



Public
Service
Commission

Deloitte.

Summary Assessment

The state of workforce reform

I work
FOR
NSW

The NSW Public Service Commission (PSC, or Commission) recently commissioned Deloitte to find out how the public service is faring with the workforce reform agenda, based on the principles and settings of the Government Sector Employment (GSE) Act 2013.

This was not a compliance audit. The review was done to take a sounding of agencies' and individuals' experience so far; understand the extent to which the reform intent is realised in practice; identify any GSE settings needing adjustment; and develop an approach for the broader sector to complete a successful transformation.

In June and July 2015, Deloitte met with a cross-section of 120 staff from five different clusters (FACS, Justice, DPE, DPC and DTIRIS) including Secretaries, business leaders, HR and GSE leads, people managers and non-executive staff. We thank the individuals and agencies involved for their contribution.

Developed collaboratively by the PSC and Deloitte, this summary report outlines findings, observations and recommendations for both clusters and the PSC. It draws out overarching issues for the reform program, and explores commitment to reform, ability to implement, and progress to date – all critical aspects of any successful institutional change.

There are many good news stories. There is almost universal support for the concepts promoted by the GSE Act, and people recognise the need for reform. There is real interest in the opportunities that the mobility provisions present, and support for the Capability and Ethical Frameworks. Clear progress is being made, and where agencies or teams are further along they typically feel more positive about the change. Likewise, where GSE implementation has dedicated funds, is business-led and supported by a strong HR team, the results are promising.

The exercise also revealed a series of common challenges, many of which are associated with being in 'transition' (e.g. a capability lag as people build the skill and knowledge to apply the new settings effectively; the need to change mindsets and culture to support a principles-based approach; people feel they are still waiting to see the real benefits of reform; and HR feel stretched and under-resourced).

Perhaps the most significant 'rate-limiters' of reform, though, are that:

- people underestimate the contribution of workforce management to business outcomes;
- leaders are not all visibly committed to the reforms or people management;
- people aren't clear on what good workforce management looks like, what people should expect when they work for NSW, and how the various elements of the reform agenda fit together;
- a shift in mindset and culture is needed - there is a tendency to look for direction (from the Centre, from business leaders, from the HR team, or from one's manager) rather than set it oneself – making it a challenge to transition to a principles-based environment;
- people management capability is uneven, and in some cases not mature enough to make use of the statutory settings;
- the function of HR in agencies is still often more operational and tactical than strategic; and
- there is a need to more meaningfully plan, measure and account for workforce strategies and their contribution to business outcomes.

The PSC is committed to working with agencies to address these challenges, and build on the strong progress that's already been made – in order that we may realise the full potential of the reform agenda and strengthen broader public sector performance. The Commission will tailor its approach to meet the current, emerging and varied needs of the sector as it embeds and makes optimal use of the reforms.

I believe this report will be of great use to the many people and agencies working to strengthen the quality and contribution of workforce management to service outcomes for customers and citizens.

Graeme Head, Commissioner, PSC

Introduction



INTRO



1.1 The current state assessment

The PSC engaged Deloitte to undertake this assessment as part of a broader project designed to take stock of progress, challenges and opportunities; define success for the workforce reform agenda; and map out ways to collectively optimise and integrate the use of GSE settings throughout the sector.

In June and July 2015 Deloitte spoke to and formally surveyed a vertical cross-section of over 120 public servants, spread across five different clusters (the then Trade, Investment, Regional Infrastructure and Services; Department of Premier and Cabinet; Planning and Environment; Justice; and Family and Community Services). They ran focus groups, held interviews, and facilitated small workshops.

The focus of conversation was on answering three overarching questions: are you committed? Do you have the capability you need? What kind of progress have you made, and how has it been?

1.2 This report

Developed collaboratively by the PSC and Deloitte, this document tells three stories: one about how public service agencies and the individuals within them are faring with the reforms, another about differences between key stakeholder groups, and the third about what they want from the PSC in future.

It identifies the main challenges and opportunities to realise the potential of the GSE reform agenda - and to facilitate a broader shift in the way members of the sector think about and manage people.

1.3 Context: workforce reform and the PSC

A clear reform agenda was set out

In January 2012, the NSW Commission of Audit Interim Report: Public Sector Management recommended substantial changes to workforce employment and management practices in the NSW public sector. The Commission of Audit saw a need to improve almost every aspect of employment in the sector. The Public Service Commissioner endorsed, and the NSW Government approved, all of the Commission's recommendations for workforce reform.

The Commissioner and the PSC are leading a comprehensive workforce management reform agenda that addresses the Government's decisions. The cornerstone of the reform agenda is the Government Sector Employment (GSE) Act 2013, which lays the foundations for a modern and effective public sector workforce.

Introduction



The sector is in the midst of implementation

Workforce reform is underway. Much of the focus to date has been on implementing the new statutory framework, the GSE Act, replacing the former Public Service Employment Management Act.



Significant effort has been put in by agencies and the PSC towards the senior executive transition, Capability Framework, new recruitment requirements, Performance Development Framework and the Ethical Framework.

While the reform applies to stakeholders of all levels, the executive-level changes have had the most impact to date.



The PSC is supporting agencies in the transition

The PSC supports agencies to manage the transition to the new legislative landscape, by providing policies, guidelines and advice, and by encouraging a principles-based approach. The PSC has put significant effort into whole-of-sector communications including roadshows, briefings, working groups on all key reform areas, the establishment of the HR Community of Practice, the employment portal and regular meetings of the Secretaries Board, HR and corporate services leaders.



Three and a half years into the reform process, the structural foundations for strategic, responsive and effective workforce management across the sector are in place.



Overarching findings



FINDINGS



2.1 Overall

There are many good news stories. There is almost universal support for the concepts promoted by the GSE Act, and people recognise the need for reform. There is real interest in the opportunities that the mobility provisions present, and support for leadership development, the Capability and Ethical Frameworks. Clear progress is being made, and where agencies or teams are further along they typically feel more positive about the change. Likewise, where GSE implementation has dedicated funds, is business-led and supported by a strong HR team, the results are promising. In instances where individual managers feel that they really ‘get’ GSE, they report taking the initiative, making the settings and tools work for them.

The exercise also revealed a series of common challenges, many of which are associated with being in ‘transition’ (e.g. a capability lag as people build the skill and knowledge to apply the new settings effectively; translating the principles into practice is often an exercise in trial-and-error; a feeling that the real benefits of reform are yet to emerge; and HR feel stretched and under-resourced). The remainder are underlying systemic issues, or ‘rate-limiters’, which have the potential to significantly constrain the impact of reform – and broader efforts to improve the calibre of workforce management. Changing one or more of these conditions will fundamentally improve the reform’s prospects, and build momentum to complete the transition.

This section (overarching findings) includes a summary of what we heard from participants during consultation, the PSC’s observations about those messages, and recommendations for the Commission and the sector to take this work forward.

2.2 What we heard about awareness, understanding and commitment to reform

Overall GSE makes perfect sense.

GSE has made us focus on the major people and HR gaps – performance management, training, and recruitment.

The principles of GSE are sound.

I think that in five years from now, things will look very different and there will be benefits.

People are aware of the need for workforce reform, and there is broad support for the ‘spirit’ and principles of the GSE

People across the public service support the principles and spirit of the GSE reform, which are seen to be sound and focused on the right elements. Workforce reform is seen to be modernising the NSW public sector and allowing it to ‘catch up’ with workforce practices evident in federal and private sectors.

The value of some elements of the reform program e.g. mobility, capability-based approaches and leadership development is clear at all levels of the public service. In general, people recognise that this is a transition period, and outcomes and benefits will emerge over time.

Overarching findings



FINDINGS



The promise of GSE is greater than delivery. We didn't get time to learn the new system first [before implementation commenced]

We need a story about what the new world looks like.

Not sure the 'why' of the reforms was sold properly.

Awareness and understanding of the various elements of the reform program is uneven

Most people are well aware that GSE offers more mobility, is underpinned by the Capability Framework, has changed the recruitment requirements, and instigated the senior executive transition in their agency. However, familiarity with other aspects of the reform agenda is more uneven.

Those who know about the Ethical Framework and the public sector core values generally support them, and the same goes for most of the other reform elements.

In some instances, the GSE is only equated with the senior executive transition, as this was the initial focus for many agencies in implementing the reforms. Where people feel that the executive transition was a negative experience, it has tended to affect their attitude to the rest of the GSE. For leaders personally involved in the transition, some report being distracted from engaging with the broader reform program.

An overarching narrative about the reform and its benefits would really help

People at all levels within agencies are looking for a clear story that explains the rationale for workforce reform and explains the link between all of its elements. In addition to this, there is a sense that the 'end state' and the steps required for change are not yet clear.

More visible recognition of the value of good workforce management to business outcomes, and senior business leader commitment to workforce reform has the potential to 'shift the dial'

Business leaders' commitment to workforce reform and management appears to be varied. Where commitment is high, these people are GSE's best champions – and their teams are typically having a more positive experience during transition. Non-executive employees are generally hungry for more connection to their leaders and seem to welcome all indications that their careers and/or management are valued.

Overarching findings



We heard a range of views about the value of GSE in practice



The need it not recognised

It is just a compliance activity

It will deliver some benefits

It will positively impact our agency

It is core to driving outcomes for our agency

I was really excited when I heard about GSE – I'm disappointed about it right now

It's pretty early in the journey. There are a lot of good things going on

The GSE gives me the opportunity to build the team I need. I wouldn't have liked to have started my role without GSE taking place

It has made the uncomplicated complicated and I'm waiting to see the benefits of it

A lot of people don't understand the intent and are worried about compliance

GSE is trying to bring public sector employment in line with the outside world. People have done the same thing for a long time. GSE enables us to do and think about things differently. It's not rocket science

There are intents of the GSE that have perverse outcomes

Overarching findings



FINDINGS



Translating theory into practice feels like a challenge

A number of people observed that the theory is great, but its translation into practice is sometimes problematic. They either feel that there are too many rules around the 'mechanics' of GSE (either centrally or locally created), or that there aren't enough – and that they are at a loss as to how to implement the new settings. Some stakeholders, particularly in HR teams, wish that there had been more time to sequence, plan and manage risks around implementation – although they acknowledge that the timeframes were not always of the PSC's or agency's making. They also note the difficulties and opportunities associated with developing the detail of implementation as it is rolled out. They typically appreciate the opportunity to inform the approach, but would like more certainty about what will be 'hardwired' and when.

I need a book of rules.

Principles-based decision making appeals, but people aren't sure of their authority, or what they're ultimately trying to achieve

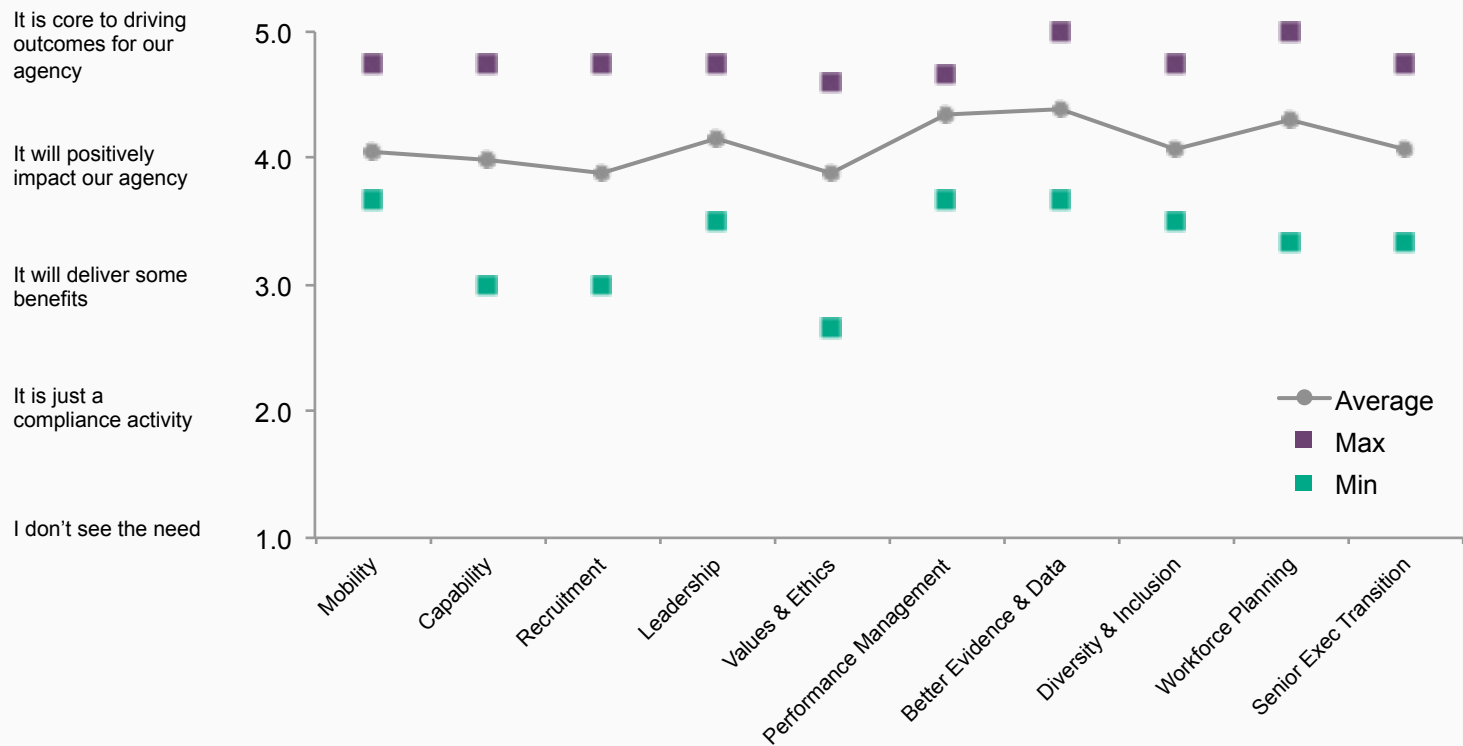
A range of stakeholders say that they would like to take a principles-based approach, but aren't completely clear on what they are ultimately supposed to achieve. They also want more reassurance that they have the authority to exercise freedom (within a frame). There is some cultural wariness about this kind of approach, as exercising professional discretion can seem like a risk. In the absence of these things, many people are asking for more rules. In part, they attribute the need for more guidance or rules to their own need to develop knowledge, skill, or experience to use the new settings. Most people believe that once this capability is in place, the real potential of GSE will be realised.

Overarching findings



Some HR representatives are still unsure of the value of GSE

The following figure charts HR representatives' views on the value of workforce reform in a range of areas. While some people see them as 'core to driving business outcomes', there are others who only believe they will 'deliver some benefits' (this is particularly noticeable in relation to the ethics, recruitment and capability elements of the program). The feedback from some HR staff suggests that while they continue to support the spirit of the reform, their lived experience does not yet meet expectations. Some feel disheartened by this, and tired by the effort required to implement reform – while others just expect it to take time.



Overarching findings



FINDINGS



We don't sell ourselves in government as a workforce of choice. For example, it seems that... in Singapore the best and brightest go into public sector.

Some senior business leaders are keen on workforce reform as a way to position the sector as an employer of choice

Senior leaders from some of the clusters identified employer branding as a significant challenge. They feel that the public sector is not considered to be an employer of choice, does not effectively attract the 'best and brightest' in particular fields (e.g. policy) and greater marketing of the employer brand is required to improve the image of the sector. One Secretary pointed to the branding of the Department of Defence as a successful example.

Benefits in some reform areas are seen to be predicated on whole of Public Service implementation

Some people feel that they can't or won't see the real benefits of reform until the reforms are complete. This is based on the belief that some areas, such as mobility, require whole of sector adoption.

2.3 Observations and recommendations about commitment

Re: understanding of, and commitment to the intent and principles

- Few people demonstrate deep understanding of the reform settings and tools (e.g. diversity requirements), or how the various elements can work together to deliver better outcomes or address key business problems.
- The GSE reforms have heightened attention on workforce management across the sector, though much of the activity to date has concentrated on shifting to specific new settings, for example in executive structures and recruitment. There is also a strong focus on the reform elements directly related to managing people, but much less attention on the organisation design aspects of the reform, such as the shift to roles instead of fixed positions.
- While many leaders support the workforce reform in principle, workforce considerations are not always top-of-mind. The lack of priority given to workforce management is likely to reflect a lack of understanding of its potential to affect core business outcomes, in turn reflecting an absence of workforce management data to measure the relative effect of different approaches on employee engagement and productivity. Good workforce management is seen as desirable but not critical.
- To the extent that priority is given, the emphasis is on individual performance management but it is rare that workforce management strategy is used by leaders in a systematic way to address business goals and problems, including considerations of the best avenue to deliver services, work design, people development strategy and employee engagement.

Recommendations

For clusters:

- Develop and roll out a strategy to raise leaders' and managers' understanding of the critical importance of good workforce management to organisational outcomes, both in the planning of business strategies and in the day-to-day management of teams.
- Develop and implement an integrated approach to workforce management, based on the reform principles and incorporating the new settings.

Overarching findings



FINDINGS



For the PSC:

- Tell the overarching story about reform and expectations of 'good' workforce management in the NSW public sector.
- Continue to support the implementation of specific settings but shift the emphasis to their contribution to an integrated approach to workforce management, with a clear link to its impact on business outcomes.

Re: the perceived value and challenges of GSE in practice

- There is a cultural tendency to look for direction (from the Centre, from business leaders, from the HR team, or from one's manager) rather than set it oneself.
- To genuinely operate in a principles-based way, people need a clearer sense of their authority to do so. They also need a picture of what they are collectively aiming to achieve. With these things in place, people will be better able to interrogate and improve their approach to workforce management.
- Agencies vary widely in their approach to the reforms: some agencies are keen to move to a principles-based approach with less direction and adjudication from the PSC, whilst others call for more guidance on processes to implement the reforms and/or create their own rules.
- There is also internal divergence in some agencies where leaders are keen to adopt a principles-based approach whilst their HR team prefer prescriptive rules, and vice versa.
- Some of the GSE settings may be too prescriptive: there is scope to review some aspects, for example in recruitment.
- There seems to be a lack of understanding or picture of the potential benefits even if implementation only ever extends to only a cluster.

Recommendations

For clusters:

- Review implementation of GSE settings to identify unnecessary local rules and/or pre-existing rules that are still applied in addition to the new settings.
- Set an expectation that people will take initiative and make fit-for-purpose decisions based on shared principles and common logic and expected end-state.
- Develop managerial capability – or otherwise resource them - to make principles-based decisions about the workforce.

For the PSC:

- Review GSE settings and rules to identify and remove any unnecessary over-prescription.
- Describe the ideal end-state.
- Promote an integrated and principles-based approach to workforce management.
- As already planned, conduct pilot projects with agencies to generate practical examples of the significance of workforce management in meeting organisational goals and outcomes.

Overarching findings



FINDINGS

Re: the need to position the sector an ‘employer of choice’

- Recruitment data suggests the issue is not consistent across the board, but may arise in specific areas (e.g. ICT and Finance)
- Reputation may affect the calibre of those the sector attracts at higher levels.
- Any past EVP branding has occurred at agency level, reinforcing the siloed nature of the sector.
- There has not been any EVP branding at whole of sector level to date, however the PSC has addressed this gap by developing an EVP in collaboration with the sector.
- Employee engagement and alignment with organisational values and goals is an essential element of organisational success.



Recommendations

For clusters:

- Agencies or clusters who have their own EVP should consider linking to the whole of sector EVP to encourage the public to see the sector as an employer of choice.



For the PSC:

- Launch the new EVP once endorsed by the Premier and provide collateral and implementation advice to agencies.
- Identify cross-sector pressure points and develop a strategy with relevant agencies.
- Link the change management strategy to emerge from the present review with the EVP message.



Overarching findings



FINDINGS

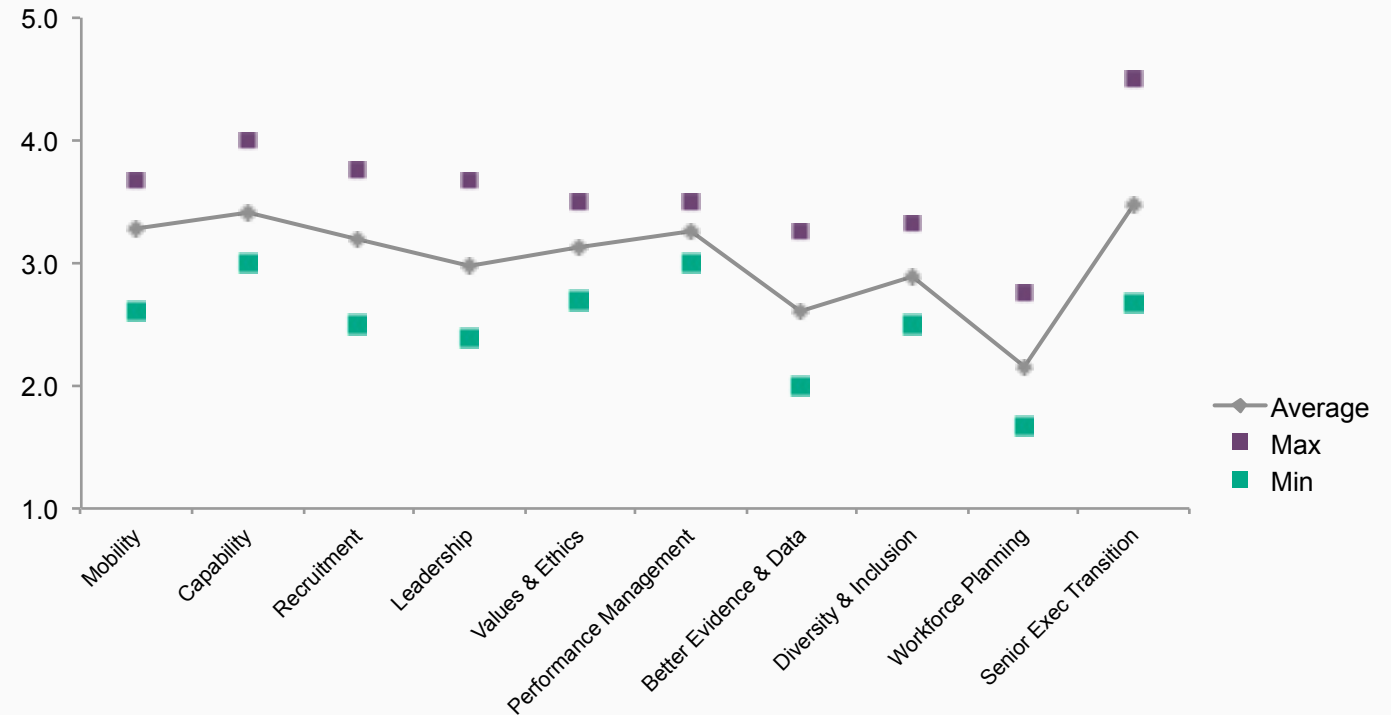


2.4 What we heard about the experience of transition, and progress to date

Though some agencies have completed their senior executive transition, all other aspects of reform are still underway – or just getting started

GSE and HR Leads report significant variation in the progress of the various workforce reform elements. These findings reflect the status of PSC roll out of supporting principles and tools to some of the reform areas like workforce planning and better evidence and data, which are still in development.

- We have implemented to a high standard across the agency
- We have completed implementation to a basic extent
- We have started and are in transition
- We are planning to start
- We haven't started



Overarching findings



FINDINGS



GSE has obsessed/ consumed the organisation for the last 12 months. Our HR Function is chronically under-funded.

HR, GSE leads and many executives have devoted considerable time to reform implementation over the last year or so. Where dedicated funding, business support, and good information are provided, the experience has been far more positive

Likewise, where these conditions have not all been in place, and/or where other significant structural reforms have been underway, the experience has been more challenging – and HR teams in particular feel stretched.

Several business leaders say that GSE reform has highlighted systemic and long-term under-resourcing of the HR function, and their clusters' broader corporate services.

People typically see more benefit if they've made more progress

The quotes below show the varied sentiment across the public service (all groups) in relation to their implementation progress.



Overarching findings



FINDINGS



Competing and intersecting reforms across the sector have influenced progress. For some, workforce reform feels like an extra compliance burden - whereas for others it's an opportunity to make change happen

The operating context of each cluster is a key influencing factor. Intersecting reform (both timing and content) with other significant cluster and sector-wide priorities and changes, including machinery of government, restructuring, efficiency dividends, contestability and service delivery, is impacting on their ability to implement reform. Changes to the role of government and service delivery models were also identified as a workforce challenge. The impacts on workforce arising from these transitions are of concern to business leaders.

2.5 Observations and recommendations about implementation

Re: differing degrees of progress, by agency, cluster and reform element

- It is to be expected that clusters, and various reform elements, are at different points – the reform timetable was designed to allow some variation.

Re: relationship to other change programs

- The impact of major policy and/or service delivery model changes on the workforce is acknowledged by agency leaders and causes them concern.
- However, workforce management is not generally seen as a key driver to facilitate and achieve those changes and the GSE changes are seen by some agencies as just another set of changes.
- By thinking about their various change programs as separate reforms, some agencies are missing the opportunity to use the GSE reforms to achieve their business-related changes.
- Some clusters have recognised the opportunity inherent in the reform and maximised its benefits, whilst others have adopted a compliance approach. The potential of the GSE workforce reforms to deliver and support core business changes is therefore not fully harnessed.

Recommendations

For clusters:

- Systematically use workforce management as a key strategy to deliver core business outcomes, both for 'business as usual' and reform.

For the PSC:

- Work with the sector to develop knowledge and skills in linking workforce management to business outcomes.

Conflation of our internal reform and GSE made it tricky to know what was driving what.

The Senior Executive Transition has been a great opportunity to refresh the leadership team and set expectations for that cohort.

We think it's [Senior Executive Transition] been largely a compliance exercise – we've still got the same people in the job.

Overarching findings



FINDINGS



2.6 What we heard about ability to make use of the new settings

It's common to report a 'capability lag' as people develop their ability to make best use of the new settings

The quotes below show the varied sentiment across all levels of the public service in relation to the ability to implement.



Recruitment is using Psych tests to tick a box, but they don't understand the result of them and don't use them effectively in recruitment

Overarching findings



FINDINGS



Management capability across the organisation is lacking. This impacts all aspects of workforce management, such as driving accountability and capacity for strategic thinking.

I have a wonderful manager and it makes all the difference.

Do we have the skills to pull off a reform of this size and complexity?

We don't have the maturity needed for strategic reform management across the cluster.

We need to start building capability in analytics, data analysis, reporting, interpreting and presenting.

We need singular systems so that we don't have to continually integrate people into separate systems every time they move.

It has been difficult to get the data and reports I need. We need to be clear about business/client needs.

Managers with skill and commitment to workforce management are a critical enabler (but the lack of this capability is also holding agencies back)

Managerial capability (among Team Leaders and Directors in particular) is uneven and relatively immature in some places. Strong people management skills can make the key difference to individual and organisational performance, but its absence also creates real challenges in delivering workforce reform. Managers do not always see the link between good integrated management to and business outcomes. Given that managers have the most contact with employees their capability is a key driver of successful workforce reform implementation.

Agencies will get the most out of GSE if they reconfigure their HR functions to be more strategic, complementing their operational and tactical offering

The capacity and capability of HR to deliver workforce reform is a major challenge for some agencies. There are some questions as to whether the existing set of capabilities is able to deliver reform as complex as the GSE. This combined with capacity constraints in these functions impacts on the delivery of other BAU priorities. There is a need to position the HR role and the mix of capabilities in HR differently to support the new model.

There is a tendency to underestimate the contribution of workforce management to business outcomes - and a consequent lack of investment in planning, measuring and accounting for it

Relative to the other elements of reform, workforce planning and the use of evidence and data are not as well-progressed, although people say they are very important, and managers and leaders see potential in them both.

Current workforce planning appears to be mostly tactical and operational, and often seems to happen without consultation with team leaders and other line managers.

It is common to find that different parts of an individual agency were using multiple (and unconnected) platforms to manage workforce information, and that direct managers were not able to get all the information they'd like about their own teams – let alone capabilities and capacity in the rest of the organisation.

Almost no one is linking workforce data to financial and business data in a meaningful way.

Overarching findings



2.7 Observations and recommendations about ability to make use of the new settings

Re: the need for good people management capability



FINDINGS

- The lack of priority given to workforce management is likely to reflect a lack of understanding of its potential to affect core business outcomes, in turn reflecting an absence of workforce management data to measure the relative effect of different approaches on employee engagement and productivity. Good workforce management is seen as desirable but not critical (a 'good thing to do').

Recommendations

For clusters:

- Develop and roll out a strategy to raise managers' understanding of the critical importance of good workforce management to organisational outcomes, both in the planning of business strategies and in the day-to-day management of teams.
- Invest in developing the management capability and confidence of clerk grades 9/10 and 11/12 and Band 1 executives, including skills like work design, mobility management, having performance conversations, providing career guidance, workforce planning and ability to tailor and execute recruitment.

For the PSC:

- Support agencies to develop their middle-management bench strength and the workforce management skills of their leadership pipeline, through the Leadership Academy and other initiatives.

Re: the role and capability of HR

- The HR function has had a relatively low status across clusters to date, typically reporting through a corporate head specialised in Finance and no participation in regular executive discussions of core business matters. Senior business leaders do not typically see the value of HR management contribution to service delivery outcomes. It has been regarded as a support function, responsible for dealing with almost all operational and strategic workforce matters on behalf of the organisation.
- The current mix of HR capabilities largely reflects (and is adapted to) the operational role it has been assigned to date. Some agencies have moved to change their mix of HR capabilities to support a shift in the function's position in the organisation, but not all.
- The shift in HR's role needs to happen concurrently with the shift in leaders' and managers' role in workforce management.



Overarching findings



FINDINGS



Recommendations

For clusters:

- Review the status of the HR function within the organisation and the configuration of its capabilities so that it can advise and support leaders and managers to meet organisational goals and outcomes through excellence in workforce management.

For the PSC:

- Finalise and issue the HR occupation-specific capability set (due before the end of 2015).
- Develop and provide guidance on the HR function's role in line with the workforce management reform direction.

Re: the need for evidence-based resource management, consistent with the value of workforce contribution to business outcomes

- Workforce planning and better use of evidence and data are two areas for which the PSC has not yet provided substantial guidance or support materials. The sector has progressed furthest in areas driven by the PSC and supported by guidance materials.
- To the extent that workforce data is available, it is typically demographic and conditions-based (e.g. sick leave and turnover) – but doesn't address workforce capability or performance.
- A move to evidence-based workforce management and workforce planning is unlikely to become a priority for leaders and managers until there is evidence to demonstrate their critical importance in meeting organisational goals and outcomes.

Recommendations

For clusters:

- Integrate workforce planning from the outset into all business planning and problem solving, as a matter of practice.
- Include HR KPI measures in corporate KPIs, related to HR strategies that contribute to business outcomes.
- Provide resource for and build skills in workforce data analysis in combination with business and financial data.
- Invest in HCM systems to enable use of capability and performance data, as well as more traditional HR information.

For the PSC:

- Accelerate provision of high level guidance on evidence-based workforce planning as a key element of workforce management.
- Work with the sector to develop examples of good practice in workforce planning.
- Work with the sector to demonstrate the value of analysing workforce data in combination with business and financial data to diagnose and address organisational goals and problems.

Differences by key stakeholder group



A broad range of stakeholder groups were engaged as part of the current state assessment. The commitment and buy-in varies across groups, although generally people in higher levels of the organisation are more positive. Overall managers feel that they don't have the capability to manage the reform and HR leads and employees are requesting more information and support to go through the reform.



STAKEHOLDERS



<p>Secretaries</p>	<p>Committed to the intent of workforce reform, however some are leading and driving the implementation more than others.</p> <p>Challenged to various degrees by the reality of implementing the reform in their clusters. Specific challenges included the context of competing reforms, the new capabilities required to support the reform and the lack of employer branding across the sector.</p> <p>Feel well supported by their business leaders, and are looking to the PSC to provide an overarching reform narrative and clear guidelines for implementation.</p>
<p>Business leaders</p>	<p>Generally support the intent of workforce reform (with a few exceptions), however they are distracted by the pressures of their roles and the additional workload associated with the transition.</p> <p>Some see huge potential and opportunity to transform their businesses, whilst others have experienced adverse outcomes from the implementation.</p> <p>Identify a need to improve workforce management maturity, particularly within corporate services, HR and line managers. Poor data and systems and a lack of clear messaging and guidance about reform 'rules' were also identified as possible constraints.</p>
<p>Team leaders</p>	<p>See the need to build their own capability to manage their people and are looking for access to the right tools and guides to help them perform in their role - focus areas were performance management and recruitment.</p> <p>Recognise that they play a key role in reform implementation, for example enabling mobility opportunities, providing quality feedback and identifying capability gaps.</p> <p>HR leads feel they don't have the full capability and capacity to translate reform from theory to practice. Some have misinterpreted the rules and settings, which has complicated implementation.</p>

Differences by key stakeholder group



STAKEHOLDERS

HR & GSE leads

The focus and amount of work required to deliver reform has detracted from other HR agendas, particularly where the reform has been absorbed into business as usual activity.

Employees

Lack of information sharing between clusters across the sector, and poor quality data and systems were cited as barriers to workforce reform.

Generally positive about the intentions of reform and could see theoretically how this would benefit them in their roles.

Given the timing of this assessment and the reform implementation journey, most employees had not yet experienced many reform benefits. They are particularly keen on mobility, although some people do worry about the degree of control they will have over their movement.

Seek more information, support and consultation from their leaders to manage anxiety and uncertainty associated with key elements of change, such as assignment to role guidelines.

The role of the PSC as a reform partner



ROLE OF THE OSC

Going forward, agencies are calling for the PSC to:

- provide an overarching reform narrative;
- take a more differentiated approach to its work with agencies, in light of the fact that they have varied needs, maturity and goals;
- ensure that all statutory requirements are necessary;
- help to communicate and sell the reform agenda to their staff;
- continue to create opportunities to connect, collaborate and share with others in the Sector;
- focus on enabling and resourcing them (and do less adjudicating and directing over time);
- provide more guidance, tools and information on how to integrate and optimise the various elements of reform; and
- work with them to develop the capability to manage workforces effectively.

Appendix 1 Consultation design



APPENDIX

The Current State Assessment covered two topics:



We assessed the progress of workforce reform against three categories. These were chosen as they provide a solid foundation for development of the change roadmap which supports future implementation.

Commitment

Understanding intent

What does your organisation understand about the role of the workforce and work practices in delivering business outcomes? Does your organisation understand how

Understanding commitment

How does your organisation prioritise workforce reform in order to enable business outcomes? workforce reform can support this?

Ability

Understanding the organisation

Is your organisation equipped to optimise its workforce and deliver workforce reform? This includes

- Process, policy or tools
- Governance
- People
- Technology
- Information and data

Understanding roles

How do these things help employees, managers and organisational leaders to be successful in their roles? Where are the gaps?

Progress

Understanding the journey

How has the organisation used the workforce to deliver outcomes? What stage is your organisation at in the implementation of workforce reform?

Understanding outcomes

What outcomes has your organisation achieved as a result of workforce reform or other workforce-related activities?