

# **School of Government**

# MMPM 505 HUMAN RESOURCE MANAGEMENT (15 Points)

# **Trimester 1 / 2014**

# **COURSE OUTLINE**

# **Names and Contact Details**

Course Coordinator: Dr Richard Norman

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**School Office Hours:** 8.30am to 5.00pm, Monday to Friday

# **Trimester Dates**

Monday 24 February – Wednesday 11 June 2014

# Withdrawal from Course

Formal notice of withdrawal must be in writing on a Course Add/Drop form (available from either of the Faculty's Student Customer Service Desks or from the course administrator). Not paying your fees, ceasing to attend lectures or verbally advising a member of staff will NOT be accepted as a formal notice of withdrawal.

1. Your fees will be refunded if you withdraw from this course on or before **Friday 7 March 2014**.

2. The standard last date for withdrawal from this course is **Friday 16 May 2014**. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an 'Application for Associate Dean's Permission to Withdraw Late' including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks.

# **Class Times and Room Numbers**

This course is delivered in a modular format.

Module One:Wednesday 26 February 20148.30am - 6.00pmModule Two:Wednesday 30 April 20148.30am - 6.00pmModule Three:Wednesday 11 June 20148.30am - 6.00pm

Breaks: Morning = 10.30am - 11.00am, Lunch = 12.30pm - 1.30pm, Afternoon = 3.30pm - 1.30pm

4.00pm

**Locations:** Classes will be held on the Pipitea Campus of Victoria University in Wellington and

you will be advised of your classroom one week prior to each module by email. The timetable is available to view on the Victoria University website at

www.victoria.ac.nz/students/study/timetables .

## Attendance is required at all teaching days

# **Prescription**

The theory and practice of human resource management relevant to the public sector, how it affects and contributes to organisational strategies, and how to make the phrase "people are our greatest asset" a practical reality.

# **Course Learning Objectives**

This paper provides an overview of how the elements of Human Resource Management (HRM) relate to and affect organisational strategies. The focus will be on the strategic contribution of HRM rather than the development of operational skills. The paper will explore the policies and practices which need to be considered if the frequently-used phrase "people are our greatest asset" is to ring true for members of an organisation.

#### Objectives are:

- To think strategically about HRM by applying theory to issues which are important for participants and their organisations.
- To apply theory and research from topics such as employee influence, recruitment and selection, performance management, rewards and the design of work to strategic challenges.
- To prepare for HRM challenges likely to result from public sector change forecast by the State Services Commission.

# **Course Content**

Our time together consists of three very full days, a total of 22.5 teaching hours. Each module has preparatory work designed to help foster interaction, and help a diverse group of public sector managers debate issues rather than listen to lecture-based knowledge. The aim is to create classes which are fast paced, interactive, varied, and which will motivate your reading and application between modules. To help achieve this, the course prompts you to identify issues which are currently or potentially important for you and your organisation, and to use textbook and class input to look at these issues through different lenses.

The course and assignments follow an action-reflection model, described by one writer about public sector leadership, Ronald Heifitz, as moving from the dance floor to the balcony. You will start in Module one with a description of strategic challenge which may take a 'dance floor' perspective. For modules two and three, you will be encouraged to diagnose the challenge – taking a 'balcony' perspective of the shape of the dance, stepping aside, and drawing on theory and research to interpret the action. The aim is that by the end of module three, you will have insights and perspectives for future action – the return to the 'dance floor'.

An insight from human resource management research is that tasks that get rewarded and noticed are more likely to be carried out than those that don't. In keeping with this principle, there are small rewards at each session for pre-reading, with the aim of ensuring we can assume a common knowledge base for discussions. These short tests are included because of experience that reading is otherwise likely to be limited to that relevant to individual assignments.

Early in each session, there will be a fifteen minute written 'test' which seeks written responses to two of four questions relating to the prescribed readings. The notes you write will be marked after the module, but will also assist with debate later in that module. This will be an 'open book' test, but one which will be much easier to complete as a result of pre-reading and note-taking.

You will need to attend class to take this test. In the interests of fairness to the whole class; individual sittings following the class will not be available. Should absence because of illness be an issue regarding a pass/fail grade, there will be an opportunity to consider an aegrotat grade based on marks for other tests and assignments.

The university's "Blackboard' system will be available for blogs to enable exchange of learning between modules. To ensure contributions, there will be a small 'incentive' for participating.

# Readings

The course textbook is *Strategic Human Resource Management* by Catherine Truss, David Mankin and Clare Kelliher, Oxford University Press, 2012.

This text is a readable and thorough review of thinking about the strategic contribution of HR in the period since the 2007 global financial crisis. While the text mostly focuses on multi-national organisations rather than the public sector, the themes are directly relevant to a New Zealand public sector which is similar in scale to a Multi-national Corporation and is seeking to work more collectively across divisional boundaries. Also provided is a book of readings that focuses particularly on links between organisational and human resources strategies and provides ideas about other books and articles you might consult. For the most recent material, search the University Library's book collection under the subject term of 'personnel management'. It will help considerably if you skim read all of the text book and readings during March and before

Module Two to help identify readings most relevant to the strategic issue which is the three part assignment.

## **BEFORE MODULE ONE**

To ensure time at module one is used as productively as possible, a short written assignment is sought by the Friday before the first module – due by email – to <u>richard.norman@vuw.ac.nz</u> by **4.00pm**, Friday 21 February 2014, so these can be assessed and incorporated into module one on the following Wednesday.

## **MODULE ONE READINGS**

#### Readings

- Truss et al. Strategic Human Resource Management
  - o Chapter 1: The global context of strategic human resource management
  - o Chapter 2: The changing context for SHRM
  - o Chapter 3: Strategic Management

#### Readings booklet

• Hendry, Storey, Legge, Fisher et al, Beer et al, Gratton, Pfeffer, Ulrich

## MODULE TWO READINGS

Assignment Two, as described below.

## Readings

- Truss et al. Strategic Human Resource Management
  - o Chapter 4: The strategic role of the HR function
  - o Chapter 5: The foundations of SHRM
  - o Chapter 6: Resource-based and institutional perspectives on SHRM
  - o Chapter 7: HR strategy
  - o Chapter 8: SHRM and performance
  - o Chapter 9: SHRM and human resource development
  - o Chapter 10: SHRM and talent management
  - o Chapter 11: SHRM and employment relations

#### Readings booklet

To be advised

## MODULE THREE READINGS

Assignment Three, as described below.

#### Readings

- Truss et al. Strategic Human Resource Management
  - o Chapter 12: Employee engagement
  - o Chapter 13: Knowledge management and SHRM
  - o Chapter 14: SHRM and corporate social responsibility
  - o Chapter 15: SHRM and the management of change
  - o Chapter 16: New forms of SHRM

#### Readings booklet

To be advised

# **Course Delivery**

This course is delivered in a modular format, which includes a minimum of 24 hours contact. The 24 hours are broken up into three separate days of eight hours each (a 'module'). There are three modules in the course with approximately six weeks between each module. **Attendance is** required at all teaching days (8.30am - 6.00pm).

# **Expected Workload**

The learning objectives set for each course are demanding and, to achieve them, candidates must make a significant commitment in time and effort to reading, studying, thinking, and completion of assessment items outside of contact time. Courses vary in design but all require preparation and learning before the first day of the course and regular learning is also necessary (students who leave everything to the last moment rarely achieve at a high level).

Expressed in input terms, on average, the time commitment required usually translates to approximately 150 hours (including class contact time) for a 15-point course.

## Assessment

The purpose of assessment is to ensure that you have met the standard of work required by the course; to give you feedback on your performance to assist you with your future study; and to provide the teaching staff with feedback on the progress of the class. Meeting assignment deadlines is particularly important for an interactive course like this. Assignments are sought before each module, to make it possible to give you fast feedback and incorporate learning into discussions.

#### **Assignments**

This course aims to enable you to apply ideas and research about human resource management to current and future public sector challenges. The 'mastery' sought through a programme such as the Master of Public Management is the ability to apply a strong knowledge base for HR challenges you can expect to face in a management role. The assignments ask you to apply theory and research to an important current issue, to develop analytical, diagnostic and decision making skills.

#### Selecting a significant 'strategic issue'

As a result of legislative change in 2013, which has strengthened the role of New Zealand's central public sector HR organisation, the State Services Commission (SSC), many public organisations will be learning new ways of working. An overview of changes from a speech by the State Services Commissioner, Iain Rennie, in July 2013, is reproduced as an appendix to the course outline, with HR themes underlined. This appendix will hopefully help you identify a 'strategic issue' with significant human resource management issues, that you can cover in a one part outline for module one, diagnose in some depth for module two, and then provide a more complete diagnosis along with recommendations for action for module three. Students whose organisations (New Zealand or international) are not directly affected by changes being overseen by SSC are welcome to propose strategic issues relevant to their context and future work directions. Or you may choose to focus on an organisation and sector you would like to work in or learn. A strategic issue, virtually by definition, will involve some form of conflict. The conflict may involve ends (what); means (how or how much); philosophy (why); location (where); timing (when); and who might be advantaged or

disadvantaged by different ways of resolving the issue (who).<sup>1</sup> The following questions are effective prompts for identifying the HR elements of a strategic issue.<sup>2</sup>

Business	Human resources
What business are we in?	What sort of people do we need in the business?
Where are we going, and how are we going to get there?	What sort of organization do we need?
What are our business strengths and weaknesses?	To what extent are those strengths and weaknesses related to our human resource capability? How do we remedy them?
What opportunities and threats do we face?	What opportunities do these create for developing and motivating employees? What are the threats to growth through skill shortages and the retention of key staff'? What are the threats from decline in holding the skill base of the organization together?
What are the main strategic issues facing the business?	To what extent do these issues involve organizational and HR considerations?  Do managers recognise the HR implications?
What are the critical success factors which determine how well we achieve our mission?	How far is business success helped or hindered by the quality, motivation, commitment, and attitudes of our employees?  How can high performance be encouraged?

 $<sup>^1</sup>$  Bryson, J. (2011) Strategic Planning for Public and Nonprofit Organizations, Jossey Bass, San Francisco p. 57  $^2$  From: Human Resource Management - a strategic approach to employment, By Chris Hendry, Butterworth Heinemann, London, 1995

# **Assignment One**

# Before Module One

Provide an overview of no more than one page (400 words maximum) of a human resource management dilemma (5 marks)

Deadline: 4.00pm, Friday 21 February 2014

	Marks	Excel-	Very	Good	Satis-	Unsatis-
		lent	Good		factory	factory
How clearly stated is the strategic issue?	2					
How well does the overview provide						
context about the stakeholders involved,						
and conflicts that make this a						
challenging issue?						
How effectively does the overview	2					
identify HR issues which need to be						
analysed to understand the issue in						
depth?						
Provide a one paragraph project plan for	1					
advancing the analysis for modules two						
and three. What documents can you						
use? Who might you able to interview						
for background						

# **Assignment Two**

Deadline: 4.00pm, Wednesday 23 April 2014

# Before Module Two

Analyse in more depth the strategic issue identified for Module one, or revise the issue based on feedback.

Write about the strategic issue in the following sections, to a maximum of 2,500 words excluding appendices. The word count for each section will vary depending on whether you have more information about the strategic issue or relevant research and theory.

- a) More in-depth analysis of the strategic issue, within the context of public sector change.
- b) More in depth analysis of the HR issues which are important to understand in order to tackle the strategic issue.
- c) Research and theory which you identify as relevant for analysing the issues in more depth for Module three.

	Marks	Excel- lent	Very Good	Good	Satis- factory	Unsatis- factory
II 11 is the startesis issue	10	ICIIt	Good		Tactory	ractory
How well is the strategic issue	10					
identified and analysed in the						
context of the organisation and						
government system?						
How effectively are frameworks	10					
from the text and readings used to						
analyse the HR issues affecting the						
strategic issue? How well are						
systems issues identified with the						
help of the 'Harvard Map'? (P85						
of Truss et al., and in the readings)						
Theory and research relevant for	10					
creating recommendations for						
Module three. How effectively are						
these identified, giving confidence						
that Assignment Three will see						
additional analysis of the 'what is'						
and well argued 'what should be'						
recommendations?						

# **Assignment Three**

Deadline: 4.00pm, Wednesday 4 June 2014

# Before Module Three

Prepare a revised and final report that brings together new research with the assignment from Module Two. Present your findings about the strategic issue/s and the HR issues with recommendations for action. This is an opportunity to revise Module Two material if needed, with more marks given for the additional sections of the report. Maximum length: 4,000 words plus appendices.

	Marks	Excel-	Very	Good	Satis-	Unsatis-
	_	lent	Good		factory	factory
Reflection on learning: One page	5					
which analyses stages of development						
of this report. How has your						
understanding of the issue changed						
since your identified the strategic issue						
in February? What ideas have helped						
most in shaping your thinking? How						
much has the final report changed from						
the draft prepared for module 2?	1.0					
Summary of the report – a see at a	10					
glance executive summary of no more						
than two pages, which you would feel						
confident in providing to a decision						
maker (please name that person) who						
could act on your recommendations.	-					
How well is the strategic issue	5					
identified and analysed in the context						
of the organisation and government						
system? This is an opportunity to						
revise the Module Two information to						
include insights from your reading.	~					
How effectively are the HR issues	5					
analysed, drawing on the text and						
readings, and, where needed other references?						
	10					
Theory and research relevant to the	10					
strategic HR issues. How strongly is						
the literature used to analyse the issues						
in sufficient depth to assist with						
arguments for action.	5					
Recommended actions. How clearly do recommendations flow from the	3					
diagnosis of the issues and theory and research? Are these realistic and						
innovative recommendations?						

#### **Class Revision Tests**

Five marks per module. These are included to encourage reading of the text and book of readings beyond the topics which are relevant for individual assignments. At each class you will be provided with four questions based on the readings for the module and fifteen minutes in which to write ideas about two of the questions which can contribute to discussion during the module. These will be open book revision sessions and work will be collected for marking.

## Blogs between Modules One and Two, and between Modules Two and Three

Five marks per module – expected minimum contribution is three comments, each of a paragraph in length, and two comments on contributions from other participants. These marks will be based on quantity and quality! The aim is to encourage sharing of interesting findings, readings and questions between modules, using the university's blackboard system.

# **Summary of marks schedule**

	Module One	Module Two	Module Three	TOTAL
Analysis of strategic issues	5	30	40	75
In class reflection pieces	5	5	5	15
Blogs		5	5	10
	10	40	50	100

## **Assignment submission**

Please submit assignment one BY EMAIL to <u>richard.norman@vuw.ac.nz</u> by **4.00pm**, Friday **21** February **2014**.

Please submit assignments two and three IN HARD COPY to:

Post Experience Programmes, School of Government, Victoria University of Wellington, Level 8 Reception, Rutherford House, 23 Lambton Quay, P.O. Box 600, Wellington 6140.

Assignments submitted by post are given two days grace to allow for delivery time, while assignments that are submitted in person should be placed in the secure box at School of Government reception (Level 8, Rutherford House, Pipitea Campus, office hours = 8.30am to 5.00pm, Monday to Friday) by the due date/time. The assignment box is cleared daily, and assignments will be date stamped.

Students should keep a copy of all submitted work.

# **Penalties**

The ability to plan for and meet deadlines is a core competency of both advanced study and public management. Failure to meet deadlines disrupts course planning and is unfair on students who do submit their work on time. It is expected therefore that you will complete and hand in assignments by the due date. Marks will be deducted at the rate of five per cent for every day by which the assignment is late and no assignments will be accepted after five working days beyond the date they are due. For example, if you get 65% for an assignment, but you handed it in on Monday when it was due the previous Friday, you will get a mark of 50%.

If ill-health, family bereavement or other personal circumstances beyond your control prevent you from meeting the deadline for submitting a piece of written work or from attending class to make a presentation, you can apply for and may be granted an extension to the due date. You should let your course coordinator know as soon as possible in advance of the deadline (if circumstances permit) if you are seeking an extension. Where an extension is sought, evidence, by way of a medical certificate or similar, may be required by the course coordinator.

# **Mandatory Course Requirements**

In addition to obtaining an overall course mark of 50 or better, students must submit or participate in all pieces of assessment required for this course.

If you cannot complete an assignment or sit a test or examination, refer to www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat.

# **Communication of Additional Information**

Additional information may be provided in class, by post, by email, via Blackboard or via the internet-based blog.

**Blackboard** is Victoria University's online environment that supports teaching and learning by making course information, materials and other learning activities available via the internet through the myVictoria student web portal.

To access the Blackboard site for this course:

- 1. Open a web browser and go to www.myvictoria.ac.nz.
- 2. Log into myVictoria using your ITS Username (on your Confirmation of Study) and password (if you've never used the Victoria University computer facilities before, your initial password is your student ID number, on your Confirmation of Study, Fees Assessment or student ID card you may be asked to change it when you log in for the first time).
- 3. Once you've logged into myVictoria, select Blackboard (from the options along the top of the page) to go to your Blackboard homepage.
- 4. The "My Courses" section displays the courses you have access to select the appropriate link to access the course-specific Blackboard site. Please note that only courses that are actually using Blackboard and have been made available to students by their respective course coordinator will be displayed.

**NOTE:** Information emailed to you via Blackboard can only be sent to your @myvuw.ac.nz email address (the free email address created for you when you enrol and accessed via the myVictoria student web portal). If you want to receive these emails at your preferred email address (e.g. your home or work email address), it is **essential** that you activate your @myvuw.ac.nz email address before the start of the course and you modify the settings so all emails sent to it are automatically forwarded to your preferred email address. Please go to <a href="www.victoria.ac.nz/its/student-services/FAQs.aspx#Email Forward">www.victoria.ac.nz/its/student-services/FAQs.aspx#Email Forward</a> for more information.

You are recommended to ensure that your computer access to Victoria University's computer facilities, such as myVictoria, Blackboard and email, is working BEFORE your course starts. If you have any problems, you should contact the ITS Service Desk on (04) 463 5050 or <a href="mailto:its-service@vuw.ac.nz">its-service@vuw.ac.nz</a>. See <a href="https://www.victoria.ac.nz/its/student-services/">www.victoria.ac.nz/its/student-services/</a> for more information.

# **School of Government Service Standards**

Good learning and teaching outcomes for students in School of Government courses depend on many factors, including open, transparent and accountable relationships between teaching and support staff, and students in their various activities. The following service standards indicate some of the key expectations that teaching staff and students can have of each other. In all cases, they represent what the School believes should be 'normal' practice; exceptional circumstances can and will be negotiated as required.

Please note that there are University-wide policies relating to assessment – including rights of review and appeal. Details may be found in the Assessment Handbook (which is reviewed and updated from time to time – <a href="https://www.victoria.ac.nz/about/governance/dvc-academic/publications">www.victoria.ac.nz/about/governance/dvc-academic/publications</a>).

In general terms, any concerns that a student or students may have should be raised with the course coordinator in the first instance. If that course of action is not appropriate, the School's programme support staff will direct you to the relevant Programme Director/Coordinator.

Standards relating to staff timeliness of responses to email and phone queries:

• Email or phone queries from students will be responded to in 48 hours

Standards relating to availability of course materials:

- Students on modular or intensive courses will usually have course materials at least 4 weeks before the course starts
- Students on weekly courses will usually have course materials available on the first day of the course

Standards relating to attendance:

- It is expected that students will attend <u>all</u> contact teaching sessions for a course. If a student is aware that they will be unable to attend part of a course prior to it commencing, they are required to advice the course coordinator. In such a situation, the student may be declined entry into the course.
- Where a course coordinator approves some non-attendance before the class commences, the course coordinator may set additional item(s) of assessment of learning and teaching objectives for the course for students unable to attend. Advice relating to the submission

and assessment of any such additional assessment will be provided by the course coordinator.

Variations to the assessment details provided in the course outline:

• Any variation to the assessment details in the course outline will be formally agreed between the course coordinator and students at the earliest possible time, preferably at the beginning of the course.

*Standards relating to assignments – turnaround and feedback:* 

- Unless otherwise agreed between students and the course coordinator, items of assessment will be marked within 15 working days of submission.
- Comments on pieces of assessment will allow students to understand the reasons for the mark awarded, relative to the teaching and learning objectives specified in the course outline, and will usually include advice on how the student can improve their grades in future assignments.

# Academic Integrity, Plagiarism, and the Use of Turnitin

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea. Even if it is presented in your own style, you must still acknowledge your sources fully and appropriately. This includes:

- material from books, journals or any other printed source
- the work of other students or staff
- information from the Internet
- software programs and other electronic material
- designs and ideas
- the organisation or structuring of any such material.

Acknowledgement is required for *all* material in any work submitted for assessment unless it is a 'fact' that is well-known in the context (such as "Wellington is the capital of New Zealand") or your own ideas in your own words. Everything else that derives from one of the sources above and ends up in your work – whether it is directly quoted, paraphrased, or put into a table or figure, needs to be acknowledged with a reference that is sufficient for your reader to locate the original source.

Plagiarism undermines academic integrity simply because it is a form of lying, stealing and mistreating others. Plagiarism involves stealing other people's intellectual property and lying about whose work it is. This is why plagiarism is prohibited at Victoria.

If you are found guilty of plagiarism, you may be penalised under the Statute on Student Conduct. You should be aware of your obligations under the Statute, which can be downloaded from the policy website (<a href="www.victoria.ac.nz/home/about/policy/students.aspx">www.victoria.ac.nz/home/about/policy/students.aspx</a>). You could fail your course or even be suspended from the University.

Plagiarism is easy to detect. The University has systems in place to identify it.

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <a href="www.turnitin.com">www.turnitin.com</a> . Turnitin is an on-line plagiarism prevention tool

which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

There is guidance available to students on how to avoid plagiarism by way of sound study skills and the proper and consistent use of a recognised referencing system. This guidance may be found at the following website <a href="https://www.victoria.ac.nz/home/study/plagiarism.aspx">www.victoria.ac.nz/home/study/plagiarism.aspx</a>.

If in doubt, seek the advice of your course coordinator.

Plagiarism is simply not worth the risk.

# **Student Feedback**

Student feedback on University courses may be found at <a href="https://www.cad.vuw.ac.nz/feedback/feedback\_display.php">www.cad.vuw.ac.nz/feedback/feedback\_display.php</a> .

# **Link to General Information**

For general information about course-related matters, go to www.victoria.ac.nz/vbs/studenthelp/general-course-information.

# **Note to Students**

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

#### **Appendix One**

Strategic policy, management and HR issues of the New Zealand public service

Speech of Head of State Services and State Services Commissioner Iain Rennie at the Institute of Public Administration New Zealand (IPANZ) State sector legislation launch, 30 July 2013 - <a href="https://www.ssc.govt.nz/sscer-speech-ipanz-30july13">www.ssc.govt.nz/sscer-speech-ipanz-30july13</a>

Strategic Human Resource Management themes underlined and presented in theme areas at the end.

... we are never going to have more mandate than we have today to do the kind of changes that we need to make.

We have been provided with the tools that we need to create a world leading State sector. I certainly see it as my job to work with other leaders through the system to get on and use these tools.

Fundamental to understanding the new legislation is that it provides permissive tools that will assist change.

We have a strong base to build from. We should all be proud of working in a really good State sector. New Zealand consistently leads the world in terms of strong trusted institutions. Just a few illustrations of that fact:

The satisfaction expressed by New Zealand in its public services is very high against international benchmarks.

New Zealand is a world leader in terms of perception of the absence of corruption in government.

The World Bank rates New Zealand as fifth highest in terms of government effectiveness – ahead of many of the countries against which we traditionally benchmark ourselves for example. Australia 10th and the UK at 15th.

# From good to great

However we can and must do better.

The State services of the future need to operate much more as a system than a collection of fragmented individual agencies.

The public and government expect government services to be <u>designed and delivered around the</u> needs of New Zealanders, not around organisational boundaries.

The State sector <u>workforce</u> is much more in demand today than 15 or 20 years ago from both private sector and international employers. People are demanding opportunities for more varied and deeper career development than individual agencies can provide.

The long term fiscal outlook will require the public sector no matter who is in charge of the Treasury benches to generate significant ongoing productivity gains over the foreseeable future.

## A three pronged approach to success – results, leadership, and stewardship

To meet these challenges successfully the New Zealand State services over the next few years has to do several key things.

We have to focus on the issues that really matter to New Zealanders by <u>focussing money</u>, <u>people</u> and information where they are needed to tackle the causes of problems - not just the symptoms.

Secondly, we will develop leaders for the State services system, not just of individual agencies.

This means <u>less reliance on the "spot market" for talent.</u> We will move towards <u>a system of stronger management</u>, <u>leadership development</u>, <u>bench strength and deeper technical mastery in those areas that are critical to creating superior performance for the long term.</u>

We will place much <u>more importance on our stewardship role - this means building capability and</u> resilience into our State services for the benefit of current and future New Zealanders

Achieving this new "state of the state" will require three key shifts – one towards a result focus, one towards system focussed leadership and a third towards stewardship.

#### **Results focused**

The fact that <u>complex problems must be solved by genuinely collaborative enterprise of multiple agencies</u> is an insight that our frontline staff already know.

Dealing with the underlying causes of big problems, as opposed to addressing the symptoms, can't be done by one agency working on its own.

Nor can the State services do everything.

We need to <u>focus on what matters most</u> and <u>know how to mobilise community and private sectors</u> to achieve change

In the connection the <u>Better Public Services results are a world leading innovation – owned and driven by both ministers and chief executives</u> - they are driving the shift from agency silos and agency outputs to focus on achieving results.

Focusing on results means <u>being clear about what you are trying to achieve – the result comes first</u> <u>and defines how best to bring relevant capabilities together</u> for success.

## Legislative changes

New legislation helps us achieve this.

## **Public Finance Act**

For example, in the area of funding, the joint funding tools such as multi-category appropriations, enabled by the changes to the Public Finance Act, will be of material benefit.

#### **Crown Entities Act**

Similarly we need to engage much more actively beyond the public service with our Crown Entity colleagues

Crown Entities in many cases focus on delivery to the community and we need to engage and enrol more State services organisations to support a wider result focus.

Despite a promising start in the shift towards a much more (of a) results focus we have to recognise that this is really challenging and that we will have to work quite differently to get durable real gains.

And this will include <u>better partnering with community and private sector capabilities</u>. For example, <u>moving from contracting for just outputs and services towards contracting for results</u>, and using <u>greater contestability to drive innovation</u>

To be more effective we also need to <u>improve bottom line performance of our agencies in a way that frees up chief executives and agencies to focus on results.</u> We have huge opportunities through the new functional leadership models around property, procurement and ICT, and real opportunity with the current <u>Optimise HR</u> and Optimise Finance projects, to realise gains in the finance and HR areas. The amendments to the Crown Entities Act, on whole of government directions, will assist us drive change across the State services.

## **System leadership**

Central to enabling a results focus is a focus on <u>leadership development</u>. That means <u>leaders must</u> focus on the objectives of the State sector as a system rather than just individual agencies.

People are at the heart of what we do as a State sector. So to mobilise the community, private and wider state sector to achieve results we need leaders who have the system in their DNA.

Recently I went to Singapore to talk to our colleagues and one of the things that struck me is that it has built, and invested over time in a cadre of leaders who have a view of themselves as a system and have an ability to agilely move and adjust as priorities changes.

The recent statutory amendment adds to the role of the State Services Commissioner as Head of State Services so that it now includes explicit responsibility for the performance of the State services as a whole.

Probably the second person who has a similar sharp degree of accountability is Colin MacDonald as the GCIO. Government has put in place some very stretching and <u>clear expectations around ICT performance across the system</u>, and around Colin's role in terms of visible assurance and leadership of the system.

Over the next couple of years we will see demonstrable change in the leadership that our professional leaders will have in the system.

For example, I expect the <u>Secretary of Treasury in his financial management leadership</u> role, and the <u>Solicitor General in his leadership of the legal profession</u>, to be much more active in developing their professions, - to set standards, build communities of practice, and recognise excellent performance in these professions right across the State services.

But a system focus for leadership isn't just about what happens at the top. It has to be deeply embedded right throughout our system.

Over the next several years I expect to see a number of initiatives that will begin to grow that system focused leadership.

## Spotting and developing leaders - the future face of the State sector

At the moment the <u>State sector is not attracting enough of the excellent graduates</u> who are leaving universities.

To address this we will establish a <u>State services graduate programme</u> that will encourage graduates to come into the State services and work in a number of different agencies in their initial years.

The programme also will get greater reach into communities and leaders that we are not well represented by with within the State services - in particular Maori and Pasifika leaders.

We need to <u>engage and invest in our emerging leaders</u>. These are people probably in their late <u>twenties</u>, <u>early thirties who are in their first or second management jobs</u> and are showing real potential.

We need to nurture those people to get them <u>working as a cohort to put them on an accelerated track</u> so that they are credible candidates for senior leadership roles inside a decade.

In terms of our senior people, senior tier two roles and some of the large tier three roles, I'm encouraged by what I see. I see people taking more opportunities to develop their credentials as leaders and <u>move around the system</u>. People are seeing the needs of the new system and seeing the opportunities for them as leaders.

# A more developed leadership – get out to get on

We need to enrol a greater number of our leaders in this new vision and we need to be very honest that <u>senior leaders</u>, <u>whether they are tier two or chief executives</u>, <u>are going to have to demonstrate a</u> much broader range of experiences than they have to date.

For example, I will want to see short listed chief executive candidates who can show they have worked in an operational agency, who have the capacity to work in agencies with different cultures. I will want to see that they have taken the opportunity to work in a system-focussed agency such as a central agency or a functional leadership role.

To those people there's a very clear message "get out to get on".

And that is a message that I will be making increasingly clear to leaders through the system.

#### Chief executives to public service chief executives

The legislation permits the Commissioner, in consultation with ministers and of course with the agreement of the CE, to move existing chief executives into vacancies as they arise.

This is an important change because if chief executives move their identity from being a chief executive of an agency, to being a public service chief executive who at any particular time happens

to operate at any particular agency, that style of system focussed leadership will percolate through the agencies that they lead.

In the short term I don't expect that people will see widespread use of that provision. Over the past two years most chief executives have taken up their current positions so it's not appropriate to see much change for now. But over the next three years I expect we will see that provision used.

The final point I want to make is that <u>system leadership</u> is not only a Wellington issue but it's a <u>regional issue as well.</u>

Recently a couple of senior Auckland public servants approached the Commission wanting an approach to talent management and development in the Auckland area.

Auckland is an area that the sector has struggled with in terms of competition from the private sector. Senior leaders in that area want an opportunity to manage development and think about career paths not just across the State services but also Auckland local government.

That's a great initiative and it's the kind of behaviour that we want through this broader programme.

# **Stewardship** – **future proofing**

Over the past few years, through the Performance Improvement Framework (PIF), we've developed a very comprehensive diagnostic about what our State services are good at.

We are very good at responding to the demands of ministers in the here and now

We are very good at responding to crisis and mobilising response.

We are <u>much less good at thinking about the long term</u> and the various dimensions of that.

We are much less good at making sure that we are focusing on <u>policy issues that our government</u> <u>will have to grapple with in five to ten years</u> so we are able to support that government address those issues.

We are not good at issues like succession management and talent management.

We are not particularly good at <u>long term capital management</u>.

So in the context of a world class State Service, a shift from the short term to the long term is fundamental.

So how do we do that?

## **Building resilience**

First, performance expectations of chief executives will be increasingly geared towards stewardship. Each year Cabinet will endorse the stewardship obligations which the Commissioner will give chief executives.

It means <u>active planning and management</u>. It means building in resilience so initiatives like Optimise HR and Optimise Finance are fundamental to make sure we get real resilience and quality improvement in key professions.

It means thinking about stewardship in a very different way.

#### **Information**

Information is a key issue for the State services and it warrants probably a separate speech on a different day. But key to shifting the way we think about information is to think about information as a strategic asset.

We need to be very clear around our responsibilities and open with the public around the information that should be available to them in a free way

It also means we need to be very mindful about the information the public gives us that we need to care for and protect.

## Trust and integrity

It is fundamental for us to have <u>high levels of trust and integrity</u>. It is both one of the biggest opportunities to transform the State services but also one of our biggest threats to our standing as the trusted State sector.

So that is why, for example, in the past few months I've made increasingly explicit in chief executive performance agreements the expectations around information security and privacy.

#### Conclusion

All this adds up to significant change for the State sector in the years to come. But it is not what that we usually associate with State sector change. This is not a vision about widespread amalgamations of agencies, super ministries or the like.

Indeed I expect that over the next three to five years we will continue to have many of the same agencies that we have today, but what happens within the agency will be radically altered.

Agencies will focus on the absolutely critical capabilities that they need to deliver their business and which they can sustain over time.

Increasingly they will look to partner with professional leaders across the system, community and private sectors using the new delegation opportunities to support and deliver the services that they are required to get the job done.

#### **Diagnosis is over - time for action**

Over the last few years you've had a lot of diagnosis around the state of the public services.

As I said, the PIF finds us with a very clear idea about what we're good at and what we're not so good at.

We've had the intellectual debate about the kind of philosophical shifts in the Public Sector system that are reflected in the legislation.

The diagnosis and debate is now over - we are into the hard graft of implementation and change.

One of the important challenges that I put to everyone in this room today is this is not change that can be delivered from Number Two, The Terrace, or indeed from any chief executive's office in

any agency.

This is change that has to happen at a number of levels. It's about change that's centrally led in

collaboration with the system.

It's about partnering opportunities with individual sectors, groups and unions.

It's about a set of permissions for people to do things in different ways.

New Zealand has a strong tradition of ground breaking reform in public management and these reforms continue our push to be at the leading edge of innovation and excellence in State services.

You as a State servant

There's a lot in this reform programme from the point of view of the state servant.

It's about making it easier for you to work across the State services and beyond and build really

exciting and diverse careers.

It's about the things that you can do to get the result for the community that you're trying to service.

It's about focusing the skills and knowledge and experience where they can make the greatest

difference to New Zealand.

And it's to help us shape the State services of the future the State services that you can all be proud

to work in.

**Strategic challenges for public services:** 

**Better Public Services: Results for New Zealanders** 

FROM: www.ssc.govt.nz/bps-results-for-nzers

The Government has set 10 challenging results for the public sector to achieve over the next five

years.

Reducing long-term welfare dependence

1. Reduce the number of people who have been on a working age benefit for more than 12 months

Lead Minister: Hon Paula Bennett

Lead CE: Ministry of Social Development, Chief Executive Brendan Boyle

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# Supporting vulnerable children

2. Increase participation in early childhood education.

Lead Minister: Hon Tony Ryall and Hon Hekia Parata

Lead CE: Ministry of Social Development, Chief Executive Brendan Boyle - supported by Ministry

of Education Chief Executive Peter Hughes

**3.** Increase infant immunisation rates and reduce the incidence of rheumatic fever.

Lead Minister: Hon Tony Ryall

Lead CE: Ministry of Social Development, Chief Executive Brendan Boyle - supported by Ministry

of Health Director General Kevin Woods

4. Reduce the number of assaults on children.

Lead Minister: Hon Tony Ryall and Hon Paula Bennett

Lead CE: Ministry of Social Development, Chief Executive Brendan Boyle

## Boosting skills and employment

**5**. Increase the proportion of 18-year-olds with NCEA level 2 or equivalent qualification.

Lead Minister: Hon Hekia Parata

Lead CE: Ministry of Education Chief Executive Peter Hughes

**6**. Increase the proportion of 25 to 34-year-olds with advanced trade qualifications, diplomas and degrees (at level 4 or above).

Lead Minister: Hon Steven Joyce

Lead CE: Ministry of Education Chief Executive Peter Hughes

## **Reducing crime**

7. Reduce the rates of total crime, violent crime and youth crime.

Lead Minister: Hon Judith Collins

Lead CE: Ministry of Justice, Chief Executive Andrew Bridgman

**8**. Reduce reoffending.

Lead Minister: Hon Judith Collins

Lead CE: Ministry of Justice, Chief Executive Andrew Bridgman

# Improving interaction with government

**9.** New Zealand businesses have a one-stop online shop for all government advice and support they need to run and grow their business.

Lead Minister: Hon Steven Joyce

Lead CE: Ministry of Business, Innovation, and Employment, Chief Executive David Smol

10. New Zealanders can complete their transactions with the Government easily in a digital environment.

Lead Minister: Hon Chris Tremain

Lead CE: Department of Internal Affairs, Chief Executive Colin MacDonald

# Part 1

Book	Book chapter	SSC issue / s
chapter	theme	
1, 2, 3	The context of	services to be designed and delivered around the needs of
	strategic HRM	New Zealanders, not around organisational boundaries.
		Singapore (has) invested over time in a cadre of leaders
		who have a view of themselves as a system and have an
		ability to agilely move and adjust as priorities changes.
4, 5, 6, 7	Strategic HRM	need to operate much more as a system than a collection of
		fragmented individual agencies.
		more importance on our stewardship role - this means
		building capability and resilience into our State services
		complex problems must be solved by genuinely
		collaborative enterprise of multiple agencies is an insight
		that our frontline staff already know.
		focus on what matters most and know how to mobilise
		focus on what matters most and know how to mobilise community and private sectors to achieve change
		community and private sectors to achieve change
		To be more effective we also need to improve bottom line
		performance of our agencies in a way that frees up chief
		executives and agencies to focus on results.
		through the Performance Improvement Framework (PIF),
		we've developed a very comprehensive diagnostic We are
		very good at responding to the demands of ministers in the
		here and now; very good at responding to crisis and
		mobilising response;
		We are much less good at thinking about the long term;
		focusing on policy issues that our government will have to
		grapple with in five to ten years so we are able to support
		that government address those issues.

8	Performance	Better Public Services results are a world leading innovation – owned and driven by both ministers and chief executives - they are driving the shift from agency silos  Focusing on results means being clear about what you are trying to achieve – the result comes first and defines how best to bring relevant capabilities together for success.  will include better partnering with community and private sector capabilities. For example, moving from contracting for just outputs and services towards contracting for results, and using greater contestability to drive innovation
		Central to enabling a results focus is clear expectations around ICT performance across the system (led by Internal Affairs CE)
9	Human resource development	develop leaders for the State services system, not just of individual agencies less reliance on the "spot market" for talent a system of stronger management, leadership development, bench strength and deeper technical mastery in those areas that are critical to creating superior performance for the long term.
		short listed chief executive candidates who have worked in an operational agency, who have the capacity to work in agencies with different cultures. I will want to see that they have taken the opportunity to work in a system-focused agency such as a central agency or a functional leadership role.
10	Talent management	workforce is much more in demand today than 15 or 20 years ago from both private sector and international employers. People are demanding opportunities for more varied and deeper career development than individual agencies can provide.
		a focus on leadership development. That means leaders must focus on the objectives of the State sector as a system rather than just individual agencies.
		We are not good at issues like succession management and talent management.
11	Employment relations	It's about partnering opportunities with individual sectors, groups and unions.

13	Employee engagement  Knowledge management	the State sector is not attracting enough of the excellent graduates who are leaving universities will establish a State services graduate programme to get greater reach into communities and leaders that we are not well represented by with within the State services - in particular Maori and Pasifika leaders We need to engage and invest in our emerging leaders. These are people probably in their late twenties, early thirties who are in their first or second management jobs and are showing real potential. We need to nurture those people to get them working as a cohort to put them on an accelerated track and move around the system. People are seeing the needs of the new system and seeing the opportunities for them as leaders.  Secretary of Treasury in his financial management leadership role, and the Solicitor General in his leadership of the legal profession, to be much more active in developing their professions,  senior leaders, whether they are tier two or chief executives, are going to have to demonstrate a much broader range of experiences than they have to date.  We are not particularly good at long term capital management.
14	Social	fundamental for us to have high levels of trust and
1.5	responsibility	integrity.
15	Change	(Covered in most of the above references to specific changes)