Measuring culture change progress and leadership performance in the Australian Bureau of Statistics during Transformation  
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Summary  
This document presents the Australian Bureau of Statistics’ approach to culture change during its Transformation (2015-2021) with a focus on measuring change progress and leadership performance. The document outlines the tools used to measure culture and climate within the Australian National Statistical Office along with evaluations of the techniques being deployed, and results to date. This document is presented as part of the session on “Measuring progress and performance” occurring during the next Workshop on Human Resources Management and Training: Building Resilience in Statistical Organizations held in Oslo 12-14 September, 2018.

I. The ABS Transformation  
1. The arrival of a new Australian Statistician in December 2014 heralded a new program of ABS Transformation. We like all NSOs operate in a dynamic environment. New technology, statistical methods and new opportunities for accessing and integrating data were becoming available, increasing the potential to provide new insights into matters of importance to Australians.

2. In response to this, the ABS commenced a major transformation to change how we operate as an organisation, our statistical infrastructure, our people and culture, and the statistical solutions we deliver. The Transformation has six goals:

   Image 1: ABS Transformation Goals:
3. In late 2015 with the arrival of a dedicated senior executive position to focus on three aspects of Transformation (Governance, People and Culture), we established a change management strategy which applied the Prosci ADKAR model. ADKAR represents the stages necessary to achieve change: Awareness, Desire, Knowledge, Ability and Reinforcement.

II. Challenges in culture change

4. Being a technical organisation with a high degree of pride within its long standing and highly skilled staff, the first challenge was articulating the meaning of culture and especially the detail associated with what was meant by a high performing, aligned, engaged, innovative and accountable culture, so that a variety of staff could understand and achieve it.

5. The second challenge was finding a model that appropriately articulated the steps necessary to deliver culture across the organisation.

6. The third challenge was finding a method to benchmark and measure culture within the limited funding available.

7. The fourth challenge was prioritising funds and time necessary to drive culture change.

III. Initial Measurement methods used

8. ABS commenced a six monthly “Transformation Survey” available to all staff in order to benchmark and measure staff attitudes with respect to progress. This provided useful information to measure against three aspects of the ADKAR model: Awareness, Desire and Knowledge with open ended comments providing qualitative detail regarding what more ABS and its leaders could do to support staff to deliver the Transformation including culture change. Questions specifically addressed individual beliefs, assessment of others’ actions and leaders’ actions.

9. ABS used existing questions in the annual Australian Public Service State of the Service Employee Census while also adding its own questions to aid measurement.

IV. Culture Change Program

10. When ABS culture was identified as contributing to the 2016 Census outage challenge, ABS was able to allocate some funding from the IBM settlement to culture change which enabled the creation of an evidence-based ABS Culture Change work program to be implemented based on the data gathered through the respected Organisational Culture Inventory (OCI) instrument. This allowed us to identify with relative significance, the positive and negative elements of our existing culture, and provided insights into the preferred, higher performance, culture.

11. This program directly contributes to the People and Culture goals of ABS Transformation.

12. The ABS adopted the Human Synergistics definition of culture:

“The shared values, beliefs, norms and expectations that govern the way people approach their work and interact with each other.”
13. For the ABS, culture is:

- the shared understanding of what we are trying to achieve here
- the values and beliefs that guide decision-making and activity at all levels
- the focus and management style of senior ABS staff and team leaders
- how staff experience their relationships with management, one-another, partner organisations, and clients
- which behaviours are rewarded and which ones are not tolerated, and
- what we expect of each other in our work and the way staff expect to be treated by the organisation.

14. In order to understand how we could change our culture ABS adopted this Human Synergistics model (Image 3) that shows how:

- “what should be expected here” (mission/values/ideal culture) leads to
- “the way we do things around here” (our structures, systems, job design and skills/qualities) which gives us
- our “actual culture” that drives
- Performance at the “individual, group and organisational” levels.

15. In order to influence the actual culture, changes need to be made to the organisation’s structures, systems, job design and its people’s skills/qualities.
16. An ABS culture roadmap (at Image 4) was established that mapped our activities to the model in Image 3:

**Image 4: ABS culture road map**

V. **Measuring our culture and taking action to improve it**

17. Our first step in changing ABS culture was to baseline it so we could identify our current and desired culture, how we can improve our culture, what our staff value about working at the ABS and what behaviours we needed to support our future culture.
18. To do this we used results from 2017 State of the Service Survey, with three pieces of work we commissioned to ensure that we were using a sound evidence base to make decisions about the future of the ABS:

- Human Synergistics were engaged to conduct a range of quantitative surveys (called the Organisational Culture Index) to assess our culture;
- Like Minds Advisory were engaged to do qualitative investigations into our culture and to also work with our SES (interviews and focus groups); and
- Randstad were engaged to help us understand what makes ABS attractive as an employee (focus groups).

![Image 5: Baseline measurement methods]

19. The results indicated areas of the culture we wanted to keep and build including:

a. **Colleagues**: An opportunity to work with some of the brightest and nicest people in an organisation at the pinnacle of its profession and an environment that is loyal, supportive, collaborative and fun.

b. **What we do**: The opportunity to work in an apolitical agency; the ability to work in a public sector organisation which interacts with the broader business community, challenging and interesting work and the breadth of work opportunities within the ABS

c. **How we work**: An environment that supports diversity and inclusion and flexible working and encouraging a balanced life

20. The Organisational Culture Index or OCI is plotted on the Human Synergistics Circumplex and provides a way to see, measure and change the thinking and behavioural styles that drive the performance of not only individuals but also groups and organisations. It shows 3 general clusters (red, blue, green) which break down the factors underlying effectiveness into 12 specific styles.

21. They are arranged in a circular manner based on their relationship to needs (satisfaction vs. security), orientation (task vs. people) and themselves.

22. Research shows that organisational (motivation, satisfaction), group (collaboration) & individual (task/interpersonal effectiveness) outcomes are increased when the primary cluster is constructive (i.e. blue).

23. 45 surveys for preferred organisational culture were also deployed, with 34 completed (76%).
The results showed our staff believed in our current culture (as at 2017) we were:

- **Oppositional**: were critical, opposed new ideas and change, were on the offensive
- **Displayed avoidance**: avoided responsibility and blamed others for mistakes
- **Conventional**: conformed, followed the rules, maintained the status quo and the ‘way things have always been done around here’, seek first to make a good impression
• **Dependent:** do what is expected; check all decisions with superiors; please those in positions of authority

These results combined with the focus groups specifically revealed:

• A lack of customer focus and insular approach: “We tell ourselves ‘we know better than the stakeholder’ and “We tend to be a bit arrogant (assuming we have all the answers and know best)” (and this aligned with our stakeholder feedback that indicated we insufficiently emphasised customer and stakeholder needs impacts in our considerations and decision making

• A failure to empower and focus on risk aversion: “Decisions go too high, too many layers for decisions to be made” resulting in staff not being empowered or trusted, thereby resulting in responsibility not being taken at the right operational or strategic levels with high levels of risk aversion

• A lack of truthful and honest interactions: “We talk about ROBUST DISCUSSIONS but we don’t ever have them” resulting in confrontation avoidance and making “popular” rather than necessary decisions to stay on people’s good side and try to please those in positions of authority

25. **Staff described the preferred ABS culture as one where staff should be expected to:**

• know the business, think ahead and plan, pursue a standard of excellence, and take on challenging tasks

• maintain their personal integrity, communicate ideas, do even simple tasks well, and enjoy their work

• help others to grow and develop, resolve conflicts constructively, be good listeners, and encourage others, and

• use good human relations skills, treat people as more important than things, cooperate with others and deal with others in a friendly, pleasant way

With this resulting in customers reporting that staff:

• take the initiative to solve problems, make things happen and deliver what they promise

• act with integrity, providing innovative and creative products and services

• go out of their way to assist them to satisfy their needs

• make them feel welcome and treat them in a courteous and friendly way.

26. **The recent independent stakeholder health check assessment provided qualitative information that supports ABS continuing to make improvements to achieve the results outlined in the preferred culture.**

27. **An important element of the program involved working with senior executive service (SES) officers to improve ABS leadership culture and create an environment for Transformation to be successful, and included:**

• Assessment of the current and preferred future ABS culture;

• Culture Impact and Personal Leadership sessions to identify personal actions using Like Minds Advisory;

• Culture change sessions during six monthly all-SES Management Meetings;
• Divisional Culture Action Sessions (including discussions of the results of the 2017 State of the Service Employee Census and the OCI assessment);
• Individual SES Lifestyles Inventory (LSI) 360-degree feedback;
• Personalised SES coaching sessions to support new behaviours and change management;
• Formulation of an ABS Statement of Cultural Intent outlining key behaviours (attached); and
• The first ABS all-SES/EL2 (Director) Leadership Summit in March 2018.

Image 8: ABS Leader-led culture change program 2017-2018

28. ABS undertook an evaluation of the ABS Culture Leadership program comprising a survey of senior staff participating in the program.

29. 80% of leaders responded to the SES Culture Leadership Program evaluation survey which demonstrated good progress. With respect to the effectiveness of the program and its benefits to SES personally, the survey revealed:

• 89% believe they are well prepared to lead culture change in the ABS;
• 78% found the program useful (in particular the Leadership Session, Lifestyles Inventory and the Management Meeting Culture Change sessions), and
• 76% have changed the way they behave and interact with others as a result of the insights gained from the culture change program.

30. In the most recent Transformation Survey #5 we asked a new question about how we are behaving (or seeing our colleagues behave). These behaviours are included in the ABS Statement of Cultural Intent

• Accountable
• Agile
31. The two behaviours which staff see in themselves (“I am”) or in their colleagues (“my colleagues are”) most often are collaborative and customer-focussed and reflect our new cultural focus and were a particular area of focus at the March EL2/SES Summit.

32. The survey also asked employees whether they had seen their line managers demonstrate transformational behaviours:

- Advocating/championing Transformation goals
- Balancing BAU with Transformation activity
- Prioritising effectively
- Responding to question about Transformation
- Engaging with Transformation projects
- Communicating with team about Transformation

33. Two new behaviours were added in Transformation survey 5 (purple bars on right): empowering people and being customer-focussed. Given that one of the recurring Transformational messages is please speak to your line manager about Transformation if you have questions, it was pleasing to see that “communicate with team” has achieved the most positive response of all the behaviours to this question (72% agree).
The 2018 State of the Service employee census enabled a further opportunity to measure our culture change and leadership progress with some pleasing results and noted opportunities for improvement.
The survey had an 80% response rate and demonstrated despite all the significant challenges and changes in the ABS with declining budgets and increasing workloads, the ABS has been achieving its cultural change and performing very well in comparison to the Australian Public Service’s large agencies (its comparison group).

Image 12 & 13: State of the Service 2018 new culture measures (green agree, blue neutral, red disagree, far right difference from 2017) and key strengths

<table>
<thead>
<tr>
<th>The ABS is a Customer Focused organisation (i.e. we connect with, understand and respond to the needs of our stakeholders, customers and providers)</th>
<th>67</th>
<th>23</th>
<th>11</th>
<th>67%</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the ABS, we collaborate across the organisation (including sharing information and knowledge across work programs)</td>
<td>58</td>
<td>25</td>
<td>17</td>
<td>58%</td>
<td>-</td>
</tr>
<tr>
<td>Within my Section, we adopt an Agile approach to our work (i.e. frequently re-assessing and quickly adapting to changing priorities and environments)</td>
<td>73</td>
<td>16</td>
<td>11</td>
<td>73%</td>
<td>-</td>
</tr>
<tr>
<td>I understand what a high performing culture would look like in my Section</td>
<td>82</td>
<td>13</td>
<td>82%</td>
<td>+3</td>
<td></td>
</tr>
<tr>
<td>ABS leaders (EL2 and SES) are driving a high performing culture</td>
<td>57</td>
<td>30</td>
<td>13</td>
<td>57%</td>
<td>+70</td>
</tr>
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Where do staff see our strengths?

- **Immediate Supervisor** (ranked #1 of large Australian Public Service agencies for 8 of 12 Questions)
- **Inclusion & Diversity** (83% felt the ABS is committed to creating a diverse workforce - #1 in APS)
- **Workplace Conditions** (91% satisfied with non-monetary employment conditions – eg. leave, flexible working arrangements, other benefits - #2 in the APS)
- **Innovation** (91% felt that one of their responsibilities was to continually look for new ways to improve the way we work - #1 of large APS agencies)
- **Culture** (90% responded that people in their workgroup cooperate to get the job done - #1 in APS)

35. ABS intends to repeat the OCI in 2019, and continue to measure change through the 6 monthly Transformation Survey and annual State of the Service census.