster and more embedded.

Even though Secretaries are not responsible for recruitment in cluster agencies, beyond the senior executive, cluster departments do now seem to have higher quality HR leaders, with expertise to facilitate the reforms and introduce recruitment systems and processes that might work across the cluster if provided with an institutional mechanism to do so. Cluster people committees would ensure that recruitment practice is driven by the business areas of the cluster, supported by competent HR practitioners at the centre and challenged by an external expert from outside the sector. However, if there isn't sufficient goodwill and determination to co-operate at cluster level, then larger agencies might like to have their own committee.

The way these committees work is to focus on forward looking people strategy and implementation of people initiatives more broadly. The importance of business engagement is so that business drives people initiatives and has ownership of them, which will embed change faster and deeper. It is good practice to include on the committee a high level external people leader or HR operative to challenge practices, share learnings and drive performance. I have no doubt that banks, health

insurance companies, and resources and other industries would be happy to participate in a process that they are bound to find mutually beneficial.

Overall, I find that people committees would help people leadership and management issues to be elevated to a higher priority within the public service and amongst business areas, enabling speedier take-up of improved practice over time. They would enable implementation to be better driven across clusters and down into agencies, and would assist smaller agencies and hiring areas build competence. That should hasten the bedding down and maturation of the reforms, thereby addressing one of their largest criticisms—that they have been too slow to be implemented. In turn I would hope to see the Public Service Commission being freed up to provide more value-added leadership and fewer rules-based directions to clusters and agencies because they would be building on the GSE reforms and driving further reforms.

Human Resource Focus and Capability

It is a perennial problem that, more often than not, human resource areas deal with multiple transactions about awards, entitlements, salaries, processes and rules, and have little time to add value to recruitment and other processes; so much so, that they can be deskilled, which is part of a vicious cycle where they are then under-resourced so the best they can do is deal with the demands of the in-tray, email and the phone.

“Our HR area can’t get out of the swamp into the glorious garden outside and add value because it is too busy fighting the crocodiles.”

I found that the Public Service Commission and human resource management teams in clusters have struggled with finding the sweet spot between the principles-based system envisaged in the GSE Act and the practical requirement to tell people inexperienced in recruitment what to do.

The Public Service Commission’s over-riding set of rules and guidelines necessary to create service-wide recruitment coherence has introduced another set of prescriptive legal requirements and brought with it additional layers of assessment mechanism requirements—which can take more time to gain better quality hires if they are not applied in bulk recruitment rounds. The Commission’s touch needs to be lightened up.

It needs to “ease off” its use of instructive language in policy and guidelines; condense its guidance into a single clear guide; and provide more flexibility to implement the recruitment reforms on the ground. Its consultations need to become less formulaic and more engaging, so that suggestions are heard and acted upon. It needs to become more of a business partner with clusters.

“The PSC produces good products, building blocks and architecture, but it needs to be better loved by the public sector. It needs to consult and bring people along for the ride.”

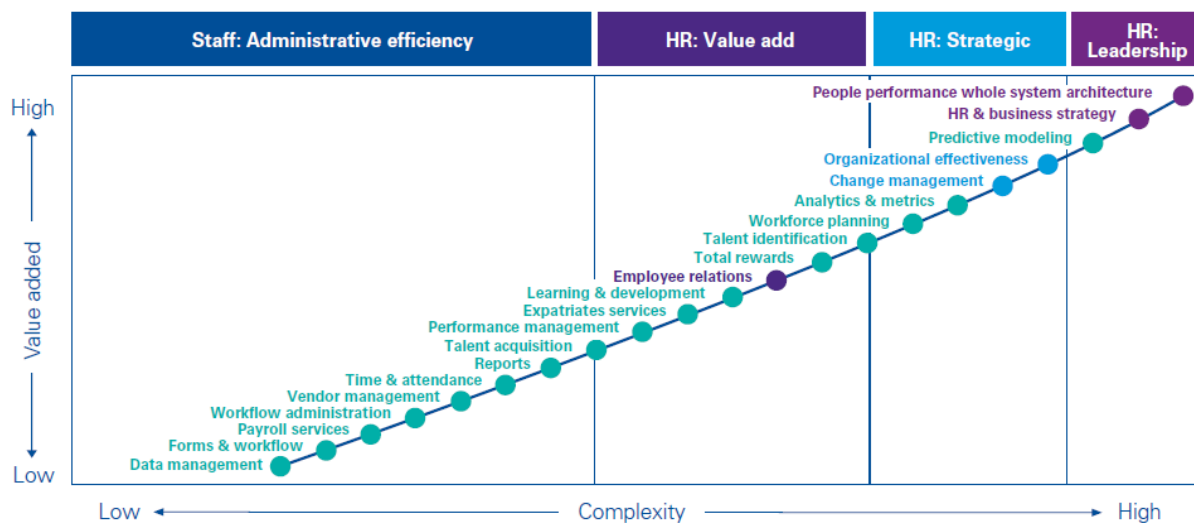
Within clusters, some HR areas have retained lots of their own or old rules and have struggled to step up and become more supportive and responsive to business areas, or are so snowed under with transactional work that they simply do not have the time to reduce the barriers to timely recruitment or provide value-added recruitment services to line areas. Many middle managers still regard them as the purveyors of the rules who delay timely recruitment, rather than thought leaders on people management and a quality resource to draw on in recruitment.

“We need people who really understand the business in HR...it should be a nucleus of experts.”

Fortunately, I found considerable evidence that this is changing, led by a series of excellent new HR executives in clusters and agencies, who are driving a process of quality improvement, engagement with the business, and renewal.

To take this further, it would be beneficial to encourage all HR professionals to achieve accreditation against a quality best practice HR program, which could be orchestrated through the Public Service Commission. The areas that might be given emphasis in such a program are highlighted in the value add, strategic and leadership elements of this HR value chain graphic developed by KPMG International.

HR Service value chain



Source: KPMG International, HR COE, 2012

I would hope to see this focus still recognise the importance of administrative efficiency, but change the emphasis more towards HR employees becoming talent hunters and strategists, digital marketers, talent market experts, talent pool developers, selection experts and true business partners.

I found that much is already being gained in HR by thorough reviews of processes internal to agencies, which are being found to be based on the old rules-based system, and not required in practice or unnecessary.

In some clusters, HR areas have introduced business partners to work with hiring managers to assist them through recruitment processes and support timely appointments.

In some agencies, HR is looking to provide consultancy-style executive search functions to replace the more costly and not always effective process led by external executive research firms. This involves establishing a dedicated search team, comprised of experts who understand the needs of the business, seek out targeted ways to locate and attract external candidates with relevant expertise, build relationships with these candidates, assess their effectiveness, and put them in talent pools ready for rapid deployment as and when jobs become available.

I strongly endorse the development of in-house expert recruitment teams in clusters as they have the potential to transform recruitment processes in the NSW public service. These arrangements would change the recruitment landscape from one where it is left up to the candidate to find the

job, there is limited engagement with them and it is difficult for a candidate to stand out, to one where:

- clusters seek out and find the best candidates for their agencies;
- talent is targeted directly beyond the passive job advertisement approach;
- the NSW public service's reach can be extended beyond the service to both passive and active job candidates; and
- the public service's and cluster's brand appeal can be developed and/or focused on particular skill needs and areas of candidate interests.

There are signs of some HR areas taking on the challenges that hiring managers have in dealing with the complexities of recruitment and the time it involves, by relieving hiring managers of a lot of the recruitment burden by taking on greater responsibilities in and around initial screening, assessment and applicant feedback. These are all evidence of good practice, which should be shared and replicated.

Underlying these efforts is a growing awareness among HR practitioners that human resources areas are there to support and add value to the business, rather than control it. We need to see more of it in the NSW public service, with customised customer service becoming the mantra of HR practitioners.

It is never easy to preside over a system that is so very different between its many parts and so complex to oversee, in a public service that I found to be far from united or identifiable as a common service under the banner of *I work for NSW*. And yet, this is the task of the NSW Public Service Commission, and it has done it well. Of course, there are still so many centrally driven rules and guidelines in such a lot of areas, driven either by the Commission or agencies, that it is a work in progress.

Once a higher level of recruitment capability and maturity has been achieved more generally across the public service, much will be gained from the Commission conducting an annual review of its regulations (Rules, guidelines and policies) in consultation with HR managers to reduce the rules and red tape it has imposed in order to provide consistency and guidance. I judge that 2-3 years out from now would be the right time to start in earnest across the entire public service, but I consider that existing standout areas could be further incentivised now by some selective relaxation of the rules, which would give them greater freedom to innovate and latitude to improve efficiency.

In the meantime, the Public Service Commission has already taken some advice from HR cluster leaders about what can be done to improve the recruitment system, and this should be acted upon immediately. The sorts of things that have been identified that the Commission could do to help agencies out are:

- advice on how to negotiate the requirements of the recruitment process and the sorts of assessment mechanisms that work for generic cross-sector roles; and
- develop an on-line clearing house for agencies to share templates and information, "how to" guides, sample interview questions or assessment exercises, and work sample assessments.

There have also been developments in talent analytics which might highlight what capabilities predict the best recruitment outcomes (performance, promotion and determination to stay). Further work could be done by the Public Service Commission in collaboration with clusters to provide those performance metrics and to assess which recruitment tools work best for which kinds of jobs and levels.

Technical Support

These days it's virtually impossible to work without effective and reliable systems in place.

The Government recognised this and funded a new e-recruitment system, using the Taleo platform. Despite some HR professionals appreciating what Taleo can do, I found that Taleo is providing a barrier to effective recruitment practice. More often than not, I heard that it was "*clunky*" and not at all user friendly—repetitive, lengthy application process, re-entry of detail already provided and so on—and that it discourages applicants.

"...during a recruitment round, HR fielded 50 phone calls regarding Taleo; of these 50 people, 33 did not submit an application."

Not surprisingly, 33% of agencies in the recruitment survey said technology was one of their top three barriers to implementation of the GSE reforms, and only 33% of the agencies that are using or have used Taleo said that the system meets their needs.

For hiring managers, the Taleo system is manual and inflexible, and systems adjustments to meet agency needs can take some time to introduce. While Taleo can produce management reports, like time to hire, there are few mandatory fields and this affects data accuracy. There are also some functionality gaps around a cross sector view of mobility opportunities, recruitment activities in process, and of much-wanted talent pool outcomes.

However, in spite of its problems, the Taleo system does provide the *only* cross-sector credible source of crucial recruitment metrics¹¹, which are necessary to understand recruitment practice and outcomes.

Following the introduction of Taleo between 2009 and 2012, human capital management systems were also endorsed by the Public Service Commission, with some operating principles, including the provision of data to the Commission so that the two systems would align seamlessly.

Human capital management systems are designed to provide visibility of capabilities, skills, experiences and aspirations, which can help agencies understand and plan their workforce and access the capabilities they need when required. Cluster agencies are investing heavily in these systems. The result is that these developments and Taleo's challenges have provided the impetus for a number of agencies to signal their intention to move away from Taleo in the next 3-5 years.

Unfortunately, the agreed human capital management (HCM) operating principles and recruitment metrics are not always applied or forthcoming. Moreover, the information collected on Taleo during recruitment is not following successful applicants into their new role, and insight into their capabilities and gaps is lost to the sector.

The dilemma about Taleo's future and these major problems with interrelated HCM systems, need to be addressed.

At a minimum, the Public Service Commission needs the information and data that it requires in order to be able to analyse and support recruitment and perform other people management functions for the NSW public service, so mandatory data fields must be put in place and access be provided to this information. Moreover, consistent operational standards need to be put in place throughout the sector. The sorts of improvements required are: improvement in data quality; mandated fields; development of a system-agnostic solution which covers both Taleo functions and the agency HCM systems and enables visibility of sector recruitment activities, talent pools and

¹¹ These metrics include: recruitment decision time, time in workflow steps (a proxy for applicant experience), mobility within the public sector, external applicant rate, recruitment source ratio (which compares the number of internal to the number of external hires), drop off rate for applications, use of talent pools, bulk recruitment, recruitment firms, and diversity outcomes.

mobility opportunities; repetition for applicants be removed; flexibility be introduced for agencies to configure the workflow to their particular circumstances; and that as many processes as possible be automated¹².

I considered if Taleo should either be replaced with a better solution, or fixed so that the needs of the sector are better understood and met. The reality appears to be that most, if not all, clusters will have migrated to their own human capital management systems within a few years and that many of these are likely to use one particular system. Taleo will be overtaken.

It seems to me that the only solution is to accept the reality that many agencies are moving away from Taleo and find ways and means to link and integrate the relevant cluster human capital management systems so that data can be obtained and exchanged; all agencies are included by whole of cluster HCM systems (not just those able to afford to buy them); and that the systems develop using common standards, principles and updates so that:

- individual public servant's details and records can move seamlessly between different agencies and clusters;
- agencies' data can be transferred to different HCM systems after machinery of government changes;
- service wide people data requirements can be met; and
- the user interface is simple, easy to use and is consistent regardless of the background system used, irrespective of the sorts of users and their requirements.

This is a major project, so it would be wise to progress the transition to new cluster HCM systems as soon as possible through a cross-sector working party to establish consistent technology, frameworks and effective operating arrangements, including connectivity, information and public sector-wide coverage for the new systems.

Valued Support Recommendations

1. That clusters provide institutional priority to recruitment by:
 - a) addressing the communications gaps apparent in the public service which are impeding information and engagement with the recruitment (and likely other) reforms;
 - b) extending corporate governance by establishing cluster (or district) people committees, comprising mainly high level business managers and including an independent external people expert, to drive the implementation of the GSE Act reforms and proactively pursue workforce planning, people leadership and management goals.
2. That agencies are freed up to recruit quickly and effectively by:
 - a) transforming human resource areas so that they focus on customer service to their business areas by—
 - i. helping people to use the recruitment system;
 - ii. telling them what they need to do to make it work well and faster;
 - iii. taking some of the load off line areas by taking on some of the screening and assessment processes which need specialist expertise;
 - iv. providing in-house expert cluster recruitment teams to search, source and engage possible new recruits;

¹² In addition to this, it is apparent that some other jurisdictions are having some success in this area, with the Victorian public service adopting a HCM suite with integrated e-recruitment, which allows for end to end reporting, including performance measures, and the Australian Government adopting employee profile platforms that are accessible to the whole public service.

- v. upskilling to accredited best practice standards;
 - b) reinforcing the principles-driven recruitment system by taking out unnecessary process, inflexibility and central direction, and streamlining guidance material;
 - c) the Public Service Commission providing best practice examples, “how to” guides, talent analytics, and stronger support for recruitment, as well as training and development of HR personnel;
 - d) the Public Service Commission conducting an annual review of recruitment red tape once there is a higher level of recruitment practice maturity across the public service—likely in 2020-21;
 - e) agencies judged by the Commission to be leaders in the GSE reforms be incentivised through fewer mandated requirements than other agencies.
3. That a high level working party be convened to progress the transition to new cluster-wide human capital management systems for the NSW public service (to establish consistent technology, frameworks and effective operating arrangements, including connections between systems, information and public sector-wide coverage for the new systems), so that recruitment systems are easy to use and work together seamlessly and effectively to provide important recruitment and workforce information that is accessible and transferrable between agencies and maintains intact individual public servants’ historical records.

Movement Matters

The GSE reforms laid the basis for increased mobility across and into the NSW public service by providing a common capability framework, with generic and transferrable skills, and appointment to level rather than specific jobs.

I found, however, that this flexibility has not been used to any great extent, with mobility remaining a concept that is foreign to many in the NSW public service and the different award arrangements between different agencies making it challenging to address.

“Mobility isn’t common. It’s not accepted internally, let alone across the public sector.”

According to the 2017 Workforce Profile Report, only 1.9% of employees in the public service moved between agencies and 2.8% of the senior executives in the public service moved between agencies in 2016-17. There is no data on within-agency movements¹³, which is likely to be very much greater.

The recruitment survey found that 60% of agencies recognised the value of mobility, so I am sure that we are seeing more mobility within agencies. However, all Secretaries said that more mobility was needed. To achieve this, some deep cultural issues need attention.

Job Ownership

I found that recruitment to level and role is still a faraway concept for most NSW public servants who have come to expect their work as “a job for life”. Only 27% of agencies said in the recruitment survey that their employees understood that they do not own a role.

In every agency I visited, I found strong connection to local workplaces and evidence of a reluctance among employees to come to terms with the fact they are employed at a particular level and assigned to a role, and no longer own a particular job. Even though they may have moved on to other opportunities, they still lay claim to “their position” until they are appointed formally in a comparative assessment to a new position, and resist the role being filled on anything other than a temporary basis.

I surmise that this reflects a cultural expectation of security of employment in the public service and a lack of trust that security will be assured going forward as agencies restructure, bosses change and roles are removed. This is reinforced in two ways.

First, by the practice in some agencies to focus on establishment or specified jobs and levels by area. While this might be for budget management reasons, it reinforces employees’ expectations about there being something special about “their position” and undermines appointment to level and role. The practice needs to be done away with.

Second, by the fragmented and strongly siloed and competitive nature of many agencies, which works against employees considering options elsewhere or being judged and accepted as being competent to work in another silo. Experience and technical knowledge is still used as an excuse for recruitment from within immediate work areas, and as a barrier to internal mobility and external recruitment.

“You climb up through your silo.”

“Volunteering for mobility doesn’t occur because there is too much risk in letting people go.”

¹³ Because the Public Service Commission does not currently have a reliable way to measure within-agency movements or to extract the data from agency systems where it is available.

“Public servants can’t see how their skills are transferrable, and managers aren’t good at identifying capability over requirements associated with a task.”

“People still want to recruit within their patch—a trusted quantity, not someone brought in...”

It is possible that the non-executive work level standards that the Public Service Commission is developing will facilitate mobility by building on the capability framework to provide a clear reference point for what can be expected at each level of the public service. However, much more is necessary to make mobility an expected cultural practice in the NSW public service.

In the broader Australian workforce, employees with wider experiences tend to be more attractive to employers. Public service hiring managers need to see mobility as a fast and effective way to bring new ideas into the workforce, and to respond to workforce skills and cultural needs—enabling them to respond more rapidly to service needs and plan for large systemic changes.

“Where mobility has been embraced, it has refreshed organisations.”

NSW public servants’ eyes need to be opened up to the opportunities mobility provides for them, as employees of a large public service, to experience new areas of work, increase their knowledge, and to develop their capabilities.

“Where people move around, they gain experience and grow in their appreciation of what can change and what is possible.”

The merit principle and the capability framework underpin mobility. The Public Service Commission found in its discussions with HR practitioners that hiring managers require additional support, training and direction to better understand hiring for capability and transferrable skills in order to facilitate mobility.

If mobility is to be understood as the way things are done around here, there also needs to be an expectation that the employees will move, especially if they want promotion. One way agencies might choose to encourage mobility is to consider it first when they are looking to fill a role from across the wider public service. That means they would need to let their employees know more systematically as mobility opportunities become available, probably through pop-up advice on phones or computers.

As most Secretaries cited mobility as the necessary next step in the reforms, it is important for them to lead the way with mobility and to move around between clusters. Secretaries and agency heads should also be reviewing their senior workforce regularly, and enlisting their support to move around and take up new or other challenging opportunities in an orchestrated process of agility. Senior executives could also intervene more to encourage incumbent managers to approve, rather than reject, their staff moving into new roles. By freeing up the system, mobility will be legitimised and other public servants will come to see it as normal practice.

This could be helped along if the Public Service Commission were to become a virtual provider and facilitator of public sector mobility pools through use of sector wide talent pools for public servants.

“We should have one common employee and organisation data set and career/succession system for all agencies to use, enabling employees to flag their career interest in roles across the NSW public service and managers to interrogate it for potential fit of flagged employees to position requirements.”

Rationalise Provisions

There are really only two types of public sector mobility—within agencies at level or on promotion, and into (and out of) agencies from either outside the public service or from another agency (and vice versa).

And yet, I found a bewildering array of mobility options in the NSW public service that were embedded across multiple different policies and guides and took days to decipher. Mobility needs to be simple to understand and negotiate, if it is to be facilitated. The mobility provisions need to be reduced from the current 32 variants—different combinations of assessment processes, advertising standards and movement types—down to three generic arrangements, which should apply across levels:

- movement at level within and across agencies occurs without any advertisement or assessment process determined at the discretion of the Secretary or agency head or their delegate, in reflection of the fact that those concerned have reached the level of competency required at their level¹⁴;
- movement to a higher level role within the public service on an ongoing basis or on a temporary basis for more than 12 months, and any offer of new ongoing employment requires advertising and a comparative assessment;
- movement to an above level role for less than 12 months or an offer of new employment for less than 12 months requires Secretary or agency head or their delegate’s satisfaction that the person is suitable for the role.

Beyond these standard minimum requirements, the application of the merit rule would be at the discretion of the agency. This would not preclude additional requirements above this minimum should an agency head deem it necessary for internal purposes. So far as is possible, movements between other public sector agencies and the public service should be consistent with this approach.

Public sectors everywhere have made a meal out of “temporary” employment arrangements of all kinds—actings, secondments, and so on. There is a vast array of rules and guidance associated with these arrangements in the NSW public service, and temporary and long-term acting arrangements are commonplace across the public service. The fact is that virtually none of these arrangements involves genuine *temporary* employment because just about all of those concerned are *ongoing* public service employees¹⁵.

It may now be timely to stop focusing on temporary work arrangements and instead operate on the basis that the NSW public service is comprised largely of ongoing employees who will move between different job roles or types, and that all jobs will change, some quicker than others, but they will all change in what they require, how they are done and whether they exist. Such movements should eventually become second nature and part of the way things are done in the public sector; much the same as they are done in the commercial sector. As this approach develops, the NSW public service may well see a strong NSW government internal labour market, which may provide a powerful solution to people sourcing challenges into the future.

It is now time to draw a firm line under temporary employment arrangements, including new temporary employments, secondments and acting—if people are to be continuing in the role, then advertisement and comparative assessments are required. This is consistent with moving away from

¹⁴ This would not preclude advertisement or a selection process should an agency head wish to test the field.

¹⁵ Around 89% of the public service are ongoing employees, as measured by full-time equivalent, or FTE.

variously describing different types of employment, and will also enable more effective workforce management, greater flexibility and work along project lines.

Mobility Recommendations

That mobility should become an expectation across the NSW Public Service, with:

- a) leadership from the top, through all Secretaries moving between Secretary positions after 5 years in their appointed position;
- b) Secretaries conducting annual senior executive and level 11/12 mobility rounds where they select employees, including those from non-departmental agencies, to be moved at level or act at a higher level to grow senior capability;
- c) those beneath the senior executive being kept informed of mobility opportunities in real time and encouraged to take up opportunities for mobility and development at level or across the public service, including for project work or acting while someone is on extended leave (rather than engaging contractors to fill in).

That mobility be facilitated by:

- a) rationalising mobility provisions down to three global movement arrangements:
 - i. movement at level within and across agencies occurs without any advertisement or assessment process determined at the discretion of the Secretary or agency head or their delegate (as is currently the case with senior executives);
 - ii. movement to a higher level role within the public service on an ongoing basis or on a temporary basis for more than 12 months, and any offer of new ongoing employment requires advertising and a comparative assessment;
 - iii. movement to an above level role for less than 12 months or an offer of new employment for less than 12 months requires Secretary or agency head or their delegate's satisfaction that the person is suitable for the role.
- b) providing no further extensions to temporary arrangements (including new temporary employments, secondments and acting arrangements) beyond a year;
- c) helping public servants understand that as ongoing employees they will move between different job roles or types over short or longer periods, that those moves don't need restrictive labels, that all jobs will change, and that such movements do not affect their ongoing employment status;
- d) the Public Service Commission releasing new non-executive work level standards which complement the capability framework;
- e) the Public Service Commission acting as the facilitator of mobility pools for common roles in the public service; and
- f) the vestiges of the old system of establishment and structures being removed as a budgeting tool and replaced by the more flexible system of working within a budget envelope.

Diversity and Inclusion

Diversity refers to the seen and unseen characteristics that make each of us different. When applied to the NSW public sector workforce, diversity means that the workforce reflects the breadth of difference that exists within the NSW community. Inclusion, on the other hand, is about involvement and empowerment, where the inherent worth and dignity of all people are recognised.¹⁶

A workplace built on diversity and inclusion drives creativity and innovation, and is better able to understand its customer base.¹⁷ It is also more likely to be a fairer workforce, and reflective of the application of merit in recruitment.

Building a diverse and inclusive workforce is, however, not always easy—as organisations start from behind with their existing base—and it requires defined strategies to succeed. From strategic workforce planning to recruitment activities and even articulating organisational policies and procedures, effort must be made to promote inclusion.

During recruitment processes, diversity and inclusion should be considered from the outset, that is, when determining the capabilities and skills required for a role, when developing the job description and assessment methods and when building the selection panel.¹⁸ Recruitment and selection processes must be accessible and applicant friendly to people from diverse cultural and linguistic backgrounds, and use content and language that reflects the principles of inclusion, diversity and cultural competence.¹⁹

The recruitment survey found that only 40% of the agencies surveyed build diversity and inclusion into their recruitment and mobility activities from the outset. This means that if strategies to address diversity and inclusion are considered at all, it is at the end of the process, when the strategies are less likely to make a meaningful difference.

One method for ensuring fair and meritorious recruitment is to address unconscious bias, which can impact recruitment of individuals who may be the subject of this bias.²⁰ However, only 35.6% of the agencies surveyed indicated they have taken steps to do so.

When asked in the recruitment survey about attracting diverse talent during interview sessions, most agencies identified strategies to increase the proportions of women and Aboriginal and Torres Strait Islander people in senior leadership. The survey confirmed there is focus on these aspects of diversity: 51% of agencies said they have a defined attraction strategy for Aboriginal and Torres Strait Islander persons, and 33% said they have one for women. This focus is likely the result of Premier's Priority 9 – *Driving public sector diversity*, which requires agencies to take steps to increase the proportion of women in senior leadership roles in the NSW government sector to 50% by 2025, and double the number of Aboriginal and Torres Strait Islander people in senior leadership roles in the NSW government sector, from 57 to 114 by 2025.

Unfortunately, it appears that this focus on achieving these targets may have resulted in less attention being directed to other aspects of diversity. The recruitment survey found a comparatively

¹⁶ NSW Public Service Commission, People Matter 2017, NSW Public Sector Employee Survey, November 2017.

¹⁷ NSW Public Service Commission (2017) Diversity and Inclusion in the NSW Public Sector: A conversation.

¹⁸ National Disability Services (2016) Building a diverse workforce – practical strategies.

¹⁹ National Disability Services (2016) Building a diverse workforce – practical strategies.

²⁰ NSW Public Service Commission (2017) Diversity and Inclusion in the NSW Public Sector: A conversation.

small proportion of agencies had defined attraction strategies for a number of groups, including people with a disability (29%), culturally and linguistically diverse people (20%), veterans (7%) and LGBTIQ+ people (2%).

The Australian Public Service is the only jurisdiction where rates of employees with disability have increased, and this was after a concerted effort to improve on its earlier poor performance. There is an opportunity for NSW to explore the Australian Public Service Commission's *RecruitAbility* scheme and its possible application to the NSW Government's recruitment framework.

Merit is intended to enable the best people from the state to work in the NSW public service. As the best workforces are the most diverse, the public sector must consider diversity in the application of merit to ensure the workforce is innovative, productive and reflective of the community it serves.

Diversity Recommendations

That agencies give priority to all aspects of diversity as part of their application of the merit principle in recruitment and have diversity and inclusion as upfront considerations before jobs are even advertised.

That the Public Service Commission provides strategic leadership and support to the NSW public sector to improve its diversity outcomes.

Future Proofing

With the obvious need to focus on the raft of changes introduced with the GSE Act, clusters have spent less time focusing of the future. Workforce planning is in its infancy. Cluster deep dives and discussions with Secretaries indicated that agencies are alert to the fact that they should be planning for the future, but unclear about what that will mean in practice, particularly as more immediate needs often intervene and disrupt the best laid workforce planning intentions, or machinery of government changes derail planning pathways. There are, however some particular imperatives for change.

Demographic Change

The public service is experiencing a generational demographic change, the like of which hasn't been seen since the Second World War cohort of public servants retired—sweeping in a new younger generation of educated and committed baby boomers who shepherded many of the changes to the social, economic and political fabric we see in Australia today.

The next round of major change will be driven by the millennials, aged 18-34, who will be around 64% of the total workforce by 2025—just seven years away.

Millennials are empowered with education, skills, and increasing wealth, and they are interconnected, with access to information that can be manipulated globally in a powerful way. They're ambitious to change not just their country, but the world. We should not be thinking of millennials as demanding and entitled, and start respecting them as the demographic that will lead progressive thinking, chase solutions to seemingly intractable problems, and push community standards and business product experience as we go forward. They are looking for new opportunities to drive new agendas; and want to work for organisations with a strong social purpose that will have an impact on the way things are done here and across the world. They expect employers to invest in them. What an opportunity for the NSW public service!

At the same time, we are living through an information and communications revolution that is changing dramatically the way Australians work and live, that will change many of our public institutions fundamentally and change completely the way the public service does business.

This revolution is best shepherded by younger millennial leaders who are more familiar with the potential that this new world provides; who have the energy and know how to deal with the 24/7 cycle; and who have been brought up with personalised technology that they are comfortable to use for a multitude of purposes.

And yet, today only 24% of the NSW public service workforce and 5% of senior executives are millennials. Somewhat more encouraging is that an estimated 58% of the public service has graduate qualifications or higher.

There is a particular need for government to engage quickly with this demographic as they will shortly have the numbers to determine how government delivery mechanisms need to change to meet their needs and expectations, and they will drive where government policy and strategy goes in future.

To make this happen, the NSW public service must recruit many more new, highly qualified graduates to lead and to take the public service forward. The best of them, with clear leadership potential, should be selected for a fast track into positions of strategic influence through a public

service wide programme that facilitates career progression, mobility, development and advancement for top recruits from each year's Public Service Commission graduate programme.

Great Leadership

This sort of focus on the talent pipeline should, of course, be extended beyond the graduate cohort to other levels of the public service who demonstrate as potential managers, senior executives, Secretaries and agency heads. Current development programmes focus on a very small group of high potentials, however, this review highlights the need for wider leadership and management training across the public service as a whole.

At senior executive level, HR managers need to take the talent management process forward as a means of educating executives about their current capability levels and laying the basis for mobility to another role. They also need to look at the capabilities of recruits and determine where they can add value in clusters and the wider public service.

Most importantly, this review has highlighted the need for Secretaries, agency heads and senior executives to lead and drive people leadership reforms. In my experience, very little happens in the public service unless it is driven home from the top and disseminated effectively across organisations. More of this needs to be done in NSW.

Good candidate experience

Everyone likes to be treated with courtesy and respect, and for millennials, the experience is everything. Over many years, the public service has treated its candidates badly by not keeping candidates abreast of what is happening in recruitment exercises; by creating recruitment processes that are difficult for most people to understand and engage with; by leaving them waiting for months for any news or losing contact with them; and by not providing quality performance feedback on how they went and what they might need to focus on to address identified deficiencies in their capabilities and experience if they were not successful in the process.

“The system is full of tripwires and trapdoors. If you aren't familiar with it, it's hard to break in. The amount of time, number of hurdles, and general uncertainty about where you are up to in the process makes some people think it's too hard. In the private sector, you always know where you are in the process.”

The private sector provides a much better candidate experience than the public service. If the NSW public service wants to compete effectively for talent, it will need to improve its candidate care and engagement with candidates, and provide a more individualised experience. It will also need to survey its new recruits and get their feedback on how the recruitment process and their on-boarding could work better.

“The public service needs to be seen as a mainstream player for opportunities.”

The public service will not be perceived as the mainstream while its longstanding process of standardizing advertisements for positions and providing impenetrable information—that often fails to explain simply what the job is about; what skills, experience and capabilities are being sought; and why the public service is an exciting, interesting and important place to work—continues.²¹

I found that the public sector's processes for sourcing talent are largely passive (sprinkling a few advertisements about the place and generally on-line), but that there are examples of active

²¹ However, it is difficult to reconcile targeted job information with bulk recruitment.

engagement with universities, colleges, business, the not-for-profit sector, job fairs, research areas, or other jurisdictions and contingent labour to source talent. The practice of leaving most of the impetus to work in government up to enthusiastic individuals to seek out roles is unsustainable. The public sector has a good story to tell, that is attractive to most people, but it must step up its marketing, networking and candidate care if it is to draw more quality people in from other sectors and universities. This will be an important role for HR areas as we go forward.

Recruitment is only the first step in this process.

“Recruitment is a development story...not purely going for a job.”

A sound system of induction is necessary for all newcomers to the public service and people who have moved to new areas or different agencies so that they understand the operating environment; the ethical and government framework; key rules, policies and processes; their particular roles and responsibilities; and the major challenges the area and agency faces.

Careful placement of new recruits with effective and caring managers will contribute to retention and a productive workplace. There is little to be gained from placing people with enthusiasm and new ideas with managers who stifle creativity or resent talent, are not open to doing things differently, who fail to see the purpose and value of the work, and who manage change poorly. Good leaders will grow their talent and will not be frightened to select people who are either better than them or who can take the area further.

Effective development and performance feedback on an ongoing basis about how to go about the role, what and who they need to know, and how the recruit is doing is important. The recruitment process of assessment against the capability framework provides a very useful tool to good managers to help them consider the recruit's development needs, and this can be built on by experience in the area and opportunities for movement and development training.

“Employees want feedback from their managers, but managers are questioning why have to do performance management.”

Regular engagement with recruits about their work, rather than lengthy and process driven performance management by reluctant managers gives the recruit opportunities to develop and grow, and lets them know that they are cared for and valued in the workplace.

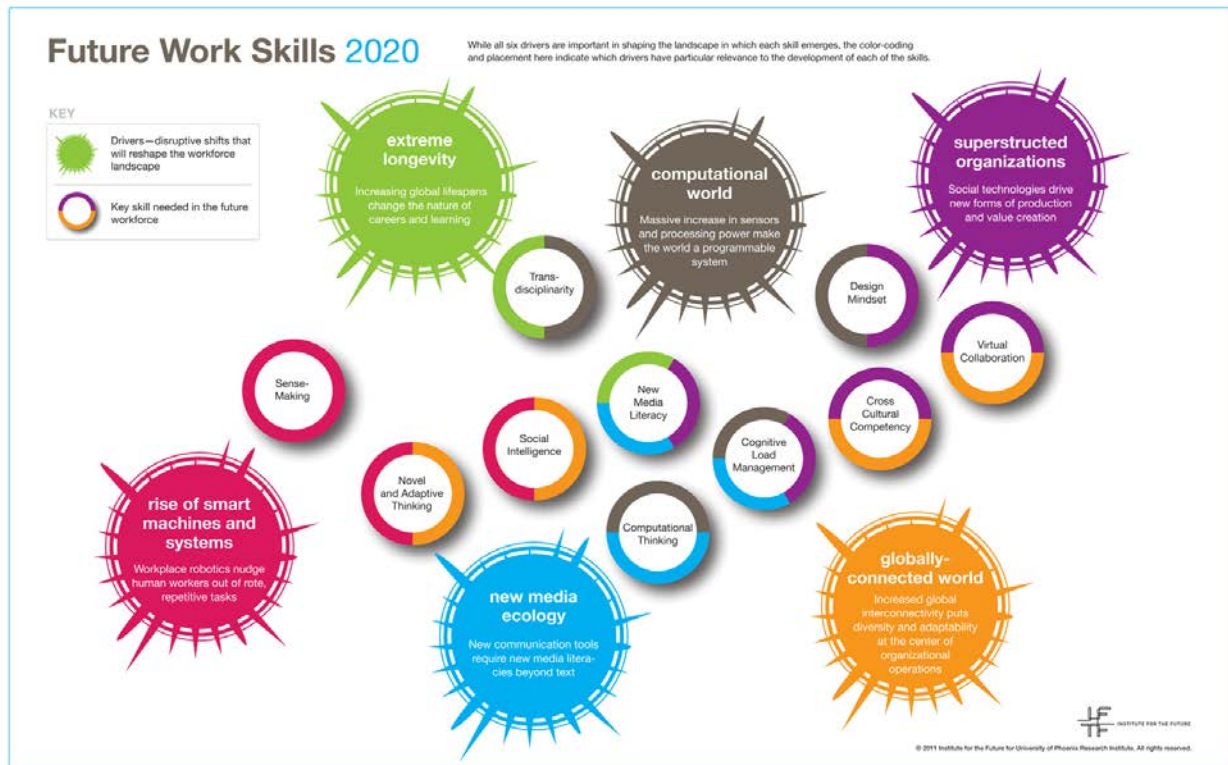
The Burning Platform is Now

Beyond the immediate experience of robots and disruption of much that has gone before, there is a level of fear and uncertainty about what the future will bring to the public service and how it should respond to those changes. Although the high level of uncertainty makes it difficult for agencies to plan for the future, it is not an excuse for the absence of workforce planning and should provide an added impetus to do it.

There is a great deal of research considering the future of work. Not only have traditional sources of employment seen drastic reductions as machines replace humans in completing repetitive tasks, but the very concept of what a career is has changed from a lifelong job to a series of 'gigs' interspersed with learning and skill advancement throughout. Research from the Organisation for Economic Cooperation and Development and the Foundation for Young Australians suggests skills and

capabilities will likely become more prominent than applicants' prior roles or experiences and be used increasingly by employers in recruiting the most promising candidate for a role.²²

The work of the Institute for the Future, in highlighting disruptive shifts and how skills must change in response, illustrates just how important planning for the future workforce will be for the NSW public service.



Source: Institute for the Future, Future Work Skills 2020.

The Rustat Conference²³ in 2016 identified that changes in workforce structures are beginning to demonstrate that 'gigs'—short-term contracts for independent workers to fulfil a specific need or complete a task—are becoming the new norm. With increases in part-time, task-oriented work, millennials are increasingly realising that rather than having to choose the right job, they must instead acquire the right skills to succeed in a highly automated workplace.²⁴

This is already happening to some extent, as Australian governments are increasingly outsourcing jobs requiring specific skills and capabilities to contractors and consultants. As the list of professions working on a 'gig' basis expands to encompass project-based work,²⁵ it is possible the public sector will begin to use the increased flexibility the 'gig' economy can bring to fill skill gaps and encourage mobility across functions. However, contract employment can be expensive and can limit the opportunities for current public servants or other externals being engaged through a more competitive process. It will be important for the NSW public service to determine how it engages with the 'gig' economy and reconciles this with its large ongoing workforce.

²² OECD, 2017 and Foundation for Young Australians, 2017.

²³ Rustat Conference, 2016.

²⁴ Foundation for Young Australians, 2017.

²⁵ Hopkins, 2016, <https://insightsresources.seel.com.au/gig-economy-changing-world-work>

As millennials increasingly push forward their skill sets over their experience, the Foundation for Young Australians argues that it will be up to employers to widen their search terms when recruiting and increasingly target transferable capabilities over prior positions to ensure they are taking advantage of the most promising candidates.²⁶

SEEK maintains that government, health care, senior executive management, and science and technology, were perceived as professions protected from significant technological change,²⁷ but that this is not necessarily the case anymore.

As the OECD²⁸ notes, public servants in the future will need to be able to synthesise the experiences of multiple sectors and agencies rather than being experts in one particular field, and be able to understand how to deliver timely analysis to meet present needs. The two-fold issue governments today face is how to identify skills which will be valuable both today and into the future, and how the public service “...can invest in these skills – through attraction, recruitment and development...” to ensure policies and government functions are consistently improving.

In commissioned work it has done for the Public Service Commission, Deloitte has outlined in work that is **not publicly available** the drivers that it considers will shape the future workforce in a digital world:

Leaders need to think, act and react differently to make their organisations succeed in a digital world:

<p>THINK Differently</p>	<ul style="list-style-type: none"> • Conceptualising possibilities in a virtual world • Handling ever-increasing cognitive complexity 	<ul style="list-style-type: none"> • Thinking divergently about new ways of doing things • Making decisions quickly without all of the information
<p>ACT Differently</p>	<ul style="list-style-type: none"> • Adapting to constantly shifting power and influence • Valuing the contribution of new work partners and different interest groups 	<ul style="list-style-type: none"> • Collaborating with ease across many different teams • Investing huge amounts of energy into getting things right; try, fail, try again
<p>REACT Differently</p>	<ul style="list-style-type: none"> • Tolerating an environment of risk and ambiguity • Showing resilience in the face of constant change 	<ul style="list-style-type: none"> • Being brave in challenging how things are being done • Having the confidence to take the lead in driving change

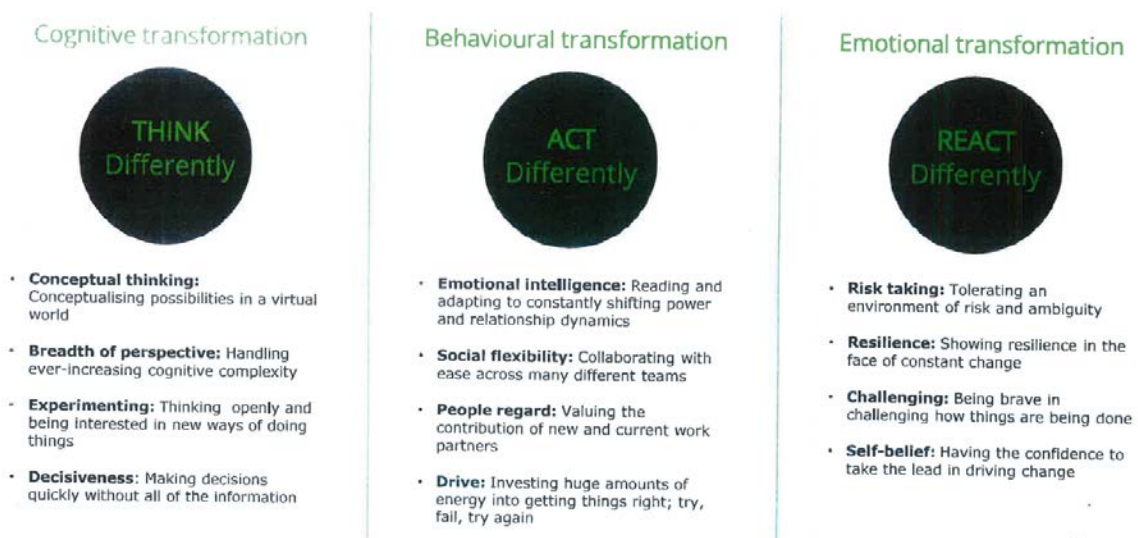
Source: 1. Global Center for Digital Business Transformation, 2015.

²⁶ Foundation for Young Australians, 2017.

²⁷ SEEK, 2018.

²⁸ OECD, 2017.

...and the transformations in thinking, behaviours and reactions that Deloitte believes will be required in the future workforce:



KPMG International has done some leading edge work²⁹ which also makes clear that people and digital labour will increasingly coexist in organisations, and that smart organisations will create a productive integration, rather than a destructive one. KPMG does not assume that the world will change overnight, but it does contend that technologies will pick up more of the day to day, transactional and service channel jobs, while skills around perception and manipulation, creativity, social interaction and social intelligence will be in demand.

There will also be an opportunity to review overall workforce structures and examine how and where artificial intelligence can add value to the service delivered by the public sector. If the public service is going to stay ahead of the game, it will need to develop significant capability in data analytics.

Most importantly, part of this reform will require public service leaders to ensure their staff are prepared to adapt to these changes and operate in a new environment, which includes ensuring public servants are constantly honing and improving their skills and capabilities into the future.

There was a decision taken a few years back that clusters would assume responsibility for employee training and the Public Service Commission would take responsibility for high potential talent programmes via the Leadership Academy, and funds were allocated accordingly. I did not see much evidence of widespread effective training in many agencies, although some are quite focused on what is needed in their areas. Significantly greater effort needs to go into development programmes and consideration should be given to some of that being driven by the Commission—especially in the areas of service-wide middle management and senior executive management and leadership training, which is sorely lacking as the existing programs are small and exclude most people at these levels. Thought also needs to be given to additional resourcing for retraining, upskilling and for

²⁹ KPMG International, The Rise of the Humans, Parts 1 and 2

seeding skills development in new fields, which will be required on a large scale, and it needs to start now.

KPMG, for example, maintain that the way we live our work lives is changing dramatically and cite Australian experience at a recent KPMG forum as evidence of this:

“Telstra Group Executive of HR said...’.What we can see is that about a sixth of the core skills of our workforce will need to be different in about three years from what they are today. That’s a massive shift’. Added to this...millennials are changing jobs much more frequently, including entire occupations at the rate of four job changes in their first 10 years of work. Bernard Salt...predicts that in their lifetime millennials are on track for 25 job changes over a 40 year career.”

So much for stability. The public service will have to reckon with the gig economy, new disruptors and platform providers that could fundamentally change elements of its work, and the expectations and development requirements of millennials. It needs to move quickly to source people with the skills it needs to do its work now and into the future.

“Are we going to let the future happen to us or are we going to steer towards a preferable future? Do you want to shape the future of your organisation or be shaped?”³⁰

The public service needs to consolidate quickly and fully implement the GSE recruitment reforms as soon as possible so that it is to be better positioned to deal with this next enormous business challenge. This will require it to commence a second round of transformational change in people stewardship so that the workforce is able to adapt to monumental workplace change and thrive in the new environment.

If ever there was a burning platform for recruitment and associated workforce strategy and planning, this is it.

Workforce planning

One of the intentions of the GSE reforms was that agencies would have in place robust workforce planning linked to organisational objectives and capability requirements.

Put simply, workforce planning is about putting in place a system whereby an understanding of what the business needs are should trigger what the workplace needs in order to fulfil its roles. According to the Australian Public Service Commission (APSC)³¹:

“Workforce planning is a business-driven and business-owned process. It’s about knowing your organisation’s business and using this knowledge to position your organisation’s workforce to best deliver your business outcomes and manage workforce-related risks.

Workforce planning is a process of identifying the workforce capacity and capability your organisation needs to meet its objectives, now and into the future. It aims to ensure that the right people—those with the skills and capabilities necessary for the work—are available in the right numbers, in the right employment types, in the right place and at the right time to deliver business outcomes.”

³⁰ KPMG International, Ibid.

³¹ Australian Public Service Commission, Workforce Planning Explained, 2013.

The APSC represents the important nexus between the business needs, workforce planning and HR strategies in the following graphic:

The relationship between strategic business planning, workforce planning and human resources strategies



Source: Australian Public Service Commission, Workforce Planning Explained, 2013.

I found in this review that HR was working much more closely with business than before the GSE reforms, but that there was little evidence that business was consistently driving workforce planning. The recruitment survey found that 60% of agencies thought their recruitment and mobility actions were largely reactive. Only 27% of agencies had an operational workforce plan and 16% had a strategic workforce plan, although some parts of agencies were doing better, they were very much in the minority.

This suggests to me the need for much higher level business engagement in workforce planning specifically and in HR more generally. It reinforces why clusters need high level people committees—so that HR areas are tightly linked into the needs of the business and can assist business recruit and develop the people they need to make the business work most effectively and efficiently.

The recruitment survey found that the top three barriers to workforce planning are a lack of resources, a lack of capability and expertise, and a lack of data.

“Recruitment should be a workforce planning decision. What capabilities are in the team? What capabilities are needed or missing? Whether to outsource or insource, part-time or full-time. No one is having these discussions with managers before recruitment activities begin.”

“They are effectively replacing like with like, rather than looking at what the organisation needs to move forward.”

This would suggest that many agencies simply don't know how to go about workforce planning or even where to start. The Australian Public Service Commission³² has created an on-line guide to workforce planning and the NSW Public Service Commission has some very good tools, which should be shared more widely among agencies as a matter of urgency, given the anticipated and immediate change in the future of work identified in this report and elsewhere by expert bodies. A targeted training program could be developed to help agencies go about the process, or clusters could take the lead in sharing knowledge and expertise.

There has been discussion about how difficult it is to strategically plan on a 3 to 5 year horizon in the public sector, where so much changes with the decisions of government, so that all that can be aimed for is an operational plan covering the next year or eighteen months. I think this misses the fundamental point that if government business is to work well, it needs the right people to do the work and that the public service will need to adapt much more quickly to satisfy government and community expectations because the operating environment is changing so rapidly. As Triple Three Solutions³³ notes:

“Workforce planning is particularly relevant during times of organisational change, helping to enable business to be resilient to change as well as face the challenges ahead in a positive and proactive way.”

One way to deal with the inevitable tension between the short-term operational plan and strategic workforce planning is illustrated in this KPMG model of how strategic workforce planning might evolve. Importantly, KPMG have identified the active engagement of business areas in developing, driving and using the plan.

³² Anecdotal evidence suggests the APSC's Job family model is integral to workforce planning and management. There is opportunity to explore the APSC's Job family model to determine whether a similar model could be leveraged for the NSW government.

³³ Triple Three Solutions, The Important of Workforce Planning.

From: Strategic Workforce Planning	To: Agile Workforce Shaping
Supply and demand analysis looking and "gap closing" over a three- to five-year time horizon	Continuous analysis of workforce impact and required skills as Intelligent Automation is deployed
Analysis based on existing job families	Analysis based on job families and new required capabilities based on "to-be" tasks and critical skills for end-to-end processes
Owned and conducted by HR, which consults with the business	Owned and conducted by the business units and end-to-end process owners, facilitated by HR
Employed workers	Human workers both employed and not employed as well as bots owned and not owned
Traditional pyramidal top-down work structures with critical roles driven by hierarchy	Team-based and an end-to-end process view of work organization with critical roles driven by skill scarcity and value-add to the business
Bias for "an answer" with sensitivity analysis on either side based on existing organization mindset	Bias for scenarios with probabilities attached, based on horizon scanning and "outside-in" mindset
Current workforce model (shape and structure of the workforce in terms of spans, layers, rates of attrition and promotion, etc.) provides the dominant mental model for the planning effort	Ongoing reexamination of the workforce model using a framework such as the 5Cs to ensure a more multidisciplinary approach to forecasting and the possibilities for the organization

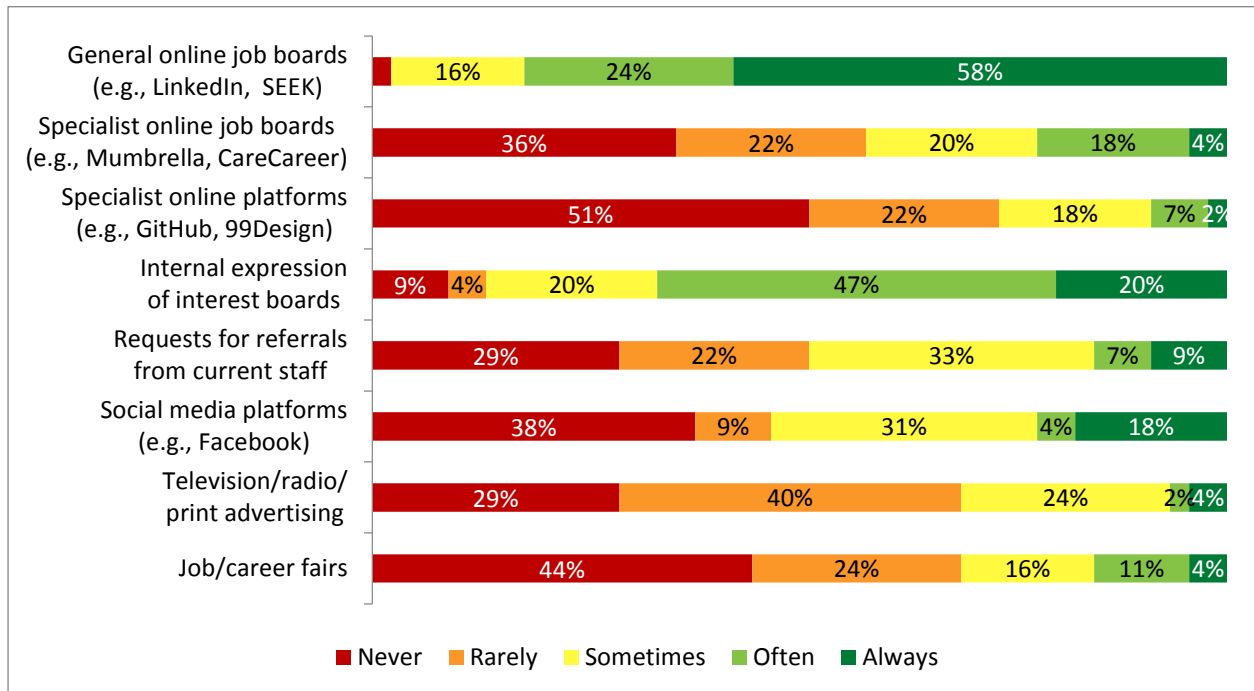
Source: KPMG International, HR COE, 2012

So, while strategic workforce plans need to be established to set the 5-10 year horizon, it will also be necessary to keep a flexible and agile workforce strategy year on year as part of general business planning.

All clusters need a strategic workforce plan and there should be an expectation that at least the large agencies should have one too, while smaller agencies with specialist needs could piggy-back on the cluster plan or develop their own. Whichever way, Secretaries and agency heads need to set aside resources to prioritise strategic workforce planning.

The recruitment survey identified the need for quality workforce data, and it is clear from interviews undertaken as part of this review that agencies are struggling to collect the information they need to better understand their current workforce, let alone their future workforce needs. The development of cluster human capital management systems will help agencies deliver improved workforce data in the medium term, but this will need to co-ordinated across the public service to ensure that a service-wide picture of the workforce is maintained.

The recruitment survey provided good information on agencies' sourcing strategies, with well over half those surveyed having sourcing strategies in play, including partnering with other organisations to source talent and on-line advertising. The following table on advertising channels shows, however, that this is still an area in need of considerable development.



One sourcing solution may well be a better working internal labour market based on core capabilities, knowledge and experience.

Unpublished data from the Public Service Commission's recruitment data collection has identified a number of trends that show that the public sector is attractive to people working in other sectors and that people from the private sector win public sector jobs, albeit not at the same rate as internal recruits:

- in each of the last three years, around 75% of applications for jobs in the public service have come from external applicants;
- however, only 43-46% of these external applicants have been successful in being appointed.

External recruitment from outside the NSW Public Service has increased (from around 4000 in 2015 to over 5000 in 2017), but is still well below expectations. There is much about the current system that puts off externals—the sixteen or more capabilities and how to address them; the challenging Taleo system for applications; the complex assessment process; and the time to appoint. Then, if appointed, there is an awful lot to learn about how the public service works and the way things need to be done in a public service agency, let alone the cultural differences.

More thought needs to go into streamlining the candidate experience and inducting newcomers to the public service if the level of external recruits is to be increased significantly and more closely align with the level of their interest and applications. This would assist the future proofing of the NSW public service in the wake of the transformational challenges it faces.

Future Proofing Recommendations

That the public service position itself better for the future by:

- a) actively engaging with strategic workforce planning and regular workforce shaping, and ensuring that business drives HR strategies and workforce plans.
- b) agency heads and senior executives leading and driving people leadership reforms and stewarding their agencies and clusters through the necessary changes that will be required to better position the public service workforce for the future;
- c) a rethink of NSW public service training and development strategies so that leadership and management training is much more widely available and areas of new training needs are provided for in many different areas;
- d) the Public Service Commission engaging with clusters and agencies to help them develop their workforce plans and develop strategy around contract and 'gig' employment;
- e) recruiting larger numbers of graduates through the Public Service Commission's graduate programme;
- f) facilitating the fast tracking of the top graduates from the Public Service Commission's graduate programme into positions of strategic influence through a public service wide programme that facilitates career progression, mobility, development and advancement;
- g) improving candidates' experience of the recruitment and on-boarding process through survey work about their recruitment journey, more accessible recruitment advertisements and clear and simple recruitment material, sound induction, careful workforce placement with engaging managers who apply sound management practice and quality performance feedback and development;
- h) HR areas leading the way with smart sourcing strategies for recruits outside the public service which make it clear that the public service is a great place to work, with wonderful opportunities, and the chance to make a significant contribution to society;
- i) talent pools being used to identify, develop and selectively place future leaders across the public service;
- j) reconsidering the candidate experience and providing a much more accessible and supportive application and onboarding experience thereby capitalising on the external interest in working in the public service.

Recruitment Review - Scope Document

Background and Purpose of the 2018 Recruitment Review

The *Government Sector Employment Act 2013* (GSE Act) established new procedures for merit-based recruitment and mobility across the NSW public service. The reforms introduced a comprehensive suite of legislated Rules, guidelines and resources covering:

- Capability-based workforce planning and market analysis to inform recruitment strategy;
- Simplified application processes;
- Capability-based assessment methods;
- The development and use of internal and external talent pools;
- The adoption of technology to assist in Human Resources decision making.

The intention of the Review will be to assess how the reforms have been implemented over the last four years. The Review will cover recruitment practice and mobility utilization, focusing on the maturity of the public service in applying the framework embedded in the GSE Act.

Principles underpinning Review Approach

- Future focus – cover how sector has implemented reforms as well as what the future of recruitment looks like
- Looking at both applicant (unsuccessful and successful) and employer experience
- Showcase progress and areas of good practice to derive models and enablers for dissemination across the sector.
- Look at holistic implementation in agencies to see what enablers/barriers exist at all levels (Executive, HR Director and Hiring Manager levels) to derive options for change.
- Derive and define capabilities needed for holistic implementation and ways to develop them.

Topic areas to be explored in the Review

Review to assess agency maturity in the following recruitment areas:

Area	Example topics
Recruitment strategy	<ul style="list-style-type: none"> • Understanding recruitment needs <ul style="list-style-type: none"> ○ Workforce planning ○ Role design ○ Diversity and inclusion objectives • Filling roles <ul style="list-style-type: none"> ○ Sourcing strategy • Assessment and selection strategy <ul style="list-style-type: none"> ○ Designing assessment and selection processes
Systems and solutions	<ul style="list-style-type: none"> • Technology • Assessment providers • Search firms

Capability and structure	<ul style="list-style-type: none"> • Hiring managers • Human Resources teams • HR operating model
Enablers	<ul style="list-style-type: none"> • Legislation and Rules • Policy and guidance • Bulk recruitment • Mobility provisions • Reasonable adjustment and accommodation provisions
Measurement framework	<ul style="list-style-type: none"> • Quality of hire metrics • Time to fill • External vs internal applicants and hires • Diversity outcomes

Review method

- Survey of the public service (including non-uniformed employees in Police)
 - To be completed by Secretary of agency
- Deep dive consultation with following clusters comprising interviews
 - Department of Planning and Environment, Department of Finance, Services and Innovation, Department of Justice and Legal Aid Commission covering senior Executive, Human Resources teams and hiring managers
 - Family and Community Services (review of case worker recruitment only).
- Jurisdictional comparison
- Stakeholder consultation with Public Service Association of NSW and Unions NSW

Anticipated Outcomes

This Review is not intended as a root and branch review but a look at what needs to change to further embed the workforce reforms and to identify how to close any gaps

Recommendations should help to ensure agencies can apply the recruitment framework in a way that drives capability uplift through a process that is well understood and well respected by candidates and existing employees alike.

Dissemination of Report

The final report will be provided to the Deputy Secretaries (Corporate Services) group for endorsement, and then tabled at the Secretaries Board.

Jurisdictional Comparison

The role of the New South Wales Public Service Commission (NSW PSC) is to build best practice models for workforce management and drive the implementation of these at the NSW Public Sector, cluster and agency level. This is achieved through a devolved model that delivers best practice policy and guidelines for NSW government departments and agencies to implement.

A jurisdictional comparison was considered to ensure the NSW PSC is serving the public sector with best practice. The five jurisdictions used for the comparison were selected from high performing public sector advisories and can be used to benchmark the performance of the NSW PSC. The comparison may also be used to identify gaps, which when addressed, could enhance the performance of service delivery to the NSW public sector. The jurisdictions are Australian Public Service Commission (APSC), Victorian Public Sector Commission (VPSC), State Service Commission (SSC) in New Zealand (NZ), Civil Service Commission (CSC) in the United Kingdom and the Canadian Public Service Commission (CPSC). Elements analysed in each jurisdiction are recruitment strategy, systems and solutions, culture and capability, enablers and measurement frameworks.

Recruitment strategy

Mode of HR Management

All jurisdictions have decentralised modes of human resource management (HRM) practices except for the NZ SSC, which is partially decentralised. Although NZ agency Chief Executives have a range of centrally managed requirements which limit their autonomy, they still have substantial management tasks to perform such as internal structure, management systems and controls and service delivery methods.¹

Workforce planning

NZ SSC is the only jurisdiction analysed that has mandated the submission of a workforce plan. Large organisations are required to submit a Four Year Plan which provides a snap-shot in time of a department's strategic and medium-term planning annually and small-medium organisations, every two years. The plans are to include building workforce capability and strategies to address diversity and inclusion¹.

The APSC has developed a common APS Jobs Family Model (using ANZSCO) - a means of identifying, describing and analysing the functional and capability requirements of the workforce, with linkages to the broader labour market. The model helps to identify high-risk capability areas and is a key enabler for internal workforce planning. Anecdotal evidence from participating agencies is that the model is an integral part of their approach to workforce planning and management; however, the APSC has yet to make a formal assessment of its contribution to workforce planning capability in agencies.

Diversity

All jurisdictions have implemented or are planning to implement strategies to increase the diversity of their workforce. UK and NZ are required to advertise externally on default to allow for applicants from diverse backgrounds^{2,3}.

The RecruitAbility scheme by the APSC allows for applicants with disability to progress if minimum requirements are met⁶. The proportion of employees with disability has increased from a low point in 2013 of 3.2% to 3.6% in 2017. The APS is the only Australian jurisdiction where rates of employees with disability are increasing.

In Canada, the Public Service Commission has launched the Indigenous Student Employment Opportunity and the Youth with Disabilities Summer Employment Opportunity, to deliberately attract university-level students who have the diverse identities, abilities, education, skills, competencies and experiences to meet emerging public service needs²². Both initiatives are modelled after successful pilots; however, it is too soon to determine whether the initiatives have increased diversity representation in the leadership pipeline.

Systems and solutions

E-recruitment

All jurisdictions have an e-recruitment platform which candidates use to lodge their applications. They all have a single platform for advertising, but only the Victorian PSC has a logical end to end pathway through to evaluation (HCM suit)⁴. Other jurisdictions either have a single separate site for lodging applications or have agency specific applicant submission portals.

Innovative solutions

The APSC has established a sector wide platform that allows agencies to share merit profiles. The CSC in the UK are planning on developing a HCM system which will be user centred, allow for modern workforce needs and potentially support current HR initiatives such as talent management and learning and development. It is intended to be a single integrated source of data for performance and management reports⁷.

The VPSC is piloting an upgrade to their e-recruitment system which de-identifies candidates' demographics such as name, age, gender, etc. during the screening and shortlisting process to counteract unconscious bias⁴. The pilot is still in progress; however, other jurisdictions have piloted similar projects with unintended outcomes. Canada's Public Service Commission recently piloted the Name-Blind Recruitment project, which removed demographic and identifiable information from applications. The pilot found there was no net benefit or disadvantage for diversity applicants but noted the pilot had limitations. The APSC observed similar results, finding that de-identifying applications at the short-listing stage did not appear to assist in promoting diversity. In fact, when all candidates' information was made available, reviewers discriminated in favour of female and visible minority candidates.

Capability and structure

Core functions

All jurisdictions provide their sectors with general guidelines and tools for best practice recruitment. They all set the pay standards and employment conditions as well as provide the sector with frameworks for workforce planning and performance management.

Capability development initiatives

In New Zealand, the Government Chief Talent Officer is also the Head of Profession for Human Resources. This appointment aims to galvanise the HR profession, raising the level of capability, capacity and confidence in the HR function¹⁰.

The CSC in the UK oversees the management code and encourages all HR professionals to achieve professional membership of the Chartered Institute of Personnel and Development (CIPD), a professional association for human resource management professionals. Some departments offer staff working in HR the option to complete CIPD qualifications or the experience assessment. The CSC also aims to provide continuing HR professional development by on-the-job training and through the new Learning and Development Centre¹¹.

In Canada, the PSC has established a Management Accountability Framework (MAF) for management excellence accompanied by an annual assessment of management practices and performance in most departments and agencies of government¹². Each Area of Management represents a key internal business function that is critical to a strong performing organisation: financial management; information management and technology management; management of integrated risk, planning and performance; and people management.

Enablers

Bulk Recruitment

All jurisdictions practice bulk recruitment. In New Zealand, bulk recruitment is carried out by an external agency which specialises in recruiting for Public Service¹³. The VPSC's e-recruitment system has a talent pool functionality which includes details of candidates who can be contacted to apply for VPS positions as they arise¹⁴. In Canada, along with the sector-wide assessed talent pool, there is also a sector wide inventory of candidates who are not assessed. This inventory is available to all hiring agencies to contact for expressions of interest¹⁵.

Mobility

Mobility is encouraged by all jurisdictions. There has generally been an upward trend in mobility across all jurisdictions and some jurisdictions have implemented initiatives to aid the practice.

The APSC recently upgraded the APSJobs website to provide a central place where agencies can share merit lists to fill vacant positions. While the overall mobility rate in 2016-17 is lower than its peak in 2007-08 (2.1% and 3.2% respectively), the rate has increased from a low point in 2002-03 (1.5%).

NZ SSC also has initiatives in place to allow mobility of senior leaders within the system and are encouraging government agencies to sponsor secondments of staff as part of their professional development.

The VPSC allows mobility across government and the private sector in some cases¹⁷. In the UK, the Civil Service Talent Board oversees the approach to secondments through the High Potential Secondments Programme aiming to meet capability needs¹⁸.

Measurement framework

All jurisdictions collect data from the sector at varying levels and at different intervals.

A clause in the Australian Public Service Commissioner's Directions 2013 provides that each agency head must ensure that measures are put into place to collect certain information and provide that information to the Commissioner. The provision is aimed at improving the quality of data collected by agencies, particularly around disability and indigenous status, but also in relation to other matters such as information on staffing (trends in the size, structure and composition of the APS), educational qualifications etc.). The APSC plans to administer surveys to applicants to understand their recruitment experiences and make improvements accordingly.

Similarly, the VPSC requires public service organisations to provide certain data each year. The VPSC has also published a Dictionary of People Metrics to assist organisations develop strategic people reporting measures that can help them to identify trends with their workforce which directly impacts the achievement of organisational goals¹⁹. The VPSC has also standardised key recruitment workflow steps across the user base to allow better measurement of the efficiency of the recruitment and selection process.

In New Zealand, the HR Capability can be measured using the HR Capability Maturity Model (CMM). It is a self-assessment tool that measures maturity over ten indicators²⁰. The Human Resource Capability data collection is run annually and collects anonymous information about Public Service department employees, including staff numbers, pay, senior leaders, diversity and workplace wellbeing.

References

1. Leadership Capability Profile. *State Services Commission*. 2009. Available at: http://www.ssc.govt.nz/upload/downloadable_files/Leadership-Capability-Profile-Nov09.pdf. Accessed February 7, 2018.
2. New Zealand. *Human Resources Management Country Profiles*. 2012. Available at: <https://www.oecd.org/gov/pem/OECD%20HRM%20Profile%20-%20New%20Zealand.pdf>. Accessed February 7, 2018.
3. Workforce Plan. *Civil Service*. 2016. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/536961/civil_service_workforce_strategy_final.pdf. Accessed February 7, 2018.
4. Annual report 2016-2017. *Victorian Public Sector Commission*. 2017. Available at: https://vpsc.vic.gov.au/wp-content/uploads/2017/09/11001-DPC-VPSC-annual-report-2016_2017-WEB-V1.pdf. Accessed February 7, 2018.
5. Australian Government. *National Innovation and Science Agenda*. 2018. Available at: <https://marketplace.service.gov.au/digitalmarketplace/opportunities/411>. Accessed February 7, 2018.
6. RecruitAbility scheme: A guide for applicants - APSC. *Australian Public Service Commission*. 2017. Available at: <http://www.apsc.gov.au/publications-and-media/current-publications/recruitability-applicants-guide>. Accessed February 7, 2018.
7. *People Strategy For The Civil Service 2017 - 2020*. Dublin 2: Civil Service HR Division; 2017. Available at: <http://webcache.googleusercontent.com/search?q=cache:EUCX7VsDpIIJ:www.per.gov.ie/wp-content/uploads/People-Strategy-for-the-Civil-Service-2017-2020.pdf+&cd=9&hl=en&ct=clnk&gl=au>. Accessed February 7, 2018.
8. Managing the size of the Australian Public Service - APSC. *Australian Government*. 2017. Available at: <http://www.apsc.gov.au/managing-in-the-aps/recruitment-and-selection/interim-recruitment-arrangements>. Accessed February 7, 2018.
9. *Discussion Paper - Whole-Of-Government - Shared Common Services Programme*. Department of Finance; 2015. Available at: <https://www.finance.gov.au/sites/default/files/discussion-paper-shared-common-services.pdf>. Accessed February 7, 2018.
10. Collective impact. *State Services Commission*. 2014. Available at: <http://www.ssc.govt.nz/node/9525>. Accessed February 7, 2018.
11. Civil Service Human Resources Function. *Govuk*. 2016. Available at: <https://www.gov.uk/government/collections/civil-service-human-resources-function>. Accessed February 7, 2018.

12. Secretariat T. MAF Assessment Process. *Government of Canada*. 2016. Available at: <https://www.canada.ca/en/treasury-board-secretariat/services/management-accountability-framework/assessment-process.html>. Accessed February 7, 2018.
13. Public Sector. *The Johnson Group - Recruitment Specialists to the Public Sector*. Available at: <https://www.thejohnsongroup.co.nz/Job-Seekers/Public-Sector>. Accessed February 7, 2018.
14. *Best Practice Recruitment Selection Methodology And Tools*. Melbourne: State Services Authority; 2007. Available at: <https://vpsc.vic.gov.au/wp-content/uploads/2015/03/best-practice-recruitment-selection-methodology-and-tools.pdf>. Accessed February 7, 2018.
15. Existing pools and inventories. 2015. Available at: <https://www.canada.ca/en/public-service-commission/services/staffing-assessment-tools-resources/human-resources-specialists-hiring-managers/existing-pools-inventories.html>. Accessed February 7, 2018.
16. Guiding principles in service of the public. *Australian Government*. 2017. Available at: <http://www.apsc.gov.au/publications-and-media/speeches/2017/guiding-principles>. Accessed February 7, 2018.
17. Guide to secondments in the Victorian public sector. VPSC. 2017. Available at: <https://vpsc.vic.gov.au/html-resources/guide-secondments-victorian-public-sector/>. Accessed February 7, 2018.
18. Civil Servants: Secondment:Written question - 7038. *UK Parliament*. 2017. Available at: <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2017-09-04/7038/>. Accessed February 8, 2018.
19. How to Use the People Metrics Dictionary - A Dictionary of People Metrics. VPSC. 2015. Available at: <https://vpsc.vic.gov.au/html-resources/a-dictionary-of-people-metrics/how-to-use-the-people-metrics-dictionary/>. Accessed February 8, 2018.
20. *Human Resource Capability - In The New Zealand State Services*. Wellington: State Services Commission; 2014. Available at: https://www.ssc.govt.nz/sites/all/files/hrc-report-14_0.pdf. Accessed February 8, 2018.
21. Job family model. *Australian Public Service Commission*. 2017. Available at: <http://www.apsc.gov.au/publications-and-media/current-publications/job-family-model>. Accessed February 8, 2018.
22. Building a Diverse and Inclusive Public Service: Final Report of the Joint Union/Management Task Force on Diversity and Inclusion. *Government of Canada*. 2018. Available at: <https://www.canada.ca/en/treasury-board-secretariat/corporate/reports/building-diverse-inclusive-public-service-final-report-joint-union-management-task-force-diversity-inclusion.html?wbdisable=true>. Accessed February 8, 2018.

Attachment C

NSW Government Graduate Program shows best-practice recruitment results

The NSW Government Graduate Program was established to attract and retain talented graduates, contribute to public sector capability and develop a cohort of future sector leaders. The high calibre of graduates demonstrates the outcomes that can be achieved through best-practice recruitment, as intended by reforms introduced under the GSE Act.

For the 2018 Program, a steering committee representing each cluster department was established to develop the design and governance of the program to ensure relevance for the sector. A tailored process was designed by registered organisational psychologists, which included interactive, engaging and realistic activities assessed against the core and focus capabilities of the graduate role. Only approved psychometric tools available on the assessment services panel contract were used, ensuring tools were valid and reliable:

- The pre-screening stage included two targeted questions, a psychometric test and situational judgment questions. These questions were guided by the capabilities and behavioural indicators outlined in the graduate role description, and assessment questions were reviewed by current graduates to ensure validity.
- The top candidates were shortlisted for the assessment centre stage and asked to complete a personality assessment and a short 2 minute video interview question. The results were used to assist in placing graduates and will form part of on-the-job development.
- At the assessment centre, candidates were assessed in bulk using three valid and reliable capability-based methods delivered by trained assessors: an interactive group activity, an individual written task, and a structured interview.

Selected candidates were matched to agencies based on their qualifications, preferences and agency specifications, then rotated through three roles across the sector over 18 months. This promotes mobility, helps the graduates develop professional networks and builds their foundational skills and knowledge.

With commitment from the Secretaries Board, the program uptake grew rapidly from just 25 graduates in 2016 to 168 in 2018. The reputation and commitment to the program has grown as a result of the high calibre of graduates who have entered the program. However, the graduate intake is still relatively small compared with the size of the overall workforce, with just 17 participating agencies from a potential 92. Given the volume of people recruited each year at the 3/4 and 5/6 levels, this program has the potential to grow and extend participation to more agencies.

	Applications received	Successful placements
2016	1,218	25
2017	2,077	107
2018	2,809	200

2018 Recruitment Review Survey

Summary of Findings

21 May 2018



About the Survey



About the Survey

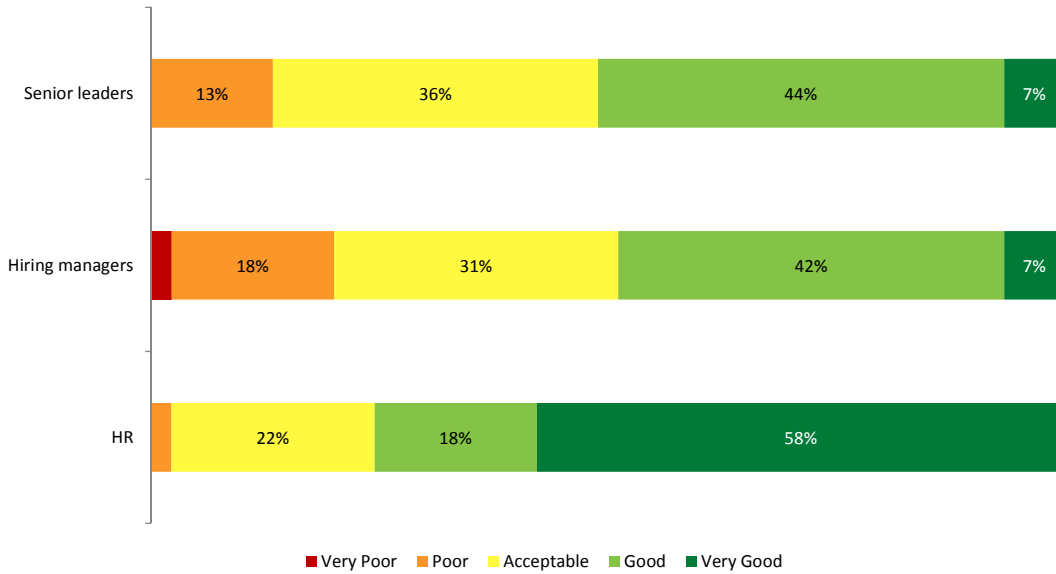
- The survey was used to collect quantitative and qualitative data from the Public Service for the NSW Public Service Commission's Recruitment Review
- It was sent to all 10 secretaries and all 40 Public Service agency heads
- The submission period was from Monday, 9 April 2018 to Friday, 11 May 2018
- 45 departments/agencies responded – a response rate of 90%



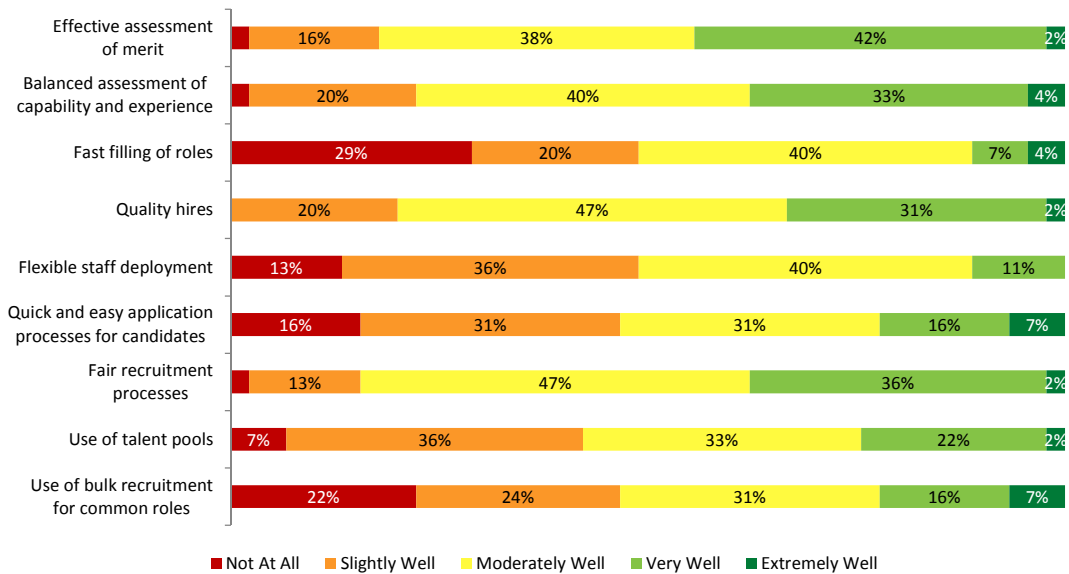
The Reforms



Understanding of the Recruitment and Mobility Framework



How Well Have the Reforms Achieved their Outcomes?





What Works Well and What Doesn't

- Agencies said the top three barriers to better implementation of the reforms are hiring manager capability (35.6%) and buy-in (33.3%), and technology (33.3%)
- Agencies also commented on lack of clarity around talent pools and how to use them
- On a more positive note, agencies recognised the benefits of capability-based assessment (“Using capability assessments in the recruitment process helps get a broader assessment of the candidate and their ability to do the job”) and the flexibility afforded by employees not ‘owning’ roles

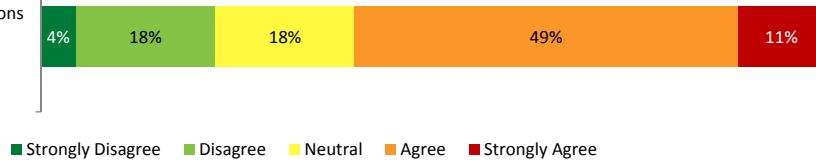


Workforce Planning



Workforce Planning

Recruitment and mobility actions in my department/agency are predominantly reactive



12 agencies said they have a whole-of-agency operational workforce plan, and 20 said parts of their agency have one

7 agencies said they have a whole-of-agency strategic workforce plan, and 13 said parts of their agency have one

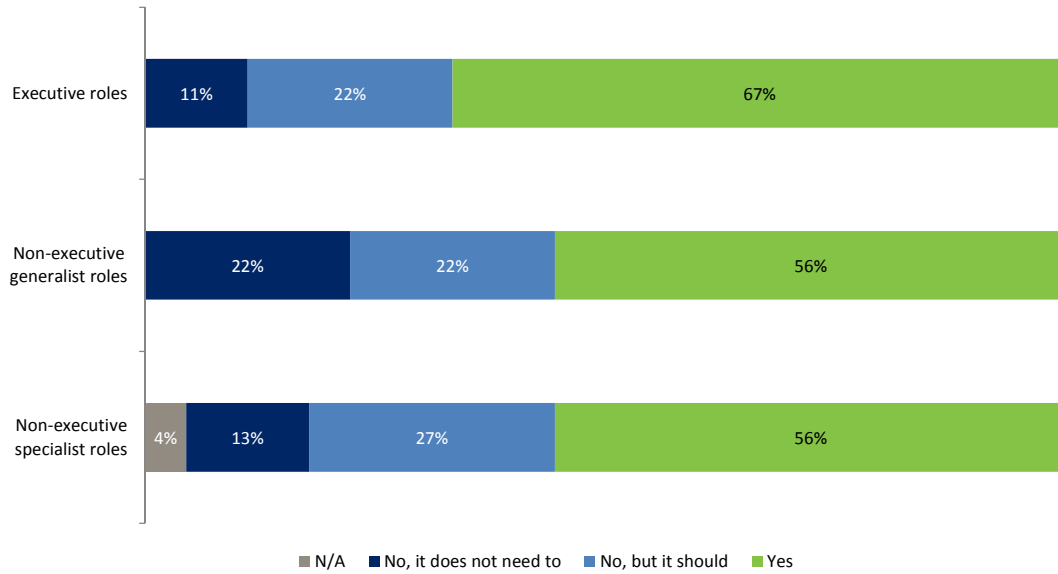
Agencies said the top three barriers to workforce planning are: lack of resources, lack of capability/expertise, and lack of data



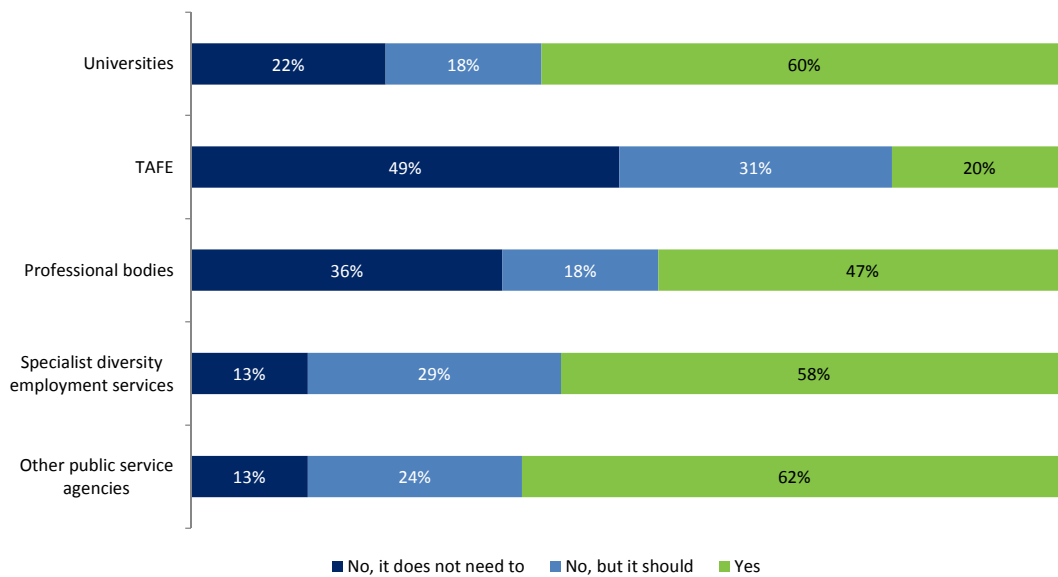
Sourcing and Attraction



Sourcing Strategies for Roles

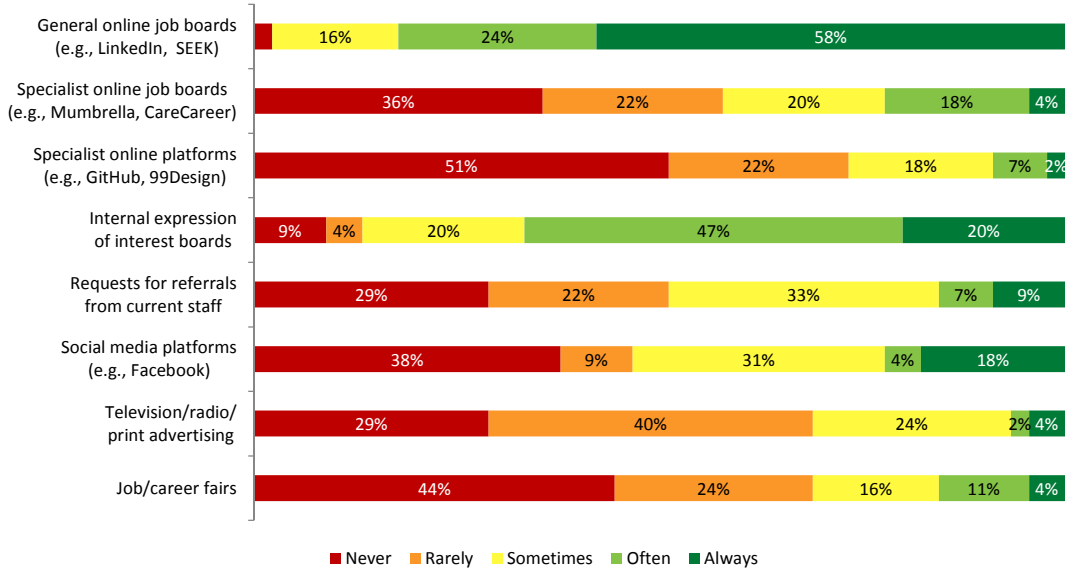


Partnering with Organisations to Source Talent





Advertising Channels

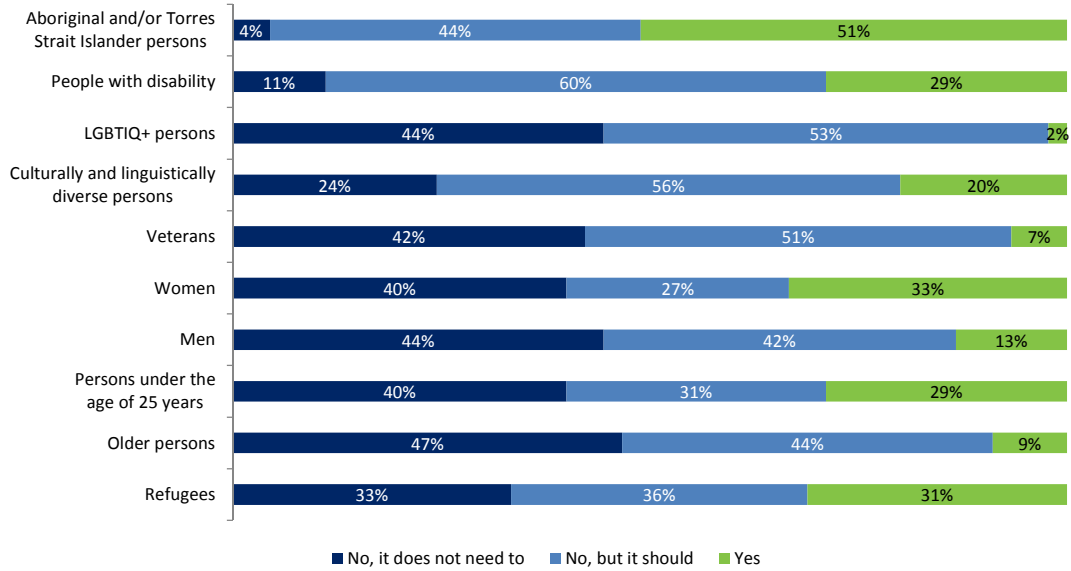


Search Firms

- The use of search firms is most common for executive roles, with 36 agencies (80.0%) saying they use them for executive roles
- 20 agencies (44.4%) said they use search firms for non-executive specialist roles (i.e., roles requiring a recognised professional qualification), and 1 agency (2.2%) said it uses them for non-executive generalist roles
- Agencies said that search firms do not always have a good understanding of the business and often charge too much for basic services

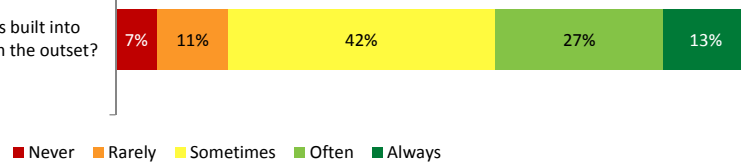


Attraction Strategies for Diverse Talent



Inclusion and Accessibility

How often are diversity considerations built into recruitment and mobility processes from the outset?



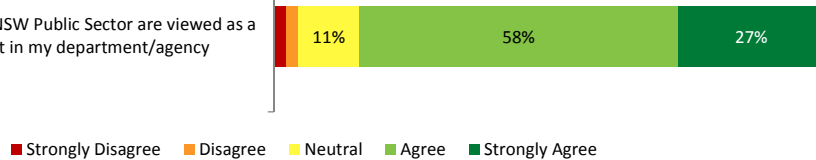
Accessibility and Inclusion Strategy	% of Agencies
Information for prospective job applicants about the availability of adjustments to assessment and selection processes	57.8%
Information for prospective job applicants about getting help to submit their job application	60.0%
The availability of flexible work	80.0%
Employer statement about commitment to workforce diversity and inclusion	77.8%
Examples of commitment to workforce diversity and inclusion	28.9%
A point of contact for people to request adjustments to assessment and selection processes	60.0%
My department/agency does not use any accessibility and inclusion strategies to attract diverse talent	6.7%
Other (please specify)	8.9%

16 agencies (35.6%) said they have implemented processes or practices to reduce the effects of unconscious bias in assessment and selection



External Talent

Candidates from outside the NSW Public Sector are viewed as a valuable source of talent in my department/agency

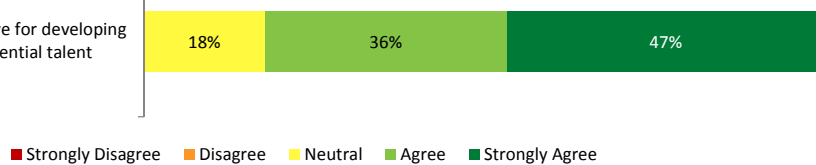


- Agencies said the top three barriers to attracting talent from outside the sector are cumbersome application processes (57.8%), the complexity of the Capability Framework (53.3%), and negative perceptions of working in the sector (53.3%)



Graduates

A graduate program is effective for developing high performing, high potential talent



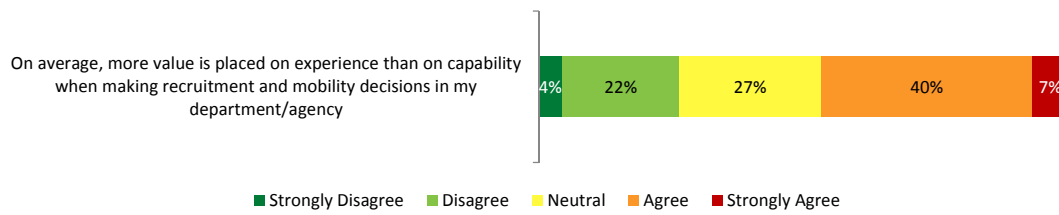
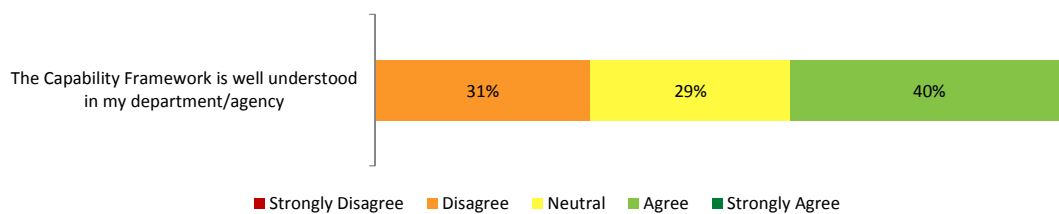
- Agencies said that the lack of ongoing, higher-level positions is a challenge for retaining graduates – “have the ability to employ graduates ongoing in above level... without the requirement (to) advertise and assess them”
- Finding the resources to manage graduates was also cited as a challenge



The Capability Framework

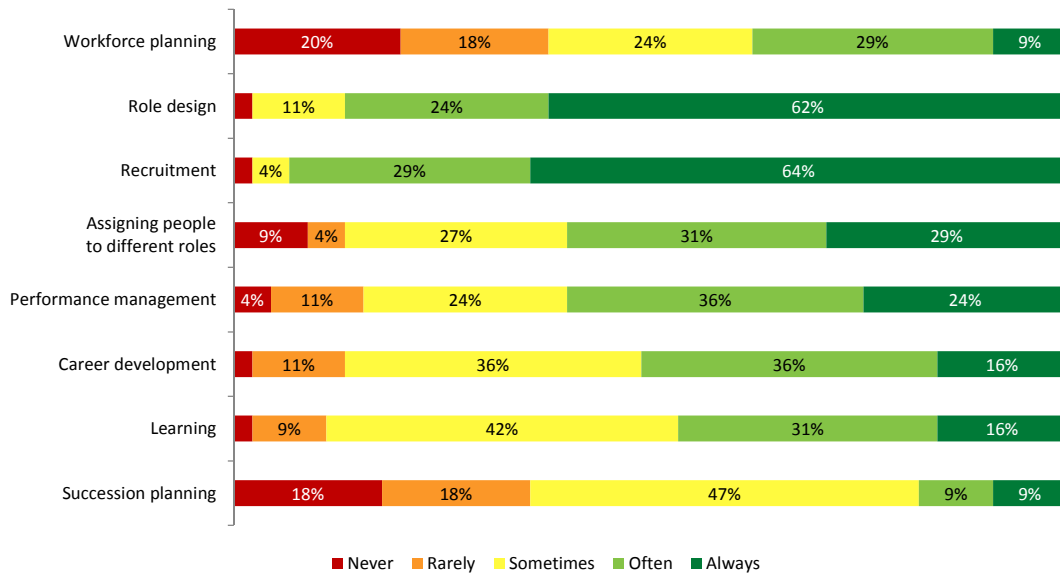


Understanding the Capability Framework





Use of the Capability Framework



Challenges with Applying the Framework

- Agencies said the biggest challenges with applying the Capability Framework are that the capabilities are too broad for specialist roles (60.0%), that there are too many capabilities (57.8%), and that hiring managers don't understand capabilities (48.9%)
- Agencies said the Capability Framework, while sound, is difficult to put into practice because there are too many capabilities and differences between levels are arbitrary
- "Streamline the number of capabilities. Adjust to assessing focus capabilities only... Less levels within the capabilities... Review all capabilities for relevancy"



Occupation-Specific Capability Sets and Recruitment

Occupation-Specific Set	% of Agencies
ICT	68.9%
Finance	68.9%
Procurement	42.2%
Legal	33.3%
Human Resources	64.4%
None	15.6%

- 8 agencies (17.8%) said they have one or more of their own capability frameworks that they use for recruitment



Assessment and Selection

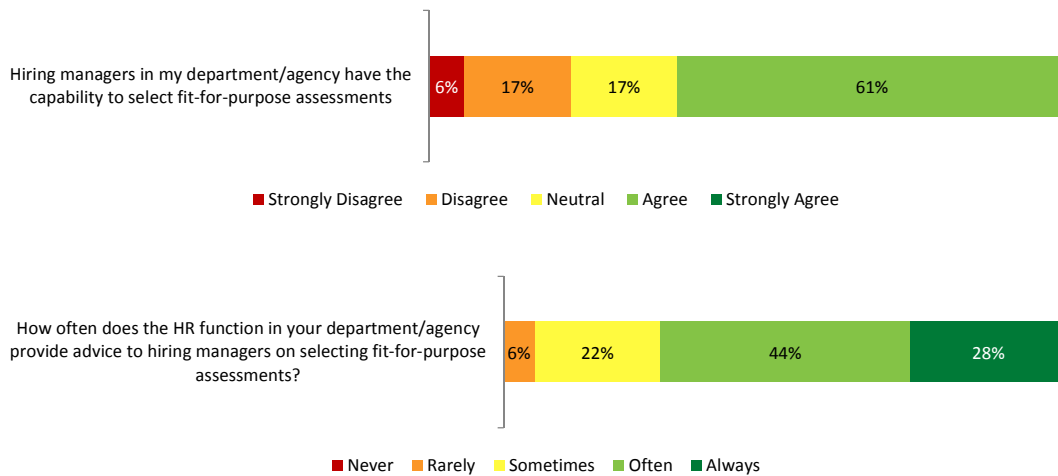


Selecting and Interpreting Assessments

- 17 agencies (37.8%) said hiring managers are typically responsible for selecting assessments, 16 (35.6%) said HR is, and 9 (20.0%) said it was a joint effort between HR and hiring managers
- 27 agencies (60.0%) said hiring managers are typically responsible for interpreting assessments, 10 (22.2%) said HR is, and 4 (8.9%) said it was a joint effort between HR and hiring managers



When Hiring Managers Select Assessments





When Hiring Managers Interpret Assessments

Hiring managers in my department/agency have the capability to interpret assessment results to make recruitment/mobility decisions



Strongly Disagree Disagree Neutral Agree Strongly Agree

How often does the HR function in your department/agency provide advice to hiring managers on how to interpret assessment results to make recruitment/mobility decisions?



Never Rarely Sometimes Often Always



When HR Selects and/or Interprets Assessments

The HR function in my department/agency has the capability to select fit-for-purpose assessments



Strongly Disagree Disagree Neutral Agree Strongly Agree

The HR function in my department/agency has the capability to interpret assessment results to make recruitment/mobility decisions

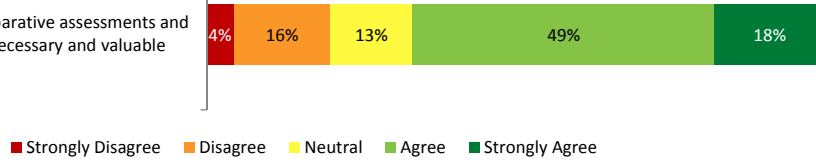


Strongly Disagree Disagree Neutral Agree Strongly Agree



Comparative vs. Suitability Assessments

The distinction between comparative assessments and suitability assessments is necessary and valuable

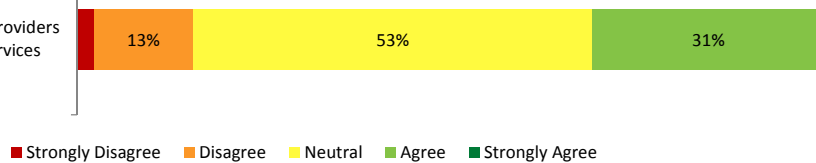


- Agencies supportive of the distinction remarked that suitability assessments are useful for short-term roles because it is a faster, less resource-intensive process
- Agencies not supportive of the distinction said that having two processes was confusing and not valuable to their business



External Assessment Providers

External assessment service providers provide value for money services



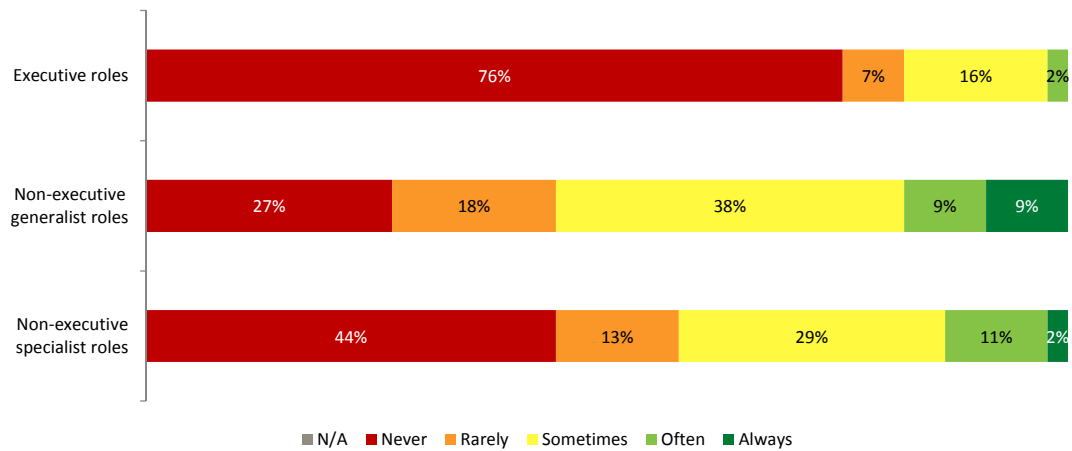
- Agencies' concerns about assessment providers were similar to those about search firms – limited business understanding and cost
- Agencies also suggested better standardisation of assessments across the sector is needed



Bulk Recruitment & Talent Pools



Bulk Recruitment Usage





Use of Talent Pools

Type of Talent Pool	% of Agencies
Talent pools created/managed by the Public Service Commission	42.2%
Talent pools unique to my department/agency	84.4%
Talent pools shared with other NSW Public Service departments/agencies	31.1%
My department/agency does not use talent pools to fill roles	11.1%
Other (please specify)*	6.7%

Use of Talent Pool	% of Agencies
Existing employees for temporary at-level moves (i.e., temporary lateral moves)	51.3%
Existing employees for ongoing at-level moves (i.e., ongoing lateral moves)	53.9%
Existing employees for temporary above-level moves (i.e., acting opportunities)	74.4%
Existing employees for ongoing above-level moves (i.e., promotions)	71.8%
External candidates from other NSW Public Service departments/agencies	74.4%
External candidates from outside the NSW Public Sector	66.7%
Other (please specify)	5.1%

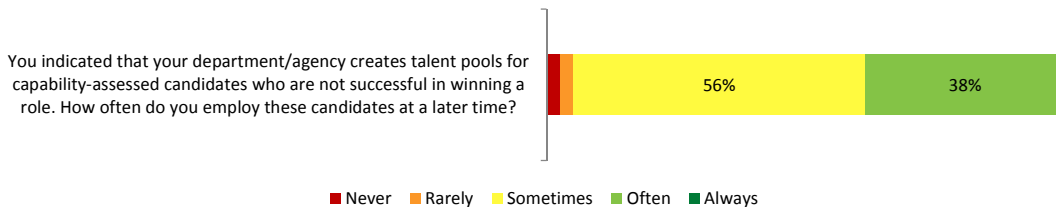
* These agencies mentioned the NDIS and refugee talent pools

33



Talent Pools for Unsuccessful Candidates

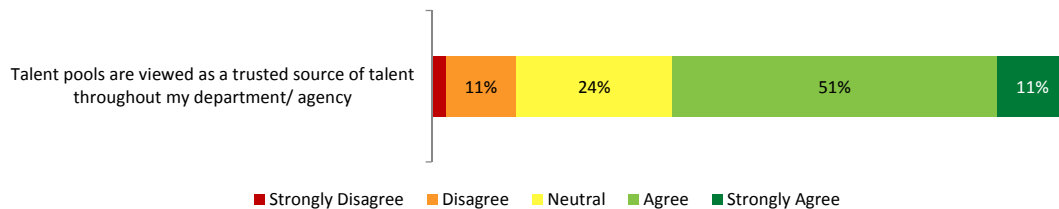
- Of the 39 agencies who said they use talent pools of any sort, 100% of these said they created talent pools as a by-product of recruitment for capability-assessed candidates who are not immediately assigned to a role



34



Perceptions of Talent Pools



Barriers and Overcoming Them

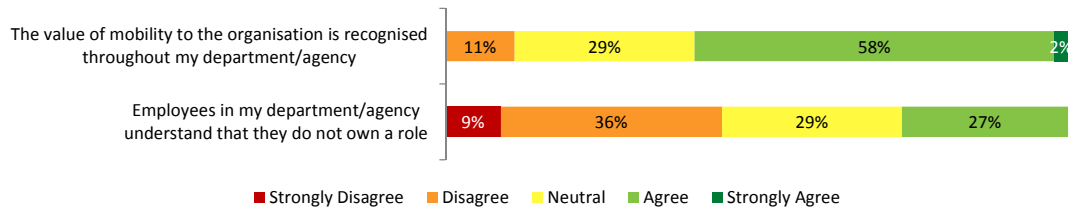
- Agencies said the barriers to using bulk recruitment and talent pools are:
 - Hiring managers wanting full control over the process
 - Agency size (too small)
 - Poor technology, especially when it comes to managing candidates
- Agencies said that, going forward, the following would be needed:
 - Education, promotion, and best practice case studies
 - Cross-agency collaboration, with some degree of centralisation, to capitalise on economies of scale
 - Better technology to manage candidates and talent pools



Mobility



Perceptions and Purposes of Mobility



- Agencies said they predominantly use mobility for development opportunities and to fill short-term capability gaps
- There appears to be limited use of mobility to move under-performers



Making Mobility Happen

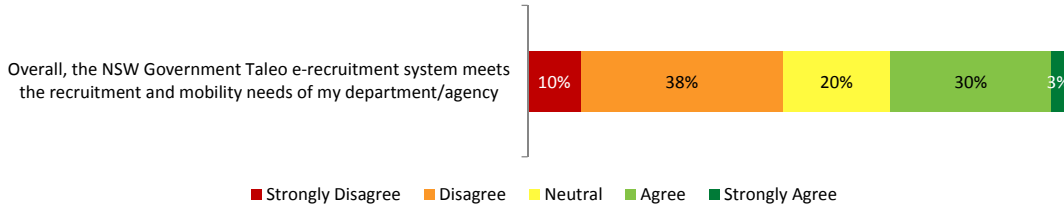
- Agencies said that better communication and collaboration between agencies and clusters is necessary to make mobility happen, along with a centralised system for managing mobility
- “Have one common employee and organisation data set and career / succession systems for all agencies to use, enabling 1) employees to flag their career interest in roles across the NSW Public Service and 2) managers to interrogate potential fit of flagged employees to position requirements”
- Agencies also asked for clearer guidance and rules



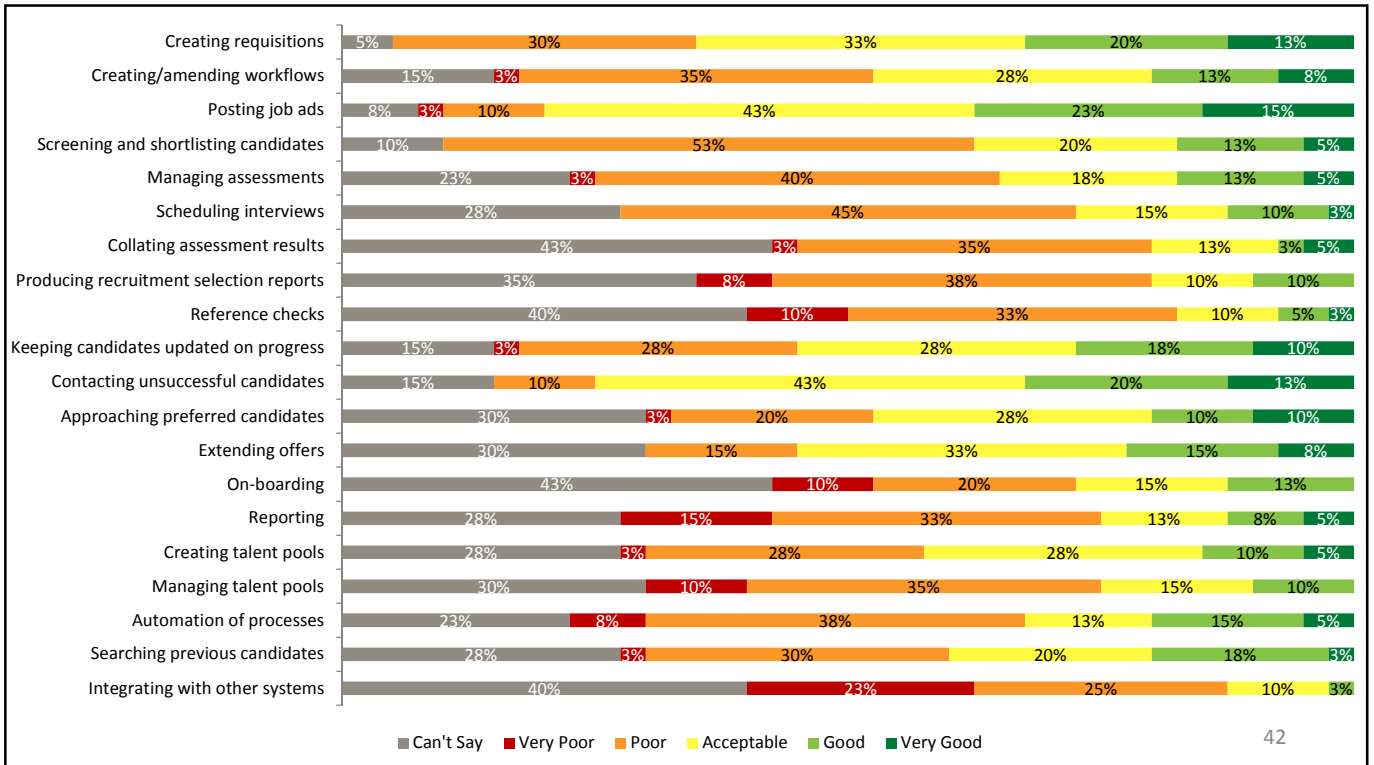
Recruitment Systems

Taleo

- 40 agencies (88.9%) said they use or have used Taleo, and of these agencies, 33% agreed that Taleo meets its needs



- Agencies said they would like to see better functionality for integrating with other systems, analysis and reporting, automating processes, and managing talent pools





Data and Metrics



Time to Hire

- 22 agencies (48.9%) said they measure and monitor time to hire, and when all agencies were asked what 'good' looks like to them, they said:

Time to hire (incl. advertising)	% of Agencies
7 days	0.0%
14 days	0.0%
21 days	2.2%
28 days	31.1%
35 days	24.4%
42 days	28.9%
49 days	11.1%
Other (please specify)	2.2%

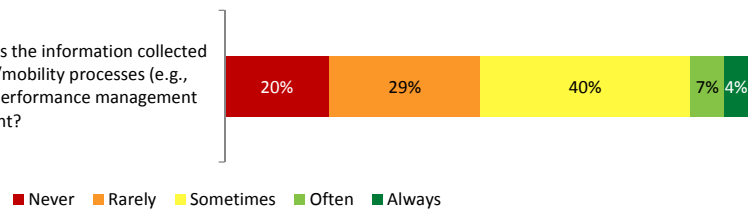
Advertising	% of Agencies
7 days	8.9%
14 days	82.2%
21 days	4.4%
Other (please specify)	4.4%



Other Recruitment and Mobility Metrics

- 20 agencies (44.4%) said they collect and monitor other metrics
- The top three metrics (other than time to hire) are time at each stage of the process (22.2%), hiring manager satisfaction with the process (22.2%), and candidate diversity (20.0%)

In your department/agency, how often is the information collected about employees during recruitment/mobility processes (e.g., capability level ratings) used for their performance management and development?

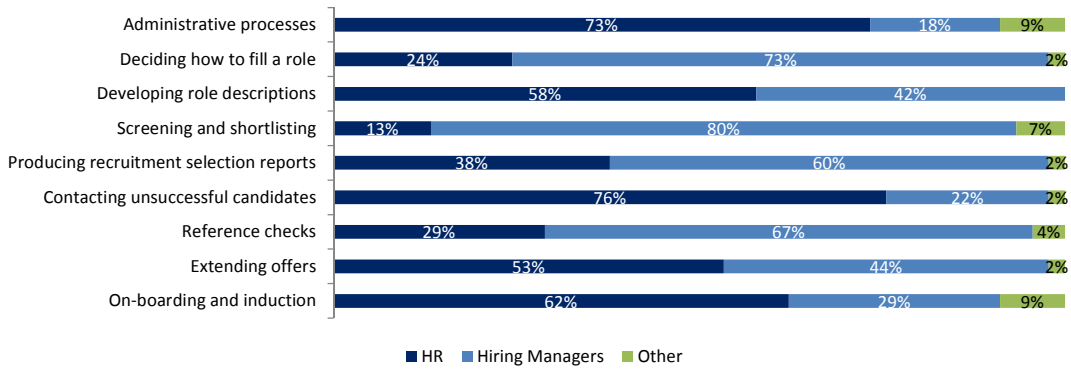


HR

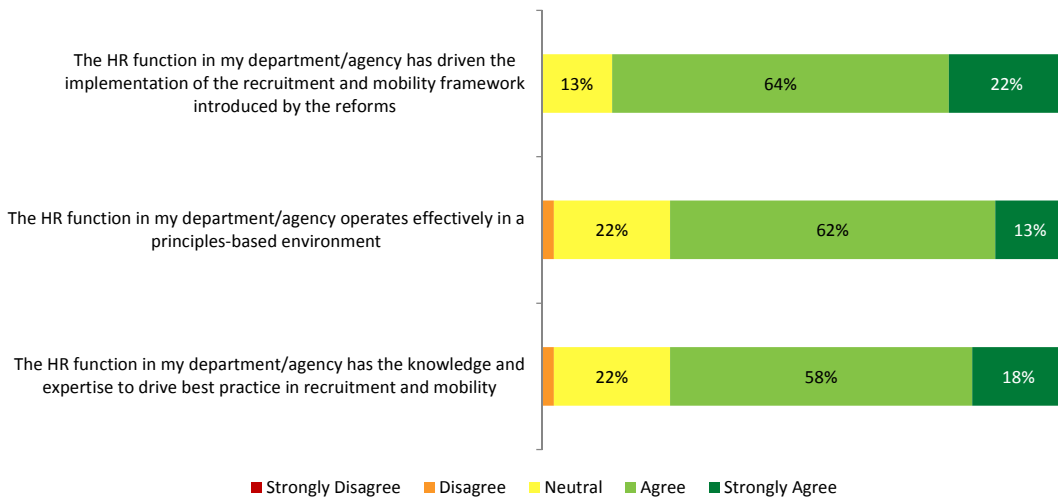


HR Structure and Roles in Recruitment

- 20 agencies (44.4%) said they have a recruitment and mobility centre of expertise, and 18 (40.0%) said they leverage an internal shared service and 4 (8.9%) an external shared service for recruitment



HR Capability





The Role of the PSC



The Role of the PSC

- Collaboration, coordination, and some degree of centralisation – “More collaboration with agencies on practical tools” ... “providing case studies” ... “build capability/tools/processes”
- Paradoxically, there was support for both ‘more principles, fewer prescriptions’ and ‘fewer principles, more prescriptions’ – “More general guidelines and less rules and process” vs. “Less standing back, just get in and make agencies to the right thing”