



Australian Government
Department of Immigration and Citizenship

Change management in DIAC – an integrated approach

Andrew Metcalfe
Secretary, Department of Immigration and Citizenship

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Introduction

In the immortal words of John Donne, ‘No man is an island, entire of itself; every man is a piece of the continent, a part of the main’.¹

In the much more contemporary words of Paul Hawken, the American entrepreneur, journalist and best-selling author, ‘All is connected...no one thing can change by itself’.² In my experience, successful transformation of an organisation requires a wholistic and integrated approach to programme delivery, client service and staff support.

In DIAC, our commitment to this approach is encapsulated in our motto ‘**people** our business’ and detailed in our business planning tool, *The DIAC Plan 2007-08*. The plan was developed through broad consultative processes with both staff and key stakeholders. These discussions are an important element in engaging our stakeholders and giving all staff ownership of the plan. All work area plans within the department are consequently linked back to the DIAC Plan, creating consistency of messages and a joint commitment to future goals.

In the plan, we agree to work to our three strategic themes, which are:

- being an open and accountable organisation
- ensuring fair and reasonable dealings with clients, and
- having well-trained and supported staff.

I have brought copies of the plan with me today and it is also available on my department’s website.

¹ Jon Donne 1624, *Meditation 17*

² Paul Hawken 1994, ‘Natural Capitalism’, *Yoga Journal*, September-October edition.

When undertaking a large scale change management process, as is the case with my department, it is not possible to change one aspect of operations without needing to change others. It is also not reasonable to assume that one solitary change is sufficient to bring about change throughout an entire organisation.

In what the Ombudsman, Professor John McMillan, has described as ‘perhaps the largest change program in a central government department that we have witnessed in recent decades’³, no aspect of my department’s operations or people has been untouched. This programme is an integrated approach which reflects our aim to be a high-performing organisation, providing excellent client service and being an employer of choice.

As secretary of the department, I recognise that we are not an island, but a part of the main. And, while I as the secretary may drive the change, the combined commitment of all staff is vital to the success of our many reforms.

Over the past couple of years I have been asked on many occasions to talk about my views on change management. I think this highlights the increasing level of importance within organisations to regularly discuss and reinforce methods for dealing successfully with change.

Today I am firstly going to talk about the catalyst for change within my department. I will then detail how we are seeking to change our work and culture. Finally, I will discuss a few key principles I believe are pivotal to successful business and cultural transformation.

A week in the life of DIAC

To give you the context for the change management process within DIAC, it’s necessary to grasp the scale of our operations.

My department currently has around 7000 staff, dispersed globally across 95 locations.

Recognising that we provide services at the borders and in other areas on a 24-hour a day basis, during a typical week, we will:

- receive more than 30 000 phone calls through our contact centres,
- grant nearly 3000 visas for permanent stay in Australia, and
- grant citizenship to nearly 2000 people.

We also process something in the order of one person per second across Australia’s borders.

The size of our detention operations is indicated by the 474 people in immigration detention as at 7 September 2007. This contrasts to peak levels of more than 3600 in 2001 and 2002.

³ *Lessons for Public Administration: the Ombudsman Investigation of Referred Immigration Cases, Presentation to an Institute of Public Administration Australia Seminar, Prof John McMillan, Commonwealth and Immigration Ombudsman, Canberra, 6 August 2007*

Our response to the Palmer and Comrie reports

Having provided the scope of my department's work, it's now time to wind back the clock to mid-2005. I expect everyone here will be aware of the release of the Palmer and Comrie reports,⁴ followed by a number of subsequent reports by the Ombudsman on cases involving immigration detention matters – you may have even heard me speak about this on different occasions.

It is important that I briefly cover the events detailed in these reports, to detail the catalyst for change within DIAC.

I should mention that in tackling this massive transformation, I was attracted to Professor John Kotter's⁵ model of change management. This eight-step theory, although it will never replace the intuition and judgement of a good leader, is in my opinion, one of the best frameworks for managing organisational change.

The **first** step of the model is to establish a sense of urgency for change.

The Palmer and Comrie reports set out in detail the clear and substantial mistakes which were made in the detention of Cornelia Rau and the removal from Australia of Vivian Alvarez. While we can't undo these errors, I will note that my predecessor and I have apologised fully and frankly for those mistakes, and the government has made, or will make, other reparations to those affected.

In order to avoid repeating past mistakes and making similar mistakes in the future, we need to understand what occurred and why. For this reason, I inform all new employees about the Palmer and Comrie reports in my induction course message of welcome. Although they were not in the department at the time these grave errors were made, it is very important they understand the reasons behind our transformation.

In his report, Mick Palmer provided detailed criticism on immigration detention and compliance operations. Despite the many criticisms of the department's work at the time, it is important to recognise that there were many areas of administration in which the department was performing well and, indeed, was a world leader in some instances. These included our settlement programmes, border technology systems and our broader planned migration and humanitarian programmes.

On my appointment as secretary in July 2005, I recognised that to move forward, we needed to build a balance by building on these successes while addressing the issues that needed urgent attention.

As I mentioned, the first step of the model is to establish a sense of urgency for change and frankly that wasn't a problem for me.

⁴ Mick Palmer AO APM, July 2005, *Inquiry into the Circumstances of the Detention of Cornelia Rau*, Commonwealth of Australia.

Neil Comrie AO APM, *Inquiry into the Circumstances of the Vivian Alvarez Matter*, Commonwealth of Australia.

⁵ John Kotter, *Leading Change*, Harvard Business School Press, 1996

Changes to detention and compliance

One of my first tasks was to ensure that our extraordinary powers of detention, removal from Australia and our other compliance powers were exercised, lawfully, fairly and reasonably. It was then necessary to design new programmes for our compliance and detention activities.

In mid 2005 I restructured the compliance and detention divisions to improve the management oversight of these crucial functions. Following step **two** of the Kotter model, creating the so-called 'guiding coalition', new division heads from outside the department were recruited to lead this change.

One significant improvement over the past two years has been the development of the nine Core Operating Principles to provide guidance on the management of immigration detention facilities. In line with our duty of care obligations, we are also improving our detention accommodation and services. The Detention Health Advisory Group (DeHAG) has been established as the key advisory group on detention health care policy and procedures. Chaired by Associate Professor Harry Minas, it is made up of external experts and is observed by the Ombudsman's office.

In addition, we have reviewed our longer-term detention requirements and started implementing a new, more cost-effective Onshore Detention Strategy. This strategy moves away from the previous 'one size fits all' approach to immigration detention, by providing a number of placement options for people who are detained. I must also stress that children are only placed in community detention, residential housing or alternative temporary detention within the community, not in immigration detention centres.

This year, my department has been in the process of re-tendering for detention services for immigration detention centres, residential housing and transit accommodation, as well as health care services for people in detention. Recognising that these tenders closed last week, I need to be careful about what I say, but I would like to make clear that we are not simply re-tendering for the same services. An immense amount of work within the department, informed by significant consultation with a wide range of stakeholders, has resulted in the development of a new service delivery model. This model ensures that those tendering for detention and health care services are aware of their obligations when exercising their duty of care to all clients in detention.

Client focus across our programmes

An integrated approach to change management was vital for our department, considering many of our programmes are in themselves inextricably linked. Therefore it is necessary to look at the broader picture when it comes to change, rather than focusing on single areas.

This is also vital in creating a vision for staff, the **third** step of the Kotter model. As I mentioned earlier, we achieved this through the creation of our motto '**people** our business' and our business planning process. Our goal is to be a high-performing organisation focused on excellence in client service.

Every programme is part of our business and cultural transformation process. Whether someone is a tourist, a skilled migrant, or a refugee, they can expect to have fair and reasonable dealings with the department. This also applies to people who come to our notice through our compliance activities. If they do not receive appropriate assistance, then my staff and I need to know about it, so that we can respond appropriately to the specific circumstance and improve on our service in the future.

To achieve this, we have established systems such as the Global Feedback Unit in Melbourne, our Client Service Charter and the Compliments and Complaints policy.

Now it is understandable that most people would not draw a link between our immigration detention and compliance programmes and our programmes to support refugee and humanitarian arrivals. The links, however, from my perspective, are clear.

These programmes engage some of the most vulnerable people with whom we interact. Our approach now is to identify complex cases and vulnerable people as early as possible and provide the necessary support to resolve issues. A case management framework was therefore introduced in mid 2006 and we now have around 50 case managers across our network. The service is making a difference to people's lives, helping reduce the time spent in immigration detention and seeing their cases through to an immigration outcome as quickly as possible.

Culture change – the importance of uniform values

One major change that has underpinned and supported the integration of all other reforms within DIAC is cultural change.

Since the Palmer and Comrie reports, we have worked very hard to clearly communicate appropriate behaviours and values for the organisation as a whole, in line with the **fourth** of John Kotter's change management steps.

As I mentioned in my introduction, we have established three strategic themes to guide our work. To support this culture, we have identified DIAC-specific values, which build on the Australian Public Service values. These are teamwork, service excellence, respect, openness and commitment.

Our latest staff survey, conducted in May this year, provided us with an opportunity to take stock and look at how we have progressed in the two years following the release of the Palmer report. It is important to note that during this period we had grown very quickly as an organisation and part of the challenge since 2005 has been to manage growth in staffing numbers of nearly a third.

In regards to culture, I found the results reflected our commitment to cultural change.

The survey results concluded that we have an employee population that is proud of, highly dedicated to, and committed to our purpose and values as an organisation. Our scores show that the level of dedication goes well beyond the public service norm. The survey provider commented to me that this level of commitment was setting new benchmarks and was testament to the strength of our organisational culture.

The other issue around culture which we are addressing is not unique to DIAC, and that is leadership. Mick Palmer identified leadership in the department as an issue and we have initiated a good deal of work on this.

Referring back to the DIAC Plan, we have specified the leadership behaviours we expect of our managers.

To:

- provide vision and meaningful direction
- operate consistently with our values
- communicate constantly and meaningfully
- create the environment for success
- function as team players, and
- persist to achieve good outcomes.

Kotter's **fifth** step is to empower others to act on the vision. In order to do this I encourage staff to communicate directly with me, participate in business planning and generate ideas for improvement.

Research by T.J. Larkin in his book 'Communicating Change'⁶ suggests that staff want to hear messages from their immediate supervisor more than from the CEO, however important and strategically-timed messages from the top also play an important role in communicating change.

For this reason, I communicate regularly with all staff through twice-weekly emails, video messages on specific topics and an all-staff address on a major issue every six to eight weeks. I also send a weekly leadership message to all senior leaders in the department and encourage them to discuss the themes in these and my all staff messages in more detail within their work teams.

In the staff survey results, I was very pleased to learn that our staff report a clear sense of understanding of the organisation's direction – reflecting, I hope, a sense that the communication from the top has provided a good sense of where the department is heading.

We have also rolled out programmes to establish a consistent culture and improve the way we work, most notably the College of Immigration. The college was established in July last year to provide innovative industry certified training programs to address deficiencies in staff training and support, especially in the areas of compliance and detention. It is one example of how we are creating systems and programmes to generate short-term wins, in alignment with Kotter's **sixth** step.

Business support programmes

On the business side, we have programmes rolling out such as our all-pervasive *Systems for People* programme to enable our IT systems to better support our business and outcomes and the Client Service Improvement Programme.

⁶ T.J. Larkin & Sandar Larkin 1994, *Communicating Change: Winning employee support for new business goals*, McGraw-Hill Companies, New York.

We have also introduced new approaches and expanded programmes in supporting areas such as business planning, governance, stakeholder engagement, quality assurance, risk management and a substantially strengthened internal audit programme, with an audit committee chaired by an independent member. These approaches demonstrate that we are working through the **seventh and eighth steps** in working to consolidate improvements and keep the momentum for change moving.

I have recently released a series of fact sheets detailing our progress made since the release of the Palmer and Comrie reports. Copies of these fact sheets are available here today or can alternatively be downloaded from our website.

Positive feedback on our change programme

As a department, we have come a long way in the last two years, however we recognise that there is always more to be done.

I often talk about the positive feedback we receive to highlight to both internal and external audiences the importance of perception and how it assists to create a positive environment where staff are motivated to move forward.

The Minister, the Hon Kevin Andrews MP, is on the record as saying implementation of the Palmer report is 'well-advanced' and the former minister made similarly positive comments.

The Commonwealth Ombudsman, John McMillan said late last year that there had been 'significant culture change' in the department.

He also commented recently in releasing the final reports on the 247 cases of immigration that:

'DIAC has been working to address many of the issues identified in these and other reports for the past two years and is making significant headway in its process of reform'.

And the Human Rights Commissioner, John Von Doussa has said that:

'[the department]...has made great strides towards creating a more open and accountable organisation'.

And in this year's release of a report on detention visits, Human Rights Commissioner, Graeme Innes said⁷:

'It is clear to us that the [department] has gone to great lengths to improve the approach and attitude of staff towards detainees in immigration detention centres over the last year'.

In our Global Feedback Unit in Melbourne there has been a significant increase in the number of compliments received, especially relating to staff attitude. For example, one client indicated that the response she received to her feedback is 'the perfect example of the new, positive, direction that the department is heading into'.

⁷ *Summary of Observations following the Inspection of Mainland Immigration Detention Facilities*, Human Rights and Equal Opportunity Commission, released 19 January 2007.

These comments are encouraging, and we will continue to work closely with our stakeholders to resolve cases as quickly as possible within a framework of a lawful, fair and reasonable decision.

The Ombudsman recently released a very useful report on the ‘Ten Lessons Learnt’⁸ from the referred immigration cases. I commend it to everyone involved as a leader in public sector organisations.

Conclusion

I recognise very clearly, and I remind my staff frequently, that there is much more to do in cementing cultural and business change in all our programmes. I would therefore like to leave you with a couple of final thoughts on change management.

In my opinion, change management is not a process with a defined end, as changes in our economic, political and social environments constantly impact on our work. In relation to the Kotter model, the change process does not end when you have reached the last step, rather it continues in a cycle often revisiting some or all steps, as changes in the external environment arise.

Of course, there will be times where large change management programmes are necessary, as was the case with my department, but even where programmes appear to be running smoothly, it is wise never to be complacent. Robust and regular audit and evaluation is thus crucial to ensure the ongoing health and effectiveness of our programmes and activities.

Business planning also plays a vital role in supporting an integrated approach to change management, as demonstrated in my department through the DIAC Plan and associated work area plans.

One of the positive aspects of my department’s change programme has been the unusual opportunity we have had to implement a new culture and approaches which I believe will give us some advantages over other organisations that have not had this imperative to undertake radical change.

The key to successful change management, I therefore believe, is not to view the process as merely fixing mistakes. It is an opportunity to acknowledge and learn from mistakes and be persistent in renewing systems and programmes for the benefit of the community, clients, stakeholders and staff. It is also necessary to create a culture that is accepting of and comfortable with change and is therefore open to self-reflection and continuous improvement.

I encourage everyone here to keep these points in mind when you manage or contribute to change management.

Thank you.

⁸ *Lessons for public administration: Ombudsman investigation of referred immigration cases*, Report no. 11, Commonwealth Ombudsman’s Office, released 6 August 2007.