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## DEVELOPING OUR LEADERS FOR TODAY AND THE FUTURE

The bottom line in leadership isn't how far we advance ourselves but how far we advance others. That is achieved by serving others and adding value to their lives.

Source: John C. Maxwell, *Leadership* author, 2007<sup>58</sup>

This chapter focuses predominantly on the most senior leaders in the QPS, provides a profile of this group and discusses performance frameworks in place to measure and improve senior executive performance. It examines key initiatives relating to the development of both current and future senior leaders in the QPS and staff perceptions of their senior leadership. The chapter will also highlight some of the future directions for the recruitment, development and retention of senior leaders in the QPS.

### • Introduction

Senior leaders have a crucial role to play in the public sector. Not only are they responsible for delivering efficiently and effectively on the strategic intent of government, they must also nurture the next generation of leaders.

As the priority placed on public sector performance and efficiency has increased, so too has the emphasis on the role and capabilities of public sector senior executives.<sup>59</sup> Greater focus is now placed on attracting, retaining and developing a mobile cohort of senior executives who have the necessary skills and knowledge to effectively lead people and deal with the complexity of modern government to deliver services.

58 Maxwell, J. C. 2007, *The 21 Irrefutable Laws of Leadership*, revised and updated, Thomas Nelson, Nashville, p. 51.

59 Organization for Economic Co-operation and Development 2008, *The State of the Public Service*, OECD, Paris, p. 68.

## • The role of senior leaders in the QPS

The CES and SES represent the most senior levels of the QPS workforce. SOs are the immediate group below, whose next logical career progression would be to the SES. SOs typically have tenure, while officers at the SES and CES levels are employed on contract, usually for a period of up to three years with scope for extension.

The purpose of the CES, SES and SO groups is set out under the PS Act. All three levels have a role in promoting public service efficiency and effectiveness, and applying and/or developing a public service-wide perspective.

The SES was first established in 1991, and included both chief executives and senior executives. At that time, there was very little lateral recruitment within the QPS and few officers moved between agencies. Employment contracts for SES officers were introduced in 1996 to provide greater flexibility in the deployment of senior executives and a stronger focus on performance. A separate group for chief executives, the CES, was established on 1 July 2008.

The concept of highly skilled leaders who have a service-wide perspective and can move readily across agencies applies to both the CES and SES. The employee survey explored whether senior leaders were indeed perceived as part of a broad leadership group which is mobile or transferable across agencies. More than half the senior leaders (58.5%) viewed SES leaders in their agency as part of a broad public service-wide leadership group, in comparison to only 42.6 per cent of other employees.

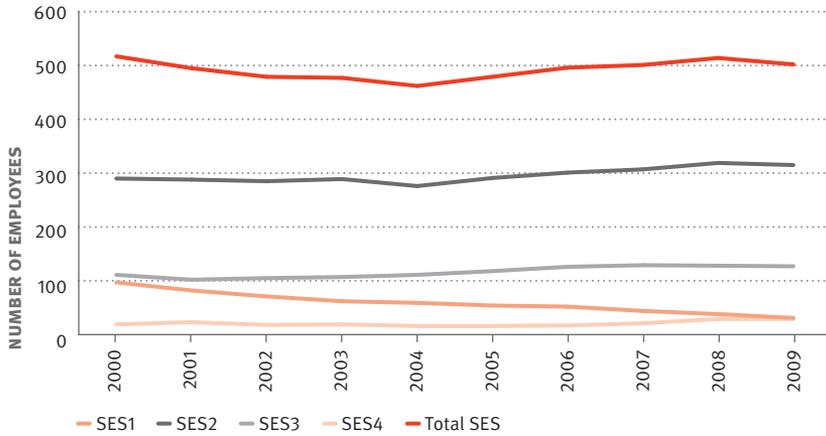
The survey also asked respondents how many QPS agencies they had worked in over their career. For the full range of survey respondents the mean number of agencies that they had worked in was 1.5 agencies. However, for SOs this increased to 2.2, and 2.5 for SES officers. While this is an encouraging response for senior leaders, and indicates that senior leaders have experienced more than one agency, there is still a way to go to fully deliver on the intent of a mobile group of senior leaders, particularly as around 70 per cent of appointments to the SES within agencies are made from employees already in that agency.

It is important to note that, in addition to the CES, SES and SO classifications, senior staff can also be appointed on a contract of employment under section 122 of the PS Act. As at 30 June 2009, some 528 staff across the QPS were employed on s122 contracts with SO, SES and CES-equivalent salaries. These s122 contract positions are generally fixed-term temporary contracts where specific expertise is required on a short-term basis or to meet market rate equity for key professions.

## • Profile of a senior leader

This section focuses on the senior leadership group comprising CES and SES members of the QPS. As at 30 June 2009, there were 502 SES positions and 14 CES positions in the QPS. These 516 positions take into account both filled and vacant positions. The total number of senior positions has reduced slightly over the past nine years, falling from a total of 541 senior positions at 30 June 2000 to 516 in 2009. The reduction over time for the SES levels is shown in Figure 30.

**FIGURE 30: TRENDS IN QPS EXECUTIVE EMPLOYMENT**



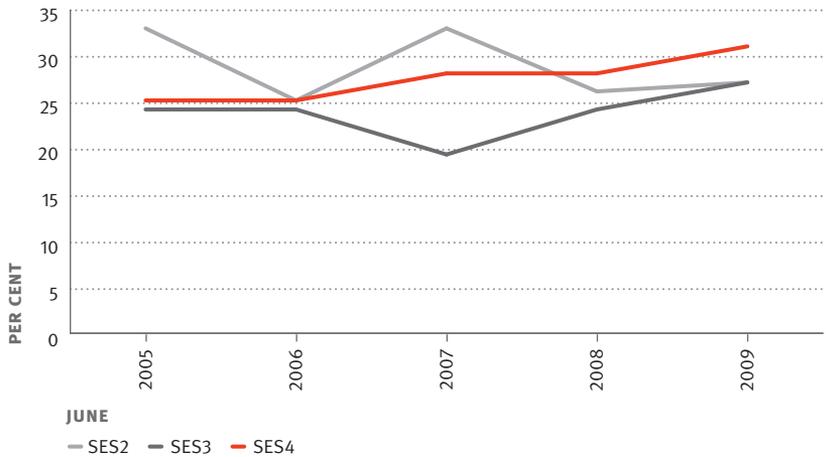
Source: The State of Queensland (Public Service Commission) 2010

The dramatic reduction in the number of SES1 positions over the nine year period is due to the replacement of this level with senior officer roles. The number of CES positions also declined following the March 2009 machinery of government changes, which reduced the number of QPS departments from 23 to 13.

*Gender*

Women’s representation within the combined SES and CES group rose from 23 per cent in 2005 to over 29 per cent in 2009. For CES roles the representation rose from 25 per cent to 27 per cent over the same period. The greatest change has been at the lower end of the SES, specifically in the SES2 level, with representation increasing from 25 per cent to 31 per cent over the five-year timeframe. These trends for women at the SES 2-4 levels are displayed below.

**FIGURE 31: EMPLOYMENT TRENDS FOR WOMEN IN SENIOR EXECUTIVE POSITIONS**



Source: The State of Queensland (Public Service Commission) 2010

As at 30 June 2009, there were 1373 people appointed to SO roles with just under 40 per cent (539) being women.<sup>60</sup> This is a positive sign with the gender representation becoming more equitable for the group whose natural career progression would be to the SES ranks.

### Qualifications

While there is currently no central record kept of the qualifications held by QPS employees, the employee survey requested respondents to nominate their highest qualification. Clearly, the QPS is a well qualified organisation with almost 60 per cent of respondents indicating that they held a bachelor degree or higher qualification, with the figure rising to 90.6 per cent for SES officers. In addition, around 60 per cent of SES officers hold postgraduate qualifications.<sup>61</sup>

This trend is continued for SOs with 87.9 per cent holding a bachelor degree or higher qualification and 53.9 per cent having postgraduate qualifications. This data is consistent with the trends in other jurisdictions with the APS reporting 84.8 per cent of their SES and 78.6 per cent of Executive Level Two employees being tertiary qualified.<sup>62</sup>

## • Managing executive performance

The establishment of the SES and CES classifications in the QPS has been accompanied by a strong focus on performance development and review. Australian and international research indicates that a number of principles support effective executive performance frameworks. In particular, it is important that the framework:

- clarifies and achieves a shared understanding of whole-of-government, agency and individual performance expectations and a clear line of sight between these three components
- is credible, open and transparent
- drives achievement and continuous development and improvement
- strongly advances a culture of performance across the sector, and
- aligns with other departmental performance management systems.<sup>63</sup>

The PSC drew on these principles in the development of the Chief Executive Performance and Development Framework. The framework is designed to assist chief executives achieve high-quality outcomes and sustain a culture of accountability for performance and continuous improvement. The framework covers four key areas of performance:

- whole-of-government objectives
- other department priorities
- department governance and management, and
- executive leadership capabilities.<sup>64</sup>

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60 The State of Queensland (Public Service Commission) 2009, *Annual Report 2008-09*, p. 72, <http://www.psc.qld.gov.au>

61 This figure includes those who hold a bachelor degree with honours

62 Australian Public Service Commission 2009, *State of the Service Report 2008-09*, p. 69, Commonwealth of Australia Canberra

63 Queensland Government (Public Service Commission) 2008, *Executive Performance Management and Development Frameworks: Research Report*, pp. 13-14, <http://www.psc.qld.gov.au/page/developing-people/performance-development/ses-performance-framework.shtml>

64 The State of Queensland (Public Service Commission) 2009, *Chief Executive Service Performance Management and Development Framework 2009 Guidelines*, p. 1, <http://www.psc.qld.gov.au/page/developing-people/performance-development/ces-performance-framework.shtml>

The framework is aligned with both the Queensland Government's Performance Management Framework (which sets the broad requirements for agencies to plan, manage and report on their performance) and the Ministerial Charter of Goals (which sets out the Premier's key goals for each portfolio area). This approach ensures that chief executive performance agreements clearly link to the major planning, budgeting and reporting cycles of government, and include other key priorities, such as those identified in *Toward Q2, Service Delivery Statements* (budget documentation), agency strategic plans and relevant COAG agreements.

The CES performance framework has two main components: the performance agreement and the performance review. Performance agreements for chief executives are prepared on a financial year basis and are reviewed annually, on the anniversary date of the chief executive's employment contract, by members of the Performance Leadership Group.<sup>65</sup> The reviews are used to inform decisions about pay progression, contract extension and renewal.<sup>66</sup> The reviews are also informed by periodic meetings held specifically to consider progress in achieving the Ministerial Charter of Goals.

The PSC has also developed the SES Performance and Development Framework, which is similar in intent and approach to that taken for chief executives. SES performance agreements are prepared and reviewed on a financial year basis and are based on four key elements: objectives beyond the business unit; objectives relating to business unit systems and governance; objectives relating to business unit people management; and executive leadership capabilities. Performance reviews should also include a 360 degree assessment of performance every second year.<sup>67</sup> Figure 32 depicts the annual cycle of the SES Performance and Development Framework, and the process for completing a Performance Agreement and Performance Review.

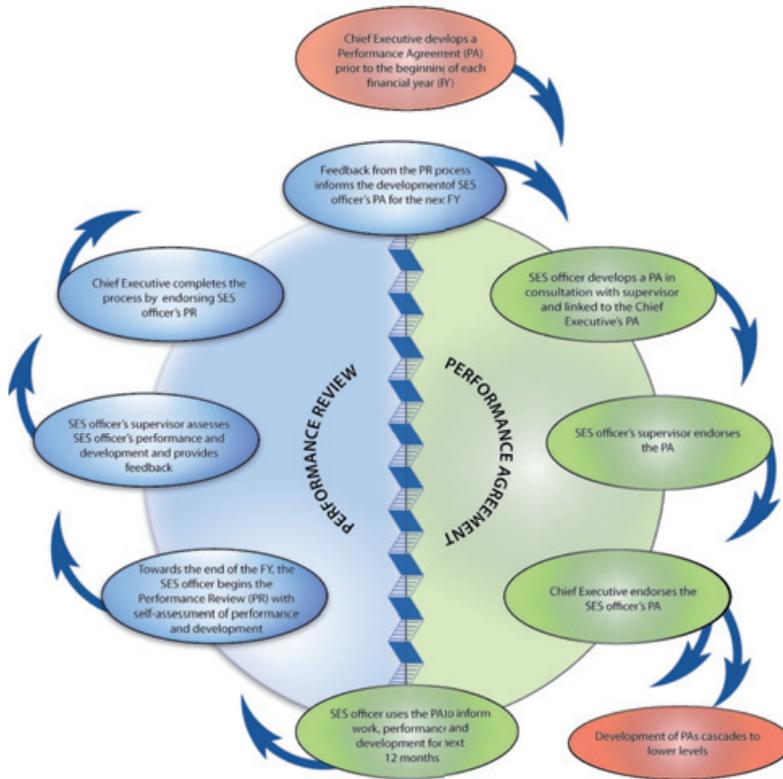
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65 This group is defined in Appendix 3.

66 The State of Queensland (Public Service Commission) 2009, *Chief Executive Service Performance Management and Development Framework 2009 Guidelines*, pp. 2-3, <http://www.psc.qld.gov.au/page/developing-people/performance-development/ces-performance-framework.shtml>

67 The State of Queensland (Public Service Commission) 2009, *Senior Executive Service Performance and Development Framework 2009-10 Guidelines*, p. 2, <http://www.psc.qld.gov.au/page/developing-people/performance-development/ses-performance-framework.shtml>

**FIGURE 32: ANNUAL CYCLE OF THE SES PERFORMANCE AND DEVELOPMENT FRAMEWORK**



Source: The State of Queensland (Public Service Commission) 2009, *Senior Executive Service Performance and Development Framework 2009-10 Guidelines*, p. 3.

## • Developing our leaders

Supporting the professional development of executive leaders is a key priority of the government and the PSC. There is a range of sector-wide programs and initiatives available to support the development, continuous improvement and career progression of CES, SES and SO officers in the QPS. These include a whole-of-government SES induction program, a range of structured learning and development programs and an SES seminar series.

### *SES induction program*

The PSC introduced a sector-wide SES induction program in 2008-09. The program is designed to complement inductions held by individual agencies, and is held at least once each year. The induction program provides participants with information about current whole-of-government initiatives, expectations of work performance and professional development, and legislative and accountability frameworks.

The SES induction program helps build a shared sense of identity across the SES and supports a culture of professional development. The program also provides a whole-of-government perspective, encouraging collaboration and the achievement of outcomes across agencies.

### *Structured learning and development programs*

The PSC coordinates a range of structured learning programs designed to support the professional development of officers at the CES, SES and SO levels. One of the flagship offerings is the Inspiring Executive Leadership Program, which is part of the Inspiring Leadership Series. This series comprises four offerings each delivered by leading education providers in partnership with the PSC, and designed for a specific audience within the public sector. More information about the offerings is also included in Chapter 8.

#### **Inspiring executive leadership**

The Inspiring Executive Leadership Program is delivered in partnership between the University of Queensland Business School, the Institute of Public Administration Australia (Queensland) and the PSC.

It is designed to provide participants with the skills, knowledge and capabilities they require to manage in complex environments, contribute to a culture that supports change and innovation, achieve strategic organisational objectives and further progress their career.

The program commenced in March 2010 and covers four modules: inspirational leadership; innovation leadership; government leadership; and strategic leadership. Participants can take one or all four modules, and each module includes mentoring and an action learning project.

To date, 22 participants have enrolled in the first two modules. Participants who successfully complete any of the modules may obtain credit towards a Graduate Certificate of Executive Leadership and the Masters in Business program at the University of Queensland.

Source: The State of Queensland (Public Service Commission)<sup>68</sup>

Additionally, the Australia and New Zealand School of Government (ANZSOG) delivers the following public policy and strategic management programs to senior staff within the QPS:

- **Executive Fellows Program.** This is a three week residential program designed for directors-general, associate directors-general and deputy directors-general. The program involves a dynamic mix of theory, case studies and exercises and is tailored to enhance core leadership and management skills needed to lead organisations within the public sector.
- **Executive Master of Public Administration.** This is a two year degree program designed for AO8 to SES level officers. The aim of the program is to develop world-class public sector managers who are better equipped to manage increasingly complex accountabilities and who have a broad view of, and excellent skill base in, management, service delivery and policy analysis across the spectrum of public sector activities.

Since 1 July 2008, 18 Queensland employees have participated in the Executive Fellows Program, and 20 in the Executive Master of Public Administration Program.

<sup>68</sup> The State of Queensland (Public Service Commission) 2010, *Inspiring Leadership Series: Inspiring Executive Leadership*, <http://www.psc.qld.gov.au/page/developing-people/professional-development/inspiring-leadership.shtml#ProgramOne>

### SES seminar series

The SES seminar series was introduced in May 2010 as part of a broader, PSC-led strategy to strengthen the SES. The seminar series is designed to feature outstanding government leaders addressing topics critical to governing, such as collaboration, service delivery and leadership. The seminars are also designed to provide senior executives opportunities to connect with their fellow executives. The seminar series will be supplemented by additional SES events, such as workshops and master classes.

## • Perceptions of leadership in the QPS

Since QPS leaders have both a leadership and nurturing role for future leaders, it is important to examine not only how they perceive their own capabilities, but also how other employees perceive their ability as leaders. The State of the Service employee survey collected information on these two perspectives. Overall, the results are encouraging although as expected the responses of general employees differ from those of senior leaders.

Senior leaders were asked to rate their perceptions of their own proficiency in the five leadership capabilities included in the CLF. The results indicated that the large majority of senior leaders believe they are highly proficient in all five areas, with highest proficiency in exemplifying personal drive and integrity and lesser proficiencies in shaping strategic thinking and communicating with influence (Table 15).

**TABLE 15: SENIOR LEADER PERCEPTIONS OF OWN PROFICIENCY IN LEADERSHIP CAPABILITIES**

Capability	High proficiency (%)
Achieves results	87.6
Cultivates productive working relationships	85.7
Exemplifies personal drive and integrity	94.5
Shapes strategic thinking	78.4
Communicates with influence	77.1

Source: Employee Survey 2010

Senior executives are comfortable in the exercise of their leadership, with 73.7 per cent of SES officers agreeing that they are actively engaged in the leadership of their agency and 94.1 per cent feeling confident they have the leadership skills to do their job effectively. They also view themselves as contributing to their agency's employment outcomes, with just over half (51.9%) agreeing that SES officers in their agency are personally active in efforts to improve equality and diversity in employment and just under half (48.6%) agreeing that the SES officers in their agency give their time to identify and develop talented people.

Importantly, two-thirds of SES officers (66.8%) agree that the SES officers in their agency work collaboratively with people from other agencies. Such cross-agency collaboration is vital for the achievement of a number of Toward Q2 targets and other government objectives and also reflects the shared sense of purpose and identity that the SES endeavours to foster.

More broadly, the employee survey asked all participants about their perceptions of the senior leaders in their agency. Just under half of all respondents considered that leadership in their agency was of a high quality, with around 42 per cent believing that their agency was well managed. SES respondents saw this more positively with 58 per cent considering that leadership in their agency was of a high quality, and over half believing that their agency was well managed. Senior officer responses were more closely aligned with the general employee group, with around half considering that agency leadership was of a high quality and 44 per cent believing that their agency was well managed.

While the results are not as positive from other staff as those from the SES, it is difficult to attribute definitive reasons. However, they are similar to the results found by the APS where for the past two years 46 per cent of survey respondents have indicated that they believed that leadership in their agency was of a high quality and 45 per cent felt that their agency was well managed.<sup>69</sup> It is likely that the QPS experiences similar issues to the APS where, with large agencies and a decentralised employee base, employees have very limited direct contact with their senior leaders and hence may find accurately assessing them difficult.

It is also possible that perceptions regarding communication within agencies could be a contributing factor. Only one-third (36%) of respondents believed that communication between senior leaders and other employees is effective and just under half (48%) believed that the most senior leaders in their agency were sufficiently visible to other staff. While the perception gap is of interest given the critical role senior leaders play in modelling appropriate behaviour and shaping organisational culture, the role of senior leaders is often not visible to many people within QPS agencies.

## • Key themes and future directions

The ongoing role of senior leaders in the QPS to ensure the efficiency and effectiveness of government will require them to deliver better, more accessible services to the people of Queensland. This will require high-performing senior executives and, as indicated by their very high assessment of their proficiency across the capabilities needed to lead the QPS, the majority of SES employees believe that they meet this requirement. The proportion possessing postgraduate tertiary qualifications indicates that they are clearly a highly qualified group.

Since the establishment of the SES, and more recently the CES, there has been an increased emphasis on the development of highly skilled, mobile and responsive senior leaders who are focused on performance, efficiency, outcomes and accountability. These qualities are developed and encouraged through a range of developmental opportunities, as well as the use of performance agreements and reviews.

One of the notions underpinning the executive service is that of a mobile executive leadership group that can move readily across the public, private and non-government sectors. While this concept requires further progression, implementing strategies to achieve this vision is one of the key priorities for the PSC.

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<sup>69</sup> Australian Public Service Commission 2009, *State of the Service Employee Survey Results 2008-09*, Commonwealth of Australia, Canberra, p. 18.

An ageing public sector and increased competition for highly skilled staff requires that strategies be put in place to attract, retain and manage executive talent. In response to this, a range of strategies is being considered by the PSC for future implementation. One particular proposal, in the early stages of development, is an executive talent management strategy. The central component of this strategy is a formal leadership development program that identifies high-performing executives with outstanding potential and provides them with tailored development to position them for future CEO leadership positions.