

## **Drivers of culture change at the ABS - Making the most of a 'fantastic failure'**

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### ***Abstract***

This paper presents the drivers behind the culture change program in the Australian Bureau of Statistics (ABS). It outlines the role of the 'fantastic failure' of the *2016 Census* in creating a catalyst for its cultural change. It also describes the role of the subsequent 'fantastic success' of the *Australian Marriage Law Postal Survey* to draw upon the learnings from the culture change program by practically applying improved approaches to customer engagement and communication, partnerships, agile work practices and more effective risk management.

### ***Keywords***

HRMT; Culture Change; Fantastic Failure; Fantastic Success.

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#### *Drivers of culture change at the ABS - Making the most of a 'fantastic failure'*

#### A changing environment

1. The ABS (similarly to many other Statistical Organisations around the world) increasingly finds itself having to operate in an ever changing and challenging environment, including:
  - Having to measure an increasingly complex and changing economy, population, society and environment (e.g. globalisation, automation, digital economy, productivity);
  - Providing more value for less;
  - Declining funding (30% less real funding over a decade);
  - Government (and other clients) wanting information more quickly;
  - Technology and big data opening up opportunities – for us and for others;
  - Pressure to deliver faster;
  - Declining trust in institutions and government ; and
  - Contemporary media operations – greater immediacy of reporting with 24/7 news cycle, growing focus on more opinion and commentary with less capacity to carefully fact check, and the proliferation of social media.

#### Reviews, reviews and more reviews...

2. In 2013, a capability review of the ABS, carried out as part of a whole of government initiative, found there was a need for transformation in all aspects of its leadership, strategy and delivery. The review stated the ABS was isolated, insular, inflexible and at times uncooperative. It called for cultural change to reposition the organisation for the future with a shift to a more open, engaged and outward-looking agency, working in partnership with others.

#### ABS Transformation

3. In 2015, following the arrival of a new Statistician, the ABS commenced a major transformation program to change how we operate as an organisation. Cultural change was identified as one of the six goals of the Transformation.

Figure 1: ABS Transformation Goals:

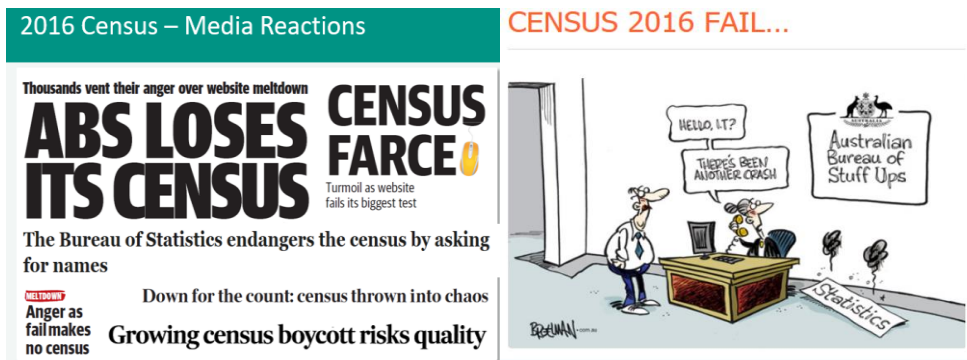


#### 2016 Census... Never waste a crisis!

4. The need to change ABS culture was further highlighted by the events of the 2016 Census, which helped to supercharge our cultural reform. The 2016 Census was a “teachable moment” for the ABS. The unavailability of the on-line form for nearly two days slowed down data collection process, temporarily, as ABS actions prioritised the security of Census data.



5. Although the Census collection was back on its expected trajectory within five days of the August 9 events, not surprisingly, the media gave little attention to the successful collection of quality Census data by the ABS, and most ongoing attention was focussed on the initial issue.



6. However, the ABS owned the 2016 Census process errors, reflected upon the learnings from this experience over time and put in place revised operating arrangements across the organisation. In short, the 2016 Census process and surrounding experience provided many insights to us, and other organisations, around contract management, cyber security, risk management, community service expectations, stakeholder communications and media engagement.

7. The external review into Census 2016 identified ABS culture as a contributory factor leading to the 2016 Census outage. As a result, the ABS subsequently created an evidence-based Culture Change work program to be implemented based on the data gathered through the respected the Organisational Culture Inventory (OCI) instrument. This allowed us to identify, with relative significance, positive and negative elements of our existing culture, and provided insights into the preferred, higher performance, culture.

## **2017 Australian Marriage Law Postal Survey**

8. On August 9<sup>th</sup> 2017, exactly a year (to the day!) since Census night 2016, the ABS was directed by the Treasurer to conduct the Australian Marriage Law Postal Survey (AMLPS). The Organisation did not know that the Government would issue a directive for us to undertake a postal survey of 16 million eligible Australians until the day before the public announcement.

9. It was a high-risk exercise, with only 99 days to design, develop and deliver the national survey, including processing and publishing the results. It was carried out in a high-profile and emotionally-charged environment, with starkly divided political and public opinion, and passionate campaigning on all sides. Furthermore, a non-compulsory and potentially non-binding national postal survey was unfamiliar to the public, and, to the ABS.

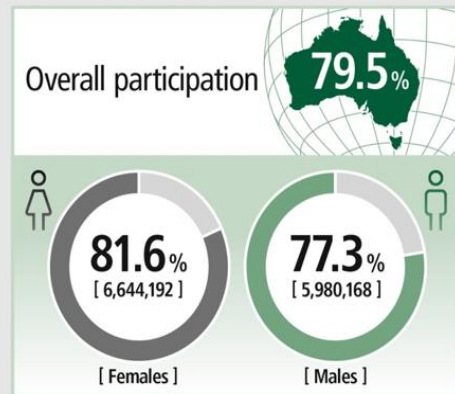
10. Following the 2016 Census experience, the challenge was not just to deliver quick survey results, but to deliver results that would be trusted by the public and their elected Federal Parliamentarians. To do this, the ABS needed to ensure the process was as smooth as possible for the public, privacy was protected, taxpayer funds were used efficiently, and quality results delivered with integrity.

11. These demands were an enormous challenge but the AMLPS was also seized on in the ABS as a great chance for us to work differently, to put into practice what we had learned the hard way from the 2016 Census, and to draw upon the learnings from our culture change program. This included:

- Using Agile work methods, critically drawing more on the expertise of Executive Level and junior staff, driving accountability and collaboration among teams across the ABS and other partner organisations, with stand-ups each morning and afternoon increasing the transparency and cadence of decision making, key dependencies and outcomes;
- Having the necessary community awareness material, encouraging electoral roll registration in the first instance, operating in the media within days of project initiation;
- Focusing on delivering smooth, timely services for eligible Australians, including through user centred design and service automation;
- Completing a number of high value, high risk but compliant procurement processes within days that led to the engagement of Fuji Xerox and Amazon Web Services;
- Leveraging effective working relationships with the Australian Electoral Commission, Department of Human Services, Finance, Australian Signals Directorate/Australian Cyber Security Centre, Australia Post and others to deliver AMLPS outcomes;
- Introducing new and improved practices with stakeholder engagement, media engagement, risk management, issues management and privacy by design.

12. ABS, together with our partners across Government and our external suppliers, delivered a smooth process with integrity, had very high community participation, and returned over \$40 million of available funds back to the Budget. Overall, we delivered a survey that exceeded Government and community expectations.

13. The success of the Australian Marriage Law Postal Survey has helped us restore community trust in the ABS and the prevailing view is that the ABS's leaders, staff and partners together would not have delivered such seamless Australian Marriage Law Postal Survey if ABS had not experienced and learnt from the 2016 Census.



▶ [AMLPS Video](https://www.youtube.com/watch?v=LNm0VS795d0)  
youtube.com/watch?v=LNm0VS795d0

## Key Lessons and (selected) Recommendations

14. The ABS captured a number of the key learnings\* within a matter of a few months of the Census process difficulties, helping us deliver quality data from the 2016 Census and positioning us well for the unexpected task of delivering the AMLPS. The ABS has also drawn more learnings from these experiences over time and built them into our ways of working and preparations for the 2021 Census.

15. **Communication and user-centred design.** The ABS delivered a smooth public experience by adopting a user-centred approach to designing and managing AMLPS processes and response channels, and a more flat and neutral tone in campaign communications (Lessons 1, 4, 5).

### Recommendations:

- Experiment with shorter and less formal communications to General Managers and Executive Board.
- Broaden the application of behavioural economics insights in ABS business.

16. **Agile.** The pragmatic application of agile methodologies made the taskforce highly efficient and effective. In particular the twice daily stand-up meetings created a sense of momentum and shared purpose and the Kanban boards made it easier to manage the allocation of rapidly evolving tasks (Lessons 7, 8).

### Recommendation:

- The ABS to build a baseline literacy among SES in agile methodologies and identify opportunities to implement agile in incremental and flexible ways.

17. **Sense of community and positive workforce culture.** The taskforce created a strong sense of community through the careful nurturing of a positive and open culture, a strong focus on skills rather than levels, regular celebrations of success and opportunities for the taskforce to interact more regularly with senior leaders (Lesson 17).

### Recommendations:

- Leverage the new Activity Based Working arrangements to encourage Deputies and GMs to be highly visible and interact with staff in frequent and informal ways.

18. **Collaboration.** The ABS worked in partnership with a wide array of other agencies and contractors to fill vital capability or resource gaps, a process that was made easier by the high priority given to the AMLPS by Government (Lessons 13, 31, 33).

Recommendation:

- Maintain relationships established through the AMLPS with senior stakeholders across government.

19. **Decision making.** The taskforce was able to make good decisions quickly as the priorities of the AMLPS were very clear, decision makers were deeply immersed in project context, reporting levels were minimised, and EL staff were empowered and trusted to make more decisions within their areas of expertise (Lesson 11).

Recommendations:

- Adopt the taskforce's approach to issues management for other ABS programs that are large and/or public facing, while tweaking some of the facilitation and implementation practices.
- Prototype the abolition of levels in position titles in selected parts of the ABS with a view to potentially removing titles from the Corporate Directory.

20. **Risk Management.** The taskforce proactively managed the AMLPS's high levels of risk through the use of independent dedicated risk manager, independent assurance, an ever-evolving risk register, and the creation of 'integrity gates' across critical stages of the survey (Lessons 22, 24, 26).

Recommendation:

- Assess whether existing risk management governance and reporting arrangements provide sufficiently independent and cross-ABS views of risks.

21. The ABS has not only learnt from our mistakes, but is continuing to 'learn how to learn'. The organisation is passionate about rapidly drawing lessons from our practices and applying the concept of 'continuous improvement' in order to continue to improve – and hopefully avoid any more unnecessary 'fantastic failures'.

\* More on the learnings from the 2016 Census and the 2017 AMLPS can be found at [Conduct Report on the AMLPS](#) or at: <https://www.abs.gov.au/websitedbs/D3310114.nsf/home/Australian+Statistician+-+Speeches+-+Learnings+from+the+2016+Census+2017+Marriage+Law+Survey>





Still footage of a video taken by Missing Bits Productions

