



Public Sector
Commission

Agency Capability Review Program

Driving performance
improvement in the
public sector



Updated October 2023

From the Commissioner

Excellence in organisations does not just happen. It needs to be carefully cultivated and fastidiously maintained – and have in place the right structures, processes, resource use, systems and governance for staff to do their best work.

Nowhere is excellence and continuous improvement more important than in the public sector where our people deliver vital services to business, industry, the community, families and individuals.

From health, education and transport through to heritage, the environment, support for vulnerable families and more, our agencies contribute to the prosperity of the state and its citizens.

So what does a highly capable and high performing public sector agency look like?

The Agency Capability Review Program answers this question by setting in place 21 capabilities in the Agency Capability Framework categorised under 5 areas of public sector management and administration. For the first time we have a common language of what high performance means, based on contemporary research and adapted for the Western Australian context.

Reviewing agencies according to these capabilities delivers a proactive and consistent approach to check agency 'health' in Western Australia. It provides a permanent, ongoing mechanism to lift the capability of the public sector and drive performance improvement.

The program enables agency leaders to make evidence based decisions on where they need to focus their efforts to maximise performance improvement. Importantly, the program identifies trends and issues across the public sector to enable more informed strategic planning, and identifies and shares good performance for other agencies and the sector to use and benefit from.

The program is a key part of my commitment to develop a future enabled public sector, and assures the community and government that agencies funded through the public purse are delivering what is expected of them.



Sharyn O'Neill PSM
Public Sector Commissioner



We are proud to deliver our services from Whadjuk Noongar boodja. We acknowledge and pay respect to Elders, Traditional Owners and Custodians from the many land and language groups of Western Australia.



A compelling case for change

A proactive focus on and consistent approach to performance improvement are needed, both in individual agencies and across the public sector.

Improvement programs often focus on the people side of organisations – the capabilities of staff. This is important as we know high quality services can only be provided when the people have the right skills to design and deliver them.

Complementing the capabilities of staff are the capabilities of organisations. The extent to which organisations have the appropriate business processes, culture and leadership is crucially important but less well understood.

Capability reviews are proving to be powerful mechanisms for change that can drive improvement in the government sector.

For the Western Australian public sector to adapt and evolve to meet the challenges of today and tomorrow, we need to understand more about the capabilities of our agencies – including where capability needs attention or where there are gaps. In this way, areas for improvement can be identified at agency and sector levels. We also need to understand where capability is good so it can be considered and used more broadly.

Capability reviews are not audits. They do not record or measure compliance with procedures and processes. Instead they consider the current state of agencies and how well they are placed to deal with the challenges in front of them now and into the medium term future.

The **Agency Capability Review Program** supports each agency's own approach to performance improvement.



What capability looks like

The Agency Capability Review Program looks at the ability of agencies to respond to challenges now and in the future, and indicates where performance improvements should be made.

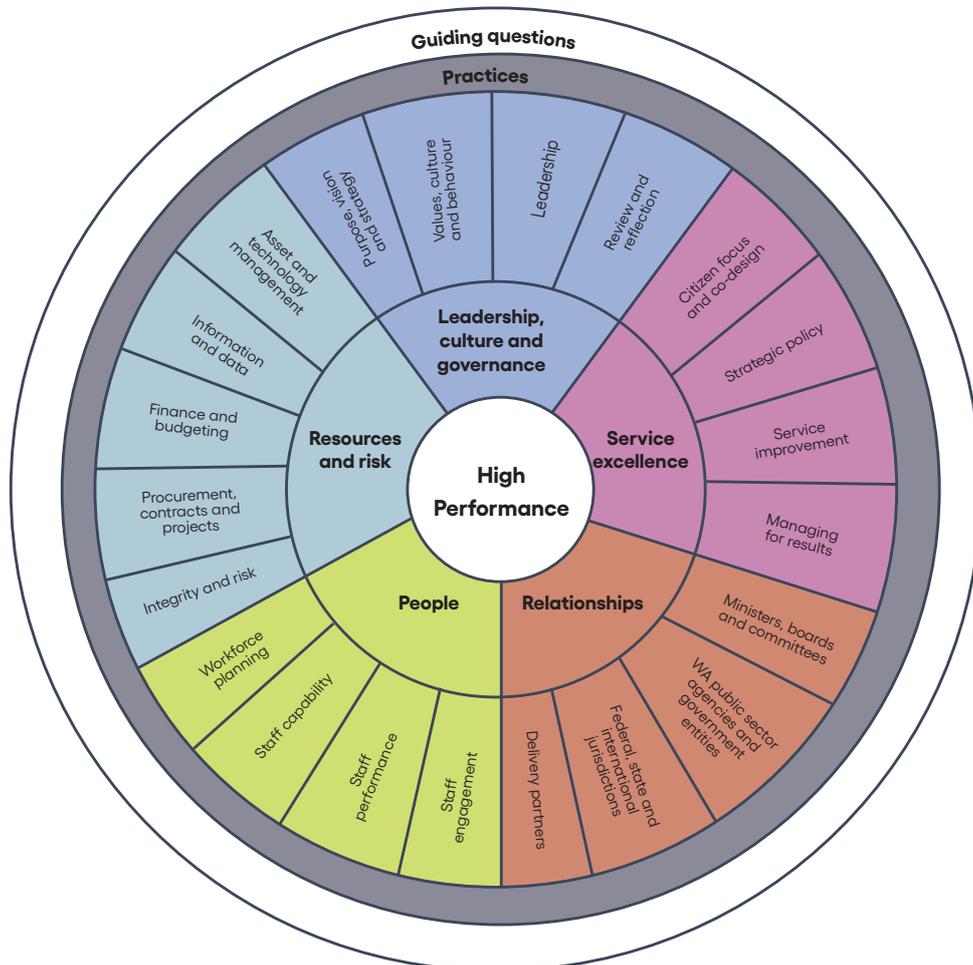
Agency Capability Framework

Central to this program is the Agency Capability Framework which is set around the 5 most significant areas of public sector management and administration:

- Leadership, culture and governance
- Service excellence
- Relationships
- People
- Resources and risk

There are 4 or 5 capabilities that describe the most important aspects in each area; and in each of the capabilities are practices that agencies must perform well to be considered highly capable and high performing.

Guiding questions support reflection and seek to elicit information about these practices in terms of the structures, processes, resources, systems and governance in an agency. The framework includes possible sources of evidence that, in combination with other methodologies, help an agency show what practices are in place and at what level – emerging, developing, embedded or excelling.



Key questions

The framework supports agencies to ask themselves 4 key questions:

- What are we meant to achieve?
- How well are we currently doing it?
- How do we know?
- Where can we do better?

The framework is used by both the agency and a trained review team to look at current capability and identify concerns or gaps. This allows the agency’s leaders to make evidence based decisions about where they need to focus their efforts to maximise performance improvements.

With the capabilities, practices and guiding questions developed in consultation with subject matter experts from across the sector, the framework is tailored specifically for our agencies. It is relevant and applicable to all agencies regardless of their remit, purpose, functions and services.

Using a consistent framework ensures a structured approach to reviewing capability, with all agencies judged against the same standards.

The framework for reviewing agency capability has full details of the areas, capabilities, practices, guiding questions and possible sources of evidence.

Examples from the framework

Area	Capability	Practice	Guiding questions
Leadership, culture and governance	Purpose, vision and strategy	Purpose, vision and strategy are responsive to external changes.	<ul style="list-style-type: none"> • How does the agency review and consider its operating environment in local, national and global contexts? • How well does the agency understand and respond to changes in the expectations of WA citizens and government? • How does the agency review core activities, programs and projects to ensure they are achieving the purpose, vision and strategy?
People	Workforce planning	Workforce planning has a future focus.	<ul style="list-style-type: none"> • How well does the agency understand and consider its current and future operating and workforce requirements, including critical job roles? • How well does the agency understand the external and internal influences on its workforce? • How does the agency use data and evidence to analyse the gap between current and future workforce capability and capacity?

Summary of the review process

1



Planning and desktop research

- Notification of review
- Schedule of review
- Lead and senior reviewers
- Executive discussion
- Desktop research and analysis

2



Agency self assessment

- Agency self assessment
- Senior executive team reflection
- Staff opportunities to inform improvements

3



Discovery and analysis

- Stakeholder interviews
- Analysis of evidence to date
- Moderation
- Lines of inquiry developed
- Progress update briefing

4



Detailed exploration

- Interviews/focus groups with key staff and stakeholders (specific to lines of inquiry)
- Additional evidence
- Detailing improvement areas
- Detailing areas of strength

5



Reporting and commitment

- Draft report
- Moderation
- Agency review of draft report
- Agency commitment statement and finalisation of report
- Cabinet and Minister/s (and board/s if required) copy of final report

6



Publication and close-out

- Communications
- Publication of executive summary
- Agency feedback on review process





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Public Sector Commission | 2 Havelock Street, West Perth WA 6005
Tel 08 6552 8500 | Email admin@psc.wa.gov.au | WA.gov.au

October 2023 | PSC22020585