



Australian Government
Department of Immigration and Citizenship

Change management in DIAC: Lessons for everyone

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Introduction

Ladies and gentlemen,

It's a great pleasure to be here.

I'd like to begin by commending the work of the many state and Commonwealth government departments and agencies currently working with DIAC here in Tasmania.

Your contribution, particularly in the areas of settlement and the integration of Australia's newest migrants and refugee and humanitarian entrants, is recognised and appreciated.

Indeed, Dr Peter Shergold, the Secretary of the Department of the Prime Minister and Cabinet has noted that whole-of-government collaboration is a key priority for the Australian Public Service in delivering seamless, quality services on behalf of the government.

The assistance of our state and federal colleagues has been crucial in ensuring that we provide those quality services to meet the needs of some of our most vulnerable clients.

It is important that we work closely together because following their arrival and settlement, DIAC clients often go on to become your clients as they begin to access other government services.

I'm aware that Anglicare released a report recently, on the experiences of refugees and humanitarian entrants on their settlement in Tasmania.

No doubt there is information in that report that has relevance to a number of Commonwealth and state agencies. As I said earlier, our clients are often your clients too.

This is particularly relevant when you consider that Tasmania is now home to some 165 nationalities in total.

You might also be interested to note that annual settler arrivals to Tasmania have almost doubled over the past decade, with nearly 1000 people arriving in 2006-07.

As you are aware, the Department of Immigration and Citizenship has undergone a major business and cultural transformation over the past two years.

In fact, the Ombudsman, Professor John McMillan described it as “perhaps the largest change program in a central government department that we have witnessed in decades.”

I’d like to spend some time this evening, talking about DIAC’s experiences through this change process, how we addressed the challenges, the things we’ve learnt and some of my observations now that we have just passed the two year mark.

Indeed, DIAC’s experiences provide many lessons for **all** government departments and agencies and large organisations.

Palmer & Comrie reports

As you are all probably aware, the changes occurred as a result of the Palmer and Comrie reports of 2005

These 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.

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

The acceptance by the government of the findings and recommendations of the Palmer and Comrie Reports sent a clear message that DIMIA (as it was then), had to change.

This was 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, now comprising well over 60 key projects, many with multiple elements and most of which are now part of our ongoing work.

To avoid repeating past mistakes and to avoid the risk of making similar mistakes in the future, we needed to understand what occurred and why.

To begin with, we need to recognise that the department had been operating at a high pace for a very long time.

And there were a number of significant external shocks and unexpected events that 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.

And at the same time, the “business as usual” scenario included changes such as 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 numbers in some of our visa programmes.

It was in meeting these challenges that senior managers probably concentrated too much on the crises and took their eye off some key areas.

There was also a “can-do” culture to be responsive to government which meant that as the crises continued, managers focussed on these issues at the expense of comprehensive and effective management oversight of the whole organisation.

We also had an inward-looking culture and did not define and constantly reinforce appropriate behaviour and values for our staff.

We also need to note the extraordinary complexity of some of the decision-making required by my officers.

In considering these issues however, we should also 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, our border technology systems such as the electronic visa and the Advanced Passenger Processing systems, and our broader planned migration and humanitarian visa programmes.

The department's response

Since my appointment as Secretary in July 2005, we have initiated an extensive business and cultural transformation which has impacted on every aspect of our operations and our people.

Those operations are carried out by 7000 staff, dispersed globally across 95 locations.

They provide services at the borders and other areas on a 24-hour a day basis.

During a typical week our people 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

In fact, we process something in the order of one person per second across Australia's borders.

Here in Tasmania, we have an office of 125 people who offer a full range of services, with a particular focus on the processing of Working Holiday Maker visas.

Over half of the staff in the Tasmania State Office are dedicated to global processing activities.

The Working Holiday Maker and eVisitor Visa represent two of Australia's largest tourism programmes, with nearly 182,000 applications finalised in the 2006-07 programme year.

And yesterday was the first day we introduced the Working Holiday Maker *Systems for People* processing portal, which will provide staff with a single view of the client and improve service delivery.

I'm also aware that the first cruise ship for the season will arrive in Burnie as its point of entry to Australia this Thursday, with some 1400 passengers and 600 crew.

It will be the first of 15 cruise ships making their first entry to Australia through Tasmanian ports over the next six months, comprising some 43 per cent of all cruise ship passengers arriving in Australia over this time.

DIAC staff will be involved in the processing of those visitors, alongside their Customs colleagues.

These roles are part of the large workload being carried by DIAC staff all over Australia.

The key to the massive transformation we had to undertake while dealing with this huge workload, lies in our motto: "**people** our business".

We introduced three strategic themes by which all of our work is now undertaken.

Wherever our staff work and whatever they are doing, we expect them to adhere to them.

The themes are:

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

To support this culture, we have identified the DIAC-specific values we will work to, which build on the Australian Public Service values. These are: teamwork, service excellence, respect, openness and commitment.

We have also specified the leadership behaviours we expect of our managers:

- 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.

When I arrived in July 2005, the government and many stakeholders were eager for change to occur and many staff recognised that the status quo was not working.

However, we did face some early lack of engagement from some staff who felt the problems were confined to other areas of the organisation and therefore they didn't need to change.

But we have worked very hard with our staff to ensure everyone understood we needed to embrace new ways of thinking.

The leadership behaviours I expect of my managers, are also the behaviours by which I am personally guided.

And perhaps most importantly, I communicate frequently on these matters to my staff.

On my first day in the job I sent all the staff an email with my expectations and I have followed up with twice weekly all-staff emails which now number well over 200 in total, as well as a weekly leadership message to all SES.

I also communicate with staff through video messages on specific topics and an all-staff message every six to eight weeks, that is streamed to every desktop of every staff member wherever they happen to be working in our 80 offices around the world.

In all of these communications, I ensure our three strategic themes are constantly reinforced, and linked to whatever issue I am discussing.

This is to guide staff so they are in no doubt as to what we are doing – and how and why we are doing it.

To ensure that staff know they too have ownership of the major reforms that were occurring, I instituted a feedback mechanism on my home page, so that any staff member can email me at any time and know their comments will be taken seriously.

As I mentioned earlier, our business and cultural transformation has impacted on every aspect of our operations.

And as a consequence of our reforms, we actively apply the 10 lessons outlined by the Ombudsman in our day to day business operations.

The Ombudsman identified these lessons in the course of his investigation into the 247 referred immigration cases.

The Ombudsman's 10 lessons include:

- Maintain accurate, comprehensive and accessible records
- Place adequate controls on the exercise of coercive powers
- Actively manage unresolved and difficult cases
- Heed the limitations of information technology systems
- Guard against erroneous assumptions
- Control administrative drift
- Remove unnecessary obstacles to prudent information exchange with other agencies and bodies
- Promote effective communication within your own agency
- Manage complexity in decision making
- Check for warning signs of bigger problems

These are lessons which are useful for all organisations to consider, particularly in a business environment which is becoming increasingly complex with greater expectations of our staff.

Cultural change

However, I believe there is an 11th lesson to be learned.

It's about culture and values.

Perfect systems and processes will not be effective unless we have strong leadership and a clear set of values in place that are consistent across the organisation.

Since the Palmer and Comrie reports, we have worked very hard to clearly communicate appropriate behaviours and values for the organisation as a whole.

For instance, in recognition of the often complex and difficult decisions that have to be made on a daily basis for some of our officers, we have clearly articulated a values set, based around balance and a client focus.

We are committed to being crystal clear about our expectations by building a strong value system through training and discussion.

For instance, I-D-E-A-L, which stands for Immigration dilemma, ethics, APS values and leadership is a practical tool developed to help leaders of all levels become more familiar with the APS values and to be able to respond appropriately to ethical dilemmas.

Another important place where DIAC's values are clearly communicated, is in our own College of Immigration.

Located within the National Training Branch, the College was developed in response to recommendations of the Palmer and Comrie reports.

Its role is to prepare staff to perform the roles they have been assigned, carry out their assignments and exercise their powers under the *Migration Act 1958*.

All new DIAC inductees, regardless of which section they start working in, receive a full and comprehensive session on the values and conduct expected of them.

I believe that if we, as an organisation, continue to articulate our expectations of appropriate behaviours and values, we provide the leadership that will hopefully ensure that the mistakes of the past are not repeated.

And what has been most heartening to me as the Secretary of the department, is that staff themselves value the cultural change that has literally touched every aspect of the DIAC workplace.

The way we've measured this is through our staff surveys.

We held the first staff survey to be held in DIAC in a decade, in December 2005.

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.

Some 80 per cent of staff who were working during the survey period, responded to it.

That in itself was great news, because it confirmed to me that people care about their work at DIAC and believe that contributing to the survey would yield positive benefits in the future.

It is important to note that in the period between surveys, 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.

I was extremely pleased that 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.

In fact, 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.

Governance framework

While the importance of cultural change cannot be overstated, cultural change must work hand in hand with good governance if it is to be truly successful.

When we began the process of transformation, we didn't start out naming governance as one of the leading conceptual changes required, however the work we have done has been heavily focussed on governance issues.

To begin with, it was necessary to talk about the clear failures in client service, accountability and leadership.

Talking about these concrete and critical issues prepared the ground for organisation-wide reflection about our culture and values.

In turn, this allowed us to build a solid case for tying together our many client service, culture and values initiatives in a strong governance framework.

As I mentioned earlier, many DIAC officers hold positions that require them to make complex and difficult decisions.

In the case of the Department of Immigration and Citizenship, the decisions we make also affect people who are not citizens or permanent residents.

The administrative decision-making environment in which my officers operate is complex, reflecting our sophisticated policy and operational environment.

Since 1986, the Migration Act has changed from a slim volume of broad principles to now encompass more than 550 provisions and more than 1900 pages of regulations. In addition, the new Australian Citizenship Act commenced on 1 July 2007.

In making decisions of this personal significance and complexity, it is vital that my 7000 officers in 80 locations around the globe are well supported with appropriate training and consistent guidance on decision-making.

Therefore, we established a new Governance framework, articulating our governance policy and principles, including and identifying leadership and the role of values and ethical conduct in governance.

This includes:

- Supporting leaders in the application of governance principles
- Introducing committee charters incorporating risk management and quality assurance, and a business operating model that articulates lines of responsibility and accountability
- Expanding the internal audit programme
- Strengthening performance through business planning

Our Governance and Assurance Branch has developed Chief Executive Instructions on governance in general and about the governance committees in particular.

These instructions set out how the department is held accountable, how we plan, how we manage performance and how the work of our staff is circumscribed by legislation, policies and codes that require them to act in a certain way.

We set up a number of committees, including a specific committee to address values and standards, and another committee on programme performance management.

The Values and Standards Committee includes an APSC member, an Ombudsman's representative, as well as two former senior public servants. Having external members of key committees provides a necessary independent view. Our departmental Audit and Evaluation Committee is chaired by an external person, with an additional external committee member.

Major initiatives and achievements

In the past nearly two and a half years, we have delivered major initiatives in key areas.

They include:

- Client service, through our flagship Client Service Improvement Programme
- Training, through the College of Immigration and greatly boosted leadership training
- Values, ethics and high-quality decision making, through a new training and discussion tool known as IDEAL, and other initiatives such as our Onshore Compliance Strategic Plan
- Detention services reforms, including tendering for the Detention Services Contract and the Detention Health Services Contract as separate processes
- Stakeholder engagement, including information forums held in four cities, involving SES and staff.
- Planning, through our overarching departmental plans, and the cascading business unit plans that sit underneath them
- Information technology, through the roll-out of a more integrated and accessible IT system under the \$495m *Systems for People* programme, and
- Governance and resource allocation, through the reforms driven by the DIAC Executive Committee.

Conclusion

Ladies and gentlemen, the failures that occurred within DIMIA were easy to identify after they had happened.

We all know that it is much harder to identify failures when you are in the midst of them, usually operating at a fast pace under pressure with finite resources.

Therefore, as a leader I am constantly stressing to my own staff, the importance of vigilance; that complacency is the enemy of good management.

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

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

In a sense, the landmark Palmer and Comrie reports of 2005, gave us a rare opportunity to institute a whole new system of arrangements from scratch – an opportunity that is rarely given to any organisation.

This in itself has made the past two-and-a-half years an exciting, intense period of our history.

As I mentioned in the beginning, the experiences and the hard lessons learned should provide food for thought for leaders at all levels, in all government organisations, whether state or federal.

Thank you for letting me share my observations of those lessons and experiences with you tonight.

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