

SECOND READING SPEECH

State Service Amendment (Performance) Bill 2011

Lara Giddings MP
Premier

I move – That the Bill now be read for the second time.

Mr Speaker, I am pleased to have this opportunity today to commend this Bill to the House.

Effective performance of our State Service workforce is critical to the delivery of quality services for Tasmanians and the communities in which we and our families live.

Let me say from the outset, and for the record, that I and my Government acknowledge the work done by people in the State Service in delivering the Government's services and programs.

Without focussed, performing people, intent on delivering the services and programs of the Government of the day to the best of their ability - be that in our schools, hospitals, libraries, parks, creating economic

opportunities for the State, protecting it from disease, enabling transport infrastructure and in many, many more areas - the way in which we all live our lives in Tasmania, and the quality of them, would be significantly affected.

Mr Speaker, it is particularly important, in the economic times we now face, when Tasmanians rely more than ever on the people who deliver the Government's services and programs that they do so in the most productive, timely, efficient and effective manner. Tasmania cannot afford anything less.

My Government, through its Agencies, recognise this and the need for more effective people and workforce management. We have responded to this with the development of People Directions, an overarching, integrated people and workforce management framework.

The framework is Service wide. Its focus is on delivering quality services for Tasmanians. It does this by implementing actions to provide for more effective leadership, recognition, development, and importantly

an expectation of performance from all within the Service to achieve that focus.

Mr Speaker, in my Ministerial Statement to the House on 26 May I talked about the Government's duty as a responsible employer to work with staff to ensure they can perform to the best of their ability; and our responsibility to strengthen our performance management processes.

The Bill I am commending to the House today has been developed to achieve this. It is a critical part of the Tasmanian State Service reform agenda to improve the efficiency and productivity of our State Service.

The Bill amends sections of the *State Service Act 2000*. It provides a legislative framework with a sharp and balanced focus on performance, managing for performance, recognition of good performance and, where it exists, underperformance. It applies to all people who work in the State Service, regardless of where they work, the role they play or their level of seniority.

Consultation during the development of this Bill identified a consistent message from employee surveys of dissatisfaction and frustration that non performance and underperformance are not easily addressed. The feedback from key public sector unions was that their members are concerned and dissatisfied with the employer's management of non and underperformance. Heads of Agencies also welcomed the focus on managing for performance,

underperformance, recognition of good performance and their responsibility and accountability in this process.

Mr Speaker, importantly this Bill builds on the State Service Act by enshrining in a revision of State Service Principal 7(J) accountability, responsiveness to Government priorities and, of course, delivering quality services as an expectation of all those who work within it.

This is an important point as it says to everyone who works in the State Service that you are accountable for what you do in delivering the Government's services and programs. In particular, every action you take, everything you do, regardless of your role, is to make a difference in how Tasmanians access and receive these services and programs.

My Government recognises that effective performance rests not just with employees, rather that people perform best when they work within an environment that enables them to do their best, where supporting performance management systems, development, and feedback are in place to encourage them to achieve their potential, enjoy coming to work and helping to achieve the objectives of the Agency and the wider State Service.

To achieve this to best effect requires a reciprocal obligation involving a number of people working together, each with a part to play: Head of Agency, employee and their manager.

This reciprocal obligation is the cornerstone of this Bill.

Mr Speaker, equally necessary is a mechanism which clearly articulates what performance is required, how duties are undertaken and the standard of performance required.

Research shows that this mechanism needs to be clearly and openly discussed, documented and jointly agreed by employees with their manager.

This is necessary to ensure no ambiguity or confusion about why, what and how work is to be done and how it relates to the business of the Agency and to the standard required. Lack of clarity, feedback and understanding often means productivity suffers. In our present climate we don't have that capacity.

Mr Speaker, the Bill we are considering today provides for this and has at its centre a performance management

mechanism, the performance management plan, in which people in the State Service will participate.

The performance management plan is pivotal to the continued performance we need from the State Service workforce if we are to meet the obvious challenges we now all face.

It will identify the standards and requirements of performance (jointly agreed by the employee and their manager), enable feedback between them and identify the support required to enable this performance to be achieved.

I spoke earlier about the reciprocal obligation between the Head of Agency, employee and their manager to achieve effective performance and managing for performance within the State Service.

I would like now to provide a more detailed overview for Members of the House on how this will occur.

Mr Speaker, Heads of Agencies will have the power and obligation to provide and ensure effective performance management systems are in place, employees will complete a performance management plan, which is developed in consultation with their manager, the role and importance of the plan is understood, and that supporting development mechanisms exist in Agencies to enable employees to reach the level of performance identified.

Heads of Agencies will also be required to communicate effectively within their Agencies about their performance management systems and to the wider community by providing, in their Annual Report, an overview on the effectiveness of the development and implementation of their performance management systems.

All the obligations I have outlined for Heads of Agencies will ensure transparency and accountability and the necessary infrastructure for managing for performance exists and assists employees to achieve agreed performance.

Mr Speaker, as with Heads of Agencies, there will also be an accountability, reciprocal obligation on employees, including those with supervisory or managerial responsibilities.

Employees will be expected to actively prepare for, and participate in, the performance management process operating in all Agencies.

This means, either in their capacity as an employee, supervisor or manager, each person will take responsibility for the development and completion of their personal performance management plan, actively participate in the performance management discussion process, undertake any relevant development identified in the performance management plan and, importantly, achieve the required performance identified in that plan.

Mr Speaker, I now wish to address the issue of underperformance. Before I do so, let me say again that I believe the overwhelmingly majority of our workforce come to work to do a good job, to make a difference and want to feel that their work is of value in delivering the services that the Tasmanian community expect.

Let me also reiterate this is not about a backdoor way of sacking people to reduce costs. It is about ensuring those that work within the State Service are able, supported and expected to do their very best.

Provisions currently exist in the State Service Act, and its supporting Regulations, to provide mechanisms for redeployment and, if required, termination of employment can be executed on the grounds of inability, breaches of the Code of Conduct, not meeting probationary requirements or abandonment of employment.

However, nothing specifically exists in current legislation that enshrines managing underperformance and, if required, termination of employment on the grounds of underperformance. This is provided for in this Bill.

The performance management plan, which I referred to earlier, will be the mechanism which identifies the agreed and expected performance standards and requirements of employees. It is against these agreed performance standards that underperformance will be measured.

Mr Speaker, the Bill provides for a Ministerial Direction to be developed which will detail further direction to Heads of Agencies in relation to performance management, its reporting, actions they may take to recognise good performance and for underperformance including termination.

To ensure transparency, and ownership in the development and finalisation of the Ministerial Direction, wide ranging consultation with all relevant parties, including unions will occur.

Let me be clear on this point, because it is an important one, if anyone is deemed not to be performing, before termination of employment can be considered natural justice principles must and will apply.

In practical terms this means everyone will be given the opportunity to improve their performance, will have a full and frank conversation with their manager to identify action to address performance issues, be given time to improve, and will be supported by their Agency's performance management systems and infrastructure.

It is only after due process and an opportunity to improve performance and the required standard still not met, will the Head of Agency write to the employee indicating they intend to recommend to the Minister, responsible for administering the State Service Act, the termination of the employee's employment.

Even at this point, the employee still has the opportunity to respond within 14 days.

It is only after consideration has been given to any such response that a Head of Agency may recommend termination of the employee's employment to the Minister.

Mr Speaker, in summary, effective performance of our workforce is critical. To ensure continued performance is realised and continues to improve, a balanced framework, based on accountability and reciprocal obligation, to manage for performance, underperformance and recognition of good performance, has been developed.

I commend the Bill to the House.