Implementing Leader-Led change at the Australian Bureau of Statistics (ABS) - embedding high performance, collaboration and customer focus

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Abstract

This paper outlines the journey taken by the Australian Bureau of Statistics (ABS) to bring about Leader-Led cultural change, including successes and lessons learned during this process. It will summarise ABS's actions undertaken to kick-start, build and maintain momentum of change and an outline of next steps it proposes to take. Importantly it will focus on the role of its middle and senior management in driving the cultural change and the actions taken by the ABS to empower and equip its leaders during this journey.

Keywords

Culture Evolution; HRMT; Leader-Led cultural change

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Background

1.   Reviews into the 2016 Census incident[1], identified that the ABS organisational culture partly contributed to the events. In early 2017, a strategy was developed and a dedicated senior executive position created to focus on culture, inclusion and capability development. Our approach to achieving cultural change was supported by four key elements:

- Benchmarking and ongoing measurement of culture;
- Articulating the meaning of culture for the ABS, and what it meant to be high performing, aligned, engaged, innovative and accountable—so that staff could understand and achieve it;
- Identifying the desired organisational culture and articulating the steps necessary to deliver culture across the organisation; and
- Prioritising funds and time necessary to drive culture change.
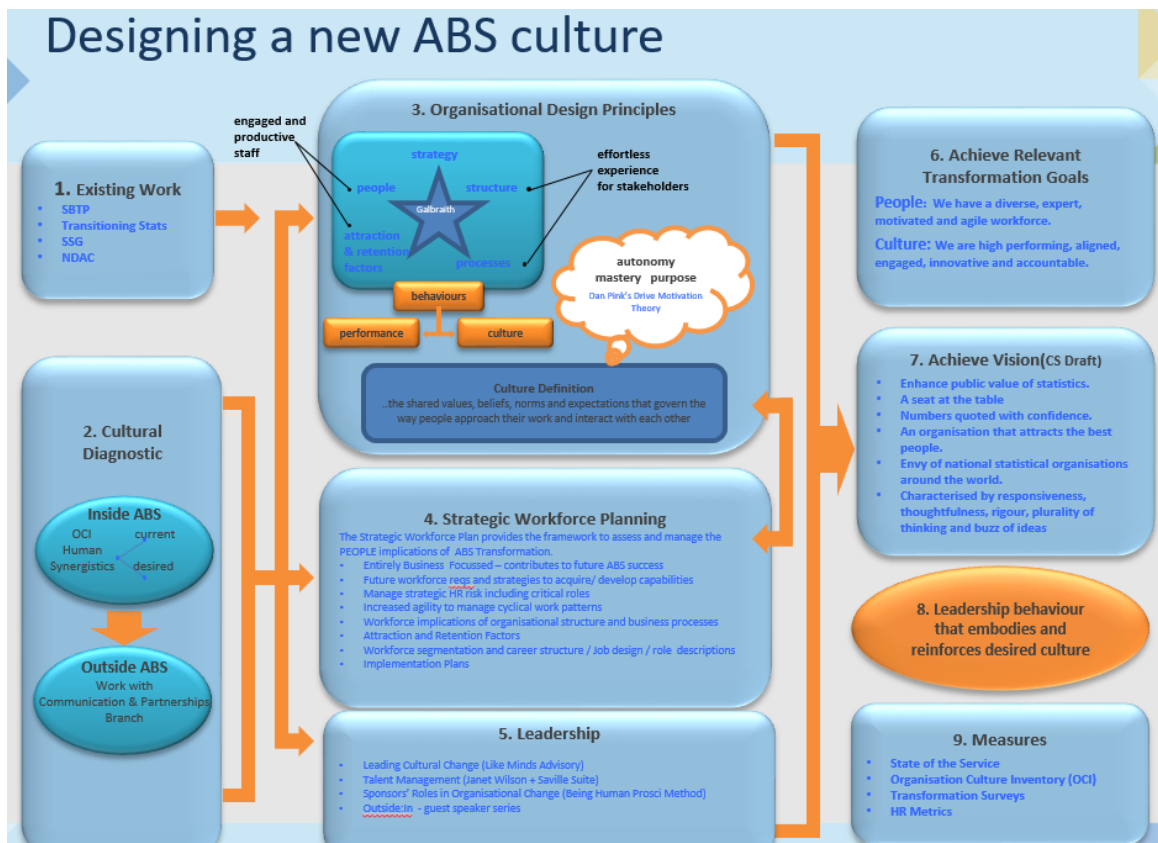
Designing a new ABS Culture

2.   The design of the culture change program (Figure 1) followed a basic three-element roadmap and was driven with an organisational development (OD) mindset. The elements were:

- Element one (Figure 1 - Boxes 1 and 2): Understand what is going on now, focussed on contribution of existing streams of work and the gathering of valid data on organisational culture.
- Element two (Figure 1 – Boxes 3, 4 and 5): Apply a principles based approach to a broad program of OD work which we called Strategic Workforce Planning, work with our senior leadership group and deliberately bring new ideas into the organisation.
- Element three (Figure 1 – Boxes 6, 7, 8, and 9): State the aims of the program, what we would see when we were successful, and how we might measure it.

3.   The key component of this approach is Box 3. The Galbraith Star Model of organisation design illustrates a 'systems approach' is required – and though we subsequently moved away from Galbraith – the concept that work on one part of an organisation (i.e. Structure) had to be done with consideration of its impact on other parts of the organisation design had not been clearly articulated before. It was also important to publish a useful definition of 'organisational culture' so staff could understand in a practical way, what it was we were working on. Finally, identifying the fundamental belief that people want to do well and improve, we chose Dan Pink's theory of motivation – Drive – which suggests that people will be engaged in their work and are more likely to contribute discretionary effort, where they have some control over that work (autonomy), they feel they can continue to get better and better at their jobs (mastery) and that they are contributing to something worthwhile (purpose).

Figure 1: Designing a new ABS Culture

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[1] The Census eform was unavailable for 48hrs due to a denial of service attack. The 2016 Census achieved its target of 95% response rate and the quality of the data was confirmed by an independent panel.

Designing a new ABS culture

3. Organisational Design Principles

engaged and productive staff

effortless experience for stakeholders

strategy

people   structure

Galbraith

attraction & retention factors   processes

behaviours

performance   culture

autonomy mastery purpose
Dan Pink's Drive Motivation Theory

1. Existing Work
- SBTP
- Transitioning Stats
- SSG
- NDAC

Culture Definition
..the shared values, beliefs, norms and expectations that govern the way people approach their work and interact with each other

2. Cultural Diagnostic

Inside ABS
OCI   current
Human Synergistics   desired

Outside ABS
Work with Communication & Partnerships Branch

4. Strategic Workforce Planning
The Strategic Workforce Plan provides the framework to assess and manage the PEOPLE implications of ABS Transformation.
- Entirely Business Focussed – contributes to future ABS success
- Future workforce reqs and strategies to acquire/ develop capabilities
- Manage strategic HR risk including critical roles
- Increased agility to manage cyclical work patterns
- Workforce implications of organisational structure and business processes
- Attraction and Retention Factors
- Workforce segmentation and career structure / Job design / role descriptions
- Implementation Plans

5. Leadership
- Leading Cultural Change (Like Minds Advisory)
- Talent Management (Janet Wilson + Saville Suite)
- Sponsors' Roles in Organisational Change (Being Human Prosci Method)
- Outside:in - guest speaker series

6. Achieve Relevant Transformation Goals
People: We have a diverse, expert, motivated and agile workforce.
Culture: We are high performing, aligned, engaged, innovative and accountable.

7. Achieve Vision(CS Draft)
- Enhance public value of statistics.
- A seat at the table
- Numbers quoted with confidence.
- An organisation that attracts the best people.
- Envy of national statistical organisations around the world.
- Characterised by responsiveness, thoughtfulness, rigour, plurality of thinking and buzz of ideas

8. Leadership behaviour that embodies and reinforces desired culture

9. Measures
- State of the Service
- Organisation Culture Inventory (OCI)
- Transformation Surveys
- HR Metrics

Fostering a positive workplace culture

4.   Once we understood our current as well as aspirational culture via the Organisational Culture Inventory, the focus shifted to fostering and encouraging the culture we envisaged. To achieve the preferred culture, consistent messaging to staff played an important role across our internal communications and corporate documents. We also embedded our cultural aspirations and behaviours in a number of corporate initiatives including our ABS Statement of Cultural Intent and the Corporate Plan.

Leader-led Culture Change Program

5.   Organisational Leadership was identified as an overarching and fundamental driver for implementation of the model and the achievement of cultural change. With that in mind, a comprehensive leader-led culture change program was developed and implemented in 2017-2018 (Figure 2).

Figure 2: Leader-Led Culture Change Program (2017-18)
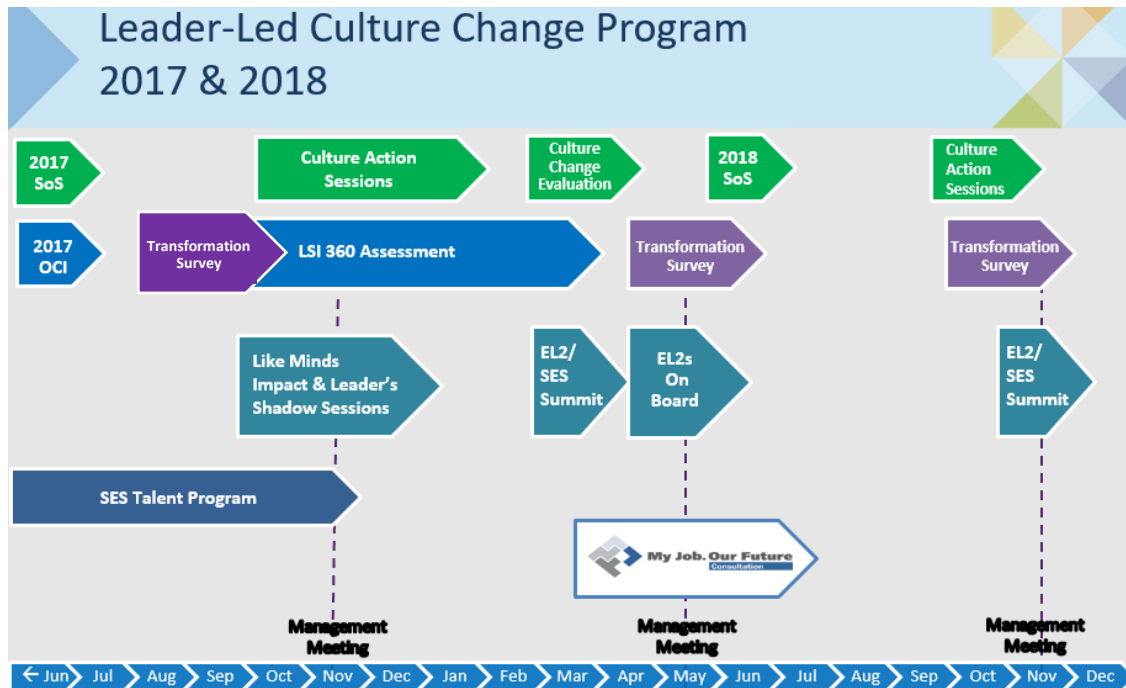
Key:

- SoS = APS Census (colloq. State of the Service – SoS) (May-June 2017)
- Culture Action Sessions = OCI and SoS team discussions, agreed local actions (Oct 2017 to Jan 2018)
- OCI = Organisational Culture Inventory , 389 respondents (April 2017)
- LSI = Leadership Styles Inventory , links to OCI, shows where personal behaviour aligns with preferred organisational culture (Sep 2017 to Mar 2018)
- Transformation Survey – every six months
- Like Minds Impact Sessions = Cascading - Executive Board and their direct reports, General Managers and their direct reports (1/2 day) (Oct-Nov 2017)
- Like Minds Leader's Shadow Sessions = Program Managers and their direct reports (2 hours) (Nov-Dec 2017)
- SES Talent Program = self-nominated, 21 participants, April to Nov 2017
- EL2/SES Summit = EL2s brought on board, enthusiastic, want to lead and be accountable (Mar 2018
- My Job Our Future – job design kicked off
- Management Meeting – six monthly meeting of all Senior Executives

Developing Senior Leaders

6.   To assist our leaders with driving the change, the ABS engaged a consulting firm, Like Minds Advisory, to work with its executive cohort to develop their skills and capabilities, and better understand how the culture they help to create determines their effectiveness in leadership roles. As part of this project, our Senior Executives took part in a series of interviews and workshops that explored the concept of the leader's shadow, the presence they exert consciously and unconsciously. The sessions were facilitated by experts and were based on a conversation, in the presence of their direct reports, focussing the gap between a leader's intent and their actual impact. The goal was to model a new way of working and engage together to make culture actionable and behaviour accountable.

Figure 3: Leader Shadow Workshop Framework
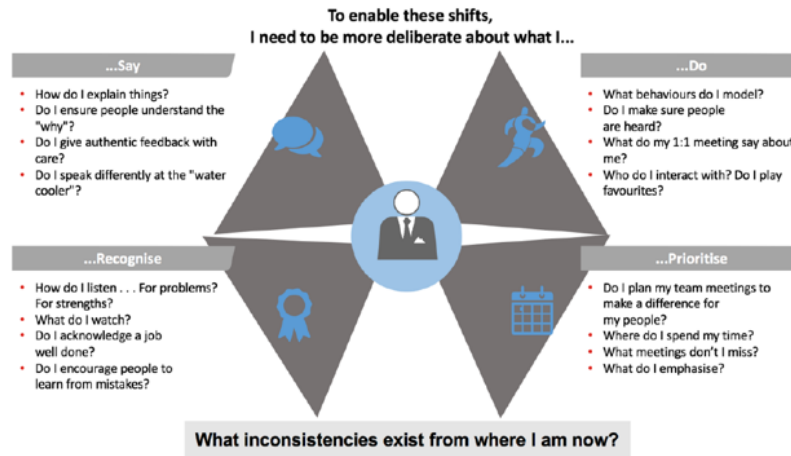
Source: Like Minds Advisory 2017

7.   Leaders could also self-nominate to participate in a talent program that provided 360 degree feedback and Saville psychometric assessments, individualised coaching and included establishing high performing individual development plans.

8.   Human Synergistics' 360 degree feedback tool (called the Life Styles Inventory) allowed SES officers to map their thinking and behavioural styles and compare them with the organisation's preferred culture. This provided an opportunity to assess how their styles may impact on the culture and performance of their staff. Feedback from important partners, stakeholders and customers was also collected independently and fed into the cultural change program to drive action and improvements.

9.   Two leadership summits, bringing together the 50 Senior Executives and the 190 Team Leaders, were held to focus on leadership, customer service and accountability. The aim was to invite the section heads into an organisational leadership role and empower the whole ABS leadership cohort to institute the behaviours identified as contributing to the ABS' desired culture as well as giving staff permission to call out behaviour that did not meet agreed expectations.

Developing Middle Management (EL2)

10.   Our Team Leaders are broadly viewed as a powerful agent for stability and consistency but with the potential to be extremely effective agents of necessary change. With that in mind, a great amount of our collective culture change effort was focussed specifically on this group.

11.   In order to address this middle management challenge we conducted a number of activities with this group:
- In early 2018 we conducted our first ever EL2 summit (which also included all our Senior Executive staff). This event was so successful that we have now committed to run those regularly twice a year.
- We also get those groups together on regular basis throughout the year through EL2/SES Town-halls.

- Additionally, we increased the number of face-to-face training opportunities for this group as well as offering them access to personalised one-on-one coaching opportunities.
- We improved our efforts to engage in more frequent and targeted communications with this group, including regular messages from the head of HR, cascading briefs, more face-to-fact contact between EL2s and the Senior Executive group, etc.

12.   Following the EL2 Summit, work was undertaken (in collaboration with Like Minds Advisory) to identify the Routines that differentiate the best performing EL2s around three areas: Customer Routines, Collaboration Routines and Team Engagement Routines. The starting hypothesis was that the best performing EL2s do something different. They may not recognise it, but day-to-day, they engage their teams, colleagues and stakeholders in different ways that every EL2 can emulate, and integrate into their daily practice. We found (from a number of interviews and focus groups involving this group) that the best of our EL2s indeed seemed to have different Routines. These emerging Routines clustered around Project / Statistical Lifecycle and Relationship Routines. Enmeshed in these Routines was a collection of replicable Practices that seem to define "great" within the ABS. Our key findings included the following:

- **Intent, not compliance**: The best EL2s align their teams around intent, and then push thinking down. Through their meetings, and engagements with their team and stakeholders, the best performing EL2s keep their focus on intent, not compliance. They are interested in new ideas for doing things better, and serving stakeholder needs better. They are open, and are willing to be vulnerable around their own biases and the limitations of their perspectives.
- **People matter:** interest, not authority: The best EL2s show a genuine interest and care in their people and their stakeholders. They carve time out, in a very disciplined way, to connect with people, delayering the traditional hierarchy, and investing time. They are curious about people, and their perspectives, and are not preoccupied with their own importance, as senior leaders.
- **Questions, not Answers**: The best EL2's focus on leverage the talent around them. A key practice surrounds how they solve problems: They don't solve problems for people, they share them, by asking questions and recognizing the professionalism and "smarts" of their teams.
- **Fast Feedback**: The best EL2s improve their work and the work flow within the ABS by building fast feedback into everything that they do. Every meeting and interaction focuses on feedback (good and bad) around the core work products that are central to the shared intent that they've developed.

13.   Another important finding of this work was that the Practices of the best performing EL2s show up in particular moments that make a difference in the course of normal work. Clear patterns emerged that differentiated 'All day - Every day' Routines and 'Project Routines' around the specific elements of our statistical work particularly the work we increasingly cast as projects using the Agile methodology. These are described in more detail below.

14.   'All day – Every day' Routines
- **Connection on the go** - Structured connections with their people, informally, including disciplined ways of building "walking the floor" into their diaries, and informally prioritising feedback and follow up.
- **One-on-One's**—doing one-on-ones differently, including focusing on "not having answers", so that staff have to stretch and increase their capabilities by solving more complex problems.
- **Team Meetings** – structured and regular that balance objectives, accountabilities and team decision making.

- **'Add value' Routine** –focus on helping out colleagues, prioritising reaching out, sharing data and insights, and offering help.

15.   'Project' Routines
- **Internal Stakeholder Early Engagement Routine** -When presented with a project or task: Who are the important people I need to engage with? Who can best contribute to thinking about/influencing a productive outcome?
- **Statistical Handover Routine** – For each activity (collection to "fit for purpose", to compiling to dissemination) providing handover that informs, adds value and creates no surprises for the next EL2 and team in the chain.
- **Project Value Extraction Routine** – customer interaction that goes beyond delivering a publication, to how the customer can extract the most value out of the project deliverable.

16.   Implementation:
- We have incorporated the findings of this study into our in-house leadership development programs, and made it a feature of our Senior Leaders (SES)/EL2 Summits.
- Team Leaders are expected adopt the practices most relevant to their current context and formalise their intent in their annual performance agreements.
- Learning programs for the direct reports of the Team Leaders incorporate the findings to ensure Team Leaders are able to adopt new practices in an informed and supportive environment.
- Program Managers have been similarly briefed on their role in encouraging different practices.

Statement of Cultural Intent

17.   The work across this culture change program, culminated in the creation of the ABS Statement of Cultural Intent, "ABS: Our Culture 2018-2021" (Figure 4 and Attachment) which is a key guiding element in the ABS Culture Change Roadmap. This document expresses the desired outcomes from ABS' new culture and outlines the key behaviours needed to get there. It is also one of the main tools we use to measure our progress of the ABS culture change journey.

Figure 4: ABS: Our Culture (2018-2021)

Our cultural intent: The ABS has an inclusive culture that brings out the best in all our people, enabling us to increase our impact through outstanding service delivery.

To achieve this cultural intent, we will all be consistently:

Customer-focused   Collaborative   Accountable   Agile   Innovative   Self-Aware

Next Steps

18.   We will continue to acknowledge and work to retain the positive aspects of our culture, while reforming other practices to deliver even more public value.

19.   At the same time, we are committed to reinforcing desired behaviours to support the ongoing culture change through the employee recognition program, design of all internal communications, designing jobs around desired behaviours (customer service and collaboration etc., see Figure 5) and integration with our learning and development efforts, talent management and performance conversations.

Figure 5: ABS Job Design Work
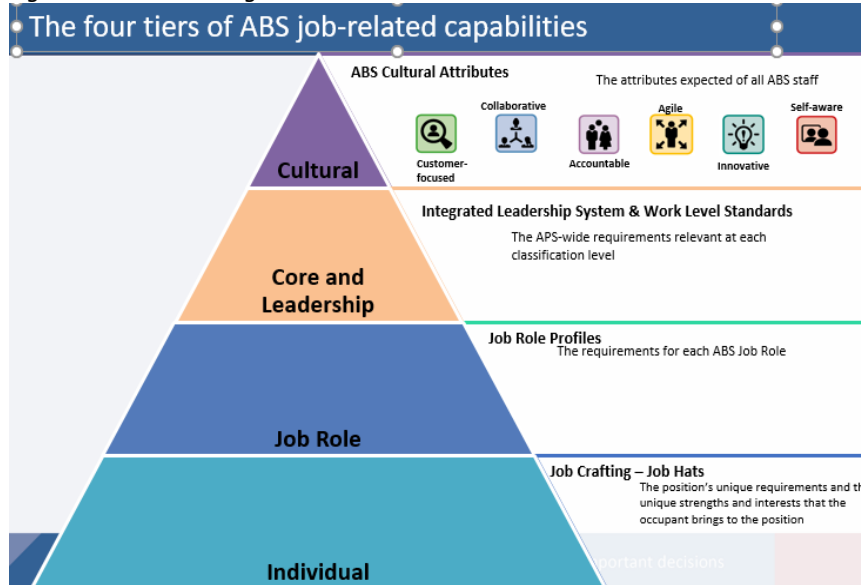
20.   We will continue to include EL2 cadre in our regular leadership summits.

21.   The ABS is currently in the process of repeating the OCI process to track our progress towards the preferred culture. We will also continue to monitor our APSC State of the Service results as well as the results of our internal ABS staff surveys (i.e. Transformation Survey).

22.   Importantly, we acknowledge that it's an ongoing process but we are determined to continue to improve our culture to ensure we can be as productive and effective as an organisation as we can be and that we can retain and attract the staff we need to deliver on our mission.

23.   Lessons learned to date

- Work with existing programs – shape future work, but don't cut across it.
- Gather credible evidence internally and externally.
- Be consistently 'principles-based'.
- Collaborate with your customers to co-design a principles framework for the job at hand, agree definitions and weight the principles.
- Develop or adapt or use an existing model which demonstrates a systems approach.
- Focus on the role of leadership and particularly the head of the organisation at all times.
- Create a virtuous system by working with teams in their actual context and not on individual managers or leaders.
- Focus on leadership 'behaviour' rather than leadership 'behaviours'.

- Keep the end in mind and visible to others
- Get expert help from outside and grow expertise inside
- Enlist practical, obvious and meaningful support from lots of people, as well as from key influencers. **You cannot do it alone** (particularly from within HR).

Attachment: Statement of Cultural Intent

ABS: Our Culture (2018–2021)

Australian Bureau of Statistics

The ABS is a trusted, highly respected and capable national statistical organisation. Its people rise to challenges, demonstrate high standards of professionalism and technical expertise, and build and maintain the organisation's reputation for excellence.

Central to this success has been the strength of our culture, which binds us together as an organisation and shapes the way that we operate every day. While acknowledging what's good in our history, we also need to respond to the emerging information needs of our customers, changing expectations of partners and providers, and the increased volume, complexity and pace that characterises the world of data we now must navigate to retain our influence and achieve our purpose. The evolution of ABS culture responds to the findings of external reviews. By listening to our stakeholders, partners, and staff we provide a clear path to improvement.

The following statement sets out our cultural aspiration. We each must strive to deliver its attributes every day. Our intent incorporates the cultural dimensions of our ABS Transformation goals, and extends beyond them in light of the recent insights into our cultural challenges. It is also mindful of our anticipated future operating environment.

> **Our cultural intent: The ABS has an inclusive culture that brings out the best in all our people, enabling us to increase our impact through outstanding service delivery.**

To achieve this cultural intent, we will all be consistently:

	Customer-focused	We put our customers at the centre of what we do and strive to get the right outcomes for our range of customers and ABS as a whole (not just our own area). ABS has many customers who are respectively data users and data providers, including governments, business and the broader community. We engage with, listen to and seek to anticipate the needs of our customers. We partner with them to collectively respond to changing requirements and priorities and develop fit for purpose and tailored solutions and products within available resources.
	Collaborative	We share information and knowledge across ABS teams and beyond. We listen to and challenge each other and adjust our behaviour accordingly. We identify opportunities to integrate data across teams and agencies, and build and maintain respectful and mutually beneficial personal and professional relationships, internally and externally.
	Accountable	We understand expectations of ourselves and others, and ensure integrity and transparency of ABS data and products. As a professional workforce we take pride in, and accept responsibility for our actions. We are risk-informed, own our failures and learn rather than seek to blame.
	Agile	We quickly adapt to changing tempos and environments and make fast decisions. We have transferrable skillsets, embrace change to take advantage of new opportunities, and rapidly adopt new technologies, tools and statistical solutions.
	Innovative	We are curious and open to different ways of doing things. We think creatively, learn and explore new opportunities without prompting. We identify and share opportunities for improvement to support ABS performance and enable development of our staff, peers and leaders. We seek out, are open to and accept diverse views in the knowledge that inclusion will lead to better outcomes.
	Self-Aware	We deliberately reflect on our behaviour and impact on others. We proactively seek and take on feedback, in order to understand our own strengths and weaknesses. We are open to adjusting our behaviour based on self-reflection and this feedback.

To reinforce these behaviours we will update our policies, processes and structures where required.

High performance relies on us embracing new technology and ways of working and finding ways to empower and motivate our people because the ABS needs their focussed and willing contribution now and into the future. We believe in our people and involve them in identifying options and decision-making on proposed future strategies and actions.

Leaders have particular responsibility to demonstrate and encourage behaviour that reinforces our cultural intent at all times.

David W. Kalisch
Australian Statistician

AUG 2018