SPEECH

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Acknowledgments

I would like to acknowledge the Cadigal [cad-i-gal] people, traditional owners of the land on which we meet today.

Introduction

It's a pleasure to be here today.

I am the CEO of the Federal Government Department of Education, Employment and Workplace Relations – known as DEEWR – which would be considered one of the largest in the Australian Public Service.

I am a career public servant. I am currently the sixth longest standing federal Secretary and I was first made a Secretary in 2004. There are 20 secretaries at present and 3 are women.

At DEEWR, we administer \$43 billion a year on behalf of the Australian taxpayer. We have about 6000 staff in 49 locations in Australia and 10 overseas. Other than the Department of Foreign Affairs and Trade I am the only Secretary who answers to two Cabinet Ministers. But different from the Department of Foreign Affairs and Trade, we also work to two non-Cabinet Ministers. DEEWR also has one Parliamentary Secretary in the portfolio.

When our current Prime Minister, Julia Gillard, was Deputy Prime Minister, she set up DEEWR to focus on productivity. In particular, to focus on the

contribution <u>people</u> make to productivity. In other words, how do Australians' skills, education and personal capacities contribute to national prosperity.

Of course the relationship between people's skills and productivity is direct.

It's been said that a 1% increase in literacy among adults would increase GDP by 1.5%. And yet, 4.5 million Australians are not literate enough to operate effectively in the modern global economy, according to the OECD. This figure includes 60% of all unemployed people.

DEEWR looks after people from what I like to call "cradle to <u>almost</u> grave!" We deliver programs for little kids through childcare and early learning, through schooling, transition to a job or further education, employment, support for the unemployed and fair workplaces. But we don't do aged care!

DEEWR: the early years

DEEWR kicked lots of goals in the most recent term of government from when it was first established in late 2007 through to the election in August this year.

Major microeconomic reforms are underway.

For the first time since federation there will be standard consumer protection across all 11,000 childcare centres. Every four year old will have access to pre-school.

The first ever national curriculum is being finalised now. Every senior high school student will have a computer. The MySchool website is a huge hit with

parents because for the first time in Australia anyone can see how their kid's school is performing on the basics, compared to statistically similar schools.

Higher education is being de-regulated to allow all comers. Vocational education has been a major response to the global recession.

Support for unemployed people has been revamped and is better helping very disadvantaged people.

The workplace relations framework has been entirely replaced from Work Choices to the Fair Work Act. Occupational Health and Safety laws will be harmonised across Australia.

DEEWR also takes a special focus on helping indigenous Australians.

We commissioned Econtech to tell us what some of these reforms might contribute to the economy. Econtech reckon reforms will add \$100 billion every year to 2040 which is the equivalent of an extra 500,000 jobs each year.

One of the pleasures of being in the public service is that we know our work helps kids and families every day. We are really making a difference.

Creating DEEWR—the challenges, the opportunities

Before we embarked on this ambitious agenda, we first needed to come together as a fully functioning department.

In 2007, DEEWR's formation involved joining two former departments and a large part of a third. Each of these departments had very different

organisational cultures and as a result meant bringing together groups of people who had very different views about how things should operate. Half of the organisation knew me well, while the other half didn't.

It was the equivalent of a major merger in private sector terms, without any time to plan and without any funding.

We used a formal change management approach. I set up an Establishment Taskforce and some our best and brightest were brought into it. We had to capture the <u>past</u>, such as lodging our old websites with the National Archives. And we hat to create our future, in a way which would be seamless to customers and invisible to government. Of course all the issues relevant to any major merger has to be considered: IT alignment, remuneration, records, property and assets, communications and so on. Literally overnight I found myself with two CFs, two CIOs, two Chief Lawyers, two state managers in every state and a huge number of unconnected leases. In my view though the most important piece of work was the cultural piece.

We used an extensive communications strategy. I generally believe you can never communicate enough. We used multiple channels to communicate out to people and offered many different ways in which DEEWR people could be heard, including anonymously.

I spelled out my vision for our organisational culture and we enshrined it in our Strategic Plan in what we call our "Approaches": Find solutions and deliver results, Care for people; and Connect and Engage.

But of course constant vigilance is required: there would still be some people who thing you can't find solutions and deliver results, <u>and</u> care for people, at the same time.

The best tests on how well it worked are that we delivered the Government's large reform agenda and that our own staff survey last year was very positive.

DEEWR Today

So, where are we now? I will touch briefly on three different approaches we are taking.

Firstly, we are experiencing generational change—young people joining DEEWR who communicate through social media and move around a lot.

We are among the first in the Australian Public Service to allow Facebook and other social media applications into the daily work environment. Today blogs, wikis, sharepoints and twitter are becoming common place in the department. Sounds simple enough, but the reality of moving with the social media flow, is anything but a simple decision for a public sector organisation. At each step we have to weigh up the risks involved in 'going public'.

One area where I believe we differ from most non-public sector organisations is that we operate in the fishbowl of a highly political and very public environment.

Because we administer taxpayers' funds we rightly fact constant scrutiny through the media and through attendances at parliamentary enquiries and

committees and the 24/7 media cycle has reshaped the way the public sector operates.

These are routine events that maybe, leaders outside the public service do not need to factor in to their daily operations unless they are in crisis or under scrutiny?

Growing our leaders in DEEWR

Secondly, there's no doubt that the success of DEEWR in achieving its vision relies on leadership capability being demonstrated at all levels of the organisation.

American scholar, author and leadership expert Warren G Bennis has pointed out that 'Leadership is the capacity to translate vision into reality.'

At DEEWR, we recognise that achieving our vision requires an intentional focus on people as much as it does on business. Both are critical.

Caring for DEEWR people is extremely important to me.

Improving resilience in the face of change by supporting staff to achieve greater wellbeing has been a major priority.

We have introduced new leadership programs targeting senior executive and middle managers. These programs have been specifically designed to be innovative, engaging but at the same time relevant to the work they do at DEEWR.

One of these programs will see a number of our people working with the Australian National University on policy development and analysis. This is a very exciting opportunity for DEEWR and one which we hope to continue into the future. The programs will offer many ways for our leaders to understand their own style and therefore to appreciate the need for teams to be diverse. The programs will challenge them with a real work challenge of their choosing. I am working with small groups of our Executives to spell out my expectations of their leadership and act as a coach and mentor.

Thirdly, this year we launched a major innovation strategy in the Department. It's called the Big Ideas. We encourage our people to put forward ideas and have them implemented across the organisation. These ideas range from the establishment of wellbeing officers to coordinate activities to help employees obtain a balance at work, through to innovative ways to deliver programs in remote communities, or to wearing name tags.

Big Ideas is about nurturing a culture of engagement, innovation and openness. Encouraging staff to come up with ideas about how we go forward as a department contributes to our continuing drive to be a high-performing agency.

In conclusion: communication is key

While I have spoken about the challenges we have faced in establishing DEEWR, and some of the solutions we have implemented, at the end of the day good leadership is about clear and honest communication.

I am sure many of you in this room have heard from your own employees or peers at times that they never know what is going on. That they don't get the big picture. That no-one appreciates the resource constraints they are experiencing. As leaders, we must continually find new ways of engaging our people so that they understand their organisation's strategic priorities and are supported in the work they do.

We must get better at responding proactively to the shifts occurring in our workplaces. For us, for example, reaching out to younger employees has been an important strategic step towards developing our future leaders.

The fact that the Government has chosen to keep this department together says that there is faith in our team to deliver upon a very large, diverse, but extremely positive agenda.

There are obviously different pressures facing private, not-for-profit and public sector leaders, but there are also a great many similarities. We all face the challenge of how best to attract, retain and develop good people. And we all know that the key to success for any organisation, no matter how big or small, is in how we communicate—both externally and internally. In the end communication is key.

Thank you.