

# Leadership Learnings from the ABS: The lows, the highs and everything in between

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## ***Opening remarks***

Thank you Michael for the kind introduction.

I would like to acknowledge the traditional owners of the land we are meeting on today, the Ngunnawal people, and pay my respects to their elders past, present and emerging. I would also like to acknowledge other Aboriginal and Torres Strait Islanders with us here today.

I came to the role of Australian Statistician from outside the ABS, but ABS was a known entity, from my considerable experience using data for policy and service delivery, and regular engagements with ABS leadership around their strategy and priorities. I had been CEO of a data and research agency, the AIHW, for the previous four years, following a wide variety of SES and leadership roles since 1991.

I joined the ABS at a problematic time for the organisation: a Capability Review of ABS had been concluded in late 2013, ABS had reduced its statistical program several times in previous years in response to funding cuts with more funding reductions in the forward estimates, a former staff member was being prosecuted for insider trading; and there were errors with the published labour force estimates a few months' earlier in August 2014.

Today I am not going to talk about the essential service delivered by the ABS and our many achievements over the past five years. I have given many speeches and made use of our corporate documents to report on the improvements to what the ABS does and how we work, with a challenging resource trajectory.

Instead, I am going to focus on leadership learnings, and there have been many. Today I will get to cover a number of the main ones:

### 1. Are you ready?

You come into any leadership role with a range of experiences and sometimes baggage. Many of these past experiences will be useful. Given the impact you will have on your organisation, it is very helpful to have invested in building your leadership skills and capabilities.

Inevitably, you will learn on the job, and all leaders should keep enhancing their effectiveness.

Leading an Agency is palpably different to SES roles. You are now the accountable authority, to use the vibrant language of the PGPA Act. You soon realise that staff hang on your every word and intonation, with some looking for a hidden meaning.

Ultimately, leadership is not about you – it is about the influence you have on the organisation to promote positive change. Make the best decisions you can, for the organisation, with the information you have, and if you need to make a better decision in the future, do so.

One person never has the full set of attributes required for leadership – and that is why we work in organisations. The leadership team that you work with is critical. I have seen the major benefits to ABS from a leadership team with a diverse range of experiences, capabilities and perspectives, but this means you need to be courageous enough to foster dissonant voices that challenge your own preferences.

## 2. Organisations can be transformed

The conclusion of the Capability Review in late 2013 was that ABS needed to transform its leadership, strategy and delivery – ABS achieved the trifecta for capability review recommendations.

Organisations can be transformed, although experience also shows that many transformation agendas can also be a wasteland of good, initial intentions not followed up by effective actions.

Success is more likely with a comprehensive approach to organisational transformation. For example, at ABS we pursued transformation across our partnerships, strategy, governance, workforce capability, culture and infrastructure. Nothing was spared from our transformation focus, reflecting the reality of organisations as complex inter-dependent systems.

If you want to successfully transform organisations, you need to commit for years, not weeks or months. You need to be persistent, engaging regularly with staff about performance gaps and organisational reform, using metrics to gauge progress, and transparently reporting progress to staff and stakeholders.

Every task we undertake is an opportunity for the organisation to learn what it should do better in the future.

With the 2016 Census, ABS was first to initiate our own Independent Review of Census data quality. We also decided to go beyond the external reviews subsequently initiated by the Government and the Parliament, and draw our own learnings. This was critical to successful delivery of the Australian Marriage Law Postal Survey just a year later.

As a result, our organisational performance has improved, delivering increased public value to the community. This has also been reflected in improved stakeholder relationships, staff engagement and staff wellbeing measures.

Despite the gains achieved to date, organisational reform is never finished, it needs to be ongoing as the organisational context will keep changing around you.

### 3. Governance matters, a lot, but not too much

Governance helps the ABS deliver quality outcomes and accountable processes.

Governance does need to be fit for purpose. Governance arrangements for the ABS have some clear differences from APS policy agencies. The Australian Statistician is responsible and accountable for the nearly all decisions of the ABS, protecting the integrity of our national statistics. ABS is the statistical agency for all governments – Commonwealth, states and territories. ABS is also subject to a legally binding international instrument – the OECD Code of Good Statistical Practices.

The Commonwealth Government decides our funding, some Census details and who is to be the Australian Statistician.

Governance should not be set and forget: it needs regular attention. In this context, we have adapted our organisation structure a number of times to help deliver the business, considerably improved our risk maturity, regularly considered our risk appetite, drew in advice from external experts to challenge internal thinking, pushed more decision making down to middle managers, sharpened internal policies and reset committees.

We used agile work practices and partnerships to deliver the Australian Marriage Law Postal Survey – a high risk endeavour with a timeframe of less than 100 days. By contrast, we are using a more traditional, hybrid approach, to implementing the 2021 Census, a process that runs for seven years and costs around \$500 million.

I would add two cautions. Governance arrangements, when taken to extremes, can excessively divert resources from delivering better services to the nation. Secondly, you should consider whether governance changes are the best means of improving organisational performance, when, for example, the underlying problems may be around workforce capability and culture.

### 4. Collaboration and Partnerships are key

Across the public sector, ABS and partner agencies are working better together over recent years, delivering new information insights.

Some partnerships that the ABS has with APS agencies and State Governments are at a mature stage of development, benefitting our partner agencies and the ABS, often leading to new data innovations. Successful partnerships can take many forms, from co-design of formal joint projects to staff secondments.

The RBA Deputy Governor was, just this week, able to speak about new insights into the Australian labour market by drawing upon the partnership between ABS and the RBA to make better use of our extensive, high quality labour force data. Our partnership with the Education Department, using our data linkage resources and expertise, enables more accurate needs-based funding of schools.

ABS also has important partnerships with international experts and other countries, and our partner agencies can draw upon ABS' global reputation for excellence and innovation.

Partnerships with commercial providers are essential for mid-sized agencies such as the ABS, and the cyclical funding profile of each Census makes this imperative. These commercial engagements are now more mature and professionally managed since the 2016 Census.

As a final reflection on partnerships, the APS as a whole does not draw on ABS capabilities and skills as much as it could. I still see a strong cultural paradigm of some Departments seeking to build their own special capabilities. Unfortunately, particularly in these specialist areas, generalist managers and staff may not know what they need to know, creating risks to all of us, rather than benefitting from partnerships with centres of expertise across the APS.

## 5. Developing a Capable Workforce

ABS is well known for its graduate recruitment process, now operating for over 60 years, and its professional development activities. This is a business imperative.

We have since taken steps to ensure the ABS now has a more diverse workforce, helping us deliver quality information and be better placed to respond to a range of operational challenges. Gender diversity helps, and we achieved 50/50 gender equity with our SES early in my tenure. But you also need diversity across a range of dimensions and still maintain a balance between deep internal knowledge and other professional skills and experiences.

While ABS has been able to maintain a professional, capable workforce to date, risks are emerging. The international labour market is demanding more people with data capability, our domestic economy is not producing enough of these skills and APS agencies will find it more difficult to attract and develop these skills. ABS is well placed to develop more data expertise, best done within a coordinated APS effort.

This is not just about collecting a workforce with impeccable CVs and experiences.

Just as important is the culture around how people work. The ABS has achieved gains from four strategies over recent years:

- demanding more internal collaboration, making better use of the range of skills across the organisation and reflecting our internal interdependencies;
- increasing expectations of and building capabilities of our middle managers;
- encouraging and expecting innovation from all ABS staff; and

- introducing flexible work opportunities and activity based working across our ten locations – delivering cost reductions and productivity gains to the organisation and improving key staff retention through work-life balance for staff.

## 6. Technology – the good, the bad and the ugly

This might sound a bit strange, for someone who experienced Census 2016 at the pointy end, but technology can be your friend!

Technological change enables ABS to do much more with data than was feasible a decade ago, such as drawing new information insights from linking large data sets. Machine learning is improving the efficiency and accuracy of our internal statistical processes, our virtual data lab is enabling over 2000 people to safely access our microdata and linked data from their desktops, and we are using APIs to disseminate official statistics more effectively to key users. ABS has been an early adopter of Cloud, to improve scale and security.

Beware the technology salesman whose promises seem too good to be true. Instead, go for iterative improvements, ones that have a compelling business benefit, manage projects very tightly, ensure sufficient internal expertise and draw upon external perspectives to test internal preferences.

Technology is not just an enabler, but a source of vulnerability for both operations and reputations. Overall, ABS is having to devote more of our scarce resource to regularly enhance our physical data security, but this does reduce resources available for statistical production. One very positive development from our past Census experience has been much greater engagement we now have with ASD and the Cyber Security Centre, especially to support preparations for the 2021 Census.

## 7. Perspective and humour

I had never experienced anything like the media, social media and political response to the 2016 Census, until it happened. I hope you never do, but I know a number of you have faced very significant challenges through your careers.

I still get angry when people refer to #Censusfail, because it didn't.

ABS and the community response ensured that the 2016 Census succeeded. ABS delivered data in the 2016 Census of commensurate quality to past Australian and comparable international Censuses, now informing many important decisions.

You need to maintain perspective, integrity and authenticity while the maelstrom is at its peak, as this helps the organisation keep its focus and ballast. Focus on what is required, internally and externally, to deliver the outcome while also professionally engaging in the media and social media. It also helped that, by the first weekend after Census night, the Census response had recovered back to our forecasts, but such positive dimensions are rarely newsworthy.

False perceptions can also be very sticky, and it can take a lot of time and effort to correct misunderstandings among those who should know better, including some of our colleagues. New media operating arrangements and the shrill voices in social media are a modern reality, with plenty of scope for the APS to improve its capability to engage with the media and contribute factual information to public debates.

Humour is a valuable way of maintaining perspective while you are confronting organisational challenges. I would like to give a shout out to the many cartoons of Jon Kudelka from The Australian who, along with many of his cartoonist colleagues, took full advantage of the content provided from the Census and then the marriage law survey.

In those challenging times, look after the welfare of your staff. Draw on the support others will provide, including your family and friends.

As much as possible, ensure you and your organisation are in best shape to make outstanding immediate decisions that are then often scrutinised by others at their leisure. And, again, take as many learnings as you can from every experience.

#### Concluding remarks

As a final comment, I would like to thank you, my colleagues and friends, for the many opportunities we have shared, and the collaborations we have had. Public service may be maligned in some quarters, but I can think of no better way to have spent my working life with many of you as we sought to improve essential services for our fellow citizens and better inform important decisions of governments, business and the community.