

Submission to the National Commission of Audit

Facilitating & embedding the continuous scrutiny & review of government staffing & functions

Overview

The purpose of this proposal is to outline a tool that can be used to drive and facilitate the on-going, continuous review and enhancement of public service productivity, of alignment between shifting priorities and the allocation of resources and of scrutiny and review of where salaries are being spent and why. (Perhaps making periodic Commissions of Audit superfluous too!)

The idea stems from a similar paradigm or mindset where the concepts of *zero-based budgeting*¹ (ZBB) and *sunset reviews*² are grounded. The ZBB approach required that each year every agency or department and their sub-units had to justify their entire budget and *raison d'être* and rather than having to simply make the business case for any extra, incremental funding required for new initiatives or to cover pay rises, inflation, etc.

This proposal, however, uses modern technology to achieve and embed real time transparency and visibility of what resourcing is currently (and was) going into each outcome, to provide a basis for scrutiny, re-prioritisation and review. It does this while avoiding the burdensome task of management having to make a case annually for resources for long-standing, on-going activities and while obviating the 'clunkiness' – lumpiness; dysfunctionalities; national interest-defeating behaviour; the trepidation and resistance towards; the cynicism about and the covert behaviours and similar subterfuges regularly engaged in by bureaucracy to hide vulnerable resources and functions - associated with occasional or periodic audits to identify opportunities for reallocating resources.

The proposal

Our proposal is to operationalise the concept of requiring management to continuously review, prioritise and look for alternative solutions to the allocation of staffing resources at a granular (individual job) level, as well as concurrently at the level of the organisational unit, function, service, deliverable, etc.

Once the case for a particular job or set of jobs is made, that case does not have to be reviewed and remade each year as the *zero-based budgeting* approach would require.

¹ *Zero-based budgeting (ZBB)* is based on the idea that no past decisions should ever – let alone endlessly – be taken for granted. Every previous decision on staff requirements is up for review. *ZBB* involved annual reviews of all expenditure. Our proposal here involves the continuous exposure to scrutiny and re-evaluation of the need for past decisions about staffing.

² In a *sunset review* the entire function is eliminated unless evidence is provided to justify its continuing.

Rather, the case, the justification, is instead open to continuous scrutiny and review, both internally and externally, as needs, governments, community expectations and priorities, change over time.

We also propose to extend the usefulness of the exposed (publicised) justification for each job and at the various less granular, rolled-up reporting levels (at each level of the organisational structure – team, project, branch, function, service, division, agency, etc) by using the tool as a framework to inform stakeholders on the key quality dimensions around how well the staff resources are being used.

The way to achieve such continuous scrutiny of what our public servants are doing and at what cost to the taxpayer, is to expose on the web, information on what service/project/deliverable/goal, etc each public service job is contributing to. Through the use of passcodes and access controls³ over both the input of data and the reports generated from the data, only the occupant and their authorised chain of command would be able to know who is the occupant of a job and only the occupant could input certain fields.

The tool would make available appropriate public information on resource allocation to all, but with individual privacy and management sensitivities respected. The software exists that does this beautifully⁴, with high levels of security and ease of use. It is mature software, used world-wide, that has been providing various services across all sectors of government and to business for over 20 years. The proposal could be road-tested at major agencies such as the ABS, which has been expertly using this software – but of course not for this purpose - for that period.

Our vision for this initiative

Much like the intent of and rationale for the My School website, the idea here is to provide the community, stakeholders, reviewers and decision-makers with information on how many jobs and how much salary is being paid in support of all - and the sub-elements or components of - government services, functions, projects, administrative overheads, etc. It is about making such information visible.

If one or more pilot projects prove successful, the following details of all public sector staffing, except for areas involved in national and other forms of security, would be published on the web:

³ Database security – ‘Every database has an access control list (ACL) that specifies the level of access a user or a server can have to that database. A user’s access level determines what tasks he or she can perform in the database.’ Source: IBM

⁴ The author was responsible for pioneering - nationally and internationally - the use of an earlier version of this software to support sensitive executive government (Cabinet, Executive Council, legislative programming) decision-making and document flows and as the backbone for whole-of-government document handling and distribution, information flows, knowledge sharing and collaboration.

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- Various views of the data would be designed so that the general public could not see any names of public servants, but authorised public service managers could see names where that is authorised and appropriate.
- I would envisage that the general community could select one or a list of agencies, departments, services, functions and see:
 1. The total number of staff whose primary roles are currently supporting each function/agency/service. (The history – earlier levels of staff involved, say, back over 5 or 10 years - would be accessible.)
 2. You would click on that (total for the agency) line and expand the fully-rolled up report line for each agency to see the staffing numbers reported at the next level down – that is, the staffing numbers broken down to the highest level overview of the component elements of the function (etc).
 - And so on; you can keep expanding the view to see the staffing numbers reported for each level of the organisation. Until you have expanded each such reporting line and can see all of the jobs (with other information outlines below) for the entire agency. (You can also by-pass the task of expanding the level by level reports and go straight from whichever line you have just opened to show all the jobs under that level or line report.)
 - That is to say, from the ‘total for the agency’ or ‘total for the function’ line report, you can expand this first line by selecting an icon that will produce a list of all the jobs supporting that agency, function, etc.
 3. Similarly, if you want to see just the jobs involved in one or more of the component elements (or units of the agency or function, etc) broken down on a sub-unit by sub-unit basis, you select each sub-unit’s summary or total line and obtain a list of all jobs involved in each component or sub-unit.
 4. And so on, until you reach the level of report that lists the positions that the first line level of team leadership or management is responsible for.

We could term this the **‘reporting’** slice (view, dimension or perspective) of the staffing-by-agency or staffing-by-function data.

Any internal (management, HR, budget managers, audit) or external review could view the original as well as the subsequent and current justifications for the current staffing level, at a rolled-up level by agency, function, division, branch, unit, service and/or at a completely disaggregated level of individual jobs or groupings of jobs.

What data might be inputted for each job? (Inputting is decentralised; who-ever is authorised to edit certain columns can input text or other data. The source of all changes is revealed.)

I envisage for each job, there would be shown a position number, rationale for the initial establishment of the position and subsequent variations to that rationale, the classification level, current salary paid; description or categorisation of the nature of the service, role or

deliverable(s), by project or initiative, a rating/indicator of the current need for the position and of the extent of their utilisation on their team leader's or manager's service, role or deliverable.

Quality measures

Additionally and invaluable, this tool provides a vehicle for the exposure (transparency or visibility) of quality measures to do with the allocation and utilisation of staffing resources. In this regard, the tool will be a source and driver of review, change and improvement initiatives.

The individual job occupant could be required to record on the form their (that staff member's) ranking, out of 10, of the extent of utilisation of all their talents and experience and the occupant's ranking (out of 10) of their sense of engagement currently. This rating would be anonymous to all but those authorised in the chain of command or a staffing review, scrutiny activity.

Any pattern of underutilised or disengaged staff will be viewable there for all authorised levels of the chain of command and of performance or productivity consultancy services to see and take appropriate action. (The envisaged software is rich in producing highly accessible, visual graphics of such patterns.)

Staff could also record their interest (and the strength of their interest) in having their specific talents (as described) utilised better or in another way; and similarly how or where they would like to have the opportunity for a stretch assignment and the parameters of such an opportunity. Again, only the chain of command and authorised actioning, review or scrutiny staff and bodies would have access to such remarks.

Managers at various levels could be required to attach to each position and rolled-up at each level of the organisation, a score indicating the priority they attach to the job and the unit with reference to its current purpose and the current absolute &/or relative need for it.

The history of all these data elements would be available with one click to those with the authority to access them.

The availability of and value of recording and reporting these latter quality dimensions of the staffing data will provide a basis for agencies to enhance the engagement, morale, challenge and job satisfaction of their staff by facilitating managers to support their staff to obtain personal and professional growth throughout their careers. The contemporary workforce is increasingly demanding and expecting their employers to attend to their needs for stimulation, challenge and growth.

Additional opportunities for this initiative to add value

It is not hard to see a number of additional improvement opportunities that this infrastructure could facilitate over time.

For example, if you believe - as I do after 40+ years in the APS and at other levels of government and in the private and NFP sectors - that to achieve a highly productive, healthy, engaged, motivated, challenged, rewarded and high performing workforce it is essential that before anyone can manage another person they need to be equipped (have the capacity for) to appropriately manage other people so as to get the best out of them for their own (the managed person's), the organisation's and the nation's best interests.

Our proposal here, as a by-product, provides the infrastructure to operationalise this objective. All occupants of a position that is at the first level of leadership/management and above would be required to be an accredited (trained) leader/manager of other people.

Benefits

1. Facilitates and achieves the efficient allocation of staffing resources - up-dated and adjusted for changing circumstances, decision-makers and priorities – based on current needs, rather than on historical needs.
2. Enables managers at all levels to be accountable for their resource allocation and drives them to continuously review the alignment between resource allocation and priorities and to find cost effective ways to improve operations.
3. Enables the detection of inflated or lower priority staffing levels.
4. Increases staffs' sense of ownership of the service (deliverables, project, function, team, organisational group or unit) they contribute to; and through this increases their level of engagement, morale, sense of being valued, trusted, heard, welcome to innovate and of being recognised as playing an important role, rewarded and treated like an adult and a professional. Hence it drives productivity improvement and the retention of high performers.
5. Facilitates the identification and elimination of out-dated, lower priority, wasteful and obsolete operations.
6. Identifies opportunities for outsourcing.
7. Forces managers, cost centres to articulate their role, purpose, deliverables and the relationship of each organisational unit horizontally and hierarchically to the overall goals of the organisation. People can, importantly, see where they fit and how they contribute to the organisation's purpose.
8. It overcomes the traditional blockage to staff being engaged with top-down strategic and annual business unit planning processes by enabling every staff member to see where their own job and contributions fit in.
9. Stimulates people at all levels to see opportunities for fresh thinking, new options and trying new approaches and arrangements.