



Australian Government
Australian Public Service
Commission

CAPABILITY REVIEW

Attorney-General's Department

*Effective leadership Diverse workforce **Capable organisations and workforce** Employee conditions APS Values*

Review Report: July 2014



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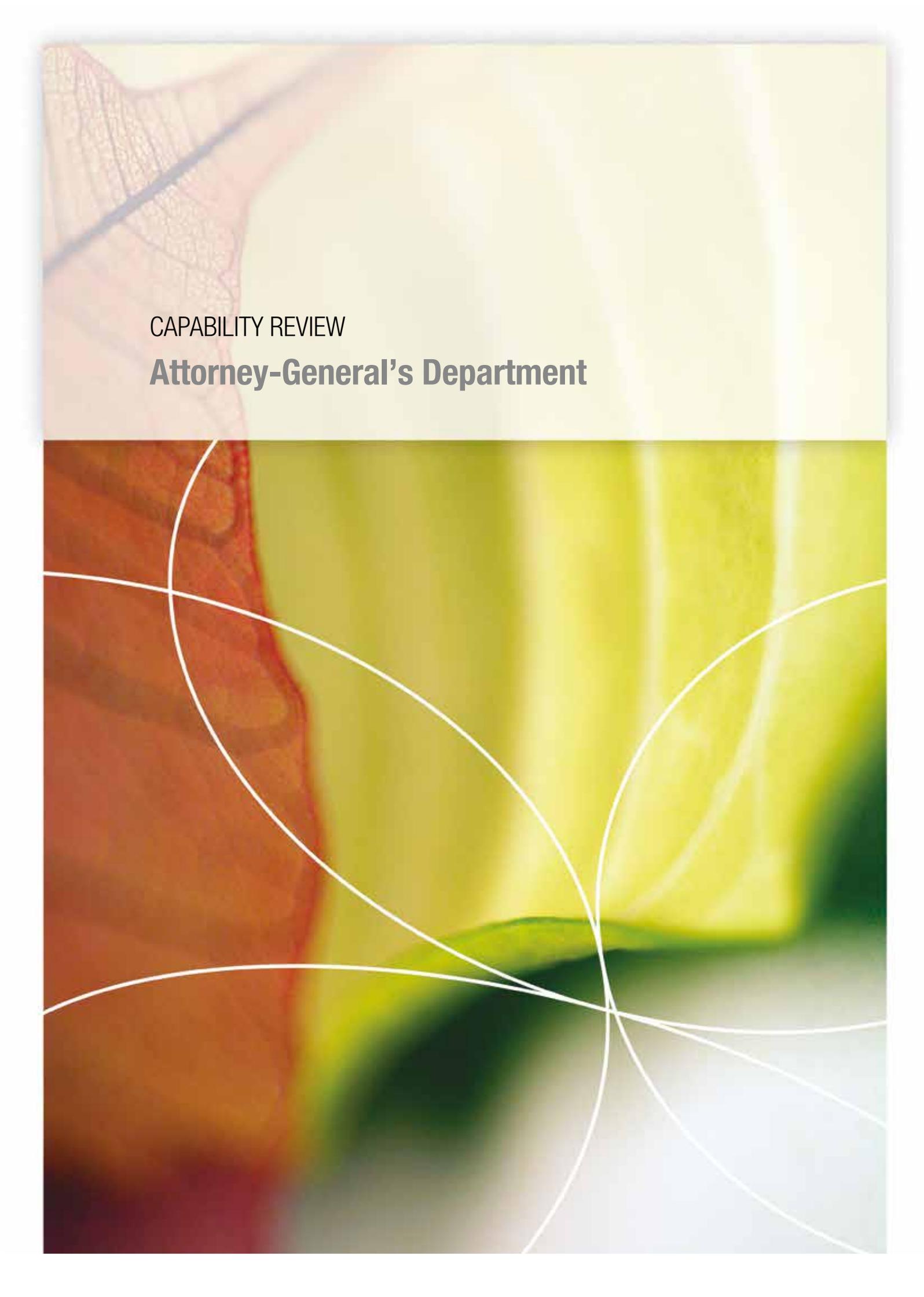
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The background of the page is a close-up photograph of a flower, likely a gerbera, with vibrant yellow and orange petals. Overlaid on this image are several thin, white, curved lines that form a series of overlapping circles or arcs, creating a modern, abstract design.

CAPABILITY REVIEW

Attorney-General's Department

Foreword

In 2011, the Australian Public Service Commission (APSC) commenced a program of systematic reviews to assess capability in key agencies and identify opportunities to raise the institutional capability of the Australian Public Service as a whole.

The methodology used by the APSC to conduct these reviews has been gradually refined to more closely reflect the Australian context in which the review program is being conducted.

On the occasion of this review, I would like to thank the department for its professional and enthusiastic participation. All staff who participated in interviews and workshops were generous with their time and displayed great passion for their work.

I would also like to thank John Ombler, the chair of the review team, other senior members of the team, Penny Armytage and Jan Mason, and my own team from the APSC who supported and advised them. This review has demonstrated the advantages of bringing together a team of this calibre.



Stephen Sedgwick AO
Australian Public Service Commissioner



Context

As per its scope, this review examines the capability and future needs of the Attorney-General's Department (AGD). This report does not comment on the relevance of the department's role in the Attorney-General's portfolio or the Australian Public Service (APS). The information that follows provides additional context about the environment in which the department operates, these factors have not been assessed by the review team.

Recent changes to the Attorney-General's portfolio

Over time, the Attorney-General's portfolio has gone through a number of changes. Most recently, machinery-of-government changes that included the addition of the arts function and the move of the Australian Customs and Border Protection Service out of the Attorney-General's portfolio into the Immigration portfolio.

With the integration of the arts function, the Attorney-General's portfolio expanded to include an additional:

- 12 portfolio agencies (1,704 employees)
- \$7.9 billion in assets, with \$7.8 billion in non-financial assets
- arts policy function.

As part of the integration, seven of the smaller arts agencies will progressively start to use AGD's back-office corporate services to leverage the economies of scale provided by the larger department.

The move of the Australian Customs and Border Protection Service out of the Attorney-General's portfolio has resulted in some operational national security capability and \$834 million in assets no longer being managed by the portfolio.

National Commission of Audit recommendations on legal services

One National Commission of Audit recommendation¹ proposed the integration of some legal advice functions into AGD:

... consolidate the Australian Government Solicitor's Office of General Counsel into the Attorney-General's Department and undertake a review to establish options for the wind-up of the remainder of the entity, including possible sale of the entity's client book.

If the Government chooses to implement this recommendation, there will be significant change in legal advice capability within the Attorney-General's portfolio. This will require careful management.

The evolving Australian Public Service environment

The APS continues to experience change, including:

- continuing requirements to deliver within constrained resources
- increasing effects of globalisation and international legal issues on domestic policy setting
- greater public engagement in, and media discourse on, policy debate
- more policy sources within and outside the APS which increases the contestability of policy advice
- continued emphasis by Government and the APS on whole-of-government approaches.

1 National Commission of Audit, Recommendation 15, part A. <http://www.ncoa.gov.au/report/phase-two/part-c/4-1-rationalisation.html>

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1 About the review

A Capability Review is a forward-looking, whole-of-agency review that assesses an agency's ability to meet future objectives and challenges. It is conducted in accordance with the Australian Public Service Commissioner's statutory function to review any matter relating to the Australian Public Service under paragraph 41(2)(j) of the *Public Service Act 1999*.

This review focuses on leadership, strategy and delivery capabilities in the Attorney-General's Department (AGD). It highlights the department's internal management strengths and improvement opportunities using the model set out in Figure 1. A set of 39 questions is used to guide the assessment of each of the 10 elements of the model covered by this report.

Capability Reviews are designed to be relatively short and take a high-level view of the operations of a department or agency. The report is primarily informed by interviews with senior leaders and external stakeholders, though also considers the views of staff who attend a series of workshops and round-table discussions. External stakeholders interviewed include relevant ministerial staff, central agencies, state and territory organisations, peak bodies, interest groups and private sector companies.

This review considered more than 115 documents, conducted 11 internal workshops with more than 75 staff, 50 individual internal interviews and 80 external interviews.

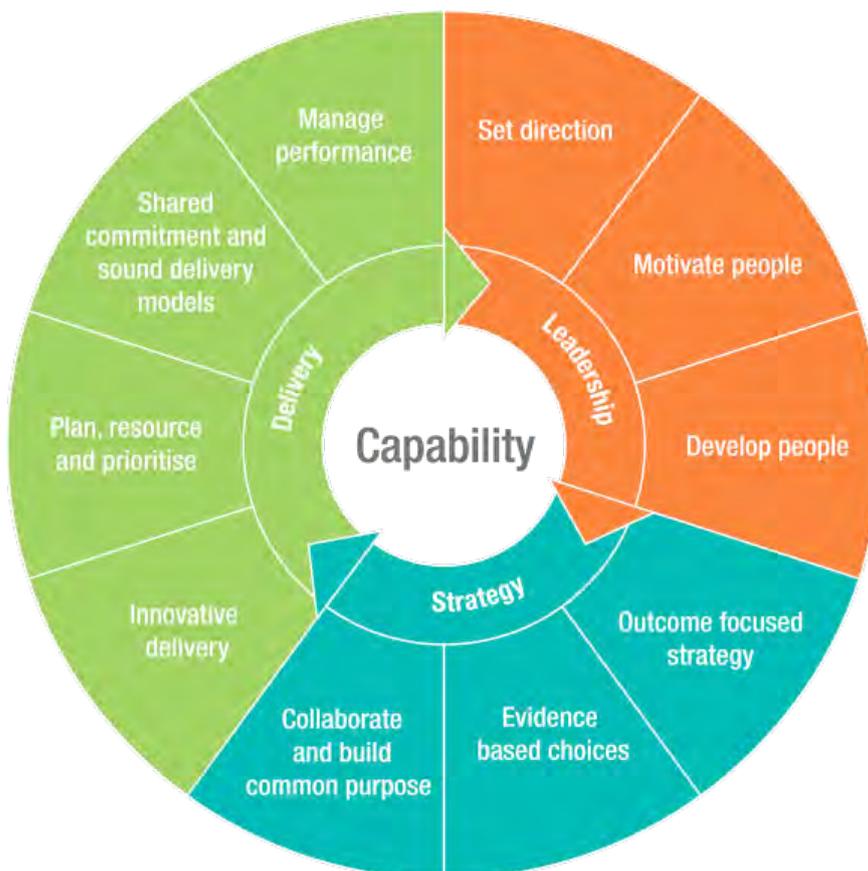


Figure 1—Model of capability

2 About the department

AGD is the central policy and coordinating department of the Attorney-General's portfolio. It delivers programs and policies to maintain and improve Australia's law and justice framework, strengthen national security and emergency management, and provide support for arts and culture.² AGD is primarily a policy department with elements of delivery and legal advice functions. It plays an important role in the provision of legal and policy advice to the Commonwealth Government and the APS, though it is not a central agency.

AGD was established as one of the original seven Commonwealth departments in 1901 to serve as the legal and constitutional adviser to Government. Its support for the Attorney-General as the First Law Officer—the principal legal adviser to the Commonwealth Government—has remained an enduring role throughout the department's 113-year history.

The department serves two ministers—Senator the Hon George Brandis QC, Attorney-General and Minister for the Arts, and the Hon Michael Keenan MP, Minister for Justice.

The department's Strategic Plan 2012–15³ sets out its mission of 'achieving a just and secure society'. The plan also sets out AGD's strategic aims of 'building a safe, secure and resilient Australia' and 'protecting and promoting the rule of law'.

AGD has eight strategic priorities, six of which are outlined in its Strategic Plan 2012–15. The other two are described in its Provisional Annual Business Plan 2013–14, developed as an interim strategy following the September 2013 Federal Election. The strategic priorities are:

- supporting the Attorney-General as First Law Officer of the Commonwealth
- adapting law and law enforcement in the digital economy
- promoting equity and efficiency to improve access to justice
- protecting people's rights
- combating serious and organised crime and corruption
- protecting national security and building resilient communities
- ensuring the sustainability of Australia's arts and culture sector
- central enabling strategies (corporate functions and enterprise-wide strategies).

To support the Attorney-General in fulfilling the role of First Law Officer of the Commonwealth, the department provides constitutional policy advice to Government, oversees Commonwealth litigation, and scrutinises legislation and policy proposals to ensure alignment with Commonwealth legal concepts and the rule of law.

To support the Attorney-General in fulfilling ministerial responsibilities in relation to national security, the department produces national security policy advice. It supports the Minister for Justice's responsibilities by taking a lead role in crime and law enforcement policy and through the coordination of national emergency management functions. To support the Attorney-General's role as the Minister for the Arts, the department works to ensure broad participation in, and access to, Australia's arts and culture.

2 *AGD Portfolio Budget Statements 2013–14*

3 *Strategic Plan 2012–15* <http://www.ag.gov.au/Publications/Documents/Strategic%20Plan/StrategicPlan2012-2015.pdf>



The department provides services to ministers and the Parliament in various ways. In addition to policy and legal advice, AGD supports one national and three international ministerial councils and provides significant administrative and secretariat support.

AGD maintains formal engagement with the states and territories through ministerial committees such as the Law, Crime and Community Safety Council. In addition, the department interacts with state and territory government agencies on legal, casework, policy and operational matters.

Figure 2—Services to ministers and Parliament, 2012–13⁴

Submissions to ministers	Cabinet submissions	Responses to ministerial correspondence	Responses to questions on notice	Briefs*	Speeches
2,333	23	3,755	32	354	7

* Approximate number of individual AGD meeting briefs, possible parliamentary questions and ministers' office briefs.

The Attorney-General's portfolio

The Attorney-General's portfolio comprises 32 agencies, which includes 12 statutory agencies (such as the courts and tribunals), four executive agencies (such as the Australian Financial Security Authority) and two prescribed agencies who engage personnel under their own Acts (such as the Australian Security Intelligence Organisation). Some portfolio agencies are larger than the department itself (for example, the Australian Federal Police with approximately 6400 staff) while others are micro-agencies (for example, the Australian Law Reform Commission with 14 staff).

The Attorney-General's portfolio covers a number of areas, including:

- national security and law enforcement
- criminal intelligence and information
- legal services
- courts and tribunals
- regulation and reform
- APS records management
- arts and cultural affairs
- emergency management.

Attorney-General's Department structure and office locations

AGD is divided into three organisational groups headed by deputy secretaries (Senior Executive Service (SES) Band 3)—Strategic Policy and Coordination Group, Civil Justice and Legal Services Group and National Security and Criminal Justice Group. The department has 12 divisions led by Division Heads (SES Band 2) and 39 branches. Within its structure, the department currently supports three independent Royal Commissions and the Defence Abuse Response Taskforce.

⁴ Attorney-General's Department Annual Report 2012–13

The department's headcount was 1,319 (as at 1 April 2014). It also has more than 280 staff working on the three Royal Commissions and the Defence Abuse Response Taskforce.

AGD staff are mostly located in Canberra, with a small presence across Australia and internationally (Figure 3). With the addition of the arts function⁵, the department acquired 185 staff and state offices in New South Wales, Northern Territory, Queensland, Victoria and Western Australia. This built on its existing regional workforce in Mt Macedon (Emergency Management Training Centre), Sydney (Classification Branch) and Brisbane (Computer Emergency Response Team). AGD also has small international capability building contingents in Indonesia and Papua New Guinea.

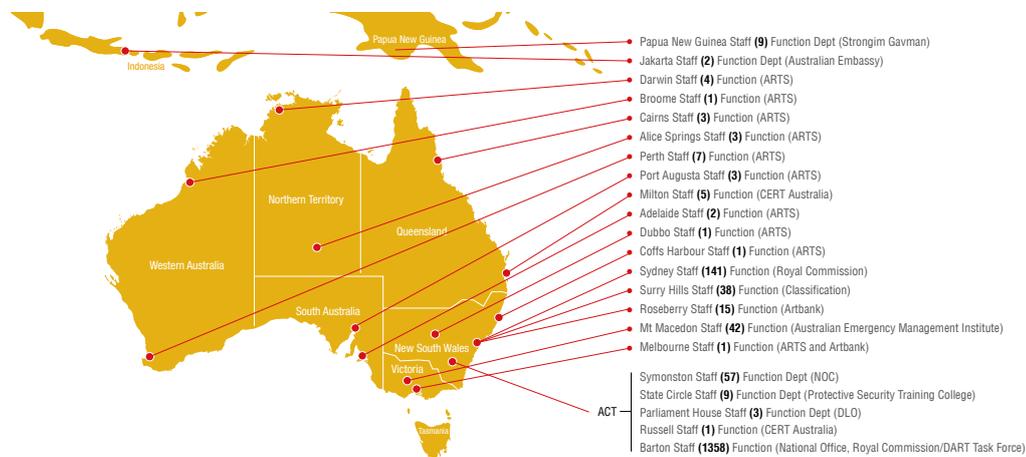


Figure 3—AGD office and staff locations, including taskforces and Royal Commissions, as at 1 April 2014

Workforce metrics

The department's workforce is relatively young. The average age is 38 years old compared with 43 years for the APS. Forty-one per cent of staff are in the 25 to 34 year age category compared with 24 per cent for the APS. The workforce is quite mobile, with ongoing staff having an average tenure in the department of 5.28 years.

AGD has a higher percentage of female staff than the APS (60 per cent) and an even split for SES officers, half of which are female and half male. The department has a well-educated workforce. At least 69 per cent of staff have a bachelor degree or higher, compared to the APS average of 51 per cent.

The average AGD employee is a 38-year-old female with a university degree. She works in a policy role and has worked in the department for five years.

Similar to other large APS policy agencies, most staff are employed at Executive Level (EL)1, EL2 and APS6 levels. The department has 58 SES officers.

5 AGD organisation chart, March 2014 <http://www.ag.gov.au/About/Documents/Attorney-Generals%20Department%20Organisational%20Chart-March2014.pdf>

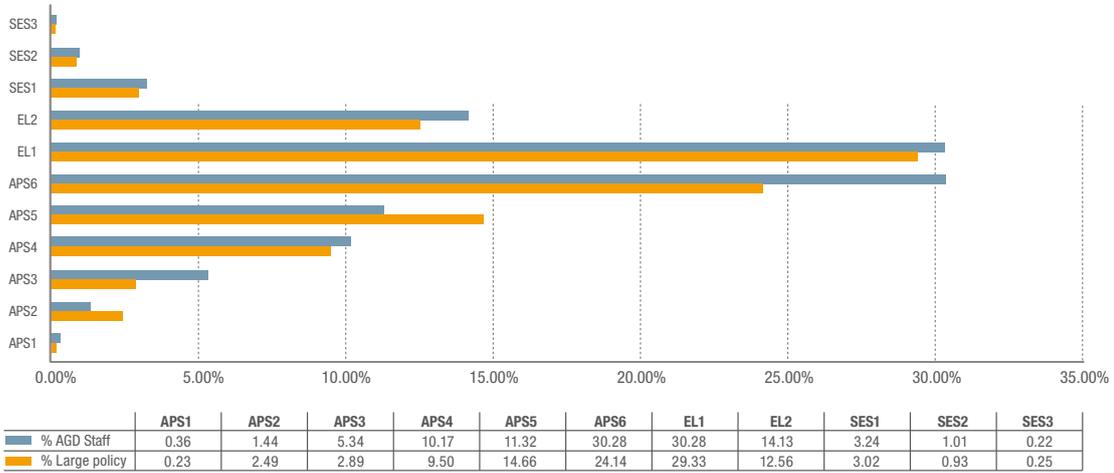


Figure 4—AGD compared to the average APS large policy agency staffing profile⁶

Financial profile

In 2014–15, the department received direct resourcing of \$1.367 billion (\$241.4 million departmental funding and \$1.126 billion in administered funding), as detailed in figures 5, 6 and 7.

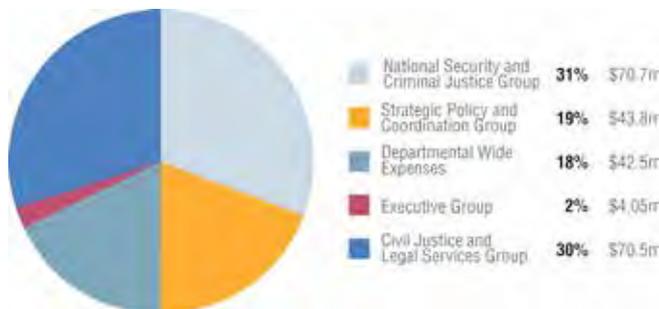


Figure 5—Attorney-General's Department 2014–15 Departmental Appropriation Funding

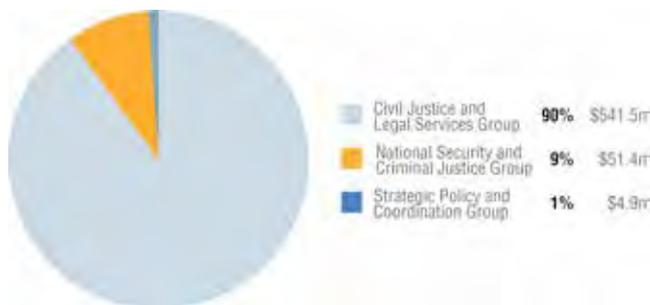


Figure 6—Attorney-General's Department 2014–15 Administered Appropriation Funding



Figure 7—Attorney-General's Portfolio Funding 2014–15

3 Summary assessment



Over its 113-year history, AGD's functions and portfolio structure have undergone a number of key changes. These included the separation of the Australian Government Solicitor in 1998, an increase in the department's national security function following the September 11, 2001 terrorist attacks in the United States, and the more recent addition of arts functions.

Throughout its history, the department has maintained a core function which has not changed; its support for the Attorney-General as First Law Officer (the principal legal advisor to the Commonwealth). The department also plays key roles in supporting its ministers' responsibilities for law and justice, national security, emergency management and the arts.

A strong base

AGD is a well-performing department with a dedicated, intrinsically motivated workforce. External stakeholders frequently commented to the review team about the value the department's subject matter experts provide in areas such as constitutional law, international law, and areas of national security and emergency management.

Staff mentioned to the review team that the Secretary and deputy secretaries are visible, accessible and have made tough decisions where necessary. These senior leaders are highly regarded internally and externally.

The department is internally and externally recognised for its agility in being able to bring appropriate resources and expertise to bear in a short time to work across traditional boundaries in response to urgent emerging issues. AGD often achieves this by establishing internal or whole-of-government taskforces. In a similar vein, the department is also responsible for establishing royal commissions.

The Secretary's efforts to stimulate innovation and creativity have been widely acknowledged to have helped break down traditional thinking within the department. According to staff, the Secretary's approach has helped AGD become more resilient, responsive to change and focused on continuous organisational improvement.

The department has benefited from sound financial management and leadership. Over recent years, it has prepared itself for tight fiscal times through proactive efforts to reduce costs and increase efficiency. This has included a number of small voluntary redundancy rounds to reduce workforce size, centralise recruitment with senior oversight to ensure only critical positions have been resourced, and reduce the number of EL positions.

For the most part, AGD has well-functioning corporate areas—led over time by a number of highly regarded Chief Operating Officers. Staff made positive comments to the review team regarding corporate solutions that the department has pursued in recent months. This includes the centralisation of the operational components of human resources (HR), finance, and information and communication technology (ICT) into a single multi-disciplinary area called the Service Centre. Staff and the small number of portfolio agencies that use the Service Centre commented positively on the services they receive. Divisions have also reported constructive quarterly meetings with the heads of the Strategy and Delivery Division, Corporate Division and People Strategy Branch. While it is too early to comment on the effectiveness of these initiatives, AGD is to be acknowledged for its continuing efforts to increase the efficiency and effectiveness of its corporate services.

The department has integrated the arts function effectively, with staff and portfolio agencies having commented that AGD made them feel welcome and supported. Staff in other areas of the department noted they are looking for ways to collaborate with, learn from and contribute to the arts function.

Capability for the future

Over time, it is likely that AGD and its portfolio agencies will continue to change focus and/or structure to maintain effectiveness and relevance in support of government priorities. Some feedback to the review team from various sources suggested that, at the time of the review, the department had yet to fully and effectively engage with the priorities of the current Government. AGD noted that it continues to tailor its approaches and interactions to help foster a stronger working relationship and demonstrate responsiveness as a trusted adviser to government.

With strong commitment from staff, the department is well placed to build on its current capability to help meet future challenges. The review team found that the department needs to continue to monitor and position itself for external changes and exercise strong organisational stewardship⁷ to build capability to:

- work across its authorising environment⁸ to clarify its multiple roles and take on a greater role for leadership of the APS legal profession
- become a stronger APS collaborator
- refine its governance model
- help establish a more integrated portfolio
- strengthen internal connectedness
- develop more consistent external engagement
- improve its use of data, evaluation and knowledge management
- continue to evolve its workforce planning practices
- further build on its foresight capability.

These areas of capability improvement are further described in the following sub-sections.

Clarity of roles and Australian Public Service legal leadership

In interviews with staff and external stakeholders, the review team found different perspectives of the department's First Law Officer and national security roles and mandate. To increase clarity across government and assist with internal planning and resourcing, AGD would benefit from proactively lifting its engagement within its authorising environment to outline and reach agreement on how it can best work with others to deliver the greatest value to government.

⁷ *The Public Service Act 1999* describes the role of secretaries to provide departmental stewardship. Stewardship can be described as building the capability required by an organisation to deliver a high level of performance over the medium to long term. It often includes systems to monitor changes to the external environment and to foster an agile organisation that continuously learns and refines its own capability.

⁸ See 'Authorising environment' on page 10.



As a timely input, the Attorney-General has publicly stated that ‘the pre-eminent function of the (department) should be to become the principal legal adviser to government.’⁹ A number of APS agencies have supported this position and added that AGD should increase efforts to provide a professional leadership role for APS lawyers. This shift would require the department to develop additional internal capability and leverage expertise across the portfolio and APS more broadly, to succeed in what could be a significant change management process.

The National Commission of Audit has recommended that the Office of General Counsel be moved from the Australian Government Solicitor (AGS) back into AGD. If the Government accepts this recommendation, the department will need to consider what this additional capability and expertise means for its role in both the APS and in support of government. If government does not decide to merge parts of the AGS with AGD, the department will need to proactively work to build relevant internal capability to further support the First Law Officer and work with the AGS to better coordinate and leverage portfolio legal policy and advising expertise to further support the APS and government.

AGD’s role in supporting the Attorney-General in discharging national security responsibilities is ambiguous in some areas and interpreted differently by a number of key APS agencies. There would be broader benefit for government to clarify the roles, responsibilities and accountabilities of relevant Commonwealth agencies operating in the national security space, including multiple agencies within the Attorney-General’s portfolio.

9 *The Australian*, ‘One Stop Shop’, 23 May 2014.

*Authorising environment*¹⁰

The authorising environment concept comes from the work of Professor Mark Moore of Harvard Business School. The Australia and New Zealand School of Government has used this work in its courses. The authorising environment concept is part of Professor Moore's broader work that describes how effective public sector organisations deliver consistent public value.

The authorising environment concept explains that public sector organisations require authority to deliver on their functions. This authority comes in different forms and from different sources. There are 'formal' or 'hard' authorities, typically such as the authority granted through legislation, budget approvals, and a range of statutory, financial and administrative delegations. These are necessary, but insufficient, to enable an organisation to be successful.

There are also 'informal' or 'soft' authorities. These are the mission-critical people and organisations that support and authorise the scope of work and the manner in which work is undertaken (for example, as a leader or collaborator; both of which need the explicit support of those being led or inviting collaboration). In the case of a government department, mission-critical people include ministers, central agencies, other departments, portfolio agencies, and a wide range of stakeholders.

An organisation may receive a mandate and a description of its role and function through a formal authority, though this is seldom adequately explicit. Clarity and 'real' authority needs the support of informal sources and cannot be viewed as discretionary.

The 'authorising environment' is a dynamic environment in which authorities alter over time (for example, between organisations, over the roles people play and the extent of authority). Accordingly, an organisation needs to work with the people and organisations within its authorising environment on an ongoing basis, to minimise confusion and maximise operational effectiveness.

Governance arrangements

In recent years, the department has made significant progress in strengthening its internal governance arrangements. AGD has two key governance committees:

- Executive Board: The Secretary chairs the board. All SES Band 3s are members, the Chief Financial Officer, head of HR and the head of Strategy and Delivery Division attend.
- Senior Management Committee: The Chief Operating Officer chairs the committee. All SES Band 2s and 3s are members.

¹⁰ Mark H Moore, 'Recognizing Public Value: The Strategic Use of Performance Measurement in the Public Sector', *Harvard University Press*, 2014.



These governance committees are further supported by the:

- Enterprise Information System Projects Board
- Health and Safety Committee
- Audit and Risk Management Committee
- Protective Security Policy Framework Steering Committee
- Workplace Relations Committee
- Executive Reviews.

Staff commented to the review team that current governance committees have helped build cohesion and leverage expertise from across the department. Notwithstanding this, the review team is concerned about the efficacy of the current governance architecture. The department would benefit from reviewing and updating its governance structure, and further formalising committee reporting lines, responsibilities, decision making and accountabilities.

A review of committee membership would help to ensure that relevant business areas, and subject matter experts at varying levels, are more engaged in decision making. For example, greater line-area membership of the Enterprise Information System Projects Board would help ensure that the views of non-corporate business areas are adequately considered in ICT strategies and decisions.

A truly integrated portfolio

The department needs to work across its portfolio to influence and deliver outcomes on behalf of its ministers. This is more complex than in many APS portfolios as the Attorney-General's portfolio is large, diverse and comprises a number of statutory agencies with a separation of powers from the Executive.

Portfolio agencies made positive comments to the review team about the department's efforts in recent years to continue to strengthen senior relationships across the portfolio. Some areas of the department mirror these positive relationships at all levels. In the most part, however, stronger relationships with external stakeholders need to be developed throughout the department.

The *Public Service Act 1999* outlines the role of departmental secretaries as 'ensuring delivery of government programs and collaboration to achieve outcomes within the Agency Minister's portfolio and, with other Secretaries, across the whole-of-government'.¹¹ With this mandate, AGD's Secretary has a role to play in working with the heads of portfolio agencies to ensure portfolio capability, stewardship and delivery. In discussions with the review team, some portfolio agencies expressed their desire to contribute more to the portfolio. The department has an opportunity to help develop stronger operational and policy links across agencies to ensure the portfolio's capacity and capabilities are greater than the sum of its parts. As part of this, AGD could also facilitate more regular portfolio dialogues on cross-cutting policy and operational issues management. The department could consider working with portfolio agencies to develop a portfolio strategy.

¹¹ *Public Service Act 1999*, Section 57 (b)

Internal connectedness

AGD staff strongly identify with their work areas. This helps to unify people within departmental divisions. Due to the diverse nature of the work undertaken by the department, divisions often have unique subcultures, systems and processes. Understandably, this has led to divisional silos, which some staff report has resulted in divisional 'patch protection'.

Within individual divisions or branches, there are examples of departmental good practice work on process design, project management, program management, grants management, stakeholder management, industry engagement, measurement, evaluation, data analysis, and policy development. These approaches are not shared across the department, and could be further leveraged to strengthen enterprise-wide capability.

Internal and external comments to the review team highlighted that direction setting on policy often happens at divisional level. The department would benefit from a more integrated approach to help develop a unified enterprise position.

Internal communication has been cited as variable across AGD, with a large number of staff commenting that the communication cascade relied upon to deliver many key messages to staff varies significantly, and in some cases breaks down entirely at divisional or branch levels. In response to staff requests for greater communication, the department has increased the number of messages delivered through emails to all staff. The quantity of these emails, combined with a busy work environment, has resulted in many deleting these messages without reading them.

To restore an effective internal communication flow, the department may benefit from improved targeting of audiences and messages, considering alternative, more dynamic communication channels and working top-down to ensure a consistent and effective communication cascade is restored. AGD may wish to consider making greater use of its intranet for disseminating messages.

External collaboration

External stakeholder comments to the review team reinforced the value that the department, in its various functions, delivers to government, the APS and the community. AGD has a diverse range of external stakeholders, which include:

- Commonwealth government agencies
- state and territory government agencies
- international counterparts
- industry and academia
- non-government organisations.

Some areas of the department received very positive comments from external stakeholders. In particular, most industry bodies commented on timely and proactive engagement from areas such as the arts, telecommunications and classification. Stakeholders frequently commented on the value they place on their relationships with the department's Secretary. These positive relationships regularly translated down to deputy secretary level; however, they became more variable further down the line.

Stakeholders regularly commented to the review team about the need for AGD to improve its interactions with stakeholders to:

- play a stronger role as a team-member and supporter in areas where the department is not the lead agency
- consult early with relevant stakeholders or explain the rationale for short timeframes where possible
- enhance staff understanding of portfolio agencies' operating environments
- match the seniority of departmental staff to stakeholders in external meetings
- improve continuity of relationships
- improve knowledge management practices, including record keeping and hand-over processes to support more seamless changes in departmental contacts.

For AGD to take on a greater role for the leadership of the APS legal profession, external collaboration will become even more important. The department would benefit from shifting its focus in interactions with stakeholders from one of consultation and relationship management to that of greater engagement to promote a commitment to working in partnership.

Data, evaluation and knowledge management

External stakeholders regularly commented to the review team that AGD's policy advice is too focused on a narrow legalistic interpretation. Feedback noted that the department needs to:

- provide more pragmatic, solutions-based advice to assist government and the APS to navigate the legislative environment and deliver on intended outcomes
- draw more on expertise across the portfolio
- be more open to taking appropriate risks, rather than seeking to fully mitigate all risk
- more systematically collect, access and interpret data from inside and outside the department.

Across AGD, there are pockets of better practice approaches for the use of data and evaluation. This includes the development of a design, delivery and evaluation framework by the International Crime Cooperation Division, the ongoing evaluation of family law reforms, and the use of data and evaluation by Emergency Management Australia.

More broadly, the review team found that evaluation and use of data varies across the department and is almost non-existent in a number of areas. AGD is well positioned to collect and (where possible) share a greater amount of data with other areas of the APS and academia. This would assist the evaluation of policy outcomes and develop a strong evidence base to inform future policy advice and assess whether the department is meeting its objectives. AGD needs to ensure it has, or can access, appropriate analytical expertise to support these activities.

Staff and external stakeholders reinforced that the department would benefit from more consistent and embedded practices for knowledge management. This includes the storage, access and transfer of knowledge and information within work areas, across the department and across the APS.

Improving capability in these areas would help AGD balance its largely 'triumph of the immediate' culture with a greater focus on longer term thinking and planning. This would support the department's responsibility for organisational stewardship and help increase the credibility and rigour of its policy advice.

Workforce planning

In recent years, AGD has made significant progress in developing an enterprise workforce plan, identifying roles that require specialist expertise and broadening graduate recruitment to target more diverse expertise. Work has also been undertaken to improve leadership capability through training courses targeted at SES and EL level staff.

The department would benefit from identifying and leveraging expertise across the portfolio. This portfolio perspective could be used to inform workforce planning and help identify the expertise AGD needs. The department should continue its work to identify specialist positions, including the development of relevant career paths and succession planning to ensure that specialist subject matter expertise is appropriately prioritised and developed.

AGD also needs to ensure its workforce planning adequately caters for the recruitment and development of broad expertise including project management, economics, research, data and financial analysis, all needed to support the development of rigorous and holistic advice to government. Greater clarity of the department's roles is crucial for informing workforce planning.

Foresight capability

Given the rapidly evolving nature of the public sector and issues confronting the Attorney-General's portfolio, the review team believes the department needs to continue developing effective networks and ensure greater capacity for long-term planning, including horizon scanning. This will help ensure AGD balances its short-term priorities with the capability to anticipate and manage emerging issues in preparation for the long-term.

The department has begun to develop this capacity, with the Strategy and Delivery Division distributing a quarterly environment scanning publication to all staff, called 'On the Horizon'. This publication outlines trends and developments in relevant policy areas and highlights some policy development approaches. This initiative is complemented by the development of the 'Garran Strategy Series'. Based on scenario planning, the series aims to foster discussion between staff, portfolio agencies and external stakeholders on specific areas of policy.

The review team encourages AGD to continue its efforts to establish and embed processes for long-term thinking and horizon scanning to support the development of strong, evidence-based advice.

The way forward

Following the September 2013 change of government, there has been a shift in emphasis and priority to reflect the new government's policy and election commitments. AGD is still to develop the understanding and working relationships needed to effectively deliver on this agenda. Further strengthening these and other key relationships, including with central agencies, will help the department confirm its authorising environment and allow it to reconcile its roles, functions, mandate and priorities with those of external stakeholders.

The review team heard that AGD needs to establish stronger operational and policy links across the portfolio and shift from a model of stakeholder coordination to stakeholder engagement. There is also an opportunity for the department to take on a greater role for the leadership of the APS legal profession.

Internally, the department would benefit from strengthening its governance structure and further working to unite across divisional boundaries. Similarly, it should identify and balance its current and future workforce requirements. More work is needed to develop more consistent practices for data analysis, evaluation and knowledge management and to build a stronger foresight capability.

AGD also needs to access appropriate change management expertise to fully deliver on intended capability improvements.



4 More detailed assessment of departmental capability

This section provides an assessment framed by the leadership–strategy–delivery structure of the capability review model.

	Strong	<ul style="list-style-type: none"> • Outstanding capability for future delivery in line with the model of capability. • Clear approach to monitoring and sustaining future capability with supporting evidence and metrics. • Evidence of learning and benchmarking against peers and other comparators.
	Well placed	<ul style="list-style-type: none"> • Capability gaps are identified and defined. • Is already making improvements in capability for current and future delivery, and is well placed to do so. • Is expected to improve further in the short term through practical actions that are planned or already underway.
	Development area	<ul style="list-style-type: none"> • Has weaknesses in capability for current and future delivery and/or has not identified all weaknesses and has no clear mechanism for doing so. • More action is required to close current capability gaps and deliver improvement over the medium term.
	Serious concerns	<ul style="list-style-type: none"> • Significant weaknesses in capability for current and future delivery that require urgent action. • Not well placed to address weaknesses in the short or medium term and needs additional action and support to secure effective delivery.

Figure 8—Rating descriptions

The review team's assessment of AGD capability is outlined below.

Leadership

Set direction		Development area
Motivate people		Strong
Develop people		Well placed

Strategy

Outcome-focused strategy		Well placed
Evidence-based choices		Development area
Collaborate and build common purpose		Development area

Delivery

Innovative delivery		Well placed
Plan, resource and prioritise		Well placed
Shared commitment and sound delivery models		Well placed
Manage performance		Development area

4.1 Leadership summary

Set direction

- AGD's senior leadership team is well regarded internally and externally.
- There is a lack of clarity regarding the department's role, responsibilities and authorising environment.
- There is an internal tension regarding the legal and non-legal skill sets the department needs and values.
- Communication of new or sensitive matters is not always provided and communication methods have resulted in gaps in communication and information vacuums. Strengthening internal communication may help the department to be more responsive to changes in high-level direction.

Motivate people

- AGD has a well-educated and professional workforce. Staff are intrinsically motivated with a strong interest in their subject matter.
- The Secretary values and encourages a culture of constructive challenge of policy thinking. While this is valued by some staff, it can impact upon clarity of direction and the confidence of others.
- Development opportunities are available through secondments and participations in taskforces. There is a reported lack of transparency around the selection of staff for these assignments, which can be demotivating.
- There is appetite to further leverage expertise within the department in thought leadership, governance and enterprise-wide decision making.
- AGD has a culture that celebrates success and recognises achievement of individuals and teams.

Develop people

- The People Strategy Branch has made good progress towards strengthening AGD's strategic human resources capability with particular focus on strengthening performance management and developing resources metrics.
- The department's responsibilities have changed over time. Future workforce planning needs to align with the functions and the priorities of the Government and place value across all areas of the department's responsibilities.
- There has been a strong focus over the last two years on increasing the leadership capabilities of staff.
- The department's recent focus on SES mobility has helped develop staff and break down silos. An over-emphasis on SES movement can impact negatively on continuity for both staff and stakeholders and work against the development of deep subject matter expertise.

Comments and ratings against the components of the 'leadership' dimension follow.

Set direction

Guidance Questions		<ol style="list-style-type: none"> 1 Is there a clear, compelling and coherent vision for the future of the organisation? Is this communicated to the whole organisation on a regular basis? 2 Does the leadership work effectively in a culture of teamwork, including working across internal boundaries, seeking out internal expertise, skills and experience? 3 Does the leadership take tough decisions, see these through and show commitment to continuous improvement of delivery outcomes? 4 Does the leadership lead and manage change effectively, addressing and overcoming resistance when it occurs?
Rating		Development area

AGD’s most senior leaders are highly regarded internally and externally—the Secretary for policy nous and deputy secretaries (including a succession of past deputies) for their relevant roles. Staff frequently mentioned to the review team that the senior leadership team is visible, accessible and have made tough decisions where necessary—particularly regarding management of the department’s financial position.

However, regardless of the strength of its most senior leaders, the department’s clarity of vision is compromised by its lack of clarity of roles and understanding of external expectations.

Clarity of roles

AGD has multiple areas of responsibility, which include support for the First Law Officer, law and justice, emergency management, national security and the arts. The review team found differing perspectives internally and externally of the department’s role, with much confusion about its core functions and mandate. This lack of clarity works against the department’s ability to set a clear, compelling and coherent direction for itself and the portfolio more broadly. AGD needs to further its engagement with its authorising environment, including government and central agencies, to clarify its roles and mandate—especially for its roles in support of the First Law Officer and on national security.

There is a strong external view that AGD does well in its support for the Attorney-General as the First Law Officer of the Commonwealth in areas where it has a clear mandate to provide legal advice—for example, in international and constitutional law where AGD is a tied legal adviser under the Legal Services Directions. To further its support for the First Law Officer, the department should work to expand its mandate to include other areas of significant legal advice such as private international law, privacy law and freedom of information. The department should also prioritise progression of the Attorney-General’s civil law reform agenda in areas such as copyright (piracy) and bankruptcy law.

Australia’s national security functions are distributed across the portfolio and the APS more broadly. While the department plays a role in supporting the Attorney-General

in the responsibility for national security, the internal view of AGD's role does not reconcile with views held across the APS. There is greater clarity in the area of emergency management, where the department has the lead in providing support to government on Australia's responses to emergencies, disasters and security incidents. In addition, following machinery-of-government changes, which resulted in the Australian Customs and Border Protection Service being moved out of the portfolio, it is timely that the department and APS more broadly work to clarify national security leadership, roles, responsibilities and accountabilities.

Once the department clarifies its roles, it should update its strategies and external communication channels (such as its website) and proactively engage across the APS to support internal and external alignment.

The debate on legal expertise

AGD has changed quite significantly over time, from providing a balance of legal and policy advice, to its current focus on policy advice with only a small number of areas providing high-level legal advice. Internally, this has created ongoing debate over the skill sets and capabilities required and valued by the department and its leadership—commonly referred to internally as the 'legal versus non-legal debate'. Even though the changes to the portfolio occurred some time ago, this cultural tension is evident enough to have been observed by some external stakeholders, with comments that it is counter-productive to the department's self-identity and internal cohesion.

While efforts have been made to develop a constructive internal narrative that values legal and non-legal expertise, this internal tension still exists. AGD needs to undertake further work to recognise, communicate and reflect the value of legal expertise within an Attorney-General's department and the broader expertise required for modern organisational management and robust policy development.

Internal communication

AGD's 2013 APS Census results identified internal communication as an area for improvement. The department has started to address this feedback by introducing regular written communications to staff, including the Secretary's weekly email and the Chief Operating Officer news bulletin.

While improvements in internal communications have been well received, the review team found that communication on new or sensitive matters, including the rationale for some changes and decisions made is not always clearly communicated and in some instances not at all. The absence of transparent or timely advice on matters such as staff movements or emerging priorities has led to a lack of understanding of the department's direction.

AGD distributes many key messages, such as outcomes from governance meetings, through cascading verbal communications. Staff reported to the review team that the effectiveness of messages, consistency of cascades and engagement of staff varies across the department. The large amount of information distributed through email messages has also disengaged many staff. Rather than more communication, more targeted and effective communication is needed.

Change management

AGD has demonstrated its ability to effectively manage internally driven change. For example, the review team received positive feedback from staff and external stakeholders regarding the recent integration of the arts functions into the Attorney-General's portfolio. A continued focus on improving the effectiveness of internal communication will further strengthen the department's change management capability and enable it to be more united and agile in response to changes in high-level direction.

Motivate people

Guidance Questions		<ol style="list-style-type: none"> 1 Does the leadership create and sustain a unifying culture and set of values and behaviours which promote energy, enthusiasm and pride in the organisation and its vision? 2 Are the leadership visible, outward-looking role models communicating effectively and inspiring the respect, trust, loyalty and confidence of staff and stakeholders? 3 Does the leadership display integrity, confidence and self-awareness in its engagement with staff and stakeholders, actively encouraging, listening to and acting on feedback? 4 Does the leadership display a desire for achieving ambitious results for customers, focusing on impact and outcomes, celebrating achievement and challenging the organisation to improve?
Rating		Strong

Staff and external stakeholders consistently commented to the review team that AGD's greatest strength is its highly committed, talented, intellectual and professional workforce. Staff are generally intrinsically motivated and highly engaged with their subject matter and for many this inspires a great sense of purpose. The State of the Service Report 2012–13 shows high levels of staff engagement. The results report that 81 per cent of AGD staff enjoy the work in their current job, which is above the APS average of 77 per cent. The review team found that staff are enthusiastic and proud of the department's work and achievements.

Senior leaders are also proactive in motivating staff. There is strong commitment to ongoing education of staff, and the department regularly engages guest speakers to talk on contemporary or emerging issues. The department holds an annual graduate debate event which facilitates interaction between senior executive and members of the current year's graduate cohort, with very high levels of attendance.

AGD's workforce has a fairly even gender split at all levels. This is positive and the review team encourages the department to further embrace the broader spectrum of staff diversity in the workplace, while noting that this is also a key challenge for the wider APS.

Stimulating big thinking and challenging organisation improvement

The senior leadership team values and encourages a culture of constructive challenge for policy thinking with the express purpose of developing greater depth and breadth of analysis.

While this is highly valued by some, the review team heard that this can cause some staff to lose confidence in their ability to develop policy advice that will be accepted at senior levels. Similarly, the review team heard that internal direction setting can often change with the rationale not always made clear by senior leaders. To ensure that staff remain highly motivated, constructive challenge needs to be accompanied by greater clarity of direction in what is a dynamic policy environment.

The senior leadership team is conscious of the need to actively manage this creative tension. The review team heard from staff that they would value greater opportunity, through diverse fora, to contribute to policy and thought leadership.

Transparent resourcing

AGD has a full and varied work program with obligations spanning a broad range of government responsibilities. It is regularly challenged by new workload pressures as a result of its ongoing responsibilities and those which arise, often unexpectedly, from a changing policy and operating environment.

The department successfully uses taskforces to deliver on key, and often times critical, priorities. The taskforce model enables AGD to be agile, harness required expertise across work area boundaries and successfully deliver in tight timeframes. The opportunity to participate on a taskforce is recognised as a positive professional developmental opportunity by staff.

The review heard some staff concerns about a lack of transparency of staff selection for taskforces, which can be de-motivating. There is a common view held by staff that individuals are earmarked for taskforce roles and that selection processes are at times misrepresented. It is widely recognised internally that there may be a case for identifying the right person for the right job, though AGD would benefit from working to ensure that selection processes are perceived as fair and that, when advertised, opportunities are genuine and merit-based.

Utilising the broader cohort

The breadth of AGD's responsibilities requires staff expertise across a wide range of functions from legal policy, through to emergency management, national security and, more recently, the arts. The review team found that the perspectives and expertise available from its staff, including some of its senior executive, is underutilised. Internal expertise could be better harnessed through more devolved delegations, greater involvement in enterprise decision making and greater use of EL and SES cohorts in thought leadership for policy development and continuous organisational improvement.

A culture that recognises success

The review team witnessed a culture in AGD that celebrates success and recognises the achievement of individuals and the collective. The SES is active in acknowledging staff achievements through various forums. This role modelling encourages an environment where staff also actively recognise the achievements of others. This culture reinforces the already strong motivation of AGD staff and their desire to achieve ambitious results.

Develop people

Guidance Questions		<ol style="list-style-type: none"> 1 Are there people with the right skills and leadership across the organisation to deliver your vision and strategy? Does the organisation demonstrate commitment to diversity and equality? 2 Is individuals' performance managed transparently and consistently, rewarding good performance and tackling poor performance? Are individuals' performance objectives aligned with the strategic priorities of the organisation? 3 Does the organisation identify and nurture leadership and management talent in individuals and teams to get the best from everyone? How do you plan effectively for succession in key positions? 4 How do you plan to fill key capability gaps in the organisation and in the delivery system?
Rating		Well placed

Historically, AGD has recruited many staff with legal qualifications who have been a natural fit for the department. This has enabled the department to maintain deep legal expertise in key areas such as Office of International Law, Office of Corporate Counsel and Office of Constitutional Law. The department needs to continue to recruit a selection of staff with the expertise to work in these roles. As the AGD's remit of responsibilities has broadened beyond its traditional legal base, likewise its workforce planning needs to expand to encompass a broader range of expertise.

People strategy

AGD's People Strategy Branch was established to focus on strategic HR management, with operational HR matters managed by the Service Centre.

Detailed HR metrics are provided to line areas monthly to assist the SES to manage their workforces. The head of People Strategy Branch meets quarterly with each SES officer (together with Corporate Division, and Strategy and Delivery Division) to provide strategic and operational HR support. Tailored quarterly HR reporting metrics are used to support these discussions.

There has been a focus on performance management and the recent implementation of a new performance reporting framework, with greater emphasis on the joint responsibility of supervisor and staff member for staff performance and development. It was reported that staff are actively engaged in this process which is viewed positively by managers.

Some areas of AGD have facilitated secondments with portfolio agencies, with some internal recruitment activities also advertised to the broader portfolio. There is scope to further increase secondments and staff rotations with portfolio agencies, across the APS and with relevant areas of academia. The review team heard that placement of rotated staff back into the department could better capitalise on the knowledge and skills acquired.

A focus on leadership

Historically, it is said that AGD staff have often been promoted based on their technical ability. The department has identified that promotions to middle management (EL1 and EL2) have occurred quite quickly and that staff are often not as experienced in managing people matters when moving into EL2 and SES roles. For this reason AGD has taken steps to address this gap with a stronger focus on developing the leadership skills of SES and EL2 cohorts. The leadership programs¹² were established to support this aim. In addition, the Chief Operating Officer meets every SES officer annually to discuss the department's leadership expectations and confirm personalised learning and development. This focus has been well received internally.

AGD now has plans to extend its focus on leadership development to the EL1 level, which would be a positive step to further strengthen leadership capability internally.

The future workforce

Legal expertise will always play an important role within AGD, though it also needs to be supported and enhanced by broader expertise. This includes attracting people with key skills who can contribute to robust policy development such as data analysis, economics, research, financial management, evaluation and project management.

The department should further refine its workforce planning based on greater clarity of its roles, with regard to the attributes of its existing workforce. It also needs to identify the specialist subject matter expertise that it can access across the portfolio and the APS and what it needs to develop internally.

Senior Executive Service mobility

The senior leadership team has focused on developing an SES cohort that is agile and well rounded. Selected SES are regularly moved to different areas of AGD to provide them with broader experience.

This focus in recent years on mobility has created an internal perception that generalist and broad experience is valued over deep technical expertise. A number of technical experts at EL2 and SES level have been advised by senior colleagues that they need to move around more to obtain a promotion, irrespective of their area of expertise. It has been reported that this focus is heavily weighted to developing the individual broadly rather than preserving the expertise of the work area or helping to develop deep subject matter expertise. Stakeholders reported frustration with the amount of SES Band 1 churn, as well as the implications it has for the depth of the department's understanding of their operating environment.

While mobility has many positives, frequent mobility can have a negative impact. AGD needs to balance mobility to support staff development with strategic staff stability in the interests of portfolio engagement. Consideration of staff skills training and interest should help inform placements. Knowledge management is a key component of any strategy aimed to address the concerns of stakeholders and staff.

¹² A number of leadership initiatives were progressively rolled out from August 2012 including the Portraits in Leadership event and Intensive Leadership Program for EL2 and SES B1, culminating in the development of a set of leadership expectations.

4.2 Strategy summary

Outcome-focused strategy

- Staff identify with the department's strategic plan and strategic priorities.
- The department has recognised the need to revise its strategy, following the September 2013 Federal Election, and developed a provisional business plan. Further work is needed in this area.
- The department would benefit from reviewing its measures to shift from a focus on outputs to outcomes and effectiveness.
- AGD would benefit from a greater focus on horizon scanning and the development of long-term strategy.

Evidence-based choices

- AGD needs greater focus on collecting and using evidence when developing policy and legislation.
- The department has good pockets of data collection and use that could be shared to assist in building a stronger evidence-based approach and more systemic evaluation practices across AGD.
- Meaningful program evaluation is variable across AGD, with most areas not undertaking any evaluation.
- External stakeholders would like the department to engage with them earlier, where possible, to support the development of sound policy advice.

Collaborate and build common purpose

- AGD would benefit from shifting from its current model of consultation to a model of engagement and then further to a partnership model.
- AGD staff have a more positive view of stakeholder relationships than that held by most stakeholders.
- Stakeholders would like the department to become a stronger whole-of-government collaborator in certain specialist areas and areas where it is not the lead agency for a topic.
- Stakeholders desire more consistent relationships with the same departmental staff. A focus on internal mobility hampers this, as does a lack of strong knowledge management to assist when staff do change.
- AGD should continue its efforts to strengthen portfolio leadership and coordination to facilitate the building of stronger operational and policy linkages across the portfolio.

Comments and ratings against the components of the 'strategy' dimension follow.

Outcome-focused strategy

Guidance Questions		<ol style="list-style-type: none"> 1 Does the organisation have a clear, coherent and achievable strategy with a single, overarching set of challenging outcomes, aims, objectives and measures of success? 2 Is the strategy clear about what success looks like and focused on improving the overall quality of life for customers and benefiting the nation? 3 Is the strategy kept up to date, seizing opportunities when circumstances change? 4 Does the organisation work with political leadership to develop strategy and ensure appropriate trade-offs between priority outcomes?
Rating		Well placed

AGD has clear and coherent strategies which will need ongoing refinement to better reflect the needs and priorities of the government. The department would benefit from further leveraging external knowledge and expertise to inform its forward work program.

Clarity and alignment of organisational strategy

Staff identify with the strategic plan, its mission and strategic priorities. The strategic plan cascades through to divisional plans, with clear alignment of priorities and activities. Branch and section plans are not mandatory, so staff line of sight exists through their divisional plans.

Following the 2013 Federal Election, the department revised its strategy through the development of a provisional business plan to update its strategic intent, incorporate the addition of arts functions and better reflect corporate activities. The review team found that AGD needs to further this work to ensure ministerial priorities are more fully reflected in its strategies and ensure staff have sufficiently clear direction for their work following the change of government. The department is already working on updating its strategic plan, however in the absence of a new one endorsed by portfolio ministers, there is a tendency for staff to rely more on their individual divisions to set direction and determine the measures of success for their work.

AGD demonstrates the requisite levels of political acumen, though it needs to continue to build a persuasive strategic narrative that demonstrates an awareness of the political and strategic context when seeking ministerial direction. Some areas have been more successful in engaging with its ministers' priorities. It is critical that the department continues to build upon these successes.

Measuring success

AGD's outcomes are listed in its portfolio budget statements and reported on in annual reports. Although enabling actions are identified in planning documents, the department

could do more to incorporate objective outcome and effectiveness focused measures consistently across divisional and branch plans.

There is a tendency for the department to narrowly interpret success as the delivery of a final output or product, such as legislation. The review team identified that measures of success encompassing the full spectrum of post-implementation monitoring, as well as reviewing policy intervention effectiveness, are relatively rare. The department is reviewing its measures and measurement frameworks to support the development of measures focused on outcomes and effectiveness.

Horizon scanning

Senior leaders have created opportunities to promote horizon scanning internally, including through the creation of a small centralised strategic planning area. The launch of the Garran Strategy Series, which draws in the input of the broader portfolio and other experts and collectively develops long-term strategic approaches to specific issues, is an excellent initiative.

When talking to the review team, staff consistently recognised the benefit of horizon scanning and the development of long-term strategies, though found it challenging to prioritise in an environment of immediate and reactive priorities. Senior leaders need to ensure this work is seen as an equally important priority to help position AGD into the future. To understand the challenges ahead, the review team found that the department needs to further build on its capability to undertake horizon scanning, data analysis and modelling to help inform its policy advice and, through discussions with its ministers, its forward work programme. It is important that the department undertakes this work in close collaboration with external stakeholders, across the portfolio, the broader APS and beyond.

Evidence-based choices

Guidance Questions		<ol style="list-style-type: none"> 1 Are policies and programs customer focused and developed with customer involvement and insight from the earliest stages? Does the organisation understand and respond to customers' needs and opinions? 2 Does the organisation ensure that vision and strategy are informed by sound use of timely evidence and analysis? 3 Does the organisation identify future trends, plan for them and choose among the range of options available? 4 Does the organisation evaluate and measure outcomes and ensure that lessons learned are fed back through the strategy process?
Rating		Development area

External stakeholders often commented that AGD is often too concerned with being 'technically pure' and that staff often get caught up in the detail, to the detriment of delivering pragmatic solution-based advice. In addition to being technically sound, the department needs to ensure its contributions are practical, implementable and incorporate end-to-end implementation aspects.

There is an increasing expectation across the APS that policy reflects the needs of the ultimate end-user and is built upon a solid evidence base that incorporates data and economic and financial analysis. This is an area where there is a real opportunity for the department to build a more comprehensive and robust framework to support the development of policy advice.

Culture of evidence-based choices

The review team identified a variable commitment by AGD staff to seeking and using evidence when developing policy and legislation. The department has a wealth of data potentially available to it, particularly given the functions and activities undertaken by agencies within its portfolio. External stakeholders suggested that AGD should make greater use of the data they already provide to it. While there are some examples of policy reforms that have drawn extensively on stakeholder information and data collection, the department has no central data repository or structured enterprise-wide approach to collecting and disseminating data and evidence across AGD, the portfolio and the broader APS. The absence of these knowledge management approaches limits AGD's ability to inform policy advice, particularly when time constraints apply.

Some areas within the department have started to put in place building blocks, such as uniform counting rules, to support the collection and use of data. Examples include the Civil Justice Evidence Base project, which considers data held by the courts and legal aid sector, and a recently completed pilot project to develop a national evidence base regarding identity crime. There are also examples of where AGD has existing data collection and analysis processes in place that are helping to inform policy, such as in the emergency management and countering violent extremism areas. The department should leverage its existing expertise in these areas and draw on external expertise to develop consistent enterprise-wide approaches to data collection, use and knowledge management. The review team found that the department also needs to foster an organisational culture that values and emphasises evidence-based approaches.

AGD currently contributes a comparatively small quantum of datasets in support of the APS's open data approach through data.gov.au. There is an opportunity for the department to better collect and disseminate data for the benefit of the APS and the broader community.

Timely, pragmatic advice

Staff and stakeholders have suggested that AGD can sometimes provide a 'gold standard' product at the cost of meeting deadlines. While polished and technically sound, products are not always well targeted and some staff are reluctant to tailor their approach, even when it is not practical due to time pressures or fit-for-purpose. For example, providing a less polished document for comment that allows stakeholders more time to meaningfully consider and contribute to it could sometimes be a more valuable exercise.

The review team found that while dedication to providing high-quality work is admirable, a cultural change is required to ensure a more pragmatic approach. The department needs to be careful not to over-engineer its work and ensure it balances the purpose for which it was intended with its operational impact.

Evaluation and lessons learnt

Historically, evaluations of policy and legislation effectiveness have only been undertaken by some AGD areas. The review team acknowledges the department's work to develop a forward

schedule of planned evaluations and supports this work, and further efforts to increase the consistency of evaluation activities. Some examples of where AGD is undertaking evaluation include work on international aid, family law and emergency management. Some areas have also commissioned external experts to conduct independent evaluations on its behalf. The department would benefit from developing more systematic evaluation capability and fostering a culture of evaluation to support its role in long-term stewardship to serve successive governments.

External engagement in policy development

A number of stakeholders reflected to the review team that the department consults, rather than engages with them. Often this consultation is ‘tokenistic’, too late in the policy development cycle, or within such short timeframes that they are unable to contribute constructively. Stakeholders recognised that short timeframes were often imposed externally but, where feasible, they would welcome earlier engagement to support the development of policy advice.

Collaborate and build common purpose

Guidance Questions		<ol style="list-style-type: none"> 1 Does the organisation work with others in government and beyond to develop strategy and policy collectively to address cross-cutting issues? 2 Does the organisation involve partners and stakeholders from the earliest stages of policy development and learn from their experience? 3 Does the organisation ensure the agency's strategies and policies are consistent with those of other agencies? 4 Does the organisation develop and generate common ownership of the strategy with political leadership, delivery partners and citizens?
Rating		Development area

AGD’s engagement with stakeholders varies and a more sophisticated, consistent and strengthened approach to respectful and inclusive stakeholder management is needed if the department is to move from a model of stakeholder consultation to engagement and then further to a model of partnership.

External stakeholders often commented to the review team that the department can be technically and inwardly-focused and would benefit from reflecting a greater external orientation in its forward program. In support of this view, the review team found that expertise across the portfolio, APS and private sector could be better leveraged to inform the department’s strategy and policy advice.

Stronger external engagement

The review found that AGD staff have more positive perceptions regarding the health of the department's stakeholder relationships, including the quality of stakeholder engagement, than do the external stakeholders themselves. External stakeholders experience with the department varied depending on the area they were in contact with and the nature of the issue. External feedback was often more positive regarding AGD's engagement on reactive issues and less positive where long-term sustained engagement is required.

A number of portfolio agencies commented to the review team that departmental staff need to better understand their agencies' operating environments to support useful engagement. Stakeholders suggested that where practicable to do so, earlier and timelier consultation would enable AGD to better use their often specialist and operational expertise to improve the overall quality of policy outcomes.

Stakeholders consistently highlighted that their relationships with the department suffered from, and the transfer and depth of knowledge was affected by, frequent staff movements at SES levels. Stakeholders are keen for greater continuity of relationships, matching the level of seniority in meetings, and a focus on stronger knowledge transfer arrangements when staff do move.

The department works in close cooperation with the states and territories in numerous areas of policy and program work, including for those service delivery areas where the Commonwealth relies upon states and territories to deliver services (for example, natural disaster relief funding). The National Commission of Audit report¹³ reinforces the need for a concerted effort by the government to reduce duplication within the Federation and devolve more activities to the states and territories. To work successfully in this context, the department must continue its efforts to maintain strong, respectful and collegiate relationships with its state and territory counterparts.

Working across the Australian Public Service

The review team identified that in some areas the department is highly regarded for its ability to provide quality technical legal and policy advice. External comments particularly highlighted the value of detailed technical knowledge and expertise in the areas of international and constitutional law. Stakeholders have reinforced the need for AGD to develop or restore deeper specialist expertise in a broader range of areas to help it coordinate and reconcile different views across the APS and, ultimately, determine the authoritative legal and/or policy advice given to government.

The department has diverse interests, often in areas where the lead role is contested. The review team identified a number of emerging areas, particularly in support of the First Law Officer role, such as freedom of information, privacy and leadership of government legal practice, where the department could play a greater leadership role. Feedback from stakeholders suggests a related opportunity for AGD to become a stronger whole-of-government collaborator in areas where it is not currently the lead. A number of APS agencies also commented to the review team that the department should provide a stronger professional leadership role for APS lawyers. If AGD does enhance this function, it will need to work closely with other APS agencies to ensure understanding and support for this change.

13 National Commission of Audit <http://www.ncoa.gov.au/report/index.html>

Working to achieve an integrated Attorney-General's portfolio

As set out in the Public Service Act¹⁴, the Secretary holds the role of manager to ensure delivery and collaboration to achieve outcomes across the portfolio. To do this well, AGD needs to be forward looking and maintain an awareness of the range of advice ministers will require from different sources across the portfolio.

Staff and portfolio agencies commented to the review team that, in recent years, the department has become more strategic in its interactions across the portfolio to help address emerging priorities and budget issues. The Secretary has been reported as fulfilling an important role in meeting with and distributing information to agency heads across the portfolio. AGD needs to ensure this orientation is driven through the entire department and not limited to relationships built only at the most senior levels.

Portfolio agencies also suggested that a better understanding of their functions and operating environments would enhance AGD's ability to contribute to the strategic direction of the portfolio.

An opportunity exists for the department to enhance the portfolio leadership model, in discussion with the Attorney-General and Minister for Justice, to lift overall portfolio performance. AGD is well positioned to take on a greater leadership role in the portfolio to establish a single view on priorities, resources, administration and cross-cutting policy issues. It was suggested to the review team that one way of strengthening and formalising portfolio leadership could be through the development of a portfolio board of chief executives, led by the Secretary, and supported by a sub-committee of Chief Operating Officers. This could be used to increase collaboration across the portfolio on policy and strategy, increase departmental engagement with portfolio agencies, and increase collaboration on corporate matters which may lead to more opportunities to leverage economies of scale.

14 Public Service Act 1999, Section 57 (b)

4.3 Delivery summary

Innovative delivery

- In recognition of the need to be more innovative, AGD has developed a new innovation and creativity framework, with a number of planned initiatives, to increase innovation capability.
- The department favours traditional approaches in many aspects of its work and would benefit from a greater focus on more contemporary and innovative methods.
- AGD needs to build a culture that supports and encourages innovation and accepts and manages risk as an essential foundation to build on its innovation capability.

Plan, resource and prioritise

- The review team identified a proactive approach to financial management within AGD.
- Business planning processes have changed over recent years with the intention of better aligning business plans with prioritisation of resources. The current iteration is viewed with some optimism.
- AGD would benefit from stronger end-to-end work planning, with consideration for and commitment to implementation, monitoring and evaluation.
- It is unclear how well resource allocation aligns with government and APS priorities.
- AGD has demonstrated its ability to quickly establish major taskforces and royal commissions. Feedback has noted the need for greater support and stronger flexibility during establishment phases.

Shared commitment and sound delivery models

- AGD has taken steps to improve governance. However, its governance architecture lacks clarity regarding authority and reporting lines. Staff at SES Band 1 and below would like more opportunity to contribute through governance forums.
- At times, the department struggles to bring together a range of opinions to develop an enterprise view.
- The need to retain the highest security standards is essential, though the department may benefit from greater differentiation of security measures, within appropriate parameters.
- AGD needs to develop a vision and a strategy for portfolio shared services.

Manage performance

- The review team found AGD to be too focused on cost and output measures. The department would benefit from a greater focus on outcomes and the measurement of long-term effectiveness.
- While good HR and financial reporting exists, there is potential for the department to better use data.
- The review team found a disconnect between the risk management guidelines and the reality of risk management within AGD.

Comments and ratings against the components of the 'delivery' dimension follow.

Innovative delivery

Guidance Questions		<ol style="list-style-type: none"> 1 Does the organisation have the structures, people capacity and enabling systems required to support appropriate innovation and manage it effectively? 2 Does the leadership empower and incentivise the organisation and its partners to innovate and learn from each other, and the front line, to improve delivery? 3 Is innovation explicitly linked to core business, underpinned by a coherent innovation strategy and an effective approach towards risk management? 4 Does the organisation evaluate the success and added value of innovation, using the results to make resource prioritisation decisions and inform future innovation?
Rating		Well placed

The review team heard from staff and external stakeholders that AGD favours traditional methods in many aspects of its work, and that the department would benefit from a greater focus on more contemporary and innovative approaches. For example, the department could increase its interactions with think tanks, non-government organisations, academia and the private sector when developing policy. AGD has a consultations page on its website, which is a good initiative, however external stakeholders suggested that further outreach into the community would allow richer input to inform the development of policy advice and legislation.

In recognition of the need to be more innovative, the department has developed a new innovation and creativity framework and planned initiatives to increase its innovation capability. This is a good initial step. AGD would also benefit from sharing good practices across the department.

The review team found that the department needs to further build a culture that supports and encourages innovation and appropriately accepts risk to improve its capability in this area.

Enabling technologies

There is a need in this digital age for AGD, like all public sector agencies, to engage with and embrace new technologies. There is an expectation that agencies will use dynamic methods to engage with stakeholders. This expectation is reflected in the department's social media policy which 'seeks to establish a culture of openness, trust and integrity amongst AGD officers who use social media'¹⁵. This, however, does not regularly translate into action within the department.

The social media policy sets out formal approvals required, training and support available, and expectations of staff who manage these types of accounts. Some areas are already using

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social media, such as the arts with its strong Twitter presence and Emergency Management Australia with its YouTube channel and Disaster Watch mobile application. However, this type of activity is rare in the department.

Leveraging new communication channels to engage with stakeholders could lead to more dynamic advice and input even when tight timeframes are in place. Some staff have reported difficulties in taking advantage of these technologies due to security restrictions. The review team found a need to reconcile the potential of innovative communication approaches with internal security measures that impact on the ability to deploy modern enabling technologies.

The department relies primarily on written communication. While important, words are not the only, or necessarily the best way to transmit concepts, facts and ideas. AGD could consider building its capability to communicate complex information through alternative mechanisms such as podcasts, videos, charts, tables and infographics to support clear communication and increase engagement.

Stakeholders have suggested that AGD needs to keep up with the external environment with a broad, contemporary understanding of issues and not just a Canberra-centric perspective. Contemporary approaches will assist in fostering a more open and responsive department that has a strong understanding of its broad operating environment.

An emerging culture that supports innovation

The review team found that the Secretary and other senior leaders are key drivers of innovation. There is, however, some concern over whether staff feel they can think creatively to support innovation. Staff appear hesitant to 'have a go' due to a low tolerance for failure and an aversion to risk in many areas. Additionally, multiple lines of clearance can result in ideas stalling at senior levels or not being suggested in the first place.

A culture that supports and encourages innovation is required to grow capability and encourage bottom-up innovative solutions. Ensuring staff have a supportive environment to suggest and trial new ideas, with clearly articulated risk tolerances and an understanding and acceptance by leaders that failure may sometimes result, is critical for building this capability.

A focus on innovation

AGD has a framework and program of events that supports a focus on innovation across the department. This new initiative (launched at 'Off the Cuff'¹⁶ in May 2014) outlined the Secretary's focus for the next year on innovation and creativity.

Currently, there does not appear to be formal structures to assist staff to capture information, assess learnings from successes or failures or share innovations across the department or the wider portfolio. Taskforces were initially used as an innovative way to focus on strategic issues and allowed staff to incubate ideas which could then be disseminated throughout the department. Using the taskforce model as a supporting, cross-cutting, environment to develop ideas and trial innovations should continue to be encouraged.

¹⁶ The Secretary's Off the Cuff sessions provide staff (particularly below SES level) direct access to the Secretary. The Secretary provides a brief update then an opportunity to ask questions.

The review team found other positive initiatives in place to increase innovative thinking among employees and better align innovation to strategy. One example is the 'Talking Heads' monthly presentation series, run by graduates, which invites prominent leaders, thinkers and innovators to present to AGD to help stimulate fresh thinking. The review team also acknowledges the introduction of a departmental innovation award, which celebrates creative and innovative work approaches to further stimulate a culture of innovation.

The department is also establishing an APS-level network and delivering workshops to assist staff to pitch ideas to help encourage more 'bottom-up' innovation and idea sharing. Other proposed activities to increase capability include dedicating time in SES and EL forums to explore aspects of innovation and creativity and participation in the Public Sector Innovation Network through activities such as supporting broad staff participation in an Innovation Summit focused on pattern breaking.

Continuous improvement

AGD has demonstrated a commitment to continuous improvement through organisational reviews and more informal internal reviews, such as those relying on the Lean Six Sigma¹⁷ process. Another example is the establishment of the strategic workforce analysis framework, which includes monthly metrics and quarterly reporting discussions between divisions and People Strategy Branch.

The development of an international strategy allocating an SES officer as a central contact for all issues relating to a specific country, is a good initiative for improving operations within the department. The initiative includes developing a broad view of the work undertaken within specific high-priority countries and subsequently the ability to leverage relationships and knowledge for better outcomes. It also provides an opportunity for SES to develop a deep understanding of a country.

¹⁷ *Lean Six Sigma: Combining Six Sigma with Lean Speed* by Michael George and Peter Vincent 2002.

Plan, resource and prioritise

Guidance Questions		<ol style="list-style-type: none"> 1 Do business planning processes effectively prioritise and sequence deliverables to focus on delivery of strategic outcomes? Are tough decisions made on trade-offs between priority outcomes when appropriate? 2 Are delivery plans robust, consistent and aligned with the strategy? Taken together will they effectively deliver all of the strategic outcomes? 3 Is effective control of the organisation's resources maintained? Do delivery plans include key drivers of cost, with financial implications clearly considered and suitable levels of financial flexibility within the organisation? 4 Are delivery plans and programs effectively managed and regularly reviewed?
Rating		Well placed

The review team found that AGD has taken a proactive approach to financial management, with some evidence of effective reprioritisation, and a sustained focus on improving business planning.

The addition of the arts functions has resulted in significant assets brought into the portfolio, the management of which may require the department to develop additional capital asset management expertise.

Proactive financial management

The review team found that there is a proactive approach to financial management within AGD. In recent years, the department has taken a long-term view of its financial position in anticipation of increased budgetary constraints. Measures such as increasing the span of control of managers when opportunities arise, centralising monitoring of recruitment and multiple voluntary redundancies rounds have positioned the department well in the current tight fiscal environment.

The Chief Financial Officer is highly regarded by staff and external stakeholders, though the department has recognised scope to improve the financial acumen of its broader SES cohort and introduced mandatory SES online financial training and the development of desktop financial guidance materials.

The department's budget has usually been allocated to internal groups based on previous year budgets—minus savings and plus any new policy proposal funding—and distributed to divisions. Deputy secretaries can move funds between divisions in their group and division heads have the autonomy to move funding between branches. However, other than at the start of the financial year, staff have had limited visibility of funds or other resources being shifted between groups to respond to, and adequately support, emerging areas of highest departmental priority. AGD has instituted a new business planning process for 2014–15 focusing on ensuring that resources are appropriately distributed within the department

to meet emerging and current Government priorities. While early days, the review team supports the department's efforts to further prioritise and allocate resources at whole-of-department level.

Changing business planning

Business planning processes have changed several times over recent years, with the aim to better align business planning with prioritisation and resource allocation. The current iteration is viewed with some optimism by staff, though the review team found many staff experiencing change fatigue related to the number of times the planning process had changed in recent years. AGD needs to ensure its business planning does not become a tick-and-flick exercise and that plans are regularly reviewed to remain current throughout the planning cycle.

Much of the department's work is seen as reactive rather than planned. At times AGD struggles to balance business-as-usual activities with new and emerging priorities. Staff suggested that high-priority tasks are often identified but that de-prioritisation of activities is either not done or not communicated well.

To reduce focus on certain activities without a major announcement may be entirely appropriate in some circumstances and it is the responsibility of supervisors to manage these changes. It is increasingly important in fiscally constrained times to ensure work efforts focus on activities most closely aligned with the department's strategic outcomes.

Staff and external stakeholders have advised that AGD rarely plans for implementation components, measures or evaluation activities. The department would benefit from stronger end-to-end work planning, and considering and committing to effective implementation, monitoring and evaluation.

Effective management of resources

It is unclear how well resource allocation aligns with government priorities. At times it appears that insufficient resources are prioritised to deliver key whole-of-government activities, especially when these do not clearly align with AGD traditional priorities. Some staff have suggested that the department does not appear to sufficiently recognise the significant opportunity these activities have to highlight AGD's value-add across the APS.

AGD has successfully managed its staff numbers in preparation for expected reductions in funding and termination of programs. The review team commends this proactive downsizing, but suggests the department could more clearly align these decisions to its workforce planning needs.

Staff have advised that areas within AGD rarely draw on portfolio or department-wide resources for short-term projects or work surges and that resources have been infrequently moved between groups (only at mid-year reviews and for use on taskforces). Instead, divisions are forced to resource from within and staff suggest this leads to some 'patch protection' and subsequent de-prioritisation, which at lower levels may not always strongly align with strategic priorities. To help address this gap, AGD recently adopted a flexible resourcing strategy to support moving resources to enterprise priorities throughout the financial year.

Taskforces and royal commissions

AGD has demonstrated its ability to quickly establish major taskforces (for example, the Defence Abuse Response Taskforce) and royal commissions, leading and contributing to work across boundaries on cross branch, divisional, departmental and whole-of-government issues. It is a statement of confidence and a testament to its agility that AGD is entrusted with these high-priority activities. Often established in short timeframes, some with immense pressure from stakeholders and intense media focus, the department has done well to deliver in challenging circumstances.

Feedback to the review team noted the need for greater support and flexibility during the establishment phase of royal commissions. Additionally, support beyond the establishment phase is reported as variable with limited consideration for ongoing implementation processes and monitoring. Despite this, the strong commitment of staff involved has ensured obligations have been met.

Royal commissions and taskforces have been a high-profile priority for government in recent years. Resourcing these has been a significant challenge for AGD and has impacted on the delivery of some business-as-usual activities, largely due to a significant number of often high-performing staff seconded to work on these projects. The review team found a need for more end-to-end planning for royal commissions and taskforces to ensure appropriate resourcing and support is provided throughout the life of a project.

The review team was surprised to learn that staff interested in working on the Child Sex Abuse Royal Commission were generally not supported for temporary transfers but instead needed to resign from their ongoing positions in the APS to take up these opportunities.

AGD has created internal taskforces and working groups for priority work, such as for the preparation of its incoming Government briefs. Staff have suggested that a good compromise for balancing ongoing and short-term work is the use of virtual taskforces. These taskforces, used in some areas, allow staff resources to be shared while simultaneously developing capability in relevant business areas. The department may consider further using this model.

Shared commitment and sound delivery models

Guidance Questions		<ol style="list-style-type: none"> 1 Does the organisation have clear and well understood delivery models which will deliver the agency's strategic outcomes across boundaries? 2 Does the organisation identify and agree roles, responsibilities and accountabilities for delivery within those models including with third parties? Are they well understood and supported by appropriate rewards, incentives and governance arrangements? 3 Does the organisation engage, align and enthuse partners in other agencies and across the delivery model to work together to deliver? Is there shared commitment among them to remove obstacles to effective joint working? 4 Does the organisation ensure the effectiveness of delivery agents?
Rating		Well placed

In recent years, AGD has taken steps to improve its governance arrangements, though further work is needed to clarify accountabilities and responsibilities.

Improving governance

The department has taken steps to improve its governance arrangements in recent years. The Executive Board, made up of the Secretary and deputy secretaries, is viewed as an effective decision making body. The Chief Financial Officer, head of People Strategy Branch and the head of Strategy and Delivery Division also attend Executive Board as observers.

The Senior Management Committee focuses on major corporate and some strategic issues, as well as monitoring operational and strategic performance. It acts as the Investment Review Board making recommendations on capital investment to the Executive. However, committee members suggested that this largely information-sharing committee focuses almost exclusively on corporate or administrative matters even though there is capacity to be more involved in strategic management and decision making for the broader benefit of AGD.

The review team was not convinced that the Senior Management Committee model, as it operates, is effective and believes it may even be contributing to a disconnected governance architecture. The review team found that authority and reporting lines of committees below the Executive Board are unclear. There is no consistent understanding of what committees can decide. A more explicit statement of authority would assist committee members to better exercise delegation and contribute to the overall management of the department.

The review team found membership of the Enterprise Information Systems Project Board to be primarily made up of members from corporate areas. This contributes to the belief of many staff that ICT decisions are not adequately informed by the requirements of business areas.

The department would benefit from reviewing the membership of its committees to ensure relevant and representative membership and efficient and effective arrangements. A

cascading approach to governance may be useful for involving lower-level staff, to tap their views, develop their skills and experience, as well as to assist in communicating decisions throughout AGD.

Delegations

Authority for decision making varies across AGD and the review team heard that staff at SES Band 1 and below would like greater empowerment to make decisions and exercise authority. Delegations are exercised at a very senior level, which is not consistent with the principles of subsidiarity. Below the SES Band 2 level, staff rarely have the opportunity to present their views to the Executive. There are no regular SES Band 1 forums to connect and support this cohort or to leverage their expertise to contribute to enterprise decision making.

Senior leaders could further utilise the broader leadership team by ensuring they are actively involved in governance and organisational management. Practical steps such as providing staff with opportunities to present their work to the Executive and structuring governance to include a wider catchment of staff could assist in tapping talent and improving communication and understanding throughout AGD.

The department is conducting an ongoing process to increase the span of control of its managers at executive levels as many EL staff have limited supervisory responsibilities¹⁸ (due in some circumstances to the technical nature of their roles). Some divisions have made a deliberate attempt to redefine the work level of APS and EL1 staff, including reclassifying roles when people leave and empowering staff with more responsibility at some levels.

Barriers to effective collaboration

Some staff and stakeholders suggest there is not a single 'AGD voice' on some issues. AGD is seen at times to struggle to bring together a range of views from across the department and the broader APS to provide a coherent view on key issues. This underpins the ability of the department to provide constructive and informed advice to government.

The department uses taskforces and working groups to address significant priorities and work on cross-cutting APS and internal issues. This is a sound model of delivery for the department. Greater visibility of the work of these groups could help develop a shared understanding of issues across AGD.

The review team found a lack of enterprise-wide approaches, including knowledge transfer processes, sharing innovations and stakeholder engagement, to name a few. While AGD collaborates well on specific high-priority tasks, collaboration on routine activities appears limited and often relies on personal relationships developed by individuals over time. While there are some positive examples of sharing information and better practice, such as the casework collaboration forum, more could be done to develop this capability to strengthen and increase the consistency of routine business practices across AGD.

The department has a high level of security due to the range of sensitive issues for which it has responsibility, including national security and the Protective Security Policy Framework.

¹⁸ The median APS policy agency ratio for the number of lower-level employees per EL2 is 6.2, AGD's span of control ratio is lower at 5.6 (State of Service Report 2012-13).

The need to retain the highest security standards is essential though this could be further differentiated within appropriate parameters, as the security overlay is reported to be creating some unnecessary barriers to communication, innovation, knowledge, recruitment and resource sharing.

Shared and enabling services

Established in October 2013, the Service Centre consolidated operational corporate functions within AGD to maximise efficiencies and create a structure to allow it to enter into shared service arrangements. The final stages of the current implementation plan are due to occur when business managers transition from divisions into the Service Centre by the end of the 2014–15 financial year. The Service Centre is incorporating some back-end functions from across the portfolio.

Internal and external feedback to the review team from users of the Service Centre was generally positive. To further build on this work, AGD needs to develop a vision and strategy to provide shared services across the portfolio, including a compelling value proposition. Currently, there is a strong view based on past experience, that the department cannot provide financially sustainable, efficient shared services to agencies. There may be opportunities to provide broader service offerings as well as leverage from, or co-design, services with other APS agencies and the private sector with consideration of who might be the best provider of these services.

The review team found that while AGD has generally good ICT infrastructure and systems, it needs to improve communication and collaboration with business areas. Although it occurred several years ago, the introduction of SharePoint is an example of a project failing to deliver on expectations. Staff devoted time and effort into re-organising information to meet the requirements of the new system only to have the roll-out cancelled with inadequate communication of details. This experience damaged trust between the ICT area and business areas. Work is needed to rebuild this trust.

Manage performance

Guidance Questions		<ol style="list-style-type: none"> 1 Is the organisation delivering against performance targets to ensure achievement of outcomes set out in the strategy and business plans? 2 Does the organisation drive performance and strive for excellence across the organisation and delivery system in pursuit of strategic outcomes? 3 Does the organisation have high-quality, timely and well-understood performance information, supported by analytical capability, which allows you to track and manage performance and risk across the delivery system? Does the organisation take action when not meeting (or not on target to meet) all of its key delivery objectives?
Rating		Development area

The process of measuring policy and program effectiveness is essential to building a deep understanding of issues to both enhance AGD's expert status and support its organisational stewardship. The review team found that the department would benefit from a greater focus on evaluation.

Measured performance

Many of AGD's key performance indicators focus on outputs rather than outcomes. Staff indicated to the review team that sophisticated use of data sets and financial information to inform policy or evaluate trends is rare.

Many areas of the department are highly reactive with a focus on getting policy approved or legislation passed, rather than on assessing outcomes. The review team found that AGD is too focused on cost and outputs and needs to balance this with a focus on long-term effectiveness and benefits realisation. The department would benefit from placing greater value on program management, evaluation and data analysis skills to support policy development.

While good HR and financial reporting exists, there is potential for AGD to better use data from internal and external sources to monitor and manage the department and its portfolio outcomes. Stakeholders often indicated to the review team that they had provided the department with data with no view to if it was used in even a limited manner, let alone to assess and drive performance.

The department's Strategy and Delivery Division is undertaking work to incorporate divisional and departmental key performance indicators into business plans. The review team supports this work and notes that for AGD to improve its capability in this area, cultural change is required to embed a focus on performance management into all areas of the department's work.

Program evaluation

Within AGD, there are positive examples of evaluation activity. Emergency Management Australia undertakes end of season reviews. The Crisis Coordination Centre undertakes a three-tiered evaluation across whole-of-government and at divisional and branch levels after each major crisis. Some areas have also accessed external expertise to undertake program evaluation. Across most of the rest of the department, however, evaluation is rare.

AGD should further consider how it can leverage its internal expertise to develop more consistent enterprise-wide evaluation approaches and embed a culture of evaluation. Staff indicated to the review team that low importance is placed on evaluation. The review team believes that AGD has a responsibility to ensure it understands the impacts of its policies to be able to provide compelling evidence-based advice to government over time.

Risk management

The review team found a disconnect between AGD's risk management guidelines and the reality of how the department manages risk. While guidelines are clear, many employees suggested that AGD has a culture of risk aversion reinforced by its legal orientation and evidenced by a reluctance to embrace new technologies such as social media, as well as a failure to openly engage with stakeholders and the elevation of decision making.

When interpreting legislation, the review team heard that staff can sometimes be seen to provide advice on the basis of what the legislation will not allow as opposed to offering advice on how outcomes can be achieved. AGD should consider how it can best adjust its appetite for risk to grow a culture of risk mitigation, rather than risk avoidance, to support efficient and effective outcomes.

5 The department's response

The report of the Capability Review is a valuable resource for building our organisational capability.

We are pleased the reviewers confirmed our greatest strength is a dedicated and motivated workforce that is highly valued. Our people will continue to be a key focus for investment in future capability.

Our policy expertise was recognised in the report, as were our efforts to prepare ourselves well for tight fiscal times through good financial management and increased efficiency.

We welcome the finding that the department is able to rapidly bring resources and expertise to bear and to work across traditional boundaries, particularly in response to emerging issues.

We are also grateful to the reviewers for their insights on areas where we could improve.

The report provides the department with a strong foundation to build on our proven strengths and to develop our capability. The department will act on the findings of the report to ensure it is well positioned to meet future needs.

The department thanks the Senior Review Team—John Ombler, Penny Armytage and Jan Mason—for their constructive and considered approach in undertaking the review. I would also like to thank staff from across the Department for their contributions to the review.



Roger Wilkins AO
Secretary, Attorney General's Department

6 Abbreviations and acronyms



Abbreviation or acronym	Description
AGD	Attorney-General's Department
AGS	Australian Government Solicitor
APS	Australian Public Service
APSC	Australian Public Service Commission
EL	Executive Level
HR	human resources
ICT	information and communications technology
Senior Leadership Team	Secretary and deputy secretaries
SES	Senior Executive Service
SOSR	State of the Service Report

