



Part 4: Our people

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Finance Transformation

Finance is leading public sector transformation and is committed to improving the way the department works to deliver government priorities. Building a highly capable and committed workforce that is flexible and able to work in complex policy areas is central to meeting this commitment.

Our people remain Finance's greatest strength. We are committed to the ongoing development of our workforce to ensure we are best placed to achieve our purpose and to further strengthen the skills, capability and leadership of our people to support the complex challenges we face. Finance is committed to increasing internal capability and increasing collaboration and innovation.

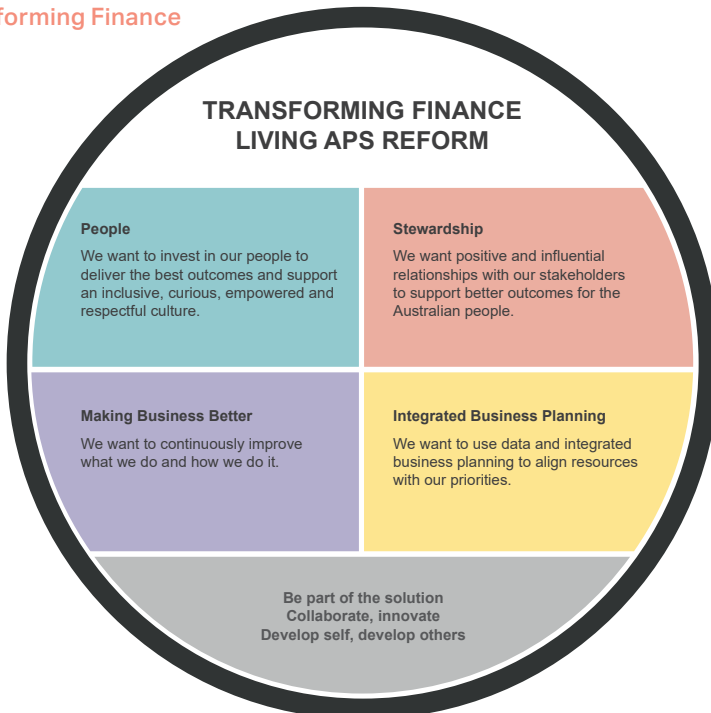
Finance is benefiting from our own internal transformation, which is seeing us become a more agile organisation that is able to adapt and respond quickly to changing priorities, risks and challenges.

Our transformation focuses on four key areas of people, stewardship, making business better and integrated business planning (see Figure 5).

The experience we are gaining from this internal transformation process is contributing to our leadership role in driving transformation across the whole of the Australian Public Service (APS).

We have engaged staff through a series of opt-in sessions where we have explored initiatives to inform our transformation plan, focused on building a culture that is always looking for opportunities to enhance productivity and improve how we deliver, engage with stakeholders, build capability, use data and technology, and support our people.

Figure 5: Transforming Finance



Workforce planning

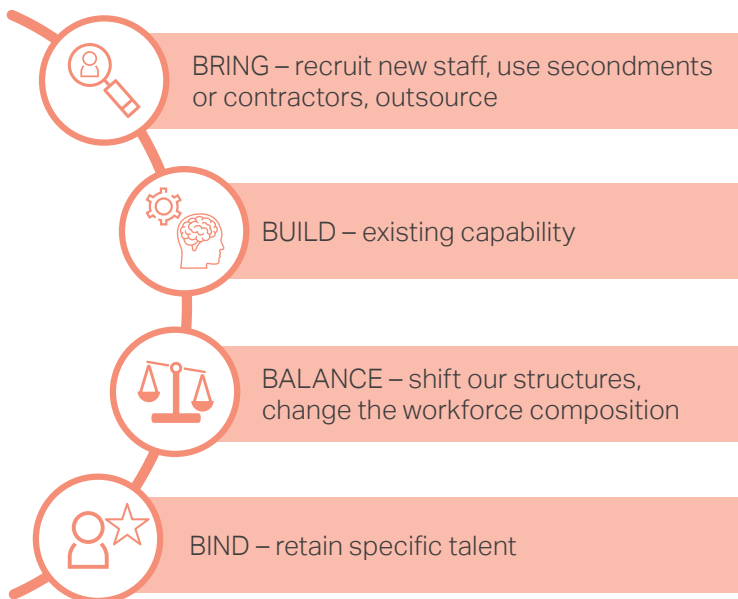
Workforce planning is a key component of the department's integrated business planning process, aligned to the budget process and prioritising our work through strategic reviews. Our integrated business planning process helps us make well-informed decisions around prioritising projects and activities and allocating resources accordingly (see 'Corporate governance' on page 58).

Our workforce planning assists us to understand our current, and shape our future, workforce to respond to emerging government priorities in a changing environment. We consult across the organisation, and beyond, to ensure we have a workforce to meet business outcomes now and into the future. The department's workforce plan is refreshed annually to reflect Finance's current workforce priorities.

Achieving our optimal workforce

There are four key strategy areas within the department's workforce plan, which outlines how the department will achieve its optimal workforce. Within each of these strategy areas are a range of initiatives to address identified workforce gaps, known as the 'four Bs' (see Figure 6).

Figure 6: Finance's workforce planning approach



Mobility

The management of human resources and, in particular, the way the department provides mobility opportunities for staff and undertakes recruitment has resulted in a highly capable and committed workforce that is flexible and able to respond to government priorities.

We recognise that the key to a strong and sustainable mobile workforce is giving staff the chance to build their skills and experience. Finance provides opportunities for mobility to enable staff to work in different roles and undertake different types of work, including project work, ongoing business and surging to high-priority activities. We encourage staff to gain different experiences through temporary or permanent moves within the department and through secondments to other agencies. Providing mobility opportunities supports staff to develop capability in new areas and increases the overall capability of the department.

The department uses a range of mechanisms to promote mobility, as outlined below.

Internal Mobility Register

The Internal Mobility Register enables staff to express their interest in short-, medium- or long-term vacancies within the department. Staff can indicate the areas of the department that are of interest to them. In line with Finance's approach to increase opportunities for flexible working arrangements, staff can also register their interest in job share arrangements.

The Internal Mobility Register is the main tool used by managers to source staff with particular skills, experience and qualifications to address capability gaps. Human Resources supports managers to fill vacancies by first referring to the Internal Mobility Register to identify possible capability and interest within the department before seeking to source externally.

Stream recruitment

Established in 2017, stream recruitment is a whole-of-department initiative focused on future workforce capability needs. Stream recruitment is designed to assist the department's shift from the traditional process-driven approach to a contemporary approach where we focus on candidate care and ensuring that we attract, select and retain the capabilities and behaviours we want to see in Finance staff.

During 2017–18, the department conducted recruitment processes for the following professional streams:

- policy
- accounting and financial management
- program and project management
- enabling services.

Stream recruitment is changing the way the department thinks about recruitment to encompass broader resourcing needs and future workforce capability requirements. Business areas now have the opportunity to collaborate across groups to ensure that roles meet broader needs, while still maintaining control over the selection and placement of individuals in their own work areas. As we become more mature in workforce planning, the approach can be tailored to encompass business areas' existing and forecast resourcing needs, making recruitment more efficient in the longer term. There will continue to be targeted recruitment activities to address technical specialist roles that are not likely to be sourced through the stream recruitment approach.

Surge opportunities

Finance continues to employ its surge model to support a range of additional work associated with the federal Budget, general elections and other peak work priorities across the department. The surge model enables the department to build on its capabilities and provide staff the opportunity to experience different work within the department.

Secondment programs

The department sought nominations from employees from other APS agencies to undertake secondments to support the delivery of the federal Budget. Six staff from five agencies participated in 2017–18.

In 2017–18, two Finance staff members participated in the Jawun APS Secondment Program, where secondees work in an Indigenous business or community.

Consistent with our commitment to stewardship and our support for portfolio entities in 2017–18, we seconded an officer to Australian Naval Infrastructure Pty Ltd to assist with the establishment of the company.

Resource management model

In 2017, Finance established a resource manager role within Human Resources that is responsible for assisting business areas to manage their resource needs. Resource managers have oversight of staff mobility information, recruitment merit pools and the resources available from across the department in order to address vacancies quickly. Resource managers collaborate with business areas to support resource planning and workforce strategy, including strategies to achieve optimal management structures.

Workforce diversity

Finance has progressed our diversity and inclusion agenda during 2017–18 with the implementation of our comprehensive diversity strategy, DIVERSITY@FINANCE. The strategy is supported by an action plan, with a focus on the following diversity groups: gender equality; Aboriginal and Torres Strait Islander employment; disability employment; culturally and linguistically diverse employment; lesbian, gay, bisexual, transgender and intersex (LGBTI) inclusion; and managing an intergenerational workforce. The strategy sets out how we will implement Australian Government strategies, including the APS Gender Equality Strategy 2016–19, the APS Disability Employment Strategy 2016–19 and the Commonwealth Aboriginal and Torres Strait Islander Employment Strategy.

A key factor in the success of our diversity initiatives is our four diversity networks—the Aboriginal and Torres Strait Islander Staff Network, the Ability Network, the Gender Equity Network and the LGBTI+ Network. These networks are each supported by a Senior Executive Service (SES) sponsor and have the endorsement and backing of all senior leaders, including the Secretary and the Diversity Champion. The networks have played an important role in educating Finance staff and promoting the value of a diverse workforce through a range of events and activities during 2017–18.

The following initiatives supported improved diversity outcomes in 2017–18:

- events to raise awareness of diversity, for example, National Reconciliation Week, NAIDOC Week, International Day of People with Disability, International Women’s Day and Harmony Day
- drawing on the expertise offered through memberships with the Australian Network on Disability, the Diversity Council of Australia and Pride in Diversity to develop and refine the department’s approach to diversity and inclusion
- commencement of our first Indigenous Liaison Officer to support Aboriginal and Torres Strait Islander employees and managers
- implementing a flexible working arrangements policy, to encourage an increased uptake of arrangements by female and male employees
- establishment of the Ability Network, which is committed to recognising, supporting and improving opportunities for people with disability and their carers.

Finance has also taken up opportunities during 2017–18 to collaborate with other entities on a range of APS-wide initiatives and will continue this involvement over the next year. Examples include retention and advancement initiatives under the Indigenous employment programs led by the Australian Public Service Commission, and interagency working groups arising from Finance’s involvement in the Secretaries Equality and Diversity Council, the Disability Champions Network and the Indigenous Champions Network.

Learning and development

Finance continues to strengthen its workforce by building organisational capability to encourage retention and enhance ongoing performance. Human Resources works closely with business areas to ensure development opportunities are integrated and, where possible, co-designed with subject matter experts from the business to ensure content aligns to business activities. This approach also ensures development activities are clearly defined to meet the needs of the business and are supported with relevant tools and resources to ensure a blended approach to learning.

In 2017–18, we undertook analysis as part of our workforce planning activities to help us understand the capabilities we require now and in the future to deliver business objectives. As a result of this analysis, a number of initiatives have been implemented:

- creating learning and development solutions for capability focus areas, including stakeholder relationship management, leadership and management, and working with people. These solutions were supported by offerings for foundational skills, including communication skills, change management, performance management, team building, business information technology applications and career management
- supporting managers and employees with a range of tools and resources available electronically through the department's learning management system and online through the intranet. Resources include e-learning programs, articles, videos, tools and templates provided in an interactive, accessible and self-paced learning environment
- continued implementation of targeted talent management initiatives for SES and Executive Level 2 (EL2) cohorts to enhance leadership capability and ensure effective succession planning.

Finance continues to support employees to complete relevant tertiary study to improve their professional skills and knowledge through the Study Assistance Program. In 2017–18, 94 employees received study assistance through paid study leave and financial assistance to undertake tertiary education.

In addition, 13 staff were supported to complete the Graduate Certificate in Public Policy and Finance. This program, purpose-built for the public sector and delivered by the Institute for Governance and Policy Analysis at the University of Canberra, builds capability among emerging leaders at Finance and in the wider APS. Students develop a thorough understanding of the Australian Government budget framework as well as sound financial, strategic and policy development capabilities.

Leadership

In 2017, the Senior Executive Service (SES) leadership group worked together to develop the leadership expectations which they considered to be essential to the department achieving its objectives:

- be part of the solution
- collaborate, innovate
- develop self; develop others.

The leadership expectations were released for adoption by all staff and, since their inception, have been incorporated into a number of departmental initiatives and plans, including the Secretary's Award criteria, Australia Day Award categories and criteria, and the transformation model.

The department continues to invest in developing current and future leaders, through initiatives such as SES career conversations, an EL2 talent identification initiative and participation in various external leadership programs and events.

Career conversations are held annually for SES staff, where strengths and opportunity for further development are identified as a means of actively managing talent and succession planning.

In September 2017, the department commenced a talent initiative pilot for a cohort of high-potential EL2 officers in the department. The initiative aims to gain greater insights into the career potential of participants through engagement of a high-potential identification questionnaire and career conversations to inform the support and investment needed to enable potential to be met.

Entry-level programs

Finance continues to support its entry-level employee cohort to develop their skills, experience and capabilities to become engaged and productive members of the department and the APS. In 2017–18, we engaged 19 graduates, 21 career starters, five cadets through the Indigenous Australian Government Development Program, two apprentices through the Indigenous Apprenticeship Program and four Stepping Into program participants. Each cohort undertakes a development program targeted to their specific needs to enable an effective transition into the workforce and the APS. Aspects of the development programs include induction, formal training to achieve a professional qualification, foundational skills training, mentoring, attendance at APS-wide events, project work, as well as placements in the business to ensure effective on-the-job learning.

Workforce statistics

Tables 4 to 11 show our workforce statistics for 2017–18, including staffing numbers and whether they are ongoing, non-ongoing or casual, their substantive classification and their gender, as well as location and diversity.

Table 4: Employment type by classification and gender, at 30 June 2018

Employment by classification and gender at 30 June 2018									
Classification	Ongoing		Non-Ongoing		Casual		Total		
	Male	Female	Male	Female	Male	Female	Male	Female	Total
SES 3	2	1	–	–	–	–	2	1	3
SES 2	7	7	–	–	–	–	7	7	14
SES 1	30	26	–	–	–	–	30	26	56
EL2	90	91	–	–	–	1	90	92	182
EL1	192	209	2	3	–	–	194	212	406
APS 6	122	171	1	2	–	–	123	173	296
APS 5	81	124	3	2	–	–	84	126	210
APS 4	50	76	5	4	7	3	62	83	145
APS 3	25	38	4	3	1	1	30	42	72
APS 2	9	10	1	–	209	41	219	51	270
APS 1	4	18	–	–	–	–	4	18	22
Total	612	771	16	14	217	46	845	831	1,676

Finance had no staff that are recorded in the human resource information system as Indeterminate, Intersex or Unspecified.

Table 5: Employment type by classification and gender, at 30 June 2017

Employment by classification and gender at 30 June 2017									
Classification	Ongoing		Non-Ongoing		Casual		Total		
	Male	Female	Male	Female	Male	Female	Male	Female	Total
SES 3	3	1	–	–	–	–	3	1	4
SES 2	9	7	–	–	–	–	9	7	16
SES 1	33	23	–	–	–	–	33	23	56
EL2	96	93	1	2	2	1	99	96	195
EL1	196	201	–	5	–	–	196	206	402
APS 6	130	166	1	2	–	–	131	168	299
APS 5	82	127	1	2	–	–	83	129	212
APS 4	41	80	6	8	8	2	55	90	145
APS 3	28	41	2	2	1	2	31	45	76
APS 2	5	13	1	–	234	53	240	66	306
APS 1	11	14	–	–	–	–	11	14	25
Total	634	766	12	21	245	58	891	845	1,736

Finance had no staff that are recorded in the human resource information system as Indeterminate, Intersex or Unspecified.

Table 6: Finance staff by attendance type, at 30 June 2017 and 30 June 2018

Employment type	Full-time		Part-time		Casual		Total	
	2017	2018	2017	2018	2017	2018	2017	2018
Ongoing	1248	1228	152	155	–	–	1,400	1,383
Non-ongoing	31	29	2	1	–	–	33	30
Casual	–	–	–	–	303	263	303	263
Total	1,279	1,257	154	156	303	263	1,736	1,676

Table 7: Employment type by location, at 30 June 2017 and 30 June 2018

Location	Employment type							
	Ongoing		Non-ongoing		Casual		Total	
	2017	2018	2017	2018	2017	2018	2017	2018
ACT	1,359	1,345	31	28	167	142	1,557	1,515
NSW	12	12	–	–	49	47	61	59
NT	1	1	–	–	2	1	3	2
QLD	7	7	–	–	11	19	32	26
SA	4	4	–	–	33	9	15	13
TAS	1	1	1	1	13	1	5	3
VIC	10	8	–	1	25	31	43	40
WA	6	5	1	–	3	13	20	18
Total	1,400	1,383	33	30	303	263	1,736	1,676

Table 8: Ongoing and non-ongoing Aboriginal and Torres Strait Islander staff, at 30 June 2017 and 30 June 2018

Employment type	Staff numbers	
	2017	2018
Ongoing	31	30
Non-ongoing	–	–
Total	31	30

Table 9: Proportion of ongoing staff with disability, at 30 June 2017 and 30 June 2018

Employment type	Staff percentage	
	2017	2018
Ongoing	3.6%	3.7%

Table 10: Proportion of ongoing workforce that are women, at 30 June 2017 and 30 June 2018

Employment type	Staff percentage	
	2017	2018
Ongoing	54.7%	55.7%

Table 11: Proportion of the SES workforce that are women, at 30 June 2017 and 30 June 2018

Employment type	Staff percentage	
	2017	2018
Ongoing	40.8%	46.6%

Employment arrangements

The Finance Enterprise Agreement 2015–2018 came into effect on 27 January 2016 with a nominal expiry date of 19 January 2019. The agreement provides non-SES staff with competitive remuneration and employment conditions.

The department's remuneration offer was a 6 per cent increase over three years (2 per cent on commencement of the agreement and in each of the following two years). Staff allowances also increased by 6 per cent over three years.

Employment conditions for SES staff are set out in individual determinations made under subsection 24(1) of the *Public Service Act 1999*. Many of these conditions are aligned with the department's enterprise agreement. Table 12 provides a breakdown of staff under the department's employment instruments.

Table 12: Employment arrangements for SES and non-SES staff, at 30 June 2018

	SES	Non-SES	Total
Enterprise agreement	–	1,603	1,603
Individual flexibility arrangements	–	34	34
Australian workplace agreements	–	–	–
Common law contracts	–	–	–
Determinations under subsection 24(1) of the <i>Public Service Act 1999</i>	73	–	73

Note: Staff on individual flexibility arrangements are also included in the Enterprise Agreement total.

Remuneration

Table 13 shows salary ranges by classification level.

Table 13: Salary ranges by employment classification, at 30 June 2018

APS classification	Minimum (\$)	Maximum (\$)
SES 3	331,887*	349,574*
SES 2	219,168	256,813
SES 1	166,986	204,093
EL 2 (non-SES)	128,835	160,492
EL 1 (non-SES)	105,527	136,141
APS 6 (non-SES)	81,524	106,222
APS 5 (non-SES)	74,101	83,147
APS 4 (non-SES)	66,448	75,841
APS 3 (non-SES)	58,911	67,956
APS 2 (non-SES)	52,997	60,651
APS 1 (non-SES)	46,154	53,229

Note: All figures reflect base salary only and exclude superannuation.

* The Secretary determines the salaries of SES staff.

APS performance pay

Finance does not provide performance pay.

Non-salary benefits

The department offers staff a number of additional benefits that are not included under the provisions of the Enterprise Agreement:

- annual influenza immunisation
- mentoring and coaching programs
- in-house capability development programs
- a confidential employee assistance program for employees and their immediate families
- access to a serious illness register
- study assistance to eligible employees
- access to flexible working arrangements
- contributions to relevant professional memberships.

Performance management

Since the department's revised Performance and Capability Framework was launched in 2016–17, there has been a positive shift in engagement and reporting of performance conversations. The key elements of the framework support:

- regular and meaningful conversations, owned jointly by employees and managers, to encourage high performance with a focus on the future
- mobility and encouraging staff to build their capabilities
- integration of a discussion on individual capabilities and development interests, which would occur, as a minimum, every four months
- working with employees to define the skills, capabilities, knowledge and behaviour they need to have or develop in order to perform and progress their career in Finance
- the ability to seek and document performance feedback from more than one manager and from team members, supporting a more holistic view of performance.

In 2017–18, additional support has been provided to both staff and managers to ensure performance is being effectively managed, through a range of learning and development offerings.

Recognition of outstanding performance

Finance recognises and rewards outstanding performance as a critical element in attracting and retaining the best people. Finance formally recognises exceptional contributions by staff by presenting the Secretary's awards to teams and individuals whose work exemplifies Finance's values and who make significant contributions to the department's outcomes.

Recipients of the 2017 Secretary's awards, as well as staff who received 2018 Finance Australia Day awards and other external awards, are listed in Appendix D.

Machinery-of-Government changes

During 2017–18, one machinery-of-government change affected the department, which resulted in one staff member being transferred to the Department of the Prime Minister and Cabinet.

Work health and safety

This section outlines Finance's work health and safety performance in accordance with Part 4 of the *Work Health and Safety Act 2011* (WHS Act).

Finance recognises that, as part of its aspiration to be a leader in the public sector, it must exemplify good work health and safety (WHS) practices. This includes having responsive and flexible safety and rehabilitation management systems.

As part of Comcare's *Guidelines for Rehabilitation Authorities 2012*, in 2017–18 Finance undertook an audit of its Rehabilitation Management System. As a result, an action plan has been developed to strengthen rehabilitation roles and responsibilities under the *Safety, Rehabilitation and Compensation Act 1988*.

Work health and safety initiatives within Finance

In 2017–18, Finance undertook the following activities to meet its obligations under the WHS Act:

- providing WHS training and information to all staff, including mental health awareness training for managers and staff
- 'flexible by default' working arrangements, including part-time, working from home, job sharing and flexibility with start and end times
- conducting hazard inspections and workstation assessments
- audit of the Rehabilitation Management System
- providing a confidential counselling service through the employee assistance program
- promoting a healthy lifestyle and influenza vaccinations
- continuing to be accredited as a breast-feeding-friendly workplace.

Results of work health and safety initiatives

Finance's 2017–18 WHS initiatives have resulted in:

- an increased staff satisfaction rating for wellbeing in the APS Employee Census
- an increase in the uptake of flexible work arrangements
- a strengthened Rehabilitation Management System
- a reduction in Comcare's compensation premium
- increased staff awareness in identifying and managing mental health in the workplace.

Notifiable incidents

In 2017–18, Finance did not report any notifiable incidents involving Finance staff to Comcare under section 38 of the WHS Act.

Work health and safety investigations

Under the WHS Act, Finance is required to provide statistics for any investigations or notices given at the workplace it manages. No investigations were conducted and no notices were given during 2017–18.

MOP(S) Act employees

Work health and safety initiatives

Finance and parliamentarians share duties under the WHS Act for health and safety in parliamentarians' workplaces. This includes duties to staff employed under the *Members of Parliament (Staff) Act 1984* (MOP(S) Act). Other Commonwealth agencies may also have duties in relation to the health and safety of MOP(S) Act employees.

In 2017–18, Finance's key WHS activities for MOP(S) Act employees were as follows:

- consulting with health and safety representatives through the Work Health and Safety Committee
- implementing an online WHS portal for MOP(S) Act employees to lodge incidents, request services and complete WHS training
- providing face-to-face training sessions delivered by Comcare
- providing a confidential counselling service through the employee assistance program
- conducting workstation and worksite assessments
- administering a work health and safety site officer program to support hazard and incident notification and access to first aid in parliamentarians' workplaces
- administering a Staff Assistance Officer program to support MOP(S) Act employees experiencing bullying and/or harassment.

Notifiable incidents

In 2017–18, Finance reported 35 incidents involving MOP(S) Act employees to Comcare under section 38 of the WHS Act. All of the reported incidents were classified as dangerous incidents under the Act. None involved a serious injury.

Investigations and notices

No investigations were conducted and no notices were given in relation to incidents involving MOP(S) Act employees during 2017–18.

The Comcare premium

Finance's 2017–18 workers compensation premium accounted for 0.75 per cent of its payroll (for both Finance and MOP(S) Act employees), a decrease from the figure of 1.07 per cent of its payroll in the previous year.

