



CAPABILITY ACTION PLAN 2015





Foreword

The ABS plays a critical role in Australian society, taking the temperature of our nation and informing debate and decision making through high quality, trusted statistics. To fulfil this role effectively in the context of rapidly changing technology and expectations, we must engage in change which transforms every facet of our operations.

The 2013 APSC Capability Review provides insightful, independent observations on the issues we face as an organisation. The review team confirmed that the ABS is at a crossroads – we have an opportunity to transform the ABS into a modern, flexible and ambidextrous organisation that can meet the future information needs of Australia.

The review emphasised the committed and talented nature of our staff. However, the review also found that for the ABS to thrive and remain relevant we must drive change well beyond our transformation of processes and systems. ABS culture and values need to be challenged and refreshed. We need to be a more flexible and agile organisation, focussed on performance and the building of healthy stakeholder relationships for mutual benefit with Government and other stakeholders.

I welcome the review's findings and the opportunity they bring us as we embark on a transformation of the ABS. This Capability Action Plan outlines our key priority areas and measureable milestones so we can continually assess our progress towards creating a modern, responsive ABS.

Meaningful, lasting improvement in organisational capability will not occur without the support and contribution of our staff. The broader ABS leadership group will engage with staff so they fully understand the outcomes of the Capability Review and the priority areas of our Action Plan. I am confident that these actions, along with our broader change program, will ensure the ABS is able to provide the information Australia needs.

My thanks to Mr Tony Cole AO, Mr John Ombler and Ms Carmel McGregor for the care and time they took in undertaking the review, and to the APSC team who supported them and the ABS throughout the review process. My thanks also to the many ABS staff and stakeholders interviewed for their considered and honest input to this review.

David W. Kalisch

Australian Statistician





Summary of Findings and Actions

Review Findings

The review team found that the need for transformation is reflected in all aspects of the Capability Review framework – leadership, strategy and delivery – and requires deeply held ABS values and culture to be challenged and refreshed. While the ABS is well positioned to deliver the systems transformation, the culture change necessary to remain relevant will be more challenging.

The review emphasised that the ABS is isolated and disconnected from influential stakeholders, which has undermined the ABS's relevance, mission and long-term organisational sustainability. The ABS's traditional approach to managing stakeholder interests has not kept pace with changing expectations in a complex, networked environment. The way the independence of the ABS has been operationalised has contributed to this.

The review highlighted the importance of improving the way the ABS makes decisions. Decision making is often slow and implementation slower still, external stakeholders are losing patience and the pace of change required to acquit the transformation agenda will be hindered. Areas for improvement include: how ABS governance committees and processes work together; ensuring decision making processes are scalable; and improving financial management.

Management of underperformance and improving workplace diversity were also identified as areas where the ABS has the opportunity to make significant gains.

To make demonstrable improvements to our capability over the next two years, the ABS will focus on five key priority areas:

1. Comprehensive and coordinated approach to transformation
2. Leadership, decision making and resource prioritisation
3. Open and engaged partnerships
4. Staff commitment and contribution to transformation
5. Valuing high performance and diversity.





ABS Change Actions

1. Comprehensive and coordinated approach to transformation

- Senior leadership develop and implement a comprehensive transformation agenda.
- Deputy Australian Statistician (DAS) – Statistical Services Group
- Develop a comprehensive transformation agenda for the ABS over the coming years which covers understanding our operating environment, our strategy, governance, infrastructure, people and culture.
- New corporate plan aligned with a transformed ABS.
- Clear alignment of the organisation through line of sight and logic in cascading strategies, planning and performance documents.

Measures

- Feedback from key stakeholders indicates positive and visible change in ABS responsiveness to the external environment, measured by the biennial External Stakeholder Relationship Health Assessment (Q4 2015; Q4 2017)
- Major mid-cycle review of the transformation program shows positive progress, Q4 2016.
- Comprehensive, sustained and targeted internal communication strategy with clear goals supporting the transformation agenda is implemented.
- ABS Corporate Plan provided to relevant Ministers by 31 August 2015 in compliance with the new *Public Governance, Performance and Accountability Act 2013*.





2. Leadership, decision making and resource prioritisation

To ensure the organisation has leadership, management and decision making arrangements that are fit for purpose.

DAS – Chief Operating Officer Group

- Reform governance arrangements – accountabilities, delegations, committees and structure – to enable agile, sound decision making.
- Increase expectations that leaders and managers at all levels will make sound judgements, supported by principles-based policies and management.
- Make robust choices about ABS priority activities, including activities to be ceased or reduced within our Budget constraints, in consultation with our stakeholders.
- ABS delivers best value for money to taxpayers and the government across the range of our activities and choices.
- Refresh the ABS's engagement with risk.

Measures

- Governance and accountability structures support improved efficiency and effective decision making, measured annually as part of the internal audit program.
- Key stakeholders have their views and needs considered in forward work program decisions, measured by the biennial External Stakeholder Relationship Health Assessment, from 2016 to 2017.
- Alternative funding options are found for lower priority statistical areas, measured annually, from 2013–14 to 2016–17.
- Improvement in results from the APSC State of the Service Census on change management from 2014 to 2017, assessed annually.
- Improved results in the Comcover Risk Management Benchmarking Survey, from 2015 to 2017 with a 2015 baseline (due to survey redesign), assessed annually.





3. Open and engaged partnerships

We will become more open to meeting stakeholder needs and expectations.

DAS - Statistical Business Transformation Group

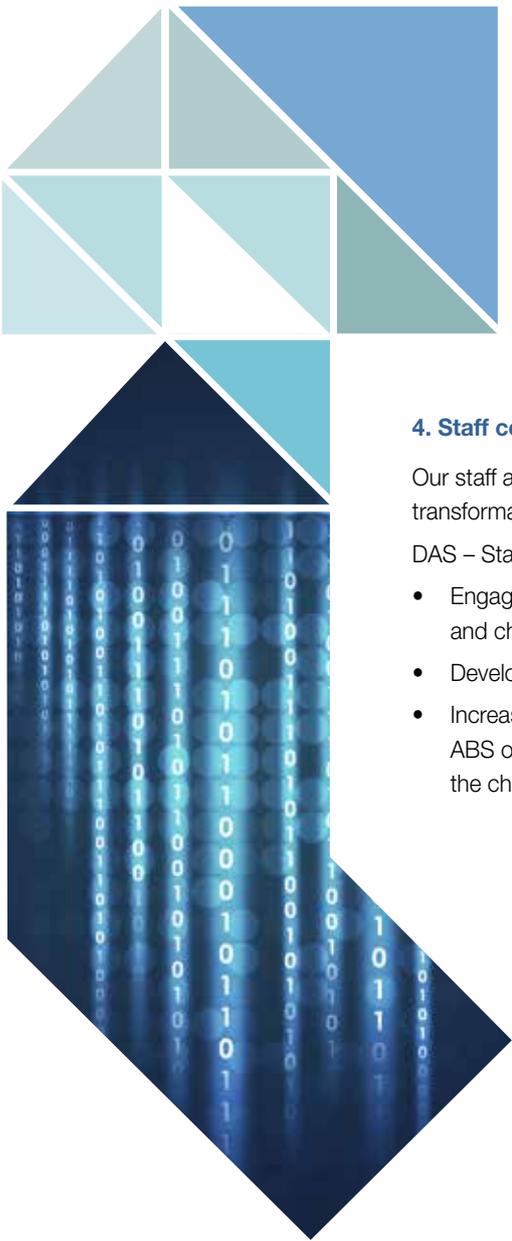
FAS - Strategic Projects and Partnerships Division

- Revitalise stakeholder engagement as a central pillar in the ABS's organisational culture, based around a premise of mutual respect and mutual benefit.
- Prioritise external engagement as a business strategy for the ABS, focusing on greater SES ownership and accountability. Increase political awareness, external engagement skills and a shared understanding of Australian Government and other stakeholder priorities.
- Increase stakeholder engagement in ABS priority setting to ensure visible and close alignment of the ABS work program, product and services with stakeholder priority needs.
 - Refresh and promote ABS products and services, including improved access to microdata and digital collection tools to reduce provider burden. Reconsider our ability to make better use of our data within prevailing legislative constraints, to ensure we use our legislative framework to its limits.

Measures

- Biennial External Stakeholder Relationship Health Assessment demonstrates an improvement by Q4 2016.
- All SES have external engagement as a key part of performance expectations in their Development and Performance Agreements for 2015–16, and these expectations cascade to relevant APS and EL staff.
- ABS achieves targets in user-funding in strategically important areas in 2015–16 and later years from baseline of 2014–15.
- Increase in the availability of statistics drawn from strategic third party data brought into the ABS, measured annually, 2014 to 2017.
- Increase in performance ratings of staff on "Statistical Leadership" capability in the People Capability Framework, from 2014 to 2017, assessed annually.
- Feedback from the community demonstrates ongoing trust in ABS statistics relative to 2010 and positive attitudes towards statistics and statistical approaches, measured by the Community Trust in ABS Statistics Survey.





4. Staff commitment and contribution to transformation

Our staff are committed to, understand and contribute to the ABS transformation agenda.

DAS – Statistical Services Group

- Engagement with staff at the work group level in discussion about transformation and change.
- Develop skills staff need to succeed in the new environment.
- Increase ABS staff exposure and understanding of the context in which the ABS operates, including through understanding how other agencies operate and the challenges they are facing.

Measures

- Workgroups actively participate and can provide input throughout the transformation program, measured qualitatively.
- Increase in capability in staff for identified priority elements of the Integrated Leadership System (ILS) in the People Capability Framework, measured by manager assessment, from 2014 to 2017, assessed annually:
 - Thinks/Focuses strategically,
 - Nurtures internal and external relationships
 - Listens to, understands and recognises the needs of others/
Facilitates cooperation and partnerships.
- Staff are well engaged with the transformation program: measured by increases in positive responses to the State of the Service questions regarding the ABS 2017 program, from 2014 to 2017, assessed annually.





5. Valuing high performance and diversity

We will build on existing ABS performance management processes to facilitate high performance and increase diversity.

DAS – Chief Operating Officer Group

- Build on the ABS performance culture and reaffirm personal accountability behaviours and practices for all staff.
- Recognition by managers and staff that increased workforce diversity contributes to improved organisational performance.
- Current strategies, practices and principles are regularly reviewed to ensure they do not prevent diversity.

Measures

- Targets in the Diversity Action Plan, Reconciliation Action Plan and Gender Diversity Action Plan are met.
- Identification of underperformance leads to an increased number of staff on performance improvement plans/formal underperformance, compared with when the capability review was undertaken, by Q4 2015.
- Improved positive response on the APSC State of the Service Employee Census diversity measures from baseline 2014 to 2017, assessed annually.





Implementation approach

This plan will be a major component of the ABS transformation program over the next five years.

Governance arrangements

An SES officer will be accountable for each priority area and will report to the Australian Statistician and the Executive Leadership Group with progress.

Health-check Review

A review of progress against the Capability Action Plan will be scheduled for 12 to 18 months after sign-off, with the date to be agreed between agency heads. It will be undertaken by the APSC.

Progress reports are due to the APSC every six months.

