



Harnessing the collaborative trust of the pandemic for a new era

2023



Executive Summary

The public sector's fault lines

The public sector at its core exists to ensure that citizens can receive the services they need from government. Ideally, these services should make the lives of citizens easier, and they should be provided in an efficient and timely manner. Yet the many and disparate departments that make up the Australian Public Service (APS) have become too complicated, too independent and generally too hard for the average citizen to navigate. These criticisms are not new, and in late 2019 an independent review of the APS was conducted,¹ which proposed a number of recommendations and priorities. Before they could be implemented or acted upon though, the pandemic hit. Suddenly, for the first time in recent memory, there was a global challenge and one that forced Australia and all the departments within the APS to come together and work together for the benefit of the country, and it showed what can happen when agencies come together for a common cause.

This collaborative approach was beneficial in the short-term, but it exposed some of the deep fault lines that were present within the public service or within society more broadly, and was therefore seen to not be sustainable in the long-term without significant changes to processes and practices. Whilst the public service was highly trusted when the circumstances were unprecedented and chaotic, some of that trust across most departments has now dissipated.

The challenge now is to consciously identify these fissures and to harness that energy through co-operation, co-ordination and a common desire for improvement. In this report we explore the results of a survey of 270 APS professionals as well as data, research and the ideas of a number of experts who spoke at an innovation symposium in March 2023. The goal of this paper is to show how the lessons of the recent past can be leveraged to deliver on the promise of a digital economy for the benefit of all Australians.



¹ <https://www.apsreview.gov.au/>



Australia needs to become a pioneer again

When it comes to the information and digital age, Australia was a pioneer. In 1947, Australia built what later became known as the fourth computer in the world, and it is currently the world's oldest existing computer. Later, experts in Australia were involved in the invention of the bionic ear, ultrasound and even WiFi. By the early 1950s, this pioneering technology was already being used to inform the work of government and automation within bureaucratic agencies. In Australia and across much of the world, government interactions changed when PCs became commonly used and even more so with the advent of the internet. Speaking at PSN's Innovate Australia symposium in March 2023, Chris Fechner, the CEO of the Digital Transformation Agency (DTA), said that because citizen interactions with government changed as a result of the internet, Australia lost some of its pioneering spirit. "Now we need to change our thinking about what government is." There is no denying that "data and digital are inextricably linked to the delivery of government services in the 21st century."



Government needs to become an omni-channel, where the preferences of our citizens and businesses become more important than the structure of our departments, and where strategies around digital government and government delivery converge."

Chris Fechner, CEO, Digital Transformation Agency

The necessity of trust and collaboration

In a large and complex public sector system, there are many ways of improving government services. Two of those ways include greater collaboration and becoming more trustworthy, and this is in line with the results of a survey of 270 public servants that was carried out in March 2023 and asked participants to list one or two words to describe their goals or aspirations for public sector services in Australia. As **Figure 1** shows, 'trust' and 'collaboration' were the two words that scored highest.

The consulting firm EY says that in our changing world, 'trust is more important than ever. It's trust that enables organisations to create value and capital markets to function properly... With trust comes the confidence to make bolder strategic moves'.³ The imperative for government therefore is to be as trusted as possible. In 2022, according to the latest annual report of the APS, the most trusted government agency in Australia was the Australian Taxation Office (ATO).⁴ Speaking at the same symposium in March 2023, Fawad Abro, one of the Assistant Commissioners at the ATO, said this was somewhat ironic "because we take all your money," but at the same time, it is not a surprise because at least since the start of the pandemic, they have changed some of the ways in which they operate and they "now put the taxpayer at the heart of what we do." The goal for the ATO – like it is for every agency – is "to deliver value in the most efficient way and to make it easy for citizens or customers to comply." That is what they have spent a lot of time working on in order to change the mind-sets of their employees.

At the same time though, they are not immune from being innovative and creative. With trust comes a level of risk aversion because they don't want to do anything too outlandish, "and we should be risk averse to a degree, but when it comes to innovation, if we know our environment and have the creativity, then we can be innovative too." At the ATO, part of that innovation comes in the form of collaboration. Several years ago, when the Enterprise Data & Analytics team began, "we put 400 people together, but they floundered" despite the fact that they were working hard. The results were just not coming. After some time they realised that "everyone was talking a different language. The application architect working with the cloud architect versus the data architect – they were all saying different things in different ways and didn't realise that they were all right."



As a team, we realised that unless we have common terms and a common understanding, we will never achieve a shared consensus."

Fawad Abro, Assistant Commissioner, Enterprise Data & Analytics, Digital Transformation Partner, Australian Taxation Office

So through stories, a common understanding and a collective way of working, they "created a shared vision" and were able to finally achieve the results they were looking for. In this sense however, the is somewhat of an outlier.



Figure 1: Words to describe the goals or aspirations for public sector services in Australia

³ https://www.ey.com/en_au/trust

⁴ <https://www.pmc.gov.au/sites/default/files/resource/download/trust-aps-annual-report-2022.pdf>, p 6.

Becoming more trusted

The annual report of trust in the Australian public services for 2022 found that ‘most people (61%) trust Australian public services and believe they will change to meet Australians’ needs in the future’,⁵ but that the current numbers are likely still affected by the pandemic. A government report in 2021 found that ‘approval of the federal government’s response to the pandemic has fallen from a very high 85% in 2020 to 52% (in 2021)’.⁶ And although this is still a majority, it is concerning. That report was a one-off so there is no comparable data from previous or future years, but Andrew Garner, the Oceania Government Digital and Technology Lead for the consulting firm EY, says that “many Australians just don’t trust government services,” especially in a post-pandemic era. This assessment comes from “some independent research commissioned by EY, about where citizens are at post-COVID,” which is due to be released in May 2023. The focus of the research is on “understanding the ideal customer experience in a post-COVID world in the Australian landscape” through a diverse group of participants.

The most startling revelation is that “in Australia, citizen trust in government is lower than in most countries in the world,” although like we saw earlier, it rose during the height of the pandemic “but it’s now reduced to levels lower than pre-pandemic days.” On top of that, “people told us that digital services in the public sector were less sophisticated than those in the private sector and less user friendly” especially for those not confident using technology, and “Australians are also more worried about the privacy of their data than people in any other country.”

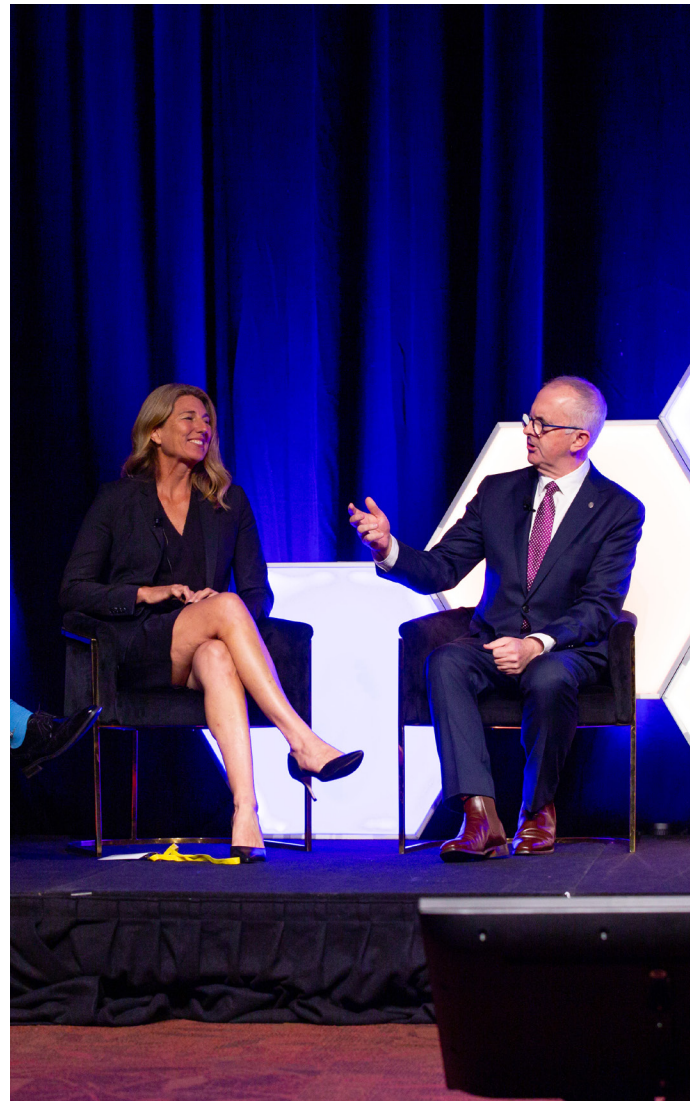
To some extent this research is not so surprising. A 2022 study about the use of digital channels in Australia, found – amongst other things – that 46% of respondents believe that the increased range of channels makes the process of accessing government services more confusing than ever before, and this is significantly up on the figures from 2020.⁷ Meanwhile, ‘some 37% of Australians find it difficult to navigate government services now that more processes are digital, while only 44% can find help if they have difficulty

using digital systems.⁸ The EY research is also not entirely surprising because on some level most people working in government inherently understand the issues. Jordan Hatch for instance, the Assistant Secretary for Regulatory Technology and Innovation at the federal Department of Finance, speaking at PSN’s Innovate Australia symposium, said that “so often in government it is really easy for us to get lost in our own needs or business requirements.”



It’s really important to stop and think about who our users might be and what we’re trying to solve.”

Jordan Hatch, *Assistant Secretary, Regulatory Technology and Innovation, Department of Finance*



⁵ https://www.ey.com/en_au/trust

⁶ https://scanloninstitute.org.au/sites/default/files/2021-11/Mapping_Social_Cohesion_2021_Report_0.pdf

⁷ <https://www.themandarin.com.au/184921-putting-the-all-in-digitally-why-government-service-delivery-must-continue-to-foster-inclusion/>

⁸ <https://my.gov.au/content/dam/mygov/documents/audit/mygov-useraudit-jan2023-volume1.pdf>

From a workforce perspective, this means “having a really diverse group of people in your team and in your networks,” and it means “having shorter feedback loops so that we can quickly find out what works before it’s too late.” These things in turn “allow us to be more collaborative in terms of delivering on a great user experience.”

In terms of this kind of self-awareness, the survey participants also have a sense that they need to boost their own understanding of the user experience, and thus when asked what their top priorities are for the next 12-24 months (Figure 2), ‘advancing workplace culture and upskilling the workforce’ was the top response, followed closely by ‘becoming more citizen-centric and improving experience’.

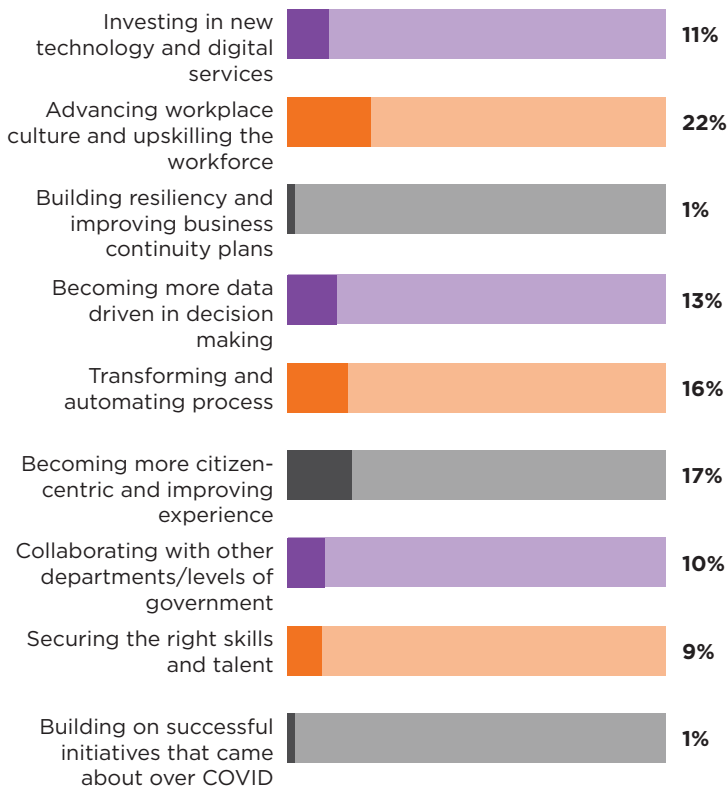


Figure 2: Top priorities over the next 12-24 months

Andrew Garner from EY says these priorities are not unexpected since many within the public sector are likely “apprehensive either because you haven’t had the tools or training to become comfortable with the technology, or because the implementation of it has been undertaken without your full input.” At the same time, “workplace culture is transforming” and the good news is that the EY research has also found that “Australians welcome digitisation as long as it’s seamless and not intrusive.”



Creating a seamless environment

The goal of all government services, as has been suggested, is to make the lives of citizens easier. In our modern world, many people have now become used to ordering their food and clothing online, and booking their holidays without leaving their homes. They now expect the same level of service from their government agencies. One such agency that has invested a lot of time in improving its service proposition is myGov – the portal for online government services – and in January 2023, the myGov User Audit was released. The report, in two volumes, provides both recommendations and an analysis of the performance of myGov, as well as ideals for a future state. Andrew Garner from EY says that ultimately, “people are sick of hearing that we are going to do this or we are going to do that” and the myGov report essentially says “that we should just get on with it and get things done.” Jordan Hatch from the Department of Finance expands on this and says that the goal of myGov – as a platform that provides access to 15 government services – is to “provide opportunities for everyone to access the services they require.” After all, as the report itself acknowledges in volume 2, ‘by leveraging advances in digitisation and data, myGov can transform the way Australians manage and interact with government’.⁹

One way of doing that is to ensure that when a user moves house, has a child, reports a death or is involved in any activity that requires multiple agencies, that they don’t need to inform the government more than once. Andrew Garner from EY says that in 2019, a UN Committee on the Rights of the Child reviewed the situation for registering children in Australia,¹⁰ and concluded that at the time, “it was too complex, too expensive and that Indigenous or vulnerable families were too often excluded from the process.” The myGov report says that myGov now ‘uses the Tell Us Once capability to give people confidence their information is up to date and eliminate the need for them to re-input their information or retell their story to different member services. Australians are able to opt-in for pre-filling of their information provided through linked member services, which reduces the steps needed to complete regular



actions such as completing forms and delivers a more seamless user experience’.¹¹



This is just one example of how we can create better core services by using advanced technology to meet human needs and in so doing, to build trust with citizens.”

Andrew Garner, *Oceania Government Digital and Technology Lead, EY*

Currently, according to the report, ‘Australians are conducting up to 1.4 million sessions in myGov each day – more than triple what it was 3 years ago’.¹² Dr Rachel Bacon, the Deputy Secretary of Public Sector Reform at the Department of Prime Minister and Cabinet (DPM&C), says that this is an example of a successful and seamless “digital infrastructure project” and an important part of the way the government interacts with citizens. As such, “we need to not only think about how our own agencies operate, we also need to think about how agencies operate together and how the backend actually works in a very connected and joined up way to make the front end seamless.” At the end of the day, “most people want the same things” and most agencies want to deliver the best services to their people. “Working together and thinking about our people will get us there.”

⁹ <https://my.gov.au/content/dam/mygov/documents/audit/mygov-useraudit-jan2023-volume2.pdf>

¹⁰ <https://www.ohchr.org/en/press-releases/2019/09/committee-rights-child-reviews-report-australia>

¹¹ <https://my.gov.au/content/dam/mygov/documents/audit/mygov-useraudit-jan2023-volume2.pdf>

¹² <https://my.gov.au/content/dam/mygov/documents/audit/mygov-useraudit-jan2023-volume1.pdf>

Changing the landscape

The common understanding in Australia – backed up by data – is that the tech sector is growing at an increasingly rapid rate. Austrade says that it is now one of the southern hemisphere’s biggest industries, and ‘if it were classified as a single industry, it would be the third largest contributor to GDP in Australia – ahead of the health and construction sectors,’ having grown 79% between 2016-17 and 2020-21 to ‘around 8.5% of GDP’.¹³ Chris Fechner from the DTA says that on the ground, this means that across the industry, “what we’re actually seeing is not five or ten year cycles, but they have come down to monthly or yearly cycles.” As such, “government needs to also change to meet these cycle expectations.” Government therefore needs to be “responsive” and there needs to be a change in mind-sets so that “rather than spending hundreds of millions of dollars creating systems that are meant to last for decades, we spend the same money creating hundreds of systems or hundreds of solutions that provide the things that we need now.” Ultimately, if Australia gets this right, then “as a successful digital government we will become a successful digital economy and more broadly, a more successful economy as well.” The problem however is, as **Figure 3** shows, that many public sector officials believe that budget constraints are the biggest barrier to innovation or success.

Amanda Cattermole, the CEO of the Australian Digital Health Agency, says that ‘budget constraints’ always ranks highly in such surveys, but “we have to challenge that.” As mentioned, smaller “bite-sized projects that we can rapidly roll through” are much more necessary these days. The truth is that “we will continue to live in a budget constrained environment.” If that continues to be the major barrier then nothing will ever be achieved. “We need to think about what innovation looks like within that paradigm, otherwise we will become our own barrier.”

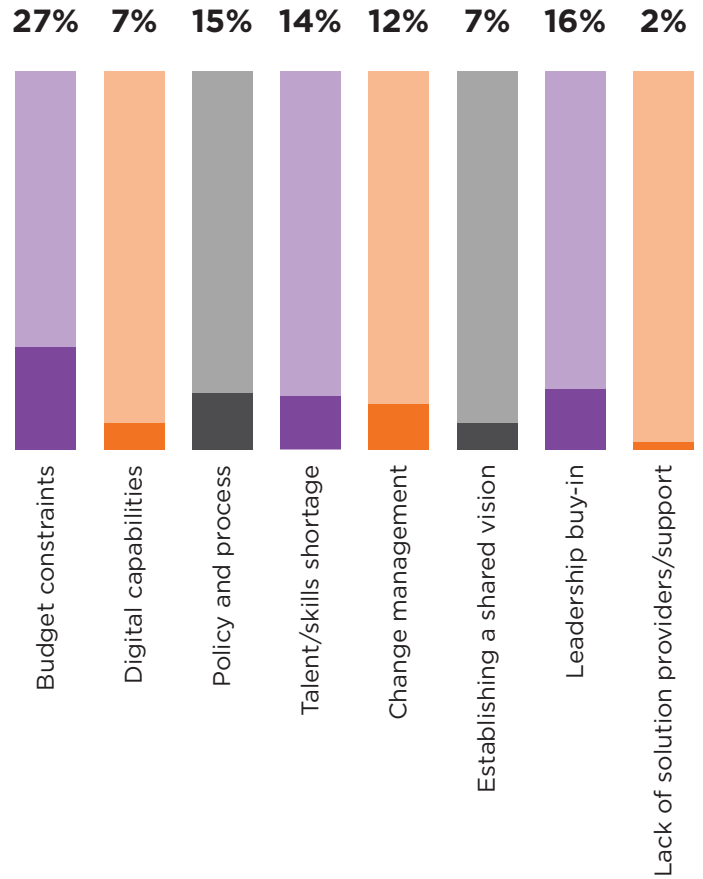


Figure 3: Biggest barrier to continuous innovation

In many ways Australia has escaped the worst of the world’s financial crises and the tech industry has continued to grow because of the geography of where Australia is in the world. Chris Fechner from the DTA says that “our separation from the northern hemisphere has meant that we’ve developed a lot of things in isolation to the rest of the world.” As such, this has created “an Australian innovative spirit that allows us to fill gaps in our own market.” Budget and other constraints may be a constant, but with the country’s creative nature, desire to succeed and ability to overcome the challenges of our time, the future for Australia’s innovation is bright.

Our people should be our biggest strength

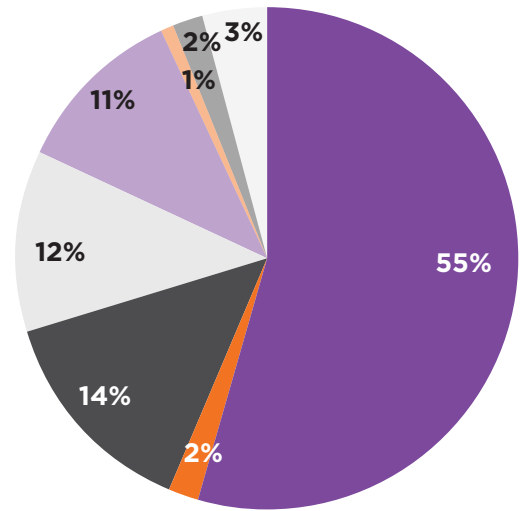
In any organisation, people should be the biggest investment and strength. However, **Figure 4** shows that the biggest challenge facing the Australian public service by far is talent attraction and retention, but at the same time, **Figure 5** shows that the Australia’s greatest strength in meeting the current challenges is through recruitment, retention and upskilling.

It is possible to argue that seeing recruitment and retention as both a challenge and a strength is contradictory, but Amanda Cattermole from the Australian Digital Health Agency doesn’t see it that way. “As organisations, we’re not as citizen centric as we perhaps think we are. Partly this is because we may not have all the tools in our toolbox to meet the challenges of the future. Are people – both staff and customers – really at the centre of everything we are doing? Are they part of our DNA? Until we answer that, it is a challenge that can lead to a strength.” Much of this came to the fore during the pandemic. “We are now a radically different place because [during the pandemic] we put our people at the centre and were the key architects of our own service delivery.” It was a journey many agencies were already on, but COVID-19 accelerated it.



Now we need to continue to deliver the services Australians want when and where they need them.”

Amanda Cattermole, CEO, Australian Digital Health Agency



- Workforce - talent attraction and retention
- Demographic - citizen perception/expectations
- Economic - budgets & competing priorities
- Technological - digital divide and rate of change
- Security - cybersecurity & public trust in government
- Regional - urban/rural divide
- Social Justice - Diversity Equity & Inclusion (DEI)
- Climate - sustainability & smart city initiatives

Figure 4: Most significant current challenge facing the Australian public sector

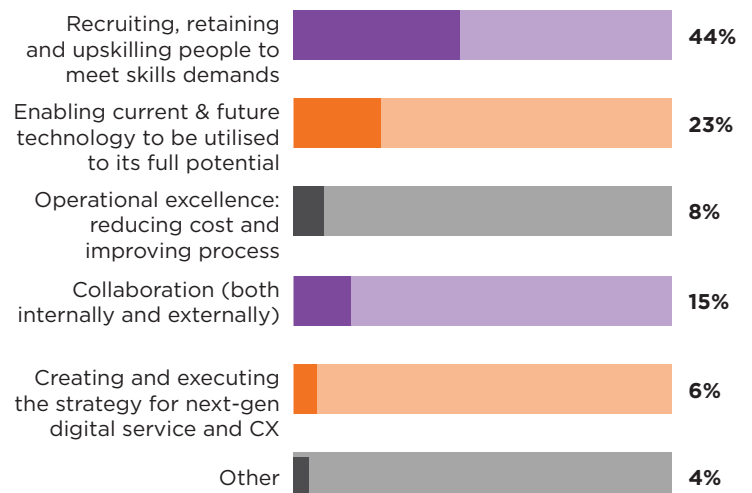


Figure 5: Australia's greatest strengths in meeting the challenges of the future



The pandemic proved that the capabilities and resources are there. The challenge is to continue to deliver “when the circumstances are not so unprecedented.”

Dr Rachel Bacon from DPM&C agrees, and says that “hardwiring people into the DNA of any organisation” should be a top priority. Moreover, the myGov report confirms that “the structure and governance of an organisation” is critical to the success of that organisation. And how people interact with digital is just as important. For instance, although AI may feel a little overwhelming, it raises the same questions that “have always been asked in relation to emerging technologies. How should government engage?” These questions “were asked when email first started, when computers became commonplace and when the internet became mainstream.” The answers have always been more or less the same.

“

We need to embrace the technology and bring everyone along with us on the journey, from our staff to our customers.”

Dr Rachel Bacon, *Deputy Secretary, Public Sector Reform*, Department of Prime Minister and Cabinet

Although every agency has a different approach, if everyone adopts the same broad idea for emerging technologies as well as for recruitment and retention, then the current challenges will become the biggest strengths.

Conclusion

To become the digital and innovative nation that Australia wants to become, and to once again be a technology pioneer, the work of government in this field needs to be trusted by both the employees of the various government departments, and importantly, by the citizens. This work is not easy and requires dedication and commitment, but the collaboration experienced during the pandemic proved that it is possible. Now is the time to harness the same energy and spirit and embrace the opportunities that Australia possesses. With the appropriate resources and with the collaborative approach demonstrated during the pandemic, Australia can create the future it wants to see.

Featured Speakers



Chris Fechner

CEO

Digital Transformation Agency



Fawad Abro

*Assistant Commissioner,
Enterprise Data & Analytics, Digital
Transformation Partner*

Australian Taxation Office



Andrew Garner

*Oceania Government Digital and
Technology Lead*

EY



Dr Rachel Bacon

*Deputy Secretary, Public Sector
Reform*

Department of Prime Minister and
Cabinet



Jordan Hatch

*Assistant Secretary, Regulatory
Technology and Innovation*

Department of Finance



Amanda Cattermole

CEO

Australian Digital Health Agency



About Public Sector Network

Public Sector Network is a research company that represents public sector professionals across Australia, Canada, New Zealand, and the USA. It develops roundtables, seminars, and conferences to suit current areas of interest to government agencies and their suppliers.

PSN's growing community spans across federal, state, and local government departments, healthcare, and education, allowing members to share information, access the latest in government innovation, and engage with other like-minded individuals on a secure and closed-door network.

AUSTRALIA / NEW ZEALAND

P +61 2 9057 9070

E INFO@PUBLICSECTORNETWORK.COM.AU

CANADA

P +1 (647) 459 8904

E CONTACT@PUBLICSECTORNETWORK.CO

USA

P +1 (647) 969 4509

E HELLO@PUBLICSECTORNETWORK.COM

Public Sector Network (Australia) Pty Ltd

ABN - 46 617 870 872

20-40 Meagher Street, Chippendale,
Sydney NSW 2008, Australia