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TRANSCRIPT OF SPEECH PRIME MINISTER'S AWARDS FOR EXCELLENCE IN PUBLIC SECTOR MANAGEMENT

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Thanks very much, Gordon, and I'll begin by recognizing the traditional owners of the land on which we meet, the Ngunnawal people, and thank you to all of you for being here tonight.

Yes, I began life as a public servant in the department of finance in 1979. The thing that immediately struck on joining the public service was while I've had a certain amount of academic training in economics and commerce and all the rest of it, I really started to understand what you need to know when I became a public servant. I had to put that sort of training into operation. I could then look back on my academic training and figure what had been useful and what hadn't been useful. In many ways it was the most basic elements of that training which were the most important. But the bit that was particularly useful, I think when I became a public servant, was that faculty for critical thinking.

One of the things I want to pass onto you tonight is that I know this can be a difficult time to be a public servant. There are resource constraints. There are time constraints. Everything seems to be needed yesterday and I never cease to be amazed when I see the quality of work that comes up to the hill and what can be the most difficult constraints. I think particularly when there are cabinet or committee processes under way, expenditure review committee probably the best example and I know Rosemary, Kathryn and Glenys in particular will recall all of that very fondly. But the point is we see on the hill the tip of this great iceberg which is the public service.

One of the things that politicians perhaps aren't as good as they should be at is recognising the need to keep investing and developing that capacity. Yes, we've been under, as I mentioned before, budget constraints. We've all had to become more efficient and all the rest of it. But one of the things the Prime Minister is being encouraged to pursue over this term is how we invest more back into the capability of the public service. Because as he said in his message, we've got a huge number of challenges coming at us and among other things these days we've got a lot of people out there who are stakeholders who can get access on all sorts of modelling, all sorts of lobbying, all sorts of ways of trying to influence processes, and we need a strong public service which is a bit like the ringmaster that can sit at the centre of the process and sift through all of this and help the executive and help the political class make the right decisions.

There has to be someone there who can figure out which facts are right and which facts are wrong. There has to be someone there who can help politicians exercise the right judgement by defining in a critical but important way, what are the issues that actually have to be considered? What is it we are asking the politician to make a decision on? I often tell this story, Jeremy has heard it a thousand times, about Henry Kissinger. But when he was at the National Security Council, one of the things he did with briefings was actually keep sending them back until they came back in one page. Because he said he wanted to make sure the office had thought clearly about why they were writing this. What were they seeking to do? What was the decision they were seeking to get out of people? By thinking about it they may even decide "you know, we don't actually need to send this up in this way" or "maybe this is not the decision that needs to be taken at the moment". But part of your process, part of what you do is to help guide all of that process.

There's been a lot of talk in recent times about innovation and agility and being smart and jumping around like Mexican jumping beans in response to all sorts of things that are happening

and all of that is good. We've got to be all innovative and agile, but I come back to where I started. We also recognize that to help you to be innovative and agile we do have to, I think, provide more resources for things like capability and improve the capability that's available.

The other point I want to make to you about the public service, now also I noticed this when I was working in the private sector. You can have a great strategy but if you cannot get the strategy implemented or you botch the execution, there's no point and often in the private sector I saw CEOs fall in love with the latest strategy and they go off with that. Then after a while it's a bit like kids, interest would just go tail off, we'd be back where we started, etcetera. Because there hadn't been the same commitment to execution.

One of the lessons I draw from the UK experience, and it's great that the High Commissioner is here, is over the last five years under the Cameron Government in the cabinet office, there was a concerted attempt to improve the project management capabilities of the UK Government. They did this by investing in project management expertise within the public sector. Not just seeking to outsource everything or outsource expertise, but actually build or rebuild the internal expertise. In fact at the moment we're looking at how we do this within the public sector here. We keep rebuilding that in-house expertise. I think that's very important.

We've also got some insurgents in the public sector. One of them is named the Digital Transformation Agency, which is normally about better service delivery, how we use data to improve service delivery and all the rest of it. We improve the efficiency and the effectiveness of our investment and information in communications, technology and all the rest of it. But I call them insurgents because I don't think you can do that without also looking at the way services are delivered. What structures you do it through and importantly, how do you provide the framework for people to perform at their best? I'm not just thinking about monetary incentives. The whole way in which work is organised in the public sector to get the best results and also allow public service managers to actually where possible put themselves in the shoes of the people they are serving.

Particularly when we're dealing with the community, whether it's through human services dealing with the broad range of the community, welfare payments and the like, health payments. Whether it's dealing with business and how they navigate the various parts of government and how they get assistance. So I think that's a very important process. But you hear a lot about how we've got to give people ...Innovators in the public sector or the private sector, permission to fail. Well what that means in practice is I think that as a political class, and I include in this Senate Estimates, there's got to be a capacity to accept that if you innovate and experiments, it's not always going to succeed. There's going to be some leeway to accept that failure will occur.

The only condition is that we learn from failure. If you go to Israel where the Chief Scientist has quite a big venture capital pot, he or she is quite happy to invest all over the place and quite happy when things don't always go according to plan. As long as the person learned something from the process so when they come back they're more likely to succeed. We have to have more of that culture here and the reason I mentioned Senate Estimates is because to me it's emblematic of all the accountability in mechanisms we put around you and we have to make sure that those accountability mechanisms are not only making sure the money is well spent but they're also

recognizing the broader goals we are now seeking from our public service. So it's great Ian McPhee because he knows how that process is going or sometimes doesn't go.

Let me say something about how we learn from each other because I think one of the great challenges we face and tonight is a good example of trying to overcome that challenge, is how we learn from each other. Because there can be great practice or great innovations in some part of the system. How do we make sure other parts of the system learn about that and benefit from that and can adapt it in their particular part of the public sector or public service? I think it's very important to get that sort of cross-fertilisation. There are somethings here like around the management of major projects that in my day job is cabinet secretary, I'm going to come back to with some of my colleagues within government because we're very keen to create that sort of sense of excellence in project management.

So, ladies and gentlemen, I'm not going to sermonise too much longer. When I was looking at my calendar today or diary and thinking about what I'm going to do today, I actually thought this would probably be the highlight of the day. I'm not saying that in any sense of irony ...Glenys, stop laughing. Because honestly you are doing the work of government. Whatever the political complexion of government and without you we cannot do our job no matter how much we may huff and puff. But the thing we've got to do is recognize how we can make your job easier and more effective.

So thank you for everything that you do. I think this is a really good night. I've had a look at the list of the winners. I think it's a really good list. It reflects the diversity of achievements across the public service. So enjoy the night, have a drink, do some networking, and again thank you for everything you do.

SESSION CONCLUDED