BRIDGING INNOVATION AND ACCOUNTABILITY: THE FUTURE OF GENERATIVE AI IN VICTORIAN GOVERNMENT

RESEARCH INNOVATION COUNCIL ANZ BRIEF | VOL.10

EXECUTIVE SUMMARY

Generative AI has emerged as a transformative tool for public sector organisations, offering significant potential to enhance productivity, improve service delivery, and foster innovation.

This research brief explores insights from a recent roundtable discussion featuring experts and leaders from academia, government, and industry. The key themes include AI's socio-technical implications, workforce enablement, and the ethical considerations necessary for responsible adoption.

Highlights include strategies for overcoming data challenges, fostering AI literacy, and addressing cultural and leadership barriers. With careful planning and interdisciplinary collaboration, generative AI can become a cornerstone of modern governance, driving equitable and efficient outcomes.

FUTURE RESEARCH AND DISCUSSION

Developing AI literacy and workforce enablement programs: The discussion highlighted the need for training and education on responsible AI usage, particularly for public sector employees on practical topics like prompt engineering, AI ethics, and AI workflow integration.

Exploring AI's impact on citizen services and public sector productivity: The discussion touched on the potential for AI to improve government services through hyper-personalisation and connectivity. The council could investigate use cases and pilot projects that demonstrate how AI can enhance citizen-centric outcomes and public sector productivity.

Addressing the ethical and governance challenges of AI: The conversation highlighted the need for a policy framework to support responsible AI adoption. The council could convene discussions on topics like data privacy, algorithmic bias, and the societal impact of AI to help inform government policies and regulations.

Investigating funding and investment models for public sector AI innovation: The discussion mentioned the potential for government led dedicated funding mechanisms to support AI research and translation, and iterative adoption within public sector.

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KEY THEMES AND INSIGHTS

SOCIO-TECHNICAL COMPLEXITY: UNDERSTANDING AI'S ROLE

- **Human Perception of AI:** Despite its advancements, AI is not inherently intelligent. Misconceptions about AI's capabilities can lead to over-reliance and flawed decision-making.
- **Data Quality Matters:** While the "garbage in, garbage out" principle highlights the risks of poor data, AI can also offer solutions by making sense of messy datasets. For instance, advanced models can identify patterns, clean data, and reduce systemic bias, transforming disorganised inputs into actionable insights.
- **Real-World Example:** Professor Lisa Given highlighted issues with tools like ChatGPT, which often provide plausible but incorrect information, reinforcing the need for critical scrutiny.

WORKFORCE ENABLEMENT AND LITERACY

- **AI Literacy Gap:** Training and upskilling are critical to bridging the gap between AI capabilities and user understanding. Prompt engineering and ethical usage training can empower employees.
- **Collaborative Pilots:** Organisations are testing AI tools such as co-pilots to evaluate their effectiveness in reducing repetitive tasks, freeing staff to focus on strategic priorities.
- **Practical Example:** Federal agencies are deploying AI co-pilots with targeted use cases, such as summarising documents and improving decision-making workflows.

LEADERSHIP AND CULTURAL CHALLENGES

- **Leadership's Role:** Effective AI adoption requires leaders to champion its integration, focusing on trust, accountability, and equitable access across departments.
- **Organisational Culture:** Resistance to change and fear of job displacement are common barriers. AI should be framed as an augmentation tool, not a replacement.
- **Insight:** Participants discussed the need for a top-down strategy that balances governance with innovation to create a cohesive AI adoption framework.

CHALLENGES AND BARRIERS

1. DATA AND PRIVACY CONCERNS

- Public sector datasets are often messy, biased, or incomplete. Integrating AI without addressing these issues exacerbates risks.
- Privacy concerns deter organisations from fully leveraging generative AI. Robust frameworks are needed to ensure secure data use.

2. RESISTANCE TO CHANGE

- Fear of job displacement leads to hesitancy in AI adoption. Communicating AI's role as a productivity enhancer is vital to overcoming resistance.
- Governance-heavy approaches risk stifling innovation. Balancing regulatory requirements with experimental flexibility is essential.

INNOVATIVE IDEAS AND CASE STUDIES

1. RMIT'S HUMAN-AI COLLABORATION INITIATIVES

- The Centre for Human AI Information Environments at RMIT is leading research into designing AI systems that prioritise transparency, user autonomy, and social responsibility.
- Collaboration with SEEK demonstrated how aligning system algorithms with user intent can improve recruitment outcomes.

2. GOVERNMENT AI PILOTS

- Departments are exploring "closed-loop" AI systems to mitigate data security risks. For instance, RMIT's Val chatbot uses GPT-4 in a secure environment to prevent external data sharing.
- AI tools are being trialled to assist executive assistants in transcription, action tracking, and meeting summarisation, significantly reducing workload.

STRATEGIC OUTCOMES AND RECOMMENDATIONS

IMMEDIATE ACTIONS

- Develop AI Literacy Programs: Implement workshops and training on prompt engineering, ethical AI use, and critical evaluation.
- Pilot Closed-Loop Systems: Test secure AI environments tailored to specific use cases, such as customer service automation or document summarisation.

MEDIUM-TERM GOALS

- Create AI Governance Frameworks: Establish clear policies that balance innovation with compliance, ensuring ethical and responsible AI use.
- Foster Interdisciplinary Collaboration: Build partnerships between academia, industry, and government to co-develop scalable solutions.

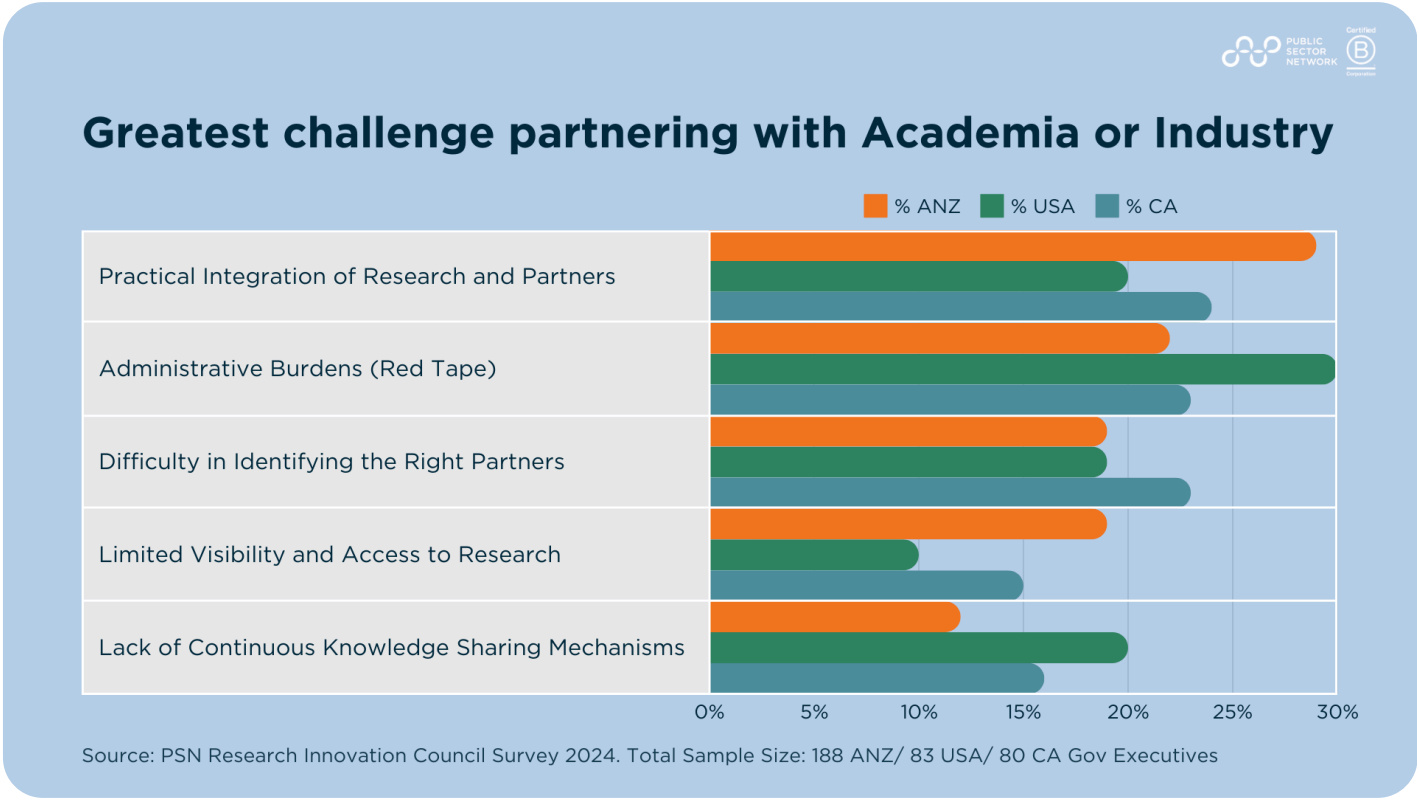
LONG-TERM VISION

- National AI Leadership: Position Australia as a global leader in responsible AI adoption by investing in interdisciplinary research and public sector innovation.
- Citizen-Centric Services: Leverage generative AI to create hyper-personalised, efficient, and accessible public services.

ABOUT THE RESEARCH INNOVATION COUNCIL

Connecting government, industry and academia: we've been able to engineer a new program antithetical to the classical red tape, administration, and risk-aversion that impedes innovation.

Our program offers senior executives a unique opportunity to gather monthly for PSN-facilitated roundtable sessions with colleagues, academics, and technologists. We run the program at no cost to government executives or academics, and provide attendees a private online group on our global insights exchange platform, access to research briefs, and expert engagement with PSN analysts and facilitators.



Source: PSN Research Innovation Council Survey 2024. Total Sample Size: 188 ANZ/ 83 USA/ 80 CA Gov Executives

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.

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