



# Charting the course to great

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In April 2013 the State Services Commission published *Core Guide 3: Getting to Great*; Lead Reviewer insights from the Performance Improvement Framework (PIF) to identify good practice from the individual Performance Improvement Framework reviews. Written by Lead Reviewers PriceWaterhouseCoopers (PwC) New Zealand Partner Debbie Francis and former Secretary to the Treasury Dr Murray Horn, the report provides practical advice on what it takes to shift an organisation's performance from good to great. Editor SHELLY BISWELL learns why some agencies are consistently such high performers.

This autumn and winter, Debbie Francis and Dr Murray Horn, Lead Reviewers for the Performance Improvement Framework (PIF), are leading a series of seminars for public service

managers. Hosted by the State Services Commission, the purpose of the seminars is to discuss the findings of *Getting to Great* and how those findings can be translated into action.

Both Francis and Horn are champions of New Zealand's public service, their enthusiasm is infectious as the animated discussions following one of the recent seminars suggests, but they are also in pursuit of lifting the overall performance of the sector.

Debbie Francis says, "The public sector already does many things well as feedback from *Kiwis Count* or recognition from organisations like Transparency International shows, but there are also areas where we could improve.

"The report doesn't make light of all the superior work that is already being done. Instead *Getting to Great* looks at ways to capitalise on that work and, where possi-

ble, to emulate it across the public sector," she says.

"Murray and I set out to write a report for practitioners, which means *Getting to Great* isn't an academic discussion or a philosophical treatise, it's more like a how-to guide on ways to achieve excellence in the public sector."

That's not to say it's an easy journey. As Francis and Horn note in the report's acknowledgements: "For even the most seasoned leader, guiding public institutions through the current uncharted waters is an immensely challenging, and lonely task. Without fail, each chief executive who has completed a PIF Review has been willing to admit they have to try new things. It takes a sense of self-confidence and courage to do things differently, let alone chart agencies through these times."

Dr Murray Horn adds: "We know what success looks like and

we know the approaches and systems that foster success. The rub for chief executives and their senior leadership teams is to not accept good as 'good enough'."

Since the PIF was rolled out in 2009, 26 individual agencies have gone through the process of learning where their strengths and weaknesses lie in the areas of strategy; leadership; and improving delivery, finances and resources compared with where they need to be to deliver the outcomes they are seeking to achieve. *Getting to Great* is based on the findings of the first 21 reviews conducted between 2009 and 2012.

When asked independently of each other what the reviews suggest needs to change within organisations, both Francis and Horn reply with two words: stewardship and confidence.

Horn says, "In terms of stewardship, most agencies are good at

## What it takes

IN *Getting to Great*, the Lead Reviewers found the following traits in organisations that are capable of sustained superior performance.

- A clear purpose and clarity on how the organisation's strategy will best achieve its goals. Where an organisation's leadership and staff know how they can add the most value to New Zealand now and in the future. "Too many agencies are focused on where they are at and what they need to do next, rather than where they need to go and how to get there."
- Strong internal leadership that attracts talented people and inspires them to dedicate themselves to working with integrity to deliver the outcomes that the agency has identified as mattering most to New Zealand. "Talent is attracted to public service and the best organisations develop and manage that talent to deliver the results that matter most. However, too many of our agencies rely too heavily on the talent and commitment of individuals rather than adding value to the individuals they attract."
- Invests in talent by providing challenging, interesting and important work to do, while also managing poor performers to either improve or to exit. "Superior agencies focus effort where it matters most, set high standards, delegate authority and then help people achieve the agency's goals."
- Enlists the active support of all those outside of the agency who are necessary to the agency delivering. "The best agencies understand what others are trying to achieve and how others can help and then work to align others' interests to deliver the desired results. The relationships formed by poorer performers tend to be overly transactional; often defensive; focused on activity rather than results; and driven by narrow rather than broad community interest."
- Demonstrates learning, innovation and continuous improvement are valued. "The best agencies expect and support ongoing improvement and adaption through measurement, testing and review. Too many of the others largely ignore this dynamic element of performance."
- Engages corporate support areas like finance, information technology, organisational development, strategy, risk and human resources as business partners. "The best agencies develop and use information and analysis to support decision-making to add value and manage risk. The others avoid risk rather than manage it."

serving their ministers, but some don't seem to take the long view. Public servants need to serve the government of the day but they also need to serve the public and they need to be well placed to serve future governments. High-functioning agencies have been able to find the right balance and are stronger for it."

Francis adds, "In some ways having a great organisation comes down to having a clear and worthy purpose. Confidence in leadership comes from having a profound sense of mission and a commitment to work toward that mission. It means leaders need to be ambitious and need to start managing risk instead of trying to avoid it."

She says that the mission needs to go beyond an individual agency's performance. "What we see in agencies that do well is that they have a clear sense of purpose within the organisation, but they also think beyond their own walls to attain their goals."

Horn says, "People don't come to work to find efficiencies or to avoid a bad outcome. They come to work to reduce crime, or to get more young people into training, or to help small businesses, or to protect our environment. They come to work to make a difference. Agencies that are successful have staff who are fired up about the goals of their organisation, have a clear understanding of their role in achieving those goals and are able to enlist those outside the organisation to help deliver the desired result."

The PIF was carefully developed with two purposes: to provide specific feedback and advice to senior leaders to help lift their organisation's performance, and to consider the reviews as a whole to identify any system-wide trends.

Horn says, "The first question I asked when approached about being a Lead Reviewer was, 'Who do I work for?' I wanted chief executives and their leadership teams to be able to be absolutely candid with reviewers and then embrace the recommendations we made. That requires us to identify where agencies need to improve to better deliver the outcomes they are seeking to deliver in order to do the best they can for New Zealand."

"The reviews are about looking for ways to lift the performance of an agency no matter where it's at – not comparing it to other agencies that may have very different goals and drivers. Taken together, the reviews also reveal what we need to do to improve performance across the state services."

Over time, the reviewers began to see certain strengths and challenges across the majority of agencies examined.

Francis says, "Reviewers discuss their draft report on an agency with the Lead Reviewer Peer Review Panel. This moderation process ensures the recommendations in the individual reports are robust, but it also means that reviewers are able to see and discuss trends across agencies."

Taken as a whole, the reviews show some of the public sector's strengths, such as ability to respond to issues and events – the response to the Canterbury earthquakes being an outstanding example – and areas where there's need for improvement, such as building core capabilities.

Francis adds, "If I were to distil the findings of the review into one piece of advice, it would be for public servants to be bold. There is risk in this, and there will be the occasional failure, but to attain greatness means stretching out to reach your goals." ■

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