



**Australian Government**  
**Department of Immigration and Citizenship**

**Leading change under fire**

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Ladies and gentlemen, it is my great pleasure to be with you today. Before I begin, I wish to acknowledge the traditional custodians of the land we are meeting on today, the Ngunnawal people. I wish to acknowledge and respect their continuing culture and the contribution they make to the life of this region. I would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander people who may be attending today's event.

In preparing for today I was interested to learn that our departments share many similar characteristics.

Your department plays a key role in border security from a quarantine and industry perspective—we play a key role in the efficient and effective movement of people into and out of Australia.

Your department assists industries to adapt to global trends and remain competitive, ours works with industry from a human capital perspective to ensure that industry is well supported by skilled workers and migrants.

Your department has many thousand staff spread across Australia and the world, working in offices, transport hubs and in the field. They work in varied roles ranging from policy officers to meat inspectors, from laboratories to communications experts. We too have staff and offices globally, with over 8000 staff spread across 80 locations around the world working in varied roles such as policy officers, in client services, lawyers, IT professionals, accountants, forensic document examiners, economists, social workers, librarians, international relations experts, migration specialists, intelligence experts, and people fluent in several languages. Indeed, both of our departments can claim that many of our staff would be regarded as Australian experts, indeed, some are international experts in their field of work.

**people** our business

The creation of the Department of Immigration and Citizenship (DIAC) in 1945 marked a turning point in the nation's history as we embraced migration in a bid to enrich and expand Australia. Last year we celebrated our 65<sup>th</sup> anniversary as a department—a proud history of nation building. This history of nation building, through the provision of services to assist the Australian public and industry, is another common thread between our departments.

Today, I'd like to discuss three departmental case studies with you with themes that may be applicable to your department. All contain the central theme of 'leading change under fire'. As you would be fully aware, my department is rarely not 'under fire'.

The first case study involves the widespread departmental reforms that I led shortly after being appointed secretary in July 2005. The second case study is of a process that is still underway in the department known as our *Transformation*.

Both are closely linked. The second initiative has been built on the foundations of the first—without making the cultural and leadership capacity changes in 2005 the client services, policy services and business services transformation changes that began in 2009 would not have been possible.

The third case study is how we are positioning ourselves for current and future challenges, in particular the ongoing pressures in relation to irregular maritime arrivals and immigration detention, and the broader issue of increasing global people movement.

### **About the department**

First, let me give you some context and a sense of the scale and breadth of what my department does.

Our job as a department is to help build our modern Australian nation—we do that through managing the movement of people in and out of our country, and through the settlement of people here for our inclusive, yet diverse society.

Since the establishment of the department 66 years ago, we have facilitated the migration of more than seven million people and the conferral of citizenship upon more than four million people.

In the current financial year the department will administer a permanent migration program of 185 000, we will issue more than four million visas, facilitate around 30 million crossings of the Australian border by passengers and crew, and welcome around 14 000 refugees and humanitarian entrants. Around 120 000 people who have migrated here will take the final step in their journey and join us as Australian citizens in the coming year—that is over 2000 new Australians every single week.

We have responsibility for key aspects of border security policy and operations, visa compliance, law enforcement functions and immigration detention. We administer policy for migration and temporary visas, refugee and humanitarian entry, for settlement, Australian citizenship and policies to enrich our multicultural society.

We work with other government departments and agencies such as AFFA, foreign governments, international organisations, the business sector, the not-for-profit sector, community organisations, commercial service providers, the media, academic institutions, the courts and millions of individuals.

It is important to note the complexity of managing Australia's immigration program. Change in one area can flow on to others, sometimes in ways that can be hard to predict.

Our departmental programs occur within a much broader environment. The movement of people internationally is a defining characteristic of today's world. It is characterised by diversity and complexity. We are increasingly seeing people move due to a range of factors, including labour markets, political instability, the environment, demographics, technology, perceptions about the distribution of opportunities and individual aspirations and capacities. How we meet these wide-ranging challenges feeds public perceptions about immigration.

Our decisions, and indeed our programs, can be the subject of great public interest and also generate discussion in the Parliament, the media and in the community. On a daily basis you can read articles commenting on our business in some form or another.

This brings me to my first case study which was, you could say, truly was 'leading change under fire'.

### **Changes to the department in 2005**

At the time of my appointment as secretary in 2005, the department had been heavily criticised in a number of government commissioned reports. I am sure that you will all recall the tragic mistakes involving Cornelia Rau, Vivian Alvarez Solon and others. The reports recommended that significant change was required in the department. Government demanded it.

In communicating the need for change in a range of areas across the department, it was essential that I also recognised the excellent work that the department had done for a number of years.

The key drivers for change were empowering people, promoting leadership, and most importantly about creating a culture of openness—a culture of communication. On this foundation future success could be built. Our motto of ‘People our Business’ was designed to constantly remind all staff of the very essence of our role. This triangle, which was also developed at the time, has been a key tool for communication about our key themes as a department. They include:

- fair and reasonable dealings with clients
- well developed and support staff
- an open and accountable organisation.

These themes are as relevant today as they were in 2005.

There were many reforms that needed implementation which would substantially change the way we operated as a department. They involved widespread changes to our operational environment, our technology and systems, our leadership, and to our organisational behaviour and culture.

A failure in our leadership was one of the key concerns raised by one of the reports, and was also an area of concern raised in an all staff survey that I commissioned. Staff thought that their leaders did not provide a clear sense of direction, did not interact adequately with staff, and did not involve them in decision-making.

It was clear that improving the department’s leadership capacity would improve our ability to change. Good leaders embrace change, and achieve results with their teams.

We developed a leadership model with a series of capabilities that I expected all leaders to demonstrate. These included:

- providing vision and meaningful direction
- operating consistently with the things we value
- communicating constantly and meaningfully—in other words, truly ‘engaging’
- creating an environment for success
- functioning as team players
- persisting to achieve good outcomes.

Discussing the changes, however, was one thing. Planning and implementing them was another. To address this we developed a departmental plan. It was important in developing this to ensure that it was relevant to each area, each office, and each staff member across the department, whether they were in our national office, a state office or at an overseas post. At once it was a departmental plan, but also an individual plan for everyone in the department.

We have since produced, and worked to, annual departmental strategic plans. In that time other departmental planning processes have been linked directly to our departmental plan. This process, a planning process, is now the norm, rather than exception.

To drive this forward we identified our internal and external communication as areas that required immediate attention and reform. To do this, as a department we set about:

- restoring respectful relations with our stakeholders, advocates, critics and the media
- rebuilding internal morale through publicising the many things the department was doing well, and
- communicating the comprehensive business change program underway to staff, the media and other stakeholders.

The strategy was to establish a capacity within the department that would address communications across the board, reconnecting with internal and external stakeholders. We knew we could not underestimate the scope of the task ahead.

It's very hard to have effective external relationships if internal communication is not also pulling the organisation together, and so we've put as much effort into our internal messaging and information sharing, as we have into our external work.

For staff to feel engaged, it's important to promote a common sense of purpose and belonging. We do this using various communication tools. Such as:

- face-to-face meetings between senior leaders and staff whenever and wherever possible
- regular and ongoing all staff messages
- leadership messages to senior staff
- a departmental newsletter, which has recently become an online web based document
- strategic communication, and
- regular access to senior staff through regular videos and broadcast programs discussing issues important to staff.

These tools are not only used for ongoing communication, they are also used as drivers of change.

Reform, however, is never static. It is a constantly evolving process anticipating new paradigms in public administration and organisational cultures. Fundamental to driving change is that it must also be guided by a values-based culture.

## **2009—Building stronger migration, visa and citizenship services**

This brings me to my second case study. In late 2009 my department began its transformation.

By 2009 we had strong external and internal validation that we had significantly achieved our goals of 2005. But we were conscious of the challenges the department faces moving into the future.

Data shows that over the next five to ten years increasing numbers of people will travel to Australia from more ‘high risk’ locations. With the ease of international travel and advances in technology, there are already increased threats of terrorism and trans-national crime, including credit, identity and document fraud and people trafficking.

With much of what the department does being centred on manual and paper-based approaches, our cost structure was relatively high. It lacked the flexibility to deal with a changing risk environment and falling budget appropriations. The world is rapidly changing around us, as are client expectations about service delivery.

As the public sector, we must be flexible and innovative in order to meet the government and the community’s expectations in this regard. Our agencies need to ensure our business operating models, systems and processes are capable of meeting these challenges, while we place ourselves on a strong financial footing for the future.

Change was again needed, and it was clear that my department had to transform the way it operated. The strong capability of the department to communicate that was established in 2005 would assist senior leaders in yet again moving the transformation forward. Simply put, we aim to be the best immigration service in the world—a key part of Australia’s economic, security and social infrastructure.

Up until 2009, my department’s business operating model had been largely unchanged for 65 years. It had a strong geographic focus, and was built on legacy systems and what had become expensive delivery channels. Over that time Australia had consistently been recognised by other countries as setting the standard in many areas of immigration policy and related service delivery, however, it is essential that we always seek to improve our ability to respond to changing demands. And like you, as both a policy and service delivery agency, we face some specific challenges in doing so.

The way forward in responding to these challenges has involved a major transformation of our business operating model, building on many of the changes we have made over the last six years to embed a positive culture based on strong shared values of teamwork, service excellence, respect, openness and commitment.

There are three main foundations for what we call the department's 'transformation':

- a new enterprise architecture
- strategic changes, and
- enhancing our organisational capabilities.

We focussed on the strategic changes that would realise the greatest benefit. We based the transformation on three main elements:

- an organisational design that enables high performance and innovation
- improving our organisational capabilities to foster excellence and encourage innovation
- a strategic approach to client services, visa framework design and internal business support services.

One of the key changes was moving from delivering our services along geographic lines to delivering our services along global management lines

Our 13 or so global managers are responsible for the delivery and performance of a particular visa line, regardless of where the visa application is received and processed. The change to the global manager structure was made to maximise integrity, efficiency, accountability and to improve accuracy and consistency in decision making.

At the same time we also developed and implemented a simpler organisational structure with clearer lines of accountability which is designed to better focus our core functions and better position us as a client service delivery organisation. We now consist of four groups, each led by a deputy secretary. These are:

- Policy and Program Management Group, which focuses on the ongoing development and enhancement of solid government policy and programs
- Client Services Group, which focuses on the delivery of our programs.
- Business Services Group, which supports the rest of the organisation to undertake its business
- Immigration Detention Services Group, which given the increasing scope and responsibility associated with this work, focuses on managing detention services.

This underscores a simple lesson—that innovation can occur at all levels of an organisation, so long as the organisation's structure allows it to be identified. Leaders must also be flexible, open and creative in their approach to create an environment where innovation is both fostered and rewarded.

While the transformation process is a long term strategy, the successes we have had so far are pleasing. Much of this is due to our successful management of the change process, which was allowed to be owned by staff.

### **The challenges of irregular maritime arrivals and immigration detention**

Finally today, I would like to briefly discuss with you some of the recent and emerging challenges we face as a department.

The world is progressively opening up to greater migration flows. There are presently 215 million people living outside their country of birth. By 2050 that figure is expected to approximately double, with increasing flows into the developed world. Those countries that have the capacity to regulate and manage increased flows, and those with the right institutions and the right governance arrangements, are the ones that will benefit from it.

Within this environment we must be mindful of the very significant issue of displaced persons. According to the UNHCR, at the end of 2010 there were over 43 million people forcibly displaced worldwide, the highest number in 15 years.

The gravity of this situation is significant. A large number of these persons were of the total number of displaced persons, 15.4 million were refugees, 27.5 million were internally displaced persons and 837 500 were asylum seekers. Of these displaced persons, almost 4 million refugees were in the Asia Pacific region at that time.

In the Asia-Pacific region, a number of countries are host to refugees, in some cases many thousands, and provide protection in practice, although are not parties to the Refugees Convention.

Governments continue to work towards achieving a balance between managing border security concerns with protection issues. However, inconsistency in approaches to reception and durable solutions has created an environment in which the people smuggling trade flourishes.

Over the last three years or so we have experienced a significant number of irregular maritime arrivals. Australia has experienced irregular maritime arrivals for more than 30 years, in several major waves, and the department is drawing on our long experience in this area in responding to and providing policy advice in relation to the current situation.

Within this environment the endorsement of the regional cooperation framework at the Bali Process meeting in March this year was a milestone in addressing the issues of people smuggling and displacement affecting many countries in the region.

The conference recognised that a regional approach is required to address the challenges of people smuggling, and to discourage asylum seekers from the sort of life-threatening sea journeys in overcrowded boats that we have recently tragically seen.

The framework is based on a set of core principles which include that wherever possible, asylum seekers should have access to consistent assessment processes—this may include a regional assessment centre or centres—those found to be refugees should be provided with a durable solution and those found not to be in need of protection should be returned to their countries of origin.

No doubt you will be aware of the subsequent people transfer arrangement signed with Malaysia and the recent ruling by the High Court on this matter.

Issues such as these directly affect my department and present significant challenges not only for the present but also into the future. We face significant challenges from continued irregular maritime arrivals—this year we have seen more than 4000 irregular maritime arrivals, indeed since the High Court’s decision in relation to Malaysia we have seen more than 2000 people arrive in this way.

This ongoing surge of irregular maritime arrivals, at least in the short term, means that there is an increasing number of people in immigration detention and hence puts strains on our immigration detention facility network. This impacts directly on my department’s ability to quickly implement programs such as the use of bridging visas to process asylum cases while the client lives in the community due to the severe strain on resources.

Of course the department does substantially more than manage irregular maritime arrivals. Maintaining our focus on our broader and larger programs remains a priority. While this is our ‘business as usual’, it also poses significant challenges as well. Many would be aware of recent changes to our skilled migration program, and also the recently announced changes to our student visa program in light of the review by the Hon Michael Knight AO.

So how do we ready ourselves for this? My focus continues to be on strengthening our organisational capabilities to ensure we can meet the challenges we face, while ensuring we remain committed to our core principles.

It is essential that we continue to focus on building upon and improving the organisation’s capabilities. We have focussed very deliberately on structuring the department to best support our transformation, and also on employing the right people to enhance our capabilities.

In approaching our transformation, we took a realistic look at our department's capabilities and skill sets. We identified that while the department had good policy capability, we could do more to build upon this. I also observed that while our policy areas were very focussed on supporting the government to deliver its immediate and medium-term policy agenda, this often limited the department's ability to develop longer-term policy options to inform government decision-making.

This challenge is one that faces many departments, particularly those departments with a service delivery as well as a policy role such as AFFA and DIAC. The immediate operational needs can often mean longer-term strategic analysis is delayed.

I have established a policy innovation, research and evaluation unit, with the specific aim of ensuring we build the capacity not only to create innovative policy, but also to evaluate the effects of these policies, and support our policy development with research. I have also established a division entirely dedicated to risk, fraud and integrity, which has begun to have a positive impact on the department.

On our business services side we have continued to focus on professionalising and standardising our business processes—such as information technology, legal services and learning and development. The aim of this focus is to drive efficiencies and provide better support and service to our staff.

We are continuing to build our capabilities in workforce planning and human resource management. We have implemented a Reconciliation Action Plan and a Workplace Diversity Plan, and are currently finalising a People Strategy Plan. These will better place the department to support our staff for future challenges.

Our significant investment in human resource management includes our focus on leadership capability with the development of a new leadership framework to better inform our leadership strategies and programs. In this way we strive to positively influence the culture of the department, to better meet our business needs and to prepare for the future.

We are implementing a formal succession planning process to better understand the aspirations and strength of senior leadership potential within our current EL2 group, recognising many in this group are future SES officers within the department and the Australian Public Service.

We also recognise the need for a greater emphasis on planning, especially given the current fiscal environment. This has translated into the development of a new planning framework that connects planning processes across the department with the goal of improving organisational alignment and financial performance.

This is a holistic model which links strategic and operational planning with financial planning. We have strengthened our financial services in an increasingly tight fiscal environment. We aim to do more, better, with less.

### **Leadership Behaviours**

As I noted earlier, there are some common themes in these case studies. They are leadership behaviours that underscore our ongoing commitment as leaders of our organisation.

Our department's motto is *People our Business*. It is designed to encapsulate the very essence of what we do – work with people. Indeed, as the leader of such a diverse and challenging department it is essential that I ensure that my senior leaders *work with people*. This is a very simple concept, but can be applied within every facet of my department's work. For example:

- As a leader, I must *work with people* to ensure that they are the right people for the jobs and empower to do what they need to do
- As leaders, my SES must *work with their people* to provide clear vision and meaningful direction
- Across our departmental groups, we must *work with people* to ensure that we do not fall into the silo trap I spoke of earlier
- As a senior leadership group, we must *work with people* to ensure that they are trained and well supported, and
- Importantly, as departmental officers administering a very large and complex range of programs, we must *work with people* including other departments, service providers, clients, stakeholders and the community.

### **Conclusion**

Colleagues, to conclude there are obviously some common leadership themes in the case studies I have discussed today. These include:

- resilience
- clear vision
- values based organisation
- communication/engagement
- innovation
- persistent focus
- teamwork
- openness/respect
- commitment
- adaptiveness
- managing 'business as usual' as well as 'crises'.

Most importantly it is the need for senior officers to show leadership to achieve results by working with their teams.

Finally, we cannot forget that the staff in our respective departments are the key to meeting these challenges. They are also stakeholders in our business, and need to be engaged as drivers for effectiveness, through support, training and recognition for their work.