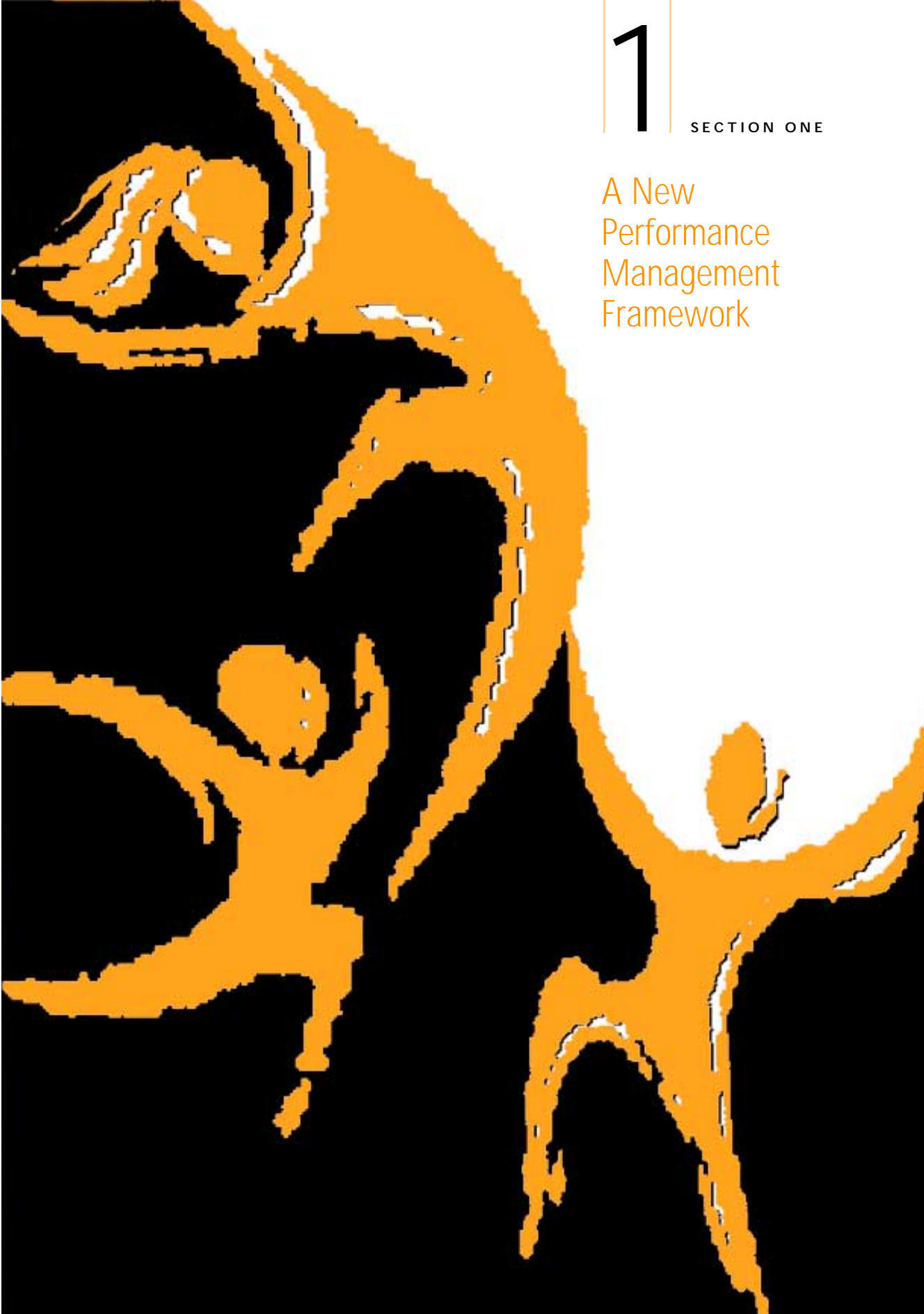


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SECTION ONE

A New Performance Management Framework



The Rationale for Change

The *Charter of Public Service in a Culturally Diverse Society* (the *Charter*) represents a nationally consistent approach to ensuring that government services are delivered in a way that is sensitive to the language and cultural needs of all Australians. It draws its rationale from Australia's multicultural policy, which was updated in December 1999 as the Commonwealth Government's statement *A new agenda for multicultural Australia*¹ (*New Agenda*).

A new agenda for multicultural Australia

The *New Agenda* stresses the Government's commitment to enhance and focus Australian multiculturalism to:

- make it relevant to all Australians; and
- ensure that the social, cultural and economic benefits of our diversity are fully maximised in the national interest.

The *New Agenda* says:

The term Australian multiculturalism summarises the way we address the challenges and opportunities of our cultural diversity. It is a term which recognises and celebrates Australia's cultural diversity. It accepts and respects the right of all Australians to express and share their

individual cultural heritage within an overriding commitment to Australia and the basic structures and values of Australian democracy. It also refers specifically to the strategies, policies and programs that are designed to:

- make our administrative, social and economic infrastructure more responsive to the rights, obligations and needs of our culturally diverse population;
- promote social harmony among the different cultural groups in our society; and
- optimise the benefits of our cultural diversity for all Australians.

We have built a social infrastructure of institutions, traditions and processes on our democratic foundation. These are the foundations of Australian multiculturalism. Cultural diversity is one of our great social, cultural and economic resources. Australian unity in this diversity is based on such moral values as respect for difference, tolerance and a common commitment to freedom, and an overriding commitment to Australia's national interests. For multicultural Australia to continue to flourish for the good of all Australians, multicultural policies and programs should be built on the foundation of our democratic system, using the following principles:

- **Civic Duty**, which obliges all Australians to support those basic structures and principles of Australian society which guarantee us our

¹ You can obtain a copy of *A new agenda for multicultural Australia* from the Department of Immigration and Multicultural Affairs, PO Box 25, Belconnen, ACT 2616 or through its web site: <http://www.immi.gov.au>

freedom and equality and enable diversity in our society to flourish;

- **Cultural Respect**, which, subject to the law, gives all Australians the right to express their own culture and beliefs and obliges them to accept the right of others to do the same;
- **Social Equity**, which entitles all Australians to equality of treatment and opportunity so that they are able to contribute to the social, political and economic life of Australia, free from discrimination, including on the grounds

of race, culture, religion, language, location, gender or place of birth; and

- **Productive Diversity**, which maximises for all Australians the significant cultural, social and economic dividends arising from the diversity of our population.

The Government established the Council for Multicultural Australia to assist it with developing and implementing a multifaceted plan of action to implement the *New Agenda*.

What is the *Charter for Public Service in a Culturally Diverse Society*?

The *Charter* is a key tool to assist government programs to meet the needs of our culturally and linguistically diverse society. It integrates a set of service delivery principles concerning cultural diversity into the strategic planning, policy development, budget and reporting processes of government service delivery — irrespective of whether these services are provided by government agencies, community organisations or commercial enterprises.

These principles are:

- **Access** — Government services should be available to everyone who is entitled to them and should be free of any form of discrimination irrespective of a person's country of birth, language, culture, race or religion;
- **Equity** — Government services should be developed and delivered on the basis of fair treatment of clients who are eligible to receive them;
- **Communication** — Government service providers should use strategies to inform eligible clients of services and their entitlements and how they can obtain them. Providers should also consult with their clients regularly about the adequacy, design and standard of government services;

- **Responsiveness** — Government services should be sensitive to the needs and requirements of clients from diverse linguistic and cultural backgrounds, and responsive as far as practicable to the particular circumstances of individuals;

- **Effectiveness** — Government service providers should be 'results oriented', focussed on meeting the needs of clients from all backgrounds;

- **Efficiency** — Government service providers should optimise the use of available public resources through a user-responsive approach to service delivery which meets the needs of clients; and

- **Accountability** — Government service providers should have a reporting mechanism in place which ensures they are accountable for implementing *Charter* objectives for clients.

The *Charter* also incorporates a best practice guide for achieving and reporting on government services. You can obtain a copy of the *Charter* from the Department of Immigration and Multicultural Affairs, PO Box 25 Belconnen, ACT 2616 or through its web site: <http://www.immi.gov.au>

The *Charter's* performance management framework

Since 1997, progress on implementing the *Charter* has been reported in access and equity annual reports. These reports are tabled in Parliament by the Minister for Immigration and Multicultural Affairs. While there has been significant progress, there is a need for a more comprehensive assessment of *Charter* outcomes. Qualitative progress on *Charter* outcomes can be assured when diversity management is embedded in portfolio agency performance management processes. As a first step in achieving this, a draft performance measurement framework was included in the *Access and Equity Annual Report 1999*.

During 2000 the new framework has been revised and trialed in five agencies. The results of this trial are reported in Chapter 3 and [Appendix A](#).

The *Access and Equity Annual Report 2000* signals an important evolution in the implementation of the *Charter*. The *Charter* has traditionally been viewed solely as a social equity tool. While it has continuing relevance as such, the *New Agenda* signifies a broader role for the *Charter* that encompasses the active pursuit of the benefits that diversity can bring. The National Multicultural Advisory Council recommended in its April 1999 report to the Government that:

private and community sector organisations consider how the Australian Public Service values and the

principles of the *Charter of Public Service in a Culturally Diverse Society* might be relevant to their diversity management and planning processes, and develop similar charters appropriate to their specific environment and the needs of their constituents, customers and employees.²

The Government's *New Agenda* indicated that, while government cannot be prescriptive about charters or programs for the private sector, where benefit can be derived from adapting the principles of a government program to a company's operations, this ought to be pursued. The Council for Multicultural Australia is addressing this.

The *Charter* performance management framework has been developed as a tool to assist portfolio agencies to evaluate diversity management. It differs from past reporting practices in that it seeks to identify outcomes achieved within five core government roles (policy adviser, regulator, purchaser, provider and employer). It asks portfolio agencies to report on their handling of any business implications that arise when language and cultural diversity intersect with the work of the policy adviser, regulator, purchaser, provider and employer.

The performance indicators for the core roles identified in the *Charter's* framework correlate closely to the *Charter's* principles. This can be mapped as follows:

2 *Australian multiculturalism for a new century: Towards inclusiveness*. You can obtain a copy of this report from the Department of Immigration and Multicultural Affairs, PO Box 25, Belconnen, ACT 2616 or through its web site: <http://www.immi.gov.au>

Table 1

	Policy Adviser	Regulator	Purchaser	Provider	Employer
Access	✓		✓	✓	✓
Equity	✓	✓	✓	✓	✓
Communication	✓	✓	✓	✓	✓
Responsiveness	✓	✓	✓	✓	✓
Accountability	✓	✓	✓	✓	✓

It is worth noting that the principles of effectiveness and efficiency are an intrinsic part of the broader mandate of all Commonwealth departments and agencies and as a consequence they have not been specifically targeted as part of the performance management framework.

During 2001 the framework will be further refined in consultation with Commonwealth portfolio agencies and State, Territory and Local Governments. This will include discussion on how best to integrate the framework with the *Charter* itself.

The New Framework

Achieving outcomes

The new performance management framework builds on the increasing focus, at a Commonwealth level, on individual portfolio agencies taking greater accountability for achieving defined outcomes.

Diversity management strategies must contribute to achieving corporate outcomes and the *Charter* performance framework has been designed with this in mind. Its purpose is to assist portfolio agencies to achieve the outcomes defined in Portfolio Budget Statements and it complements existing reporting tools such as departmental annual reports, state of the service (workplace diversity) reports and client service charter reports.

Workplace and marketplace diversity is a reality and it makes sense to leverage this diversity. The need for practical diversity management tools for both the private and public sectors to help them to use our diversity to derive economic and social benefits is clearly apparent from commissioned research, annual diversity reporting and anecdotal sources.

For instance, research commissioned by the Department of Immigration and Multicultural Affairs shows that the vast majority of senior managers in the private sector acknowledge that workplace diversity (whether internal or external) can be a source of business strength. However, the research also highlights the general lack of

diversity management strategies and indicates that management thinking appears to treat diversity more as a problem than as a resource.

In the Australian Public Service, departments and agencies are required to prepare workplace diversity plans and to keep data about and/or report on a range of diversity related matters. The subject of such data and reporting embraces many aspects of human diversity in the workplace — including disabilities, gender, language and cultural background, client demographics and staff profiles.

Government programs serve the whole community. Subject to the purpose and eligibility criteria of individual programs, they ought to be inclusive. They ought to be available to all Australians. They must meet the needs of our culturally diverse society.

In relation to cultural and linguistic diversity inclusion means that portfolio agencies should address the disadvantages faced by certain individuals in participating in Australian society (the most common barrier being effective communication) and maximise the benefits of this diversity. Addressing disadvantage and maximising the benefits of diversity are investments for the future. A fair society allows individuals to reach their potential and to make an increased contribution to society.

The *Charter* is a reminder to all public sector managers that they have a role to play in

achieving and maintaining such a fair society. Appropriate diversity management strategies are one important indication that managers accept this responsibility.

Five core roles

The *Charter* is primarily concerned with ensuring that government services are delivered with due regard to the language and cultural backgrounds of clients. The main focus of implementing the *Charter* to date has been on the role of the service provider, although the importance of other roles has been highlighted from time to time. The new performance management framework makes explicit the *Charter*-related responsibilities of five core roles:

- policy adviser;
- regulator;
- purchaser;
- provider; and
- employer.

All portfolio agencies are employers, and all will have at least one other role additional to that of the employer. The responsibilities of some organisations may cover all five roles, and in most cases the roles will be decentralised within the portfolio agency. Accountability is, therefore, widely distributed within organisations.

The performance management framework highlights this accountability by pointing to how each role assists in achieving government outcomes, and by specifying performance indicators.

The framework, including the performance indicators, was trialed by five portfolio agencies during 2000 and revised in accordance with the feedback received. Wide consultations at Commonwealth, State, Territory and Local Government levels are planned for 2001.

Overview of the performance management framework

Role	Performance indicators
<p>The policy adviser is responsible for strategic planning and formulating new initiatives and/or revisions to current government programs and services in response to either government policy, identified community needs or both.</p>	<ul style="list-style-type: none"> • Appropriate consultation on policy/program proposals. • Potential differential impacts of policy proposals identified prior to decision. • Policy/program proposals have an appropriate communication strategy.
<p>The regulator is responsible for implementing the regulatory framework as designed by the policy function.</p>	<ul style="list-style-type: none"> • Public information communicated to all Australians. • Regulatory compliance reporting is in accessible mediums.
<p>The purchaser ensures that funding is allocated on a basis that gives effect to the established policy framework.</p>	<ul style="list-style-type: none"> • Appropriate consultation on policy/program proposals. • Purchasing specifications are consistent with the <i>Charter</i>. • Complaints mechanisms are sensitive to language needs.
<p>Providers of services also work within established boundaries, often derived from the purchasing frameworks that accompany the receipt of funds.</p>	<ul style="list-style-type: none"> • Work processes are consistent with the <i>Charter</i>. • Data collections meet statistical standards on diversity. • Service standards address any differential impacts. • Complaints mechanisms are sensitive to language needs.
<p>All portfolio agencies undertake the role of employer, involving the provision of a range of work conditions, including wages, in exchange for the provision of labour to produce goods and services.</p>	<ul style="list-style-type: none"> • Corporate governance is consistent with the <i>Charter</i>. • Employment policies/practices are consistent with the <i>Charter</i>. • Learning programs include a focus on the benefits of diversity. • Complaints mechanisms are sensitive to language needs.

Detailed information on each of the core roles and the related performance indicators follows.

Policy adviser

The role

The policy adviser role involves developing the policy guidelines within which organisations conduct their business. It is the policy adviser role that considers the needs of different groups and sectors and decides the desired impacts and results (outcomes) that should be achieved for the community. Common functions of the policy adviser role include but are not restricted to:

- determining and evaluating community outcomes;
- deciding broad priorities and developing policy parameters;
- managing long-term strategic planning³ for community outcomes;
- holding purchasers accountable for their performance;
- being accountable to the community (through Parliament); and
- ensuring the appropriate legislative and regulatory framework is in place.⁴

Typically policy adviser functions would involve little direct interaction with members of the public in the form of service delivery operations. However, the policy adviser role has a responsibility for initiating and developing policy that can directly affect service provision.

³ This includes the identification and specification of service gaps, changing needs and emerging needs.

⁴ Funder, Owner, Purchase, Provider – Exploring the Concepts: A GMF Discussion Paper, FOFP Working Group, State Government of South Australia, June 1997, p10.

Achieving Government outcomes

To achieve the Government's desired outcome of addressing disadvantage and maximising the benefits arising from cultural and language diversity, the policy adviser should:

- reflect the culturally diverse nature of the community in the development and review of policy advice including in analysing the range of needs;
- actively involve people from a variety of cultural and linguistic backgrounds (for example, migrant and Indigenous backgrounds) in the policy development and review process whether through direct participation or via consultation;
- assess and quantify the differential impacts of policy directions on the lives of people from different cultural and linguistic backgrounds in the Australian community in the short, medium and longer term; and
- make publicly available policy information accessible, for example, by using ethnic and Indigenous media, translated information, interpreters or multilingual staff.

At times this role will involve taking on a leadership role and a pro-active approach to the management of emerging issues and needs.

Performance indicator	Performance measure	Rating
Indicator 3: New or revised policy/program proposals have an appropriate communication strategy.	Sampling* of new or revised policy/program proposals to determine the extent to which portfolio agencies:	<input type="checkbox"/>
	• use ethnic media and networks to distribution information;	<input type="checkbox"/>
	• use plain English to explain the proposal;	<input type="checkbox"/>
	• translate policy/program information;	<input type="checkbox"/>
	• use community leaders to disseminate information in particular communities; and	<input type="checkbox"/>
	• use imagery rather than text based communication.	<input type="checkbox"/>

* Note: The sampling strategy should ensure that corporate policy priorities identified in each portfolio agency's business plan and the Portfolio Budget Statements are represented in the sample.

** Consultation about possible rating scales will be undertaken in 2001. Both numeric and descriptive scales will be considered.

Regulator

The role

The regulator role⁵ usually involves the enforcement of legislation or other government 'rules' which influence the way people behave. Regulations apply to all Australians and are not limited to primary or delegated legislation, but also include 'quasi-regulation' (such as codes of conduct, advisory instruments or notes) where there is reasonable expectation by government of compliance.⁶ Authority for independent decision making and administration may accompany this function to support the separation of certain powers from executive government. Common

functions of the regulator role include but are not restricted to:

- compliance monitoring;
- performance reporting;
- accreditation;
- complaint management; and
- investigation.

Achieving Government outcomes

To achieve the Government's desired outcome of government regulation that recognises the cultural and language diversity of Australian society, the regulator should:

- ensure information about the regulatory process and associated specifications is publicly available and in accessible formats; and
- ensure that performance information is readily available to the public and in accessible formats.

5 Some examples of regulators include the Australian Securities and Investments Commission, Australian Competition and Consumer Commission and Department of Communications, Information Technology and the Arts.

6 Guidelines for Commonwealth Regulation Impact Statements, Office of Regulation Review.

REGULATOR

Performance indicator	Performance measure	Rating
<p>Indicator 1: Publicly available information on regulations and quasi-regulations is communicated to all Australians, regardless of cultural or linguistic background.</p>	<p>Sampling* of communication strategies used to convey information about regulations and quasi-regulations to determine the extent to which organisations:</p> <ul style="list-style-type: none"> • have communication strategies that reach people from a variety of cultural and linguistic backgrounds; • use plain English and translated material; • use interpreted information; • distribute information through the ethnic media and networks; • use community leaders to inform members of particular communities; and • use imagery rather than text based communication media. 	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
<p>Indicator 2: Regulatory compliance reporting is in accessible mediums for all Australians, regardless of cultural or linguistic background.</p>	<p>Sampling* of publicly available reports to determine the extent to which organisations:</p> <ul style="list-style-type: none"> • have communication strategies for the distribution of regulations that reach people from a variety of cultural and linguistic backgrounds; • use plain English and translated material • use interpreted information; • distribute information through the ethnic media and networks; • use community leaders to inform members of particular communities; and • use imagery rather than text based communication media. 	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>

* Note: The sampling strategy should ensure that corporate policy priorities identified in each portfolio agency's business plan and the Portfolio Budget Statements are represented in the sample.

Purchaser

The role

The purchaser acts as an agent of the policy adviser. Having been advised of the outcomes sought by the policy adviser, purchasers determine the precise outputs to be purchased (usually specified in terms of price, volume and quality) and nominate the providers who may be public, private or not-for-profit organisations. Common functions of the purchaser role include but are not restricted to:

- determining conditions of effective service design and delivery (price, quantity, quality, location etc) including the outcomes to be achieved;
- negotiating and contracting with providers for volume and quality at best price;
- monitoring performance and appropriateness of services being purchased; and
- encouraging competition between providers.⁷

Frequently, those who purchase services use mechanisms such as purchase contracts, memoranda of understanding, service level

agreements or partnership agreements. These mechanisms are usually supported by performance monitoring and reporting requirements.

Achieving Government outcomes

To achieve the Government's desired outcome of government purchasing that recognises the cultural diversity of Australian society, the purchaser should:

- involve the views of people from an appropriate range of cultural and linguistic backgrounds in the development of the tender where a program may have a differential impact on the lives of people due to their cultural or linguistic backgrounds;
- ensure the specifications of both the tender and purchase contract comply with the *Charter*; and
- ensure that the complaints mechanisms enable people from all cultural and linguistic backgrounds to have their issues heard and addressed.

PURCHASER

Performance indicator	Performance measure	Rating
<p>Indicator 1: Purchasing processes with differential impacts on the lives of people from particular cultural and linguistic backgrounds are developed in consultation with people from those backgrounds.</p> <p><i>(continued on next page)</i></p>	<p>Assessment of the major new purchasing processes to determine the extent to which portfolio agencies:</p> <ul style="list-style-type: none"> • use reference groups of people from particular cultural or linguistic groups to inform the development of purchasing processes; 	<input type="checkbox"/>

⁷ FOPP Working Group, op cit p8. At times market forces may require focus on establishing cooperation between providers to ensure the required services can be provided rather than simply letting market forces dictate.



Performance indicator	Performance measure	Rating
	<ul style="list-style-type: none">• liaise with appropriate representative organisations;• use focus groups with representation of individuals from a variety of cultural and linguistic backgrounds; and• distribute discussion papers concerning the proposed purchasing specification through ethnic networks to reach people from particular backgrounds.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Indicator 2: Tendering specifications and contract requirements for the purchase of goods or services are consistent with the <i>Charter</i> where there may be a differential impact on people from particular cultural and linguistic backgrounds.	<p>Assessment of the tendering specifications and contract requirements for major new purchasing processes to determine the extent to which portfolio agencies:</p> <ul style="list-style-type: none">• highlight the needs of people from particular backgrounds and seek a range of strategies from providers on how to address such needs;• specify in contracts data collection standards and reporting requirements that enable the needs of people from particular backgrounds to be monitored; and• ensure contracts require providers to establish complaints handling mechanisms that can effectively respond to people from all cultural and language backgrounds.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Indicator 3: Complaints mechanisms enable people (irrespective of cultural and linguistic background) to address issues and raise concerns about the performance of purchasers and providers.	<p>Assessment to determine the extent to which relevant purchase arrangements provide for:</p> <ul style="list-style-type: none">• the establishment of complaints/grievance mechanisms;• information on complaints handling processes and procedures in accessible formats;• the use of interpreters to assist in the complaints lodgement and hearing process; and• analysis of the outcomes of complaint processes in terms of cultural or linguistic factors.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Provider

The role

Providers deliver the services they have been contracted or mandated to provide under specified conditions. Common functions of the provider role include but are not restricted to:

- managing resources effectively to produce and deliver services as specified by purchasers;
- developing and marketing (if appropriate) services to consumers/users and to purchasers; and
- ensuring viability of their organisations, financially and in relation to long term productive capacity.⁸

Achieving Government outcomes

To achieve the Government's desired outcome of providing services that recognise the cultural and language diversity of Australian society, the provider should:

- evidence an understanding of and a capacity to provide services to people from the range of cultural and linguistic backgrounds in Australian society;
- provide access to culturally and linguistically appropriate services;
- have established mechanisms for quality assurance and quality improvement in place which suit our multicultural society;
- have a service charter that defines the roles, responsibilities and accountabilities of both the provider and consumer. Such a charter should account for the needs of society in which there are people from a range of backgrounds;
- have established mechanisms for considering consumer satisfaction which suit the diversity of our society; and
- have established complaints handling mechanisms to address concerns raised by their consumers which suit our multicultural society.

PROVIDER

Performance indicator	Performance measure	Rating
Indicator 1: Providers have mechanisms for planning, implementation, monitoring and review of services that take into account the <i>Charter</i> principles.	Assessment of the mechanisms for planning, implementation, monitoring and review across major functional areas to determine the extent to which portfolio agencies:	
	<ul style="list-style-type: none"> • consider cultural and linguistic diversity issues in strategic and operation plans of functional areas; • develop strategies that provide accessible information to individuals from all language and cultural backgrounds; 	<input type="checkbox"/> <input type="checkbox"/>
<i>(continued on next page)</i>		

⁸ FOPP Working Group, op cit, p8.

Employer

The role

All portfolio agencies undertake the role of employer. The employment role usually involves the provision of a range of work conditions, including wages, in exchange for the provision of labour to produce goods and services. Common functions of the employer role include but are not restricted to:

- development of employment policies and procedures;
- recruitment and induction of new staff;
- staff training and development;
- individual performance monitoring;
- payment of wages and salaries; and
- human resource management.

Portfolio agencies are encouraged to highlight and promote the benefits which flow from a diverse workforce (the dividend approach), rather than to simply focus on programs to overcome disadvantage (the deficit approach).

Achieving Government outcomes

To achieve the Government's desired outcome for recognising the cultural diversity of Australian society, the employer should ensure that:

- corporate governance mechanisms and processes give effect to the principles underpinning the *Charter*;
- employment policies and procedures for departments and agencies comply with the requirements of the *Charter* and any diversity requirements of relevant legislation such as the *Public Service Act 1999* and the *Commonwealth Authorities (EEO) Act*;
- staff training and development programs (eg induction, supervisory, policy development, contract management, client services) include information on diversity and the benefits of effective diversity management; and
- staff training and development programs are accessible to employees from all cultural and linguistic backgrounds.

EMPLOYER

Performance indicator	Performance measure	Rating
Indicator 1: Corporate governance mechanisms and processes give effect to <i>Charter</i> principles.	Assessment of corporate governance arrangements to determine the extent to which:	
	• organisational values are consistent with the <i>Charter</i> ;	<input type="checkbox"/>
	• strategic and operational plans identify strategies that respond positively to cultural and linguistic diversity;	<input type="checkbox"/>
	• organisational communication strategies and mechanisms take into account cultural and linguistic diversity; and	<input type="checkbox"/>
	• performance monitoring mechanisms take into account cultural and linguistic diversity.	<input type="checkbox"/>
<i>(continued on next page)</i>		



Performance indicator	Performance measure	Rating
Indicator 2: Employment policies, procedures and practices comply with the requirements of the <i>Charter</i> .	Assessment of new and revised employment policies, procedures and practices to determine the extent to which: <ul style="list-style-type: none">• employment practices are free of any form of discrimination based on a person's country of birth, language, culture, race or religion;• employment policies and procedures are communicated appropriately;• employee data collection systems are in accordance with the <i>Standards for Statistics on Cultural and Language Diversity</i>; and• workforce planning strategies consider the demographics of the organisation's client base.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Indicator 3: Performance and learning programs give specific focus to strategies to maximise the benefits of cultural and linguistic diversity.	Sampling of major learning and development programs to determine the extent to which: <ul style="list-style-type: none">• programs highlight any differential impacts due to cultural and linguistic factors;• course design and curriculum incorporates examples and case studies that reflect Australia's cultural and linguistic diversity;• learning programs take into account the cultural and linguistic diversity of the workforce; and• performance development systems have strategies to promote and maximise the advantages of cultural and linguistic diversity.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Indicator 4: Complaints mechanisms enable employees (irrespective of cultural and linguistic background) to address issues and raise concerns.	An analysis of the complaints/grievances to determine whether: <ul style="list-style-type: none">• there is any evidence of a differential impact due to cultural and linguistic background;• information on complaints handling is in accessible formats and interpreters are used in the complaints lodgement and hearing process; and• complaints data collection systems are in accordance with the <i>Standards for Statistics on Cultural and Language Diversity</i>.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

The New Framework In Action

With any new approach in assessing and measuring diversity management performance it is important that the framework is sufficiently flexible and robust to account for the wide range of roles, responsibilities and functions undertaken by departments and agencies.

The framework has been developed to give each organisation opportunity to assess diversity management in relation to its core business. The framework is not intended to be prescriptive; its focus is on achieving sustainable improvements over time.

The trialing process

Trialing the framework was a critical part of the development process. It was necessary to determine the framework's ability to measure those functions that have a real and direct impact on effective diversity management as well as to assess its capacity to be applied within a range of workplaces with different priorities and business activities.

The departments and agencies that participated in the trialing phase were:

- Department of Defence;
- Centrelink;
- Department of Family and Community Services (FaCS);
- Australian Taxation Office (ATO); and
- Department of Immigration and Multicultural Affairs (DIMA).

Each organisation:

- identified which of the core roles it performs;
- determined the areas within their organisation responsible for these functions (some organisations involved a range of areas while others concentrated on one or two);
- identified how the performance indicators could be linked into current performance management systems eg data collection processes, monitoring processes and reporting mechanisms; and
- implemented the performance measures relevant for each functional area.

Brief descriptions of the core roles covered by each organisation participating in the trialing phase can be found in [Appendix B](#). The roles tested by each organisation are listed in the table below.

Table 2

	Policy Adviser	Regulator	Purchaser	Provider	Employer
Defence					✓
ATO		✓			✓
Centrelink				✓	✓
FaCS	✓		✓		
DIMA	✓		✓	✓	✓

Note: The roles tested by individual organisations should not be regarded as the only roles undertaken by the organisation — they are a sample used for the purposes of refining the performance management framework.

The information analysed in the trialing phase is summarised in Table 3.

Table 3

Role	Examples
Policy Adviser	DIMA – Australian Multiculturalism FaCS – Commonwealth Disability Strategy FaCS – International Agreements FaCS – Welfare Reform
Regulator	ATO – Excise
Purchaser	DIMA – Integrated Humanitarian Settlement Strategy DIMA – Adult Migrant English Program FaCS – Family Relationships Program FaCS – Disability and Carers Support FaCS – Community Program
Provider	DIMA Centrelink
Employer	DIMA Defence Centrelink ATO – Excise

A case study — Policy Adviser

Department of Family and Community Services

As a strategy for reviewing welfare policy, an independent Welfare Reform Reference Group was established to explore options for improving the welfare system. The Group was asked to address two main issues:

- ways in which welfare arrangements can help prevent the problems that result in people needing assistance in the first place; and
- how welfare recipients can best be helped to improve their capacity for self-reliance so that they can reduce either their extent or duration of welfare dependency.

The Group was assisted by FaCS in the consultation process. This included:

- public submissions made to the Group in response to advertisements placed in the

national and regional press in late October 1999. The total number of submissions received from members of the public and organisations was 366;

- 17 submissions received from organisations specifically representing people from migrant backgrounds;
- the Group met bilaterally with over 25 key national peak representative groups during this time, including with three specifically representing people from particular cultural and linguistic backgrounds; and
- over 315 individuals and organisations provided comments on the interim report via a feedback questionnaire including six from organisations representing people from migrant backgrounds.

A case study — Regulator

Australian Taxation Office

The ATO has regulatory responsibilities as a collector of around \$19.8 billion per annum in excise revenue from payments by the petroleum, tobacco, beer, spirits and crude oil industries. Information on regulations and quasi-regulations is communicated to all Australians, regardless of cultural or linguistic background through a communication strategy. This strategy includes:

- the provision of information on excise matters on the ATO Assist website. Clients can ask questions online or request information by facsimile ('Fax from Tax') for the cost of a local call;
- Call Centre staff receive induction training on how to use the Translating and Interpreting Service;

- plain English brochures provide potential claimants with information on how to claim a grant or rebate;
- the development of close links with industry organisations and associations. Most have established advisory forums with industry representation. The forums ensure that policy information is accessible and publicly available and that forum members are actively involved in the policy development and review process; and
- consultation with ATSIC and local Indigenous communities to determine the impact of the new Diesel Fuel Rebate Scheme on Aboriginal communities, especially in relation to electricity generation.

A case study — Purchaser

Department of Immigration and Multicultural Affairs

DIMA purchases services under the Integrated Humanitarian Settlement Strategy (IHSS). The strategy is a national framework for better targeting and integrating settlement services for humanitarian program entrants. The purchasing of individualised case management services from providers ensures that the special needs of these entrants are met.

The *Review of Material Assistance to Humanitarian Program Entrants* conducted in early 1999 carried out community consultations and sought submissions from the community on linking humanitarian entrants with the appropriate settlement services.

The IHSS contract requires the provider to conduct client satisfaction surveys to elicit feedback on the extent to which the service meets output specifications and standards and complies with the service principles. As part of quality assurance, the Department reserves the right to conduct random inspections of the accommodation provided to entrants.

In July 2000, DIMA prepared and circulated for discussion a paper on *Community Support for Refugees*, a component of the IHSS. The paper asks some critical questions about the potential exploitation of humanitarian entrants and the need for a code of conduct for Community Support for Refugees groups.

All services purchased must conform to the IHSS service principles. These principles are comprehensive in their coverage of diversity issues. For example, services are designed and administered so as to promote humanitarian program entrants' mobility and level of independence. Furthermore, the purchase contract requires liaison with the relevant state and territory members of the National Forum of Services for Survivors of Torture and Trauma to ensure integration and appropriate delivery of services.

A case study — Provider

Centrelink

Centrelink Customer Service Centres provide a range of customer services including income support payments on behalf of a number of government departments. Centrelink's customers include retired people, families, sole parents, people looking for work, people with a short term incapacity, people with a disability, students, young people, Indigenous people and migrants. More than 1 million of Centrelink's customers were born in a non English speaking country. To reflect this customer base, Centrelink has the following strategies:

- when providers are planning, implementing, monitoring and reviewing services, they take account of *Charter* principles;
- provision of a range of language services (interpreting and translating). The performance standard is that 95 percent

of requests for interpreters are met within three working days. The current performance is 99 percent;

- provision of a National Multilingual Call Centre;
- provision of a range of multilingual communication strategies to customers — in person, through printed material, ethnic press, community and SBS radio, and via the Internet in up to 42 languages; and
- consultative forums are held at local, state and national levels on multicultural services. The forums are used to seek feedback on performance standards and to ensure service delivery and development is inclusive regardless of cultural and linguistic background.

A case study — Employer

Department of Defence

As an employer the Department of Defence has a number of corporate policies and initiatives that give effect to the principles underpinning the *Charter*. For example, the Equity and Diversity policy instructions and the policy instructions for preventing, managing and eliminating unacceptable behaviour both provide advice on equity, efficiency and effectiveness.

The Department's Employee's Industrial Agreement 2000–01 commits Defence to help prevent and eliminate discrimination on the grounds of race, colour, sex, sexual preference, age, physical or mental disability, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin.

The Defence APS education and training program adopts a case management approach where a nominee identifies as having special needs. The program ensures a range of different strategies are employed in the design of learning programs. In addition, the language used in learning programs is appropriate and does not give offence to people from particular ethnic, religious, or linguistic backgrounds. The examples and case studies used reflect the diverse makeup of the workplace and avoid stereotyping.

During the last financial year Defence has had three complaints made under the *Racial Discrimination Act* and no formal grievances on the basis of cultural or linguistic background.

Relevance of core roles

In the main the trial group found that it was more effective to determine core roles at the organisational level. An organisational perspective was seen to have the following advantages:

- strategies could then be more readily identified on how best to engage key organisational areas in measuring performance; and
- more streamlined data collection strategies could be developed and more broad based sampling strategies established.

Overall, a performance management framework based on core public sector roles was seen to encourage a much more comprehensive view of the organisation's performance.

Application of the framework

To ensure that the framework can be applied effectively, the commitment of all staff, but especially senior staff, is critical. Management plays a crucial role in applying the framework to day to day operations.

Performance monitoring areas within organisations also have a key role to play in this process. They are able to identify how the framework can be integrated with the organisation's own performance monitoring processes and are often responsible for establishing data collection systems to support performance reporting.

Preliminary results to date

The new performance management framework was seen to have high acceptance within organisations — with the linkage of performance reporting to core business activities seen as a major strength. In addition, the clarity offered by the framework in providing guidance on what to

report was understood to be beneficial and an improvement on past reporting requirements.

The preliminary findings highlight the potential benefits that can be achieved from such an approach. In addition, the feedback received provides invaluable guidance in further refining the performance management framework so as to ensure its relevance and applicability in various work settings.

Interpretation of results

The following, necessarily tentative, interpretation of the results has been derived from: the trial (see [Appendix A](#)); the good practice examples from portfolio agencies not involved in the trialing (see Chapter 5); and the experience of past years as reported in access and equity annual reports. Where necessary information was derived from bilateral meetings between DIMA and other portfolio agencies. In some cases, conclusions are drawn from the lack of reported information.

Aside from reporting on the trialing of the *Charter's* performance management framework, a key aim of the 2000 annual report is to develop a preliminary assessment of current performance against each of the five core roles. Because the trial was somewhat limited in scope — it tested only a sample of functions in five portfolio agencies — there is a degree of subjective judgement in these assessments. As the process develops in future years, it should yield assessments which give a surer indication of performance.

Policy adviser: Policy advisers do not appear to routinely factor language and cultural diversity issues into their deliberations, except where the policy is directed primarily at migrant or Indigenous groups. The overwhelming majority of these cases involve programs aimed at addressing a perceived disadvantage.

Consultation and communication strategies, where reported, appear soundly based, although limited to the principal target group. There is insufficient data to gauge if policy advisers routinely consider the possibility of any potential differential impacts of policy proposals on particular groups.

Regulator: Regulations apply to all Australians and key regulatory agencies have a good record of factoring language and cultural diversity into their communication strategies. These strategies appear to be embedded in normal business processes.

Regulators appear to meet the *Charters* performance indicators to a fairly high degree, although little is known about regulatory functions that constitute a small proportion of a portfolio agency's work.

Purchaser: There are many different types of purchasing. In many cases it would not be necessary to consider language and cultural diversity issues in the purchasing process. In other cases, for instance where a service has been outsourced and is being purchased under contract arrangements, diversity issues could be quite important and such purchasers appear to be generally aware of this. A proper assessment cannot be made, however, without access to a representative sample of contracts.

Provider: Service providers who manage across-the-counter types of services appear to be generally aware of the demographics of their clients. Those in the social and welfare

areas typically have very well developed communication strategies that take proper account of the English language proficiency of their clients. Strategies are utilised to both meet client needs and to achieve operational efficiencies. Some business related programs make conscious efforts to leverage diversity. Little is known about other service providers, since they tend not to report in the context of the access and equity annual report.

Social and welfare service providers generally meet the *Charters* performance indicators, and some business service providers make a particular effort to broaden service coverage when it is linked to increased business activity.

Employer: Many corporate planning documents include references to diversity management. Staff with employer responsibilities seem to be generally very conscious of language and cultural diversity and can readily point to good practice examples of responding to this diversity. More data and analysis is required, however, to determine what proportion of such corporate governance arrangements have *Charter* principles embedded in them. The good practice examples provided are typically designed to address disadvantages, including by seeking to overcome English language proficiency barriers. No data is currently available to determine the extent to which portfolio agencies use employer functions to leverage workplace diversity for corporate benefit. However, there are examples in this report of recruitment policies and strategies to retain particular staff to increase the capacity to be responsive to particular clients.

The Next Steps

Lessons learnt in the trialing

Trialing the *Charter's* performance management framework in the five portfolio agencies provided much valuable information, as a direct result of which, the framework document was simplified and a number of performance indicators were amended.

The trial also pointed to the imperative of linking the management framework to existing corporate outcomes reporting processes, and of articulating a cogent business case for developing the *Charter's* framework.

Outcomes reporting

A key part of the rationale for developing the *Charter's* performance management framework was to ensure that the *Charter* principles add value to the work undertaken to achieve corporate outcomes.

The trial confirmed that a considerable amount of useful performance information could be generated by assessing the impact of *Charter* principles on departmental operations. Portfolio agencies are required to define their outcomes and outputs in the Portfolio Budget Statements (PBS). They are held publicly accountable for achieving these outcomes and are resourced to achieve them through purchasing agreements that have been (or are being) negotiated with the Department of Finance and Administration. In short, the outcomes identified in the PBS

summarise the organisation's core corporate business.

It is important that the performance indicators for the *Charter* are directly linked with agency processes for determining performance indicators, and that responsibility for *Charter* framework reporting is embedded in normal performance management processes.

Identifying new performance indicators can be a lengthy process and it takes time to build up new performance information. Where *Charter* framework reporting entails new measurements, these ought to be developed as part of the portfolio agency's overall reporting processes.

The most important assessment of performance for portfolio agencies is the extent to which the corporate outcomes defined in the PBS are achieved. The trial has highlighted, however, the need for subsidiary measures. In the case of the *Charter*, such a measure would be the extent to which the organisation leverages language and cultural diversity in achieving its corporate outcomes. This would include assessing how it addresses its customers' needs.

Diversity management tools

Where diversity raises issues of business importance, management typically looks for guidance or tools to implement a suitable diversity management strategy. The *Charter's* performance management framework is one of these tools.

A number of other diversity management tools and case studies have been, and are being, developed within the Productive Diversity Partnerships Program managed by the Department of Immigration and Multicultural Affairs (DIMA). The Program began in 1999 when DIMA commissioned a series of research projects by business educators, in partnership with leading corporations, into various aspects of diversity management. The results of this research were presented to the *21st Century Business — Delivering the Diversity Dividend* conference in Melbourne on 13–14 November 2000. The conference outcomes are being further developed with a view to producing curricula material and a range of practical diversity management tools. The wealth of information and analysis generated by the Program will be used and built on in as many ways as possible.

A crucial research finding of the Partnerships Program is that Australia's Chief Executives rank internal efficiency as the most important strategy for their company. An effective diversity management strategy is a pre-requisite for optimising internal efficiency.

The outcomes of the *Charter* performance management framework and the Productive Diversity Partnerships Program are to be further developed during 2001.

Consultations

In early 2001 there will be a wide-ranging consultation on the *Charter's* performance management framework. The consultations will be managed through the Interdepartmental Committee on Multicultural Affairs, chaired by DIMA.

This will include discussion about implementation strategies and what baseline data can realistically be reported on in the 2001

access and equity annual report and built upon in future years. Discussion will also be needed on how best to integrate the performance management framework with the *Charter*.

Review of annual reporting

The *New agenda for multicultural Australia* pointed to a strong link between the effective utilisation of diversity in the workplace and effective client service to a diverse community. The Government's approach to diversity management incorporates both an organisation's workforce and its clients. It is committed to reviewing the reporting responsibilities for access and equity (by DIMA), client service charters (by the Department of Finance and Administration) and workplace diversity (by the Public Service Commissioner). This review will be commenced in early 2001 and will take into account the differing functions and responsibilities of these organisations, the varying accountability obligations on which the reports are based, the varying aims and coverage of the reports and the differing interests of stakeholders in them.

While the review may make recommendations about how portfolio agencies report on their diversity management responsibilities, it does not signal a lessening of the Government's commitment to the *Charter's* principles. The review will give active consideration to a range of accountability options, including the incorporation of diversity management considerations in auditing guidelines.

Standardised statistics

In order to evaluate the inclusiveness of government policies and programs it is crucial that portfolio agencies have access to robust data concerning cultural and language factors, including levels of English proficiency. In November 1999 the Australian Bureau of

Statistics (ABS) published *Standards for Statistics on Cultural and Language Diversity*.⁹ The *Standards* provides guidance in the collection and analysis of information relating to the origins of individuals and cultural diversity.

Indicative implementation timeline

The following table summarises planned future development of the *Charter's* performance management framework.

Table 5

Year	Action to be undertaken by portfolio agencies
2001	<ul style="list-style-type: none"> • Examine corporate performance reporting processes for consistency with the <i>Charter's</i> performance management framework. • Supplement corporate performance indicators, where necessary, to include those in the <i>Charter</i>. • Test performance indicators in key areas of the organisation.
2002	<ul style="list-style-type: none"> • Build the <i>Charter</i> performance indicator information into regular corporate planning processes and performance reports. • Ensure that all key areas consider and, where appropriate, report against <i>Charter</i> performance indicators. • Assess extent to which <i>Charter</i> performance indicators are contributing to corporate outcomes.
2003	<ul style="list-style-type: none"> • Reassess <i>Charter</i> performance indicators for appropriateness. • Assess extent to which <i>Charter</i> performance indicators are contributing to corporate outcomes.

⁹ Copies are available from the ABS (ABS Catalogue Number 1289.0) or through the ABS website www.abs.gov.au