



Australian Government
Department of Immigration and Multicultural Affairs

**Executive Leadership Group Victoria
Annual Conference
Australian Public Service Commission**

“Reform and improvement in DIMA”

**Four Points Sheraton, Geelong
31 August 2006**

**Andrew Metcalfe
Secretary, Department of Immigration and Multicultural Affairs**

Introduction

It's a pleasure to be here.

I'm especially pleased to follow Mick Palmer who spoke yesterday on the lessons from the Cornelia Rau inquiry.

I think it's helpful that you hear two perspectives to this most important matter — the objective perspective from Mick as an outsider coming to the issues, and then the perspective from me having been charged with making the change happen and being accountable for those changes.

I'm conscious in coming to Victoria that this is one of the largest centres of operation for DIMA in Australia and the world.

One of the tasks I set myself in taking on my position a year ago was to make DIMA less Canberra-centred.

As an organisation, we live or die by our service delivery and the fact is that the vast majority of services to our direct clients are not delivered by National Office.

The services DIMA provides include management of permanent migration and temporary entry, as well as delivering refugee, humanitarian, citizenship, multicultural affairs and settlement programmes.

We are also involved in visa compliance and the detention of certain people who don't hold visas.

people our business |

6 Chan Street Belconnen ACT 2617

PO Box 25 BELCONNEN ACT 2616 • Telephone (02) 6264 1111 • Facsimile (02) 6264 4466 • Website:
www.immi.gov.au

This is a big job.

Our service delivery has to be firmly at the centre of our thinking and planning.

In terms of our focus as an organisation, it has to be the reason we come to work in the morning and the last thing we think about before we leave.

Even though DIMA National Office delivers few services to direct clients, ultimately the National Office is accountable for service delivery, and we provide support and guidance to those who do provide client service.

As I often say to staff in the department: “If you are not directly serving a client, you are serving someone who is”.

That fact certainly gets me to work each morning!

APS 2026 — Ready or Not

I polished my crystal ball before I came here so I could talk knowledgeably about what the APS will be doing in 2026.

However, when the mists in my crystal ball cleared, I actually found I was looking at 1986 by mistake.

Twenty years ago, the APS was a very different organisation.

We didn't have the APS Code of Conduct and Values.

And the forerunner of the Australian Public Service Commission was a rather different beast — perhaps more concerned about setting service-wide salaries and settling merit issues than shaping the future of the APS.

Central planning was much more the order of the day in 1986.

The information flows in service organisations tended to be from the centre outwards through directives, rather than the regions being a source of learning and information for the centre.

And the use of information technology was in its infancy.

The good news is that the structural changes that have occurred in the APS over the past twenty years have been overwhelmingly positive.

Key advances from my perspective are the recognition of the importance of service delivery, and the replacement of the preoccupation with process with principles-based approaches focussing on outcomes and performance.

Also, the use of information technology to revolutionise our approaches to client service.

Given my crystal ball isn't working, the question I would like to pose is whether the experiences of the past twenty years provide markers for what will happen and what we should be doing in the next twenty years.

Today, I would like to reflect on that by putting in context the changes we have driven at DIMA over the past year since I was appointed as Secretary.

International comparisons

We shouldn't forget that in many of the programmes DIMA delivers we are recognised as world leaders.

The Director of the OECD Directorate for Employment, Labour and Social Affairs commented last year that "Australia is an exception within the OECD given its success in helping migrants integrate and become productive, employed members of the community."

Others have commented about our professional management of the migration programme and that Australia receives "universal recognition as a leader in migration policies, procedures and settlement issues" (Professor Glenn Withers, June 2004).

And that we have "the most complex, coherent and best monitored immigration programme in the world" (Professor John Salt, Migration Research Unit, University College London, April 2004).

As an example, Canada has a similar economy and is also a country with a high intake of migrants.

A comparison with Canada shows:

- the labour market performance of our migrants is improving, while in Canada it is declining
- the backlog (or pipeline) of cases in Australia is under 35,000 compared to over 200,000
- we take six to twelve months to process most applications, compared to three to four years in Canada, and
- our refusal rate at less than 10 per cent shows we are targeting skilled migrants much better than Canada, where the refusal rate is around 25 per cent.

The scale of operations

What is also sometimes not understood about the department is the sheer scale and diversity of activity and decision-making that occurs every day.

For instance, on a typical working day, DIMA will:

- receive more than 12,000 visa applications - that's over 4.5 million per year
- grant around 11,500 temporary visas and 500 permanent migrant visas, the latter including about 35 humanitarian visas
- grant citizenship to around 375 people
- handle nearly 7,000 calls to our general and citizenship enquiry lines

- meet around 560 clients face to face at scheduled interviews
- process more than 60,000 people across the border at air and sea ports – that’s around 1 person per second, and
- provide accommodation, meals, activities, health care and other services to around 750 immigration detainees, around half of whom are illegal foreign fishermen caught poaching our fish stocks.

To achieve this we have staff numbers of around 6000, with a presence in every State and Territory and in some of the most remote parts of Australia — about half of DIMA staff work in our state and territory network.

And over 160 Australian based staff work with about 700 locally engaged staff in our overseas network located in more than 60 countries.

In procurement, we are the second largest Commonwealth agency by number of contracts and the fourth largest by dollar value.

DIMA also works closely with many other agencies, such as:

- on border security – working with Customs, Coastwatch, ASIO, the Australian Federal Police (AFP), Defence, Department of Foreign Affairs and Trade, and the Department of Transport and Regional Services
- in economic and labour market issues – working with the Treasury and the Department of Employment and Workplace Relations (DEWR) and others
- on education and training – working with the Department of Employment, Science and Training (DEST) and education providers to facilitate record numbers of overseas students
- tourism – working with the Department of Industry, Tourism and Resources and Tourism Australia
- community health issues and access to Medicare for visa holders – working with the Department of Health and Ageing (DoHA)
- child welfare – working with a range of State and Territory welfare agencies, and
- on the settlement of refugees, working with departments and agencies including DoHA, DEWR, DEST, Centrelink, Family, Community Services and Indigenous Affairs, Prime Minister and Cabinet, Finance, Attorney-General’s, Human Services, the Australian Federal Police; as well as state, territory and local government service providers, non-government organisations and the wider community.

The Department prior to the Palmer report

Given the scale of DIMA’s activity and the sums of taxpayers’ money we spend it was inevitable and necessary that DIMA came under significant scrutiny at some point.

Every Government programme is contestable now, and we have to regularly justify why we should be spending taxpayer's money rather than the job being done by someone else.

The work we do in DIMA also has profound effects on peoples' lives.

You've only got to be aware of the reality TV programmes and the rise of talkback radio to realise people's personal views and opinions are given much more prominence in the mass media and entertainment than used to be the case.

Institutions are less well-regarded than they used to be and the personal has gained prominence instead.

As an organisation dealing with people, we have to adjust to that.

As well, continuous improvements in information technology mean we have to rework our processes regularly to make sure we are efficient.

And our clients, who are used to 24 hour bank access through ATMs and the like, also expect us to deliver high quality services quickly.

Taken together, these trends mean it was inevitable that DIMA would come under scrutiny, and of course this began formally with the Palmer Report.

In looking for lessons learned, we should recognise the department had been operating at a high tempo for very long time.

And there were a number of significant external shocks and unexpected events, which diverted the resources and attention of senior managers and had effectively put the organisation into crisis mode.

For instance, there were substantial operations such as the evacuation of the Kosovars, and the ongoing issues around East Timor including the successful processing of the people given safe haven.

Then there was the complex work around unauthorised arrivals and detention which culminated in the arrival of the Tampa in 2001, but then continued into the development of the offshore processing strategy.

Also, individual cases such as the Bakhtari case, and intricate and sensitive issues such as verification of identity.

And at the same time, the "business as usual" scenario included the introduction of electronic visa processing which moved much of the visa application processing from the overseas posts to our offices in Australia.

The department was also managing steadily increasing migration numbers.

It was perhaps in meeting these challenges that we let ourselves concentrate too much on crises and took our eye off some key areas.

Mistakes were clearly made and these were documented in the Palmer and Comrie reports.

These reports both had concerns that certain areas of the department had an assumption-based, unquestioning culture.

They pointed to a culture that was overly self-protective and defensive, a culture largely unwilling to challenge organisational norms or to engage in genuine self-criticism or analysis.

But more broadly, the reports raised issues beyond immigration compliance and detention — they focused more generally on leadership, governance, training, systems support, the relationship between policy development and implementation, client service delivery and records management.

Of course, these are issues we all confront every day in each of our agencies.

Developing the change agenda

As we all know, change is a fact of life in any organisation — only the drivers and the speed of implementation vary.

The acceptance by the Government of the findings and recommendations of the Palmer and Comrie Reports gave a clear direction that DIMA had to change.

This has now been backed up with nearly \$780 million in additional and redirected funding to be spent over five years to implement a substantial reform and improvement package, comprising over 70 initiatives.

So since the Palmer report there has been a lot of change in DIMA — structural change, longer term development, an expanded SES, improved governance and a focus on strategic planning to integrate policy, programmes and delivery.

The conundrum for me on my return to the Department as Secretary last July was to recognise the excellent work and level of achievement, but at the same time to be clear to staff right across the department that Mick Palmer's very significant and critical findings and recommendations were not just about isolated pockets of activity or one specific case.

Mr Palmer talked about an organisation that was “process rich and outcomes poor”.

Reform was clearly required across the organisation and I needed all staff to understand this and help me achieve the necessary changes and improvements.

One of my first priorities was to develop the reform and improvement package.

The Minister was committed to having an implementation plan by September.

So we had about ten weeks to pull the plan together.

At the very least the change agenda needed to address the specific concerns in the Palmer and Comrie Reports, but to be truly effective, it needed to address the broader issues I mentioned earlier.

I also knew that there would be further scrutiny of the Department's past activities, so our response had to position DIMA for the high likelihood of further criticism.

It had to be a comprehensive response, but one that is easily understood, both internally by my staff – many of whom were still reeling from the impact of sustained public criticism – and externally by those who have a legitimate interest in DIMA.

We eventually called it “Palmer Plus”, because it was about much more than responding to the 49 Palmer recommendations.

The Change Management Taskforce

One of my very first steps was to establish a small, high level Change Management Taskforce – a temporary think tank if you like - to support me and the executive team in developing the framework for change.

I drew on people from outside the organisation, to bring a fresh perspective, as well as committed staff from inside DIMA to bring an understanding of the business and the department’s culture.

The Taskforce was an additional capability not tied up in the day to day running of the business – and clearly I needed to implement change, while not for a minute letting slip the reins on the very busy operational load I’ve already described to you.

We met – me, the Deputy Secretaries and the Taskforce – every morning at 8.30 for the four months the Taskforce existed.

These meetings were critical – we used them to craft the messages that would go out to staff, cut through any road blocks, calibrate all the different streams of activity underway, make sure we were all on the same page, and develop the programme for change as a team.

The framework for change

Implementing change within any business context needs very clear objectives and a simple framework, one that will stand the test of time and meet the needs of all our stakeholders.

While I had around ten weeks to develop the implementation plan, I had much less time to get my staff on board and get across to them what we needed to do together.

I also needed to convince the broader range of stakeholders that I was serious about change.

While the Taskforce concentrated on developing the Palmer Plus package, I was able to concentrate on reaching out to our key stakeholders – the Minister and Government, staff, central agencies, key critics and agencies who scrutinise us – talking about the change agenda.

I have continued to engage with all of our stakeholders and I have encouraged all of my staff to do the same.

We have a better chance of success if people know and understand what we are trying to do.

We decided very early on that we needed to do three key things to meet the expectations placed on us, we needed to:

- develop and maintain an open and accountable organisation

- promote fair and reasonable dealings with clients, and
- ensure well trained and supported staff.

All of the work we have done since last July can be mapped to these strategic themes and our tagline – **people** our business.

We represented this through what we call “the Triangle”, which we use as a graphic way to articulate our change agenda.

It’s a framework that is grounded in our three main stakeholder groups – the Government and wider community, our direct clients and our staff.

It is simple, but its beauty is that all of the Palmer and Comrie recommendations can be mapped back to these themes.

Palmer Plus and beyond

The Palmer Plus package comprises over 70 separate initiatives split into those we made a commitment to achieve in the first 100 days - effectively by the end of 2005 - and initiatives that we would develop in that time and implement in 2006 and beyond.

The 100-day initiatives included a number of things I clearly needed to do.

I needed to restructure our National Office to ensure that there were clearer lines of responsibility and accountability.

I needed to ensure that those areas which posed the highest levels of risk to organisational outcomes were restructured to provide more realistic spans of control.

Late last year, over 40 appointments, promotions and transfer were made to our SES ranks, including many from outside the department.

External appointees brought with them new skills and perspectives to add to the experience within the department.

As an organisation, we needed to focus on rebuilding our public image, so an early priority was to strengthen our communications capability.

A new National Communications Manager and an expanded communications team mean that we are on the front foot more often and we can also focus on internal communications.

Improved governance also needed to be a priority.

We established an Executive Management Committee (EMC) which meets weekly and comprises myself, the Deputy Secretaries, and four key division heads – in strategic policy, national communications, finance and the Chief Lawyer.

The EMC has a strong governance role around whole-of-department strategic planning and integration.

The Corporate Leadership Group meets monthly and comprises the EMC members, plus all of our division heads and our state and territory Directors.

This Group discusses and agrees on key governance issues across DIMA's entire range of policy, programmes and service delivery.

An expanded Audit and Evaluation Committee, with an independent chairman and a second external member, is rigorously overseeing an enhanced internal audit programme.

The audit programme is focusing on making sure that we are making decisions in line with our legislation and instructions.

I have also established a Values and Standards Committee which includes four external members – the Deputy Commonwealth Ombudsman, the Deputy Australian Public Service Commissioner and two community members.

This committee is well placed to ensure that DIMA is meeting the expectations of the wider community.

I placed a very high priority on implementation planning, not least because we were committed to tabling an implementation plan in Parliament.

Project management principles and a strong governance framework are key tools we are using to maximise the success of the projects.

We established a Programme Office to monitor progress, mentor project management and report on a regular basis to me and the senior executive, the Minister and quarterly to Government through the Cabinet Implementation Unit.

We have major initiatives underway in:

- case management
- IT systems improvements through the Systems for People programme
- staff training and the College of Immigration, Border Security and Compliance
- improvements to detention infrastructure such as the Baxter Plan, and
- service delivery to immigration detainees such as comprehensive health services.

To refresh our approach to client service, over the past year we have developed:

- the Client Service Improvement Programme
- the Client Service Charter, and
- the Onshore Compliance Strategic Plan.

I have also asked, and this is not negotiable, that all of my SES spend some time at the front counter to make sure they stay in touch with issues confronting clients and front-line staff.

We are also developing the DIMA Model Office project, which means refurbishing client service offices to improve the way our offices appear to DIMA clients and to create a national 'look and feel' to the client service environment.

I have been very keen to make sure staff in DIMA understand what it means to be fair and reasonable and how to apply it in every day work situations.

I won't go into detail here, but will just set out the tests I automatically apply in making decisions, and which I have asked the staff to also apply.

Will the outcome be:

- lawful
- in-step with broader government policy
- a decent, commonsense approach, and
- something I would be comfortable to defend in public. For example before a parliamentary committee or on a current affairs show?

I recently launched the IDEAL pilot with IDEAL being an acronym for Immigration Dilemmas: Ethics, APS values and Leadership.

IDEAL is a leadership tool developed with the strong assistance and support of the Public Service Commission, including using the APSC REFLECT Decision-Making Model.

IDEAL guides DIMA leaders and their teams through complex and layered scenarios around a variety of possible ethical dilemmas.

It was put together with a cross section of staff input and I see it as a useful model for implementing cultural change across a large organisation at the workgroup level, rather than attempting to impose it from above.

We have also developed a Business Operating Model — the high level framework that will deliver services to clients, covering processes, people and technology – this is ensuring we properly govern our normal business – our “business as usual”.

While the original 77 projects in Palmer Plus have changed and grown since they were first conceived, we are well advanced with 52 projects completed.

I am pleased Minister Vanstone has recently gone on the public record to say she is confident the department is on track.

Planning

In a large organisation experiencing significant activity and significant change, we need a clear idea of who we are, what we do and how we do it, where we are going and the values that will guide our work.

So a year to the day after my appointment as Secretary, I launched the DIMA Plan.

This is the framework which directs our future activities.

It allows us to link process with performance and outcomes so that we can improve processes and deliver better outcomes.

All our subsidiary plans cascade out from the DIMA Plan.

The DIMA Plan is available on our website at immi.gov.au, but I will just step through the main elements.

We defined our purpose, or the difference we make, as being to enrich Australia through the well managed entry and settlement of people.

The words “well managed” in our statement of purpose refer to the balance needed.

DIMA staff have remarkable powers, including the authority to deprive people of their liberty.

So in all our decision-making, we must ensure there is an appropriate balance.

This means balancing the reasons for the approval or refusal of a visa, or balancing our compliance powers against the need for strong border security.

Above all, we have to exercise judgement.

This means making sure we are not just blindly following process but are making decisions that ensure our systems achieve the intended results and contribute positively to Australia’s future and according to Government policy.

We have also set out in the Plan the values we will follow as an organisation.

These values encompass but go beyond the Australian Public Service Values and Code of Conduct and tell us how we should undertake our day-to-day work.

The core values identified are:

- teamwork, based on valuing diversity and actively seeking contributions
- service excellence, based on responding to stakeholder needs
- respect for each other and the people we serve
- openness, with visibility and transparency of our business processes, and
- commitment to delivering government policy in a fair and reasonable way, while respecting staff needs.

Strong leadership is critical to the future success of DIMA.

The Plan sets out clearly the capabilities and individual behaviours expected of leaders in DIMA.

We also set down our core business processes:

- policy services
- service delivery
- governance
- stakeholder engagement, and
- information management.

These processes are what we use to achieve our outcomes and outputs as set down for us by the Government.

Finally, we set down our strategic priorities, such as implementing Palmer Plus.

Overall, I believe the DIMA Plan puts us ahead of many organisations in Australia and around the world who have not undertaken such a fundamental reassessment of their activities and direction.

Communication, communication, communication

All of the texts on change management will tell you that one of the most common pitfalls is to underestimate the amount of communication you need to do through the process.

Since the day I arrived back in DIMA I have been communicating frequently with all the staff.

Twice a week I send an all-staff email.

I use these messages to talk about the progress we are making and the next steps in the reform and improvement programme.

I canvass issues that may be prominent in the media, highlight achievements and invite staff to send their comments directly to me.

The Minister has made the same invitation and many staff have responded.

I regularly address all staff at the key milestones in the change process.

I have also spent a lot of time out of Canberra talking to staff in our State and Territory Network and at some of our overseas posts.

Not all of that communication needs to come from the top.

Staff respond most strongly when they hear about issues from their immediate supervisors and discuss them with colleagues.

Strong leadership and communication skills are needed at all levels in the organisation if this is going to work and it is one of the key challenges we face.

I expect all SES staff to have regular meetings with their staff and to impress on their section heads the need to communicate regularly and meaningfully – in other words, to listen!

Building in feedback

I made a promise to staff on my first day as Secretary that longer term planning would be informed by comprehensive staff and client surveys.

We conducted the first staff survey for many years in December last year.

Staff responded at very high levels – 69 per cent across the Department and 100 per cent in some areas.

There was a free text section which generated a very strong response – two large volumes which made sobering reading, but the content was immensely valuable because it was well considered commentary coming from people who know and understand the business.

Our responses to all issues were tracking below the Australian national norms, but this is to be expected of an organisation undergoing change.

Another key point to make is that there was a relatively high neutral response – at least in December, many staff were in “wait and see” mode, rather than fully committed.

This makes our communication task that much more critical.

As one of a number of responses, we have been running Value Creation Workshops, both with staff and clients.

The methodology involves a facilitated session where either staff or clients are asked questions about and discuss the performance of aspects of an organisation’s business.

Managers attend to listen, but can’t speak while staff and clients are there.

Staff are taking the opportunity to reinforce the concerns they expressed in the survey.

For clients, it means they can give very direct feedback and tell us exactly what they think about our services and the way we deliver them.

In summary

When I arrived as Secretary of the Department on 18 July last year, I didn’t have a blueprint for change in my briefcase.

I couldn’t have told you then where we would be today, but I did have a sense of the course we needed to chart.

It was important to recognise the best of DIMA, while acknowledging the grave mistakes that had been made.

I had to disabuse people of some key myths:

- that our change agenda was a passing whim and I’d “get over” it

- that the mistakes were just bad luck – they weren't, they were key markers of some underlying problems
- that everything in the past was bad – it clearly wasn't, and
- that the change agenda was about just some of us – and clearly it isn't, it's for the whole department.

I also thought I wanted a “ten point plan” for change – but I sought some professional advice which indicated that this was too complicated if I, and my leadership team, were going to stay “on message”.

At the most, we needed three strategic themes – which I've mentioned already.

I believe that the events of the last year – the damning reports we have received - mean that we are very conscious of our faults.

We're now addressing them – we have a strong improvement programme.

That is cause for some pride.

If we are going to continue to deliver on the strong policies and programmes that the Government has set for us, we cannot afford to be down on ourselves all of the time.

There is inevitably more criticism to come about past mistakes.

These ongoing reports about our mistakes can be a serious dampener on staff morale and our wider image.

Thus, one of the key objectives we have been working towards is to be in a position to respond positively to these reports and their recommendations.

In many cases, we can now say “we already have an answer for the problems you have identified”.

Wider Implications

The implications for the Australian Public Service are broad.

As leaders, none of us can ever be complacent.

While we respond to crises or unanticipated events we cannot afford to lose sight of our core business and our key clients and stakeholders.

We have to manage both the urgent as well as the day-to-day — it's all important.

We need to be flexible enough to weather the ups and downs and respond to a changing national and international policy environment.

We need to think about how our issues are connected to others — we need to think not only about our patch; but how issues connect across the organisation, with other organisations, with government and the community.

We need to make sure our staff are given all of the skills and support they need to do their jobs properly — to get the best out of our teams.

We need to make sure our staff are given all of the skills and support they need to do their jobs properly — to get the best out of our teams.

We need to make sure we have systems which are robust, aligned with our business processes and able to respond to change.

We can't forget the basics, like records management, strong financial management including sound contracting and procurement practices, and refresher training.

We need to persist to achieve our goals.

Leading large, complex organisations is not easy, and that's exactly why as leaders, we have to step up to the mark, and always keep our goals in mind.

We must constantly question our assumptions - self assessment and change are the key signs of a healthy and progressive organisation.

And we must talk, we must listen, we must think.

We must keep things in perspective; and we must always stay positive and committed.

Even though my crystal ball turned out to be a dud, I am certain the fundamentals of leadership I have just mentioned will not change in the next twenty years.

Thank you.