

**ADDRESS TO THE INSTITUTE OF PUBLIC ADMINISTRATION AUSTRALIA
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***On Service, Professional Development, Systems Leadership and Global
Reopening***

I would like to acknowledge the Ngunnawal people who are the Traditional Custodians of the Land on which we meet. I would also like to pay respect to the Elders of the Ngunnawal people - past, present and emerging - and extend that respect to any other Aboriginal and Torres Strait Islander Australians who are with us today.

I would like to thank those in my department who assisted with my speech for today, including Richard Windeyer, Ashley Sedgwick and Louise Rawlings for their input and advice.

I would also like to thank the Institute of Public Administration Australia for the opportunity to speak to you, here in one of the amazing cultural institutions in our portfolio. My message today is simple: keep growing across your life in the service.

It fills me with joy every time I hear the public service praised for the exceptional work we do.

Many years ago, my parents gave me a book of powerful speeches throughout history. One of my favourite speeches in the collection is by Theodore Roosevelt where he talks about the Strenuous Life.

Roosevelt calls on people to embrace the values of duty, service, sacrifice and perseverance in the face of strife and adversity. He calls for courage in the service of the nation, regardless of risk or hardship - far better, he says, to dare mighty things, even if the path to triumph is checkered by failure.

Roosevelt urges care and integrity in the delivery of government services, whether at home or abroad.

And he presses the fundamental ideal of putting the needs of others, and the nation, ahead of our own.

While this speech was delivered more than 120 years ago, these characteristics and ideals still speak to my vision of Australia's modern public service.

As leaders, we must promote and reward endeavor, courage and innovation - even where the risk is failure.

Together, we need to inspire our people to see their service as a higher calling to serve the people and communities of Australia. To see that our collective commitment to the ideals and institutions of the APS underpins our liberal democracy. And that hard work and dedication to serving the Australian people makes a difference.

Many of us in the APS share this sense of pride in serving Australia and Australians as we do our work and enjoy the feeling that we are contributing something back to our great country. Not everyone understands this part of our motivations and we don't talk about it enough. We should say it publicly and to others and celebrate what we do and what we achieve for Australia even if much of it passes unknown to those that benefit.

Every one of us in the APS has both the capacity – and indeed a responsibility - to help improve the lives of the Australian people, every day.

I joined the APS as a Defence graduate. I had a thought for service – to do my bit for Australia, learned in large part from my grandfather, with his values of volunteerism, service, hard work and giving to something bigger than yourself, all wrapped up with his love of Australia, his pride in Australians and his service in the war. The intellectual curiosity and work ethic I brought with me came from my parents who never stop.

I have been privileged to have a life in the service. I have had amazing experiences, faced daunting challenges, and I like to think that I have contributed a little bit to Australia.

And most importantly I have met, worked with and been shaped by a pantheon of brilliant, thoughtful and great people.

My time in the service across so many agencies and so many experiences with so many people has grown me both professionally and personally in a way that I can never repay.

And that is my key message today, **keep growing** and help others to grow across the service. It is about the importance of developing and evolving across our service and helping guide others to grow. I am also focusing on systems level leadership in the modern world and what it takes for us to be good at it.

Diversity of the APS

Over the past year, the APS has shown what an exceptional institution we are.

You can only know your true mettle when tested and over the last year we have been tested, many of us beyond the limits of the endurance we thought we had. And we have not only risen to the challenge, we have been outstanding across the board.

The Australian public will never see the full extent of all that we do to serve them. They see the visible service delivery roles, particularly those they interact with like Centrelink, Medicare, the Tax Office and health services.

But they don't see the behind the scenes work that happens - across policy, program management, regulation, governance and corporate services, to name a few – to support the government, to keep the economy running and to keep Australians safe.

Like most of our service throughout our lives, much of this will go unnoticed by the public.

Within my own portfolio, one unwritten story is how we have worked with all levels of government, industry and unions to keep maritime shipping lanes open and maintained efficient road and rail freight movements throughout COVID. This enabled the continued flow of domestic freight and key exports and imports - everything from iron ore exports, to groceries and household essentials, to medical supplies.

The huge efforts we have made with stakeholders to keep bulk commodity and containerised shipping operational in a safe way ensured these critical parts of the economy, worth around \$10 billion a week, have continued through COVID.

This is just one small story amongst hundreds, across all portfolios, of the value of the APS through COVID. We should be proud of our role in assisting steward Australia through COVID in a health, social and economic sense. We are one of only five countries with an economy that is larger than it was before COVID.

The APS is an amazing and diverse institution that has been a central pillar of our Westminster system of government for more than 100 years.

We undertake functions every day that affect Australia, our society and our place in the world.

More than 240,000 Australians work directly for the Australian Government in one form or another. And many more deliver government functions through GBEs or outsourcing or contract arrangements. And even more deliver Commonwealth initiatives and partnerships through the states and territories.

There are around 80,000 people in the Australian Defence Force and another 16,000 or so in the civilian arm of the APS, providing for our nation's defence and keeping people safe.

We have around 19,000 people working in the Australian Tax Office, serving in offices right across Australia.

There are about 6,000 people administering some \$85 billion of health funding a year and managing the Commonwealth's pandemic response.

More than 5,000 lawyers, auditors and other professionals manage the Commonwealth's legal and integrity systems.

Our scientific research agencies, from CSIRO to Geoscience Australia, are staffed by around 11,000 people, undertaking cutting edge research.

With such diversity of functions and business types, what it takes is a mix of capabilities, characteristics and cultures that are fit for purpose for each of those diverse functions. These things will be different for different

departments and agencies, and parts of departments as they are all designed to achieve their outcomes in the best possible way.

An aviation safety regulator needs a different business and culture to a macroeconomic policy agency, which is different again to a frontline service delivery agency or scientific research agency.

Different again to program management and those focused on Comm-State relations or bespoke commercial arrangements.

What we need is a modern, flexible, apolitical public service that is fit for purpose for myriad tasks. And we have one, as demonstrated during COVID. We are up to the task.

But we need to keep modernising and adapting the service to remain up to the evolving task of government.

In a rapidly changing world we need to evolve and develop as APS leaders, and to evolve and develop the APS as a whole. As I said earlier, keep growing and growing others.

I often say the only thing you can change is how you deploy yourself to shape the broader system. Be it your work place, government, Australia or the world.

As public servants, it is in each of us to grow across our lives and learn to have new and better impacts on the systems and people around us.

Many years ago, I was on a Leadership Program where we thought about self-articulating that big question of “who I want to be”. The answer continues to evolve but that day, after much reflection, and with much meaning underneath each word, my clearly aspirational answer was: a happy and healthy leader who makes a great contribution to those around me and to Australia. (And some days I manage to be at least some of that).

As I went about trying to learn to be the best version of that, I triggered a series of ‘ah ha’ moments for me about systems, people, relationships and a growing understanding of myself that is still evolving.

It is this growing in the service on your own pathway to who you want to be to support Australia that I want for everyone in the service.

And it is also how we evolve and ensure the service has the capable, committed people it needs. This takes great effort and focus to ensure we are reflective, self-aware, willing to listen and really hear others. And hardest of all, be willing to change and grow.

I work with many people across the service, listening and guiding them through development, self-experiment and helping them find their own 'ah ha' moments on their journeys of self-discovery and growth. I think this guiding others in development is one of the highest responsibilities of Secretaries and all SES and APS leaders. It is how we nurture the next generation of the service.

Systems leadership

Today I also want to focus on systems leadership and how important it is to the future of the APS and Australia.

Australia, and all elements of our society and economy, exists within a series of extremely complex global systems, be they geo-political, economic or social systems, involving competing interests and diverse structures, values, relationships, priorities, hierarchies and choices.

As we have seen throughout COVID, these global issues impact significantly on domestic Australia. And when we look at our health, education, security, industry, social, economic, transport, environment, communications and infrastructure policy settings and delivery, to be good they need to be considered as complex systems within the context of broader national and global systems.

We must also look at their linkages to each other as policy settings that contribute to the fabric of the nation.

So as we move down from global systems to national systems, then to local systems, to individual workplaces, to communities, good Governments need to understand the systems they are strands of and their place and contribution to broader systems both nationally and globally.

In my view, people can be systems leaders at any level. Be it leading in an individual workplace or navigating complex international issues.

There are three key elements to being a good systems leader:

1. Having complex systems insight – completely understanding your system, how it operates, the motivations of all elements and actors, how it is influenced and the language people use to engage with it.
2. Coalition building and advocacy – the ability to coalesce groups around a direction and find pathways to success of the system.
3. Collaborative leadership skills – high-end collaboration, the ability to listen, hear and understand the perspectives of others and the wisdom behind them and bring people together for joint solutions.

If you have these systems leadership capacities, you can catalyse and empower collective and coordinated action by many others with very different viewpoints, responsibilities, levers and tools.

This is much more powerful than individuals controlling or directing action themselves.

In our federation, this is incredibly important, as often responsibilities and levers critical to Australia's national interest lie with multiple levels of government and sometimes with the private sector.

At its highest level, the National Cabinet represents a forum for national systems level leadership. It is a whole of government system of the Commonwealth, and whole of government system of the states and territories, taking collective and coordinated action.

National Cabinet has used the levers and tools available to them to manage Australia's COVID19 response in the interests of all Australians. While recognising they start with different viewpoints, leaders are empowered to coordinate collective action across health, economic, social and security issues.

In the modern complex world, for the APS to successfully support Governments we also need to be adept practitioners of systems leadership and deeply understand our operating environment.

For the APS SES cohort, the essential behaviours, capabilities and personal characteristics we expect are set out in the Integrated Leadership System and the APS Values. Building on these, I have a set of leadership qualities and

behaviours that I expect to see in my team which support the growth of systems thinking and leadership. These are:

1. Empower others to succeed. We need to guide and support our people to deliver and make decisions safely.
2. Collaborate not compete to succeed as a team – this is really important to me. It's important that our SES cohort work together, bringing together the best of their talents and abilities. I don't want to see people hoarding information, trying to show each other up, or highlighting each other's mistakes.
3. Understand people well in order to lead and communicate well. It's important to get to know people and invest in relationships, and understand what matters to them.
4. Interpret and give context; don't do people's jobs for them but provide context about their operating environment and how you see things. This is one of the greatest gifts a leader can give to help people succeed.
5. Lean into others' perspectives and value the contribution of everyone. It's easy to engage with those who think like us and share our language sets. But it's actually more important to seek out and value the perspectives of those who don't think or speak like us, because there is richness and genuine diversity in their views that we will otherwise miss. It is incredibly important to understand the experiences of all Australians not just those groups with the loudest voices and the most access.
6. Build capability and networks: trust, protect and grow others; treat people with decency and respect. It's also really important for everyone in our organisation to feel valued by the people around them and their leadership team.
7. Be dynamic: have an enquiring mind and be willing to change rather than doing things the way they have always been done. We should always question conventional wisdom to make sure it is still fit for purpose.
8. Expect people to deliver and have an impact, but also to have fun. We spend a lot of time at work and it's important that we deliver everything that is required of us, and do it well. But it's also important that people

enjoy what they do and feel that what they do is valued by the people around them.

9. Understand the system and the shape of yourself in it and deploy yourself to achieve the best outcome. As I tell my SES group, most of the time, your natural shape will be about right to achieve a fit for purpose outcome. But sometimes - maybe 10-20% of the time - a different shaped version of you would achieve a better outcome. So we should consciously think about how we deploy ourselves in the system to get the best outcome.

10. Practice and develop new ways of impacting others and systems to the betterment of Australia and the Australian people.

These characteristics were front and centre between our APS institutions during the depths of 2020 and they are what help us - the APS - to excel and succeed.

If we can all:

1. keep growing and guide others to grow across the service and
2. be adept at systems leadership

we will improve our capacity to deal with the complexities and challenges Australia will face over the decades to come. This is particularly important as the world reopens and reshapes into a new chapter post COVID and Australia's place in that world forms.

To that end, there are a few policy challenges I would like to quickly highlight these are key to my portfolio as they will be important for determining the future shape and prosperity of Australia and will require skilled systems leadership to achieve the best outcomes for Australia and Australians.

These are:

- International reopening
- The future of global norms and regulation of the online world and
- Aligning national resources with national interest, with a focus on mega-projects.

The Australian people have been extremely well served through COVID19 with the combined efforts of Commonwealth and state governments effectively containing COVID over the past year.

Central to this was the introduction of 14 days hotel quarantine for people coming into Australia. This protection mechanism created a safe bubble and minimised the spread of COVID and the need for lockdowns.

It also decreased the flow of people into Australia from around 400,000 a week to less than 7000 a week. This is a 98% decrease.

This has had a very significant economic and social impact on Australians (particularly as we are ranked as the 13th most socially globalised nation in the world) and we are all working on reopening the flow as soon as possible.

We face a different set of reopening challenges than other countries like the UK and the US who have linear pathways to success, based on vaccinating more people thereby decreasing the numbers of people who get sick or die from COVID19 to a point where they will be open with vaccine protection.

Australia's circumstances are very different as our quarantine has served to protect Australians from the levels of disease and death experienced in these countries.

We and a few other countries like New Zealand face a different set of reopening challenges. We are accustomed to not having sustained community transmission of COVID, with a very low tolerance amongst the states for any outbreaks. Other countries who have had sustained transmission for 18 months will be much more tolerant and accepting of the inevitable transmission that will occur when borders are opened.

I don't know the timing of it as that is a matter for my health colleagues but I consider the end state for Australia to materially reopen and reintegrate with the rest of the world will most likely require us to be protected by vaccination (like most countries) not 14 days' quarantine.

The pathway to this is challenging as it will mean health officials and systems leaders will need to make more hard decisions in the public interest to reopen.

Virtual worlds

In 2013 Bill Gates said, “the internet is becoming the town square for the global village of tomorrow”.

We are now in tomorrow. And social media and other platforms, including gaming platforms, seem a bit like the town squares that Bill Gates foreshadowed.

Social media offers consumers access to knowledge, services, information, communication, and communities on a scale not possible before the digital age.

The point I want to make is that, for public policy people, for believers in institutions of government and society, these virtual environments are a governance challenge and conundrum.

As we confront the growing range of harms that are perpetrated and experienced online, we have to confront difficult questions about how and who should tackle these harms, and what role can and should governments adopt.

These ‘town squares’ are privately owned, yet they are a forum for public debate and discussion in our society. Private companies are governing and opening on a range of harms that our citizens are exposed to.

Are we comfortable with the recourse for someone feeling seriously or dangerously harassed by someone inside a Massive Multiplayer Online Game, being the terms of service for the game? Is this a problem? Could this behaviour contravene any law or regulation – should it? If the laws of a country apply, which laws of which country?

There are less challenging questions, but the point remains, the ‘world’ that we are increasingly living our lives within, a world where we are interacting with strangers, consuming goods, expressing opinions, is increasingly a privately, foreign owned world – we in public policy must grapple with this.

Mega projects

Almost two decades ago I was working in Finance when I found a fascinating book in a second hand bookshop. It was on fiscal policy in England in the 1940s.

Its central thesis was that the resources of a nation generally need to be deployed consistent with its national interest at all times and that this alignment needs to be particularly good in periods of increased global competition and even stronger in times of crisis.

This thesis still holds. What changes are the national interest investment priorities at any given point in time.

One of the choices Governments have is to invest in mega projects. These are projects that have a large enough impact they change the shape of part of the nation.

This can take many forms. Some mega projects have lasting economic and social benefits, while others change settlement patterns. Others, like the Sydney Opera House, are culturally iconic, while others contribute to our nation's defence.

They are typically huge in scale, have very long delivery times and face very significant risks including:

1. technical and operational, emanating from the dynamics of the project itself
2. changes in market environments throughout the project and
3. institutional and social, related to social, political and economic settings.

These risks typically emerge and evolve over the course of the projects and are not fully foreseeable at the start.

To succeed, these projects need complex, bespoke, agile governance that reflects the dynamic characteristics of mega projects. At a minimum, they need to:

- be flexible enough to deal with changing circumstances and access new opportunities and technology
- deliver value for money
- allow commerciality
- deliver core project outcomes
- align parties' incentives and disincentives, often over very long timeframes, across multiple leadership teams and political cycles and

- have governability and capacity to deal with turbulence.

These are important and hard issues. But they should not deter leaders from undertaking projects like NBN, the Western Sydney Airport or the shipbuilding enterprise, or others in future, as they can make a huge contribution to Australia.

But what we need to recognise as an APS is that the leadership of mega projects is a specialty that needs systems leadership to bring to bear the right expertise and capabilities.

Conclusion

I'd like to leave you with this one last thought – we get the workplace and APS we create. If we all bring kindness, professionalism, respect and decency to work each day, we'll have a workplace that all of us are happy and proud to come to each day.

But above all, continue to keep growing and guiding others to grow across your life in the service.