

# **TRANSCRIPT OF PODCAST**

WORK WITH PURPOSE

EPISODE #92 (PART 1)

EXPLORING CAPABILITY UPLIFT IN THE AUSTRALIAN PUBLIC  
SERVICE

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DAVID PEMBROKE:

Hello everyone and welcome to Work with Purpose, a podcast about the Australian public sector and how it serves the Australian community. My name's David Pembroke. Thanks for joining me.

As we begin today's program, I'd like to acknowledge the traditional custodians of the land on which we are meeting today, the Ngunnawal and Ngambri Peoples, and pay my respects to their elders past, present, and emerging, and acknowledge the ongoing contribution they make to the life of our city and this region. And I'd also like to acknowledge the custodians of all the lands from where anybody listening to this podcast today is joining us from.

So a hot topic at the heart of the reform of the Australian Public Sector is capability. The 2019 Thodey Review was the latest major review to recommend that the APS invest in capability and talent development to help manage the many complex challenges and issues that are both present and emerging.

The Thodey review found that the APS's capability has diminished. There is unused potential that specific skills gaps have emerged, and that the APS's bench strength is not what it once was. So, we fast forward to today and the APS reform team is working hard to find the answers through its capability review program, the APS Capability Reinvestment Fund, the APS Academy and the still forming, and recently announced APS in-house consulting team.

Now listeners, before we get into it, just a quick note that today's episode is coming to you in two parts. Our panellists had so many interesting things to say that we couldn't fit it all in one episode. So today, part one, we explore some of the different definitions of capability and how it ties into the ongoing APS reform agenda. We also talk about the different capabilities within agencies and departments and how public servants are sharing what they know across the whole of the service.

I'm delighted to be joined in the contentgroup studios today with two of the architects and implementers of this Capability Uplift program. And I'm looking forward to diving into a little more detail about what it will take to build and sustain the capability of such a large and diverse organisation such as

the APS. And indeed, how agencies and departments can ensure that their workforces remain capable of dealing with the challenges of both today and tomorrow.

Rachel Bacon is the Deputy Secretary of the APS Reform Office in the Department of Prime Minister and Cabinet. A distinguished public servant of long and high standing, Rachel worked at the Department of Infrastructure, Transport, Regional Development, Communications and the Arts as Deputy Secretary of the Regional Cities and Territories Group, which delivered place-based policy and services for communities around Australia. She's held many, many other roles, but welcome Rachel to Work with Purpose.

DR RACHEL BACON: Thanks for having me, David.

DAVID PEMBROKE: And Subho Banerjee, a regular on Work with Purpose, been here a number of times. He's now currently the Deputy Commissioner and Head of the APS Academy and Capability at the Australian Public Service Commission. He's also former Deputy CEO of Research and Advisory at ANZSOG and he certainly works and enjoys working at the interface between academia and public policy practice and also like Rachel has served in many roles across the Australian Public Service. Subho, welcome to you.

DR SUBHO BANERJEE: Thanks David. Looking forward to the conversation.

DAVID PEMBROKE: So, let's start with first principles. When we say capability building and capability, what do we mean by that?

DR SUBHO BANERJEE: Well, it's a great question, David, and it's a great place to start because I think people actually use capability in such different ways and it's really interesting to think that through before we start the rest of the conversation. And indeed, for us before we start the rest of the work agenda. One of the ways in which people think about capability is about jobs. It's do we need people with different backgrounds, different formal training, different ways of seeing the world and different approaches to contribute to the public service. And the answer to that of course is yes. And we need to think about that both in terms of what we need today, but also to think about the workforce for the future. So, there's a workforce part of what we need to do when we think about capability, but then we also need to think about skills.

So, it's not just job classifications that are important, but it's also what are the skill sets that are required, particularly in emerging areas like digital and data, you need a particular kind of skill set and approach to be able to do problem solving in these different domains. And that's important as well. It's not specifically about job title or your degree or your qualification, it's about how you can bring some specific technical content to bear. But then on top of that, we talk about APS craft, and particularly at the academy, we talk about APS craft a lot.

And our interpretation of craft is that's how you exercise those skills towards excellence in public service. What is it that we're really here to do? We are here to serve the government of the day through delivering policy advice through doing program implementation and service delivery to support the Australian people in a range of different ways that requires the use of different skills for the purpose of public service. So you can use capability in any of those different domains, and indeed you need to use it in all of those domains. And as I said before, both now and into the future.

DAVID PEMBROKE:

So, in terms of shaping up the program as it is at the moment, there is this framework that you're working through. How far through that identification of this framework and work program are you at this stage?

DR SUBHO BANERJEE:

Well, in some ways I think it's always going to be a work in progress. You assess through various set pieces; the APS workforce strategy made an assessment of both the current state of play and where we need to go. That gives you a bit of a roadmap for what you need to do and particularly emerging areas of pressure. But you need to keep an eye on that. Things are changing quickly in the external environment. You also need to deal with external shocks and external changes as they come about. So, you need to be flexible as you go. So, there's a combination of having the broad journey in your mind, but also being flexible and adaptable as you go.

DAVID PEMBROKE:

So, Rachel, you are the deputy secretary in charge of APS Reform and this is clearly capability as one of your major priorities. But when you look at something that goes to those issues of jobs, of skills, of craft, it's a vast undertaking.

DR RACHEL BACON: It's pretty exciting, David. And it's also very exciting being able to work with Subho on it. He used to be my boss, so we've worked together for what, 15 years now?

DR SUBHO BANERJEE: A long time now.

DR RACHEL BACON: So, it's really exciting being able to kick the tyres on this and not only-

DAVID PEMBROKE: What sort of a boss was he?

DR RACHEL BACON: He was a good one. No, I learned a lot and I learned an awful lot about how to think about doing public policy and also what a gift it is to have the opportunity to work on public policy issues and also to work on reform. And the reason I say that is it does kind of look back to your question, David, which is I do think with the APS reform agenda, what is really unique and special about the APS reform agenda is that the government and Minister Gallagher have essentially, I think, given the Australian public service once in a generational opportunity to actually think about how can you make the public service better.

So, the government's APS reform agenda has four pillars. The fourth pillar is all about capability. So, in that sense, while we've always been working on capability, as Subho said, it's an ongoing challenge.

The dynamic nature of the operating environment in which the Australian Public Service works in all of the different functions that we perform across the country. And it's a hugely diverse public service that we have across the nation. But the operating environment is constantly changing. And so, we've always been working on capability. What I think the opportunity now is that Subho and I working very closely on trying to grasp in the capability space with that as the fourth pillar of the government's reform agenda is how can you actually use the opportunity of a reform agenda that government has set in train to really focus and harness the efforts across the whole secretary's group, across the leadership of the public service. And then right through thinking about the very complex system that the Australian Public Service is, how can you use the platform of a reform agenda to really focus and align effort, investment and concentrated analysis in ways that shift the system.

So one of the things I was going to add to what Subho was saying about the nature of capability and that we've been working on these challenges for a long time is some of the latest thinking that we've been doing, again off the platform of the APS Reform Agenda, is how do you make even tighter all of the elements of the system of capability uplift that are there, but how do you tighten them up? How do you make it more dynamic leveraging off the platform and the leadership focus around capability at the moment?

And so, one of the things we have been working on is how do you make the different elements of the system that are there to be built on? How do you make it an even tighter, more focused, more deliberate dynamic system of capability uplift? So, we've had some good conversations with secretaries as well about how we do that.

DAVID PEMBROKE:

But that is a good question. How do you do it?

DR RACHEL BACON:

And one of the ways that we've kind of got building on Subho's frame of what is capability, we've looked at, well what's the role Secretary's board and the particular committee that sits under Secretary's board that focuses on capability for the APS as a whole, which is the Future of Work Committee. So, there's Secretary's board and a very focused Secretary's committee thinking about capability across the Australian public service. When you think about the role of a board, the conversation that secretaries are having is how do you enable and empower a secretary's board and its specific committees to actually set strategic direction? How do you enable it to and support it to set strategic direction in relation to the whole of service capability priorities that we should be focused on at any one time. And we've kind of suggested that a board doesn't want to focus on 50 priorities at once.

If you try and ball an ocean, you're going to have less impact. So, what are the three or four capability priorities that you want your strategic board sitting across the whole of the APS to focus on? And they'd really be things that single agencies can't actually achieve on their own. So that's the challenge I think, is to identify at that very kind of apex or strategic part of the system. What are the small number of priorities that you want to send through the system through the multiple layers, which then get, you can have a number of agencies working on a particular capability challenge in one part of the system.

You can have what the academy does with all of its training courses that are available to people who want to opt in from different parts of the system. And that kind of at the base layer, and in my head, we are thinking about a triangle here, but at the base of the triangle, every manager, every staff member is thinking about performance agreements.

Every agency has a performance framework and people all do their performance agreements. I'm doing mine at the moment with my secretary, well the commissioner. And at that base level, everyone is thinking about how do I as a staff member or how do I as a manager support the development of my staff. So, in a sense, the priorities that you send through the system kind of have multiple ways of having impact, including in just the performance agreements that everyone has. And then what's the data loop out of all of that that then goes back up to the board level to say is the strategic direction we've set being realised? Is the impact that we're seeking to have being realised? And the data loop I think is an incredibly important part of having a dynamic system of lifting capability.

DAVID PEMBROKE:

We'll come to that. I do want to talk about this idea of measurement. But just to confirm then, those three priorities are the three areas for capability uplift that are captured by the APS workforce strategy?

DR RACHEL BACON:

Yes.

DAVID PEMBROKE:

Yeah. So that's attract, build, and retain skills, expertise, and talent. The second, embrace data technology and flexible and responsive workforce models and strengthen integrity and purposeful leadership. So they're the three that you are working through.

So, to you, Subho, what are some of the challenges associated with necessitating that uplift in really gripping up and tightening up the system in the way Rachel described it very articulately to ensure that it actually does achieve what it's set out to achieve?

DR SUBHO BANERJEE:

Yeah, look, I think we are obviously thinking about the whole of the system. The APS Commissioner's responsibilities are for the whole of the system. The APS Workforce strategy covers the whole of the system. And as soon as you start thinking on a system-wide basis, you have to grapple with the

scale of 180,000 or so public servants in different ways who are doing very, very different things in different parts of the country. So, you need to have a flexible, networked, outward facing approach to how you think about these issues. It's just not feasible or sensible to think about all of that coming from the centre. What you need to think about is really grapple with this idea of what is important to be consistent about from the centre and then how do you work with partners in the first instance with APS agencies, agency heads, and also with other externals to try and get a networked effect where you can really connect to everyone no matter where they are in the service.

I think, David, one of the things that we've talked about before, the broader spirit of the service is people want to do a good job. People want to do a better job over time. They want to improve in how they are going about their work. It's part of that sense of purpose, it's part of that sense of the privilege of being a public servant. So, we really see our job as how can we enable that? So how can you support people to think about how they can get better at their job. Now a lot of that is in the workplace itself. It's about how you connect to different ways in which you might access different opportunities, how your team might be a bit reflective on purpose or on practice, how your agency supports learning on the job and how you are learning about things over time.

A lot of that is informal learning. It's really about in the jargon being a learning organisation, making use of materials, making use of people, making use of other kinds of resources as well as thinking about some formal learning. But the point of how do you get to the kind of scale that we're talking about? It needs a system approach, and a systems approach is not the same thing as trying to think that then you can engineer something across that sort of scale. You need a much more decentralised, networked, outward facing sort of connective approach to try and get these things to work. So, as I've mentioned, we need to think about the workforce, we need to think about who is in what position, what recruitment looks like, what retention looks like and what development looks like. Those are incredibly important in terms of the workforce.



We need to think about how we work. We need to be contemporary, of course, we need to be on the pace in terms of digital platforms, in terms of how we utilise flexible working, how we connect to each other. That's incredibly important in that second component. And the third part, and this of course is the particular purpose of the public service. We need to be very cognizant of what it means to work in government. We need to understand our duty, we need to understand integrity is absolutely core to being a public servant. The privilege of being a public servant is the sense of service. And so that really comes to that third part about how we support integrity and how we support that understanding.

DAVID PEMBROKE:

So, Rachel, how receptive is the APS at the moment to this change?

DR RACHEL BACON:

I think it's pretty receptive. My sense at the moment, and we've actually done some good research so we're not flying blind in terms of how our communications and engagement activity, what kind of impact it's having out there in the service. We did some research with up to say 5,000 respondents contributing to the research. We've got at the moment about 76% awareness of the APS Reform Agenda across the service at the moment, which I think for our first attempts within the first year is kind of in the ballpark of what we were hoping. We've clearly got a job to do around how we actually make it real for people. People may be aware of APS Reform; the question is what do we do with it? How does it actually impact in our day-to-day work inside our team? So, we've got another really good challenge going forward over the next few months of how do we actually encourage people to engage and make it real within their teams.

I think what Subho is talking about in terms of that networked approach around capability working with partners in every department and agency around capability, if we're connecting up when we're working with them on capability to the principles and outcomes we're trying to achieve through APS Reform, hopefully connecting those things makes it a bit more real that what we're talking about actually in teams as teams are thinking about capability is another example of doing APS Reform.

But I might go to Subho's point, I think it's a really interesting one about a networked approach just to kind of make it a bit

more real because we're talking a bit about theory and concepts and frameworks and definitions and that kind of thing. But we've also been doing some interesting work through the COO Committee, which is the Chief Operating Officers Committee, which is a really useful kind of instrumental part of the governance framework we're talking about for this stuff because we do have COOs from a whole lot of departments and agencies represented who gather around one table and talk about issues of common concern on a regular basis.

So, it's a pretty powerful mechanism and vehicle. One of the things we've done with the COO Committee is we've actually gone out to all of them. They've then gone out to both their departments and to their agencies and their portfolios and actually gathered intelligence on what specialist capabilities do you hold. So, we've done a bit of a surveying mapping type exercise and what we've got back is quite amazing. The departments and agencies have come back with over 270 specialist capabilities that they have developed in their departments and agencies. And those over 270 specialist capabilities are the ones that they identified that they were willing to share on a light touch, medium touch, or heavy touch basis with others across the service. Now those capabilities, particularly the ones that people were prepared to share on a more heavy touch basis are in areas as diverse as project management, change management, data capability, ICT, risk management.

There's an amazing variety and breadth of specialist capabilities that we hold across the service. And I think the fact that you've got a whole bunch of departments and agencies saying, we're really proud of the capabilities, the specialist capabilities we've developed here, we're actually really happy to share a fair proportion of those capabilities in a heavy touch way. For example, in a way that links in with the new in-house consulting model that we've developed where you can actually network different capability when you are delivering in-house consulting projects. Subho talks about a networked approach to capability in relation to the academy, for example. There's a massive power in being able to tap the capability that already exists out there and deploy it to better effect. So, I think there's multiple layers at which we're talking about capability from the direction setting kind of at the top of

the service to performance agreements with every member of staff in every department and agency.

And then this kind of these interesting middle layers that are about networking and leveraging what people are rightly very proud of in terms of the specialist capability they've deployed. And as someone who has actually taken advantage of this. So, we've got all that information and we've actually used it. So, when we've been thinking about how do we do transformation and change management well across an APS of say 170,000, 180,000 people, how do you affect change? We've actually leveraged, for example, our colleagues in Home Affairs who have fantastic change management capability to help enable our team and build capability within our team about how do we think about that challenge. So, there are some tangible, practical examples of things.

DAVID PEMBROKE:

Were you surprised that there were 270 different skill areas or specialist skill areas that were sitting out there ready to be deployed?

DR RACHEL BACON:

Probably what I was a little bit surprised about is just how willing people were to share their capability. Now, whether it's in a light touch way of you're going to do a thing for the first time, you've been tasked by government to do a thing, it's a hard thing, but you know that someone else has done it before. You pick up the phone, have a 20-minute conversation to say, we've got to approach this thing, how have you done it?

So, for example, I know colleagues of mine who were dealing with foot and mouth when there was the prospect of the threat of foot and mouth incursion in Australia. I know they were able to pick up the phone to colleagues in health to say, you've just done a really hard thing managing COVID and thinking about how do you do infection control and supply chains for vaccination, things like that. How did you approach those things? A 20-minute conversation. My colleague who was working on the foot and mouth stuff said 20-minute conversation steered us in the right direction. We probably saved hours if not days of time at a really critical juncture because we could pick up the phone and have a 20-minute conversation. So probably the thing that surprised me a little was just how willing people were to be generous and kind of

share in different ways the capability and the benefit of the capability that they developed across the service.

DR SUBHO BANERJEE: It's really exciting, David. I think-

DAVID PEMBROKE: Well, as the person who's now got the responsibility to sort of pick this all up and make it.

DR SUBHO BANERJEE: I mean the concept here is there is really outstanding performance, there is real excellence in the service. This is the upside of scale that there are pockets of really world-class work going on and thinking about how you connect those and disseminate those is part of what we should be doing as the upside of scale in the APS. We talk about complexity because of scale, but one of the real upsides is that there are just subject matter experts in all these different diverse places. And the thing is there's subject matter experts in craft, in the practical wisdom of doing things in government. So, when we talk about craft, we are very focused on, well, how do you actually get it done? And that is something that is very much in the doing. It is in the practice.

And so, for us to be able to draw on that, connect that, and my experience like Rachel's is that people are actually very willing to share. Understandably, there's a degree of pride for having done something good and then to be recognised for having done something good in a very tangible and a very practical way by having a colleague ring up and try and learn a little bit about what you've done.

There is an immense generosity in these things. And so, you're right that we would see at the academy a really important part of our work is to disseminate good practice in that sense, to get a good conversation going, to have people that are curious about the leading edge of practice in different ways, have a chance to connect and learn through this kind of network mechanism.

DAVID PEMBROKE: To your knowledge, was it the first time that they'd been asked to participate in this networked approach, this rather than a siloed approach? We're talking about a system approach. Is it the first time that someone's gone out and said, hey listen, where are the gems and how can we work together?

DR SUBHO BANERJEE: I think maybe-

DAVID PEMBROKE: Because it happens in crisis, and it did happen in COVID.

DR SUBHO BANERJEE: That's a very good point that in crisis we do because you are very time constrained, and resource constrained. There is a very strong sense of pooling and connecting and seeing what we can do. I think that's true. I would say that there's no doubt that this kind of connection has been happening for generations. People know people who know people and they find ways to connect and be useful. I think one of the things that obviously with the rise of information platforms, even within government, it's easier to do a lot of the sharing through electronic platforms and make it readily accessible to people. It's easier to keep that in that sense up to date. There are various forms of why don't we have a skills register or why don't we have a list of this? Those are impossible to keep up. Whereas in the modern social media sense of having a connection, a more dynamic networked kind of way of staying connected to people is just much more possible now than it used to be.

So, I wouldn't be a historical, I'm sure that networked approaches through other names have been present for generations in the public service. But what I do think is a particular opportunity now is to use some of these platforms to make them relatively light touch and sustainable. And then it does come with a really strong mandate from Secretary's board and from the government to make sure that we are sustaining a one APS approach in these things. So, it is this combination of what's possible, a lot of goodwill and a strong mandate is allowing us to really unlock some really interesting ways of thinking about these connections.

DAVID PEMBROKE: When you got this information, Rachel, did it change your thinking, has it started to change your thinking?

DR RACHEL BACON: What I think it really underscores is what Subho is talking about is that that networked approach can pay pretty impressive dividends because there's a lot out there and I don't know that we've yet nailed how we make that really accessible at the touch of a button, for example, how do you know where to go? Because information sharing in a complex system is challenging and things change all the time as well. People change.

DAVID PEMBROKE:

And people are busy. They've got so much to do, they've got their heads down, they've got their own tasks to do as, and they may not know that what they're working on is as relevant.

DR RACHEL BACON:

They're sharing information and making connections. But that's where I think the enabling function of an entity like the Australian Public Service Commission and the Academy particularly focused on a capability within that enabling entity. There's a real power to thinking about how does the APSC an organisation like the APSC, and we think about this in the APS reform office as we're in PM&C and then later to transition into the APSC at the end of the year. But how do you connect people, ideas, capability? How do you connect those things across the service? And I think there's a real power if you get that enabling capability right to be able to enable everyone across the service to do their job better because you've also got someone worrying about how do you connect people capability and ideas.

DAVID PEMBROKE:

So, listen, we'll pause the conversation there as again, we just can't fit it all in to one episode. It will be released on Monday of next week where we'll discuss the capability reinvestment fund and what the APS's new in-house consulting model can do for building capability across the service.

Rachel and Subho will also share some words of wisdom about not only how APS leaders, but how everyone in the APS can drive capability uplift. So, make sure to tune back in next Monday.

So, there you go. Now listen, if you do have any suggestions about the podcast, you'd like to suggest a topic to be covered, some questions to be answered, guests to be featured, the best way to do that is to send an email to [events@act.ipaa](mailto:events@act.ipaa), which is [IPAA.org.au](http://IPAA.org.au). And you can also follow all the latest news and see the photos and everything else that goes on at the contentgroup and IPAA ACT LinkedIn pages.

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would be forever grateful because it does help us to be found. So, a rating or review doesn't take too much out of your day, but if you could do that, we'd be very, very grateful. So, thank you very much for that. So, listen, we'll be back in a fortnight with the next episode of Work With Purpose. My name is David Pembroke and it's bye for now.

VOICEOVER:

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