

## **The People's Choice – Jeff Harmer, Department of Families, Community Services and Indigenous Affairs**

Family and Community Services was the department that appeared to be the loser in the new administrative arrangements announced by the Prime Minister, Mr Howard, following the election in October 2004. Before the election the portfolio covered the major government payments agency, Centrelink, and the department itself had the Child Support Agency as a division. Following the election both these agencies were transferred to the newly created Human Services portfolio and Dr Jeff Harmer was transferred from the Department of Education, Science and Training to head the now smaller Department of Family and Community Services.

Harmer, as one would expect, takes a positive view of the changes. "As a newcomer in the department I didn't feel, as others may have, that we'd lost something," he says. "I actually think that the department in its new form makes very good sense and I was delighted to get it." He says there is no doubt the department is smaller. It has lost three of the income support payments for those of working age but has absorbed considerable functions from ATSIC and also gained the Office for Women from PM&C. "I think it's more cohesive now. The programs that we have are programs aimed at supporting those who need ongoing government assistance and community support."

Harmer says the department is still very large. It has responsibility for pensions and family payments, including child care, and it is a critically important department for the Australian community. "As the biggest spending department we run about a quarter of the budget. We are responsible in policy terms for over \$45 billion. We have 80 programs and over 15,000 service providers and therefore have a huge footprint in Australian society reflected in our purpose of improving the lives of Australians."

Harmer says that when they were redesigning FaCS they spoke to stakeholders, who said that the older, larger FaCS did not always speak with one voice. "We are now determined that FaCS is much more integrated and speaks with one voice. We have one position on all the key issues and wherever you contact FaCS around Australia, you basically get the same position."

The sometimes contradictory positions arose from the fact that the old FaCS was trying to actively pursue Welfare to Work objectives while at the same time trying to support the most needy in society. "So when our stakeholders were dealing with FaCS on the one hand we were saying 'get out there and you've got to get to work'. And on the other we were saying, 'look, we want to help

you, how can we help?’ It’s much less ambiguous now because we’re much more like a traditional family and community services department.”

Harmer says when stakeholders interact with FaCS across the country they will basically get the same story and services. “People don’t give their own personal views as they may have been inclined to do before. They give a FaCS view – we call it ‘One FaCS’. That’s professionalism.” Harmer says it is a family oriented department focussed on support and services for families, older people and those most in need. “It’s a ‘softer’ department in some respects than it was before, because DEWR [the Department of Employment and Workplace Relations] now has responsibility for making sure that people on some welfare benefits are provided with the opportunity to get work rather than going on to payments.”

To the suggestion that DEWR has been given the bastardry bit and FaCS has got the good guy work he says, “Well, I wouldn’t put it that way. But they’ve certainly got the job of being tougher on eligibility for those payments because the priority is to get as many as possible into work. Our services are complementary.” Harmer says staff in FaCS feel they have a responsibility to make a difference to the Australian community in areas such as income support for the aged, in family tax benefit and other family payments, childcare and early childhood, programs for housing, the homeless, for people with disabilities, youth, indigenous Australians and women.

The creation of the new Department of Human Services, which not only took responsibility for some of FaCS service delivery agencies, but was in part funded by money drawn from FaCS, has the potential for both overlap and conflict. But Harmer maintains the lines of responsibility are clear. He says Patricia Scott, the head of Human Services, is responsible for the efficient delivery of programs for a range of portfolios. But the policy making – the determination of where the money’s spent, how it should be spent and who is eligible – is done in Family and Community Services and in the other policy departments of Education, Science and Training, DEWR and Health and Ageing. “Our minister has policy responsibility and Minister Hockey [the Minister for Human Services] has responsibility for delivery.”

He rejects the suggestion that Human Services, as an accountability agency, might play a role in watching FaCS and says they are set up to oversee the delivery agencies, such as Centrelink. “[The Department of] Finance, their big brother, if you like, have responsibility for watching the way we allocate the resources and for keeping tabs on our expenditure, monitoring and putting the opposition case when proposals are put forward to spend money on a new program.”

Human Services might put up suggestions for more efficient delivery. FaCS would listen to Human Services where their experience in running the delivery arm meant they had some information that might be helpful for policy

development. Harmer says they have had lots of debates with the Department of Finance. "Quite often it's a misunderstanding that happens which can be cleared up quickly," he says. "I from time to time speak with Ian Watt [the Head of Finance] when I'm unhappy with a co-ordination comment or unhappy with a position they're taking or something. Or he might ring me because he's unhappy that we let them down on a deadline. I regard that as an important element of my job. And I'm usually able to quickly resolve the issue. Sometimes we agree to disagree and ministers go into Cabinet with different points of view. It's an inevitable part of the democratic process."

Harmer previously headed DEST which he says is a very strong department. One of the big challenges following the machinery of government changes, he says, is to re-build FaCS. "I've put a lot of personal effort, as have my senior managers, into re-organising Family and Community Services, restructuring it, placing some new people in key roles and giving it a new purpose, a new direction," he says. "We've invested heavily in what we call our core business processes, a key strategy to manage risk, support staff and to ensure that we don't 'drop the ball' in some areas that are basic to our success."

So what is basic to success? "Policy advising, implementing programs, managing issues, managing stakeholders and financial management and governance," he says. "There are five of them and we put a lot of effort into specifying what they are and documenting them. We are also making sure we have a 'one FaCS' view of all five so that wherever you are in Family and Community Services you know how FaCS does policy advising, you know how we do program implementation and so on."

FaCS is currently looking at how it can simplify the way it does business with its service providers by reducing unnecessary red tape while maintaining appropriate standards of accountability and transparency for government. Harmer says they run 80 programs and some of the big service providers interact with the department across ten or more programs. "Because the programs have been developed at different points in time with different people involved, the requirements on the service providers to apply for funding, furnish financial acquittals and provide performance data, are quite different. For example, Anglicare, who deal with us across many programs, or Catholic Welfare or a range of others, get frustrated about having to fill in different forms for different programs. The minister is very active in driving this agenda." He says he thinks they can rationalise the processes and streamline some of the requirements.

On policy advising he sets out a clear process. "We don't start from picking up a piece of paper and starting to write. Policy advising is really about understanding the policy context, understanding where government is coming from, what their parameters are, what will fit with the Government's philosophy and agenda. You have to have some understanding of that before you can be

successful in advising Government in policy. That doesn't mean that you give ministers what you think they want to hear. But it does mean that you'd better know the framework ministers will use to evaluate your policy advice if you hope to be successful in influencing them. That's a really important first step which is mandatory. I want everyone in Family and Community Services who is in the policy advising business, to first of all understand what the Government's philosophy and Government's policy is. New staff are told to talk to their senior people and will be given background papers to read. You need a starting point for your policy advising role, rather than thinking of it in a purely academic framework."

Reading between the lines it appears that Harmer has had trouble with those advocating personal views. "I'm interested in your professional views and your professional views about policy come from your understanding of Government priorities, combined with all the evidence and information available to you. When people come to Family and Community Services they come to be professional public servants, not to be advocates. I'm not after advocates for particular points of view. I'm after people who are professionally giving advice according to the evidence and against the background of the Government's policy agenda. Then the issue is how to write it up and make it digestible. You can't write a huge research paper and expect you minister to read all of it. You've got to think about how to succinctly write it, how to frame options, how to argue the case – the pros and cons to make it digestible for the minister. You need to give them all the information, you need to give them options and it's a responsibility of a FaCS officer to make a recommendation on the basis of all the evidence and the advice. The minister will then either choose to take it, or not."

Harmer moved around a lot in his 28 years in the public service before taking over FaCS. Starting off in Environment, Housing and Community Development in 1978 he moved through various agencies including Finance, Social Security, Housing and Construction, Community Services and Health and Housing and Regional Development. His appointment as Secretary of FaCS was his third as an agency head having previously led the Health Insurance Commission between 1998 and early 2003 and then taking over Education Science and Training until the 2004 election.

Harmer did his doctorate at the University of NSW in Urban Economics and Urban Geography and came into the public service because of his research background. "I delivered a paper on residential renewal in Sydney and in the audience was a senior public servant from that department," he says. "He asked me was I interested in coming to Canberra to work on this particular topic and given that the salary he was offering was at least a couple of times higher than I was being paid as a University tutor I decided that was a good move."

Originally it was on an 18 month contract. "I enjoyed the research area but ... I really enjoyed being able to make a difference in policy so I moved quickly into the policy area. I've been in policy, practically ever since ... I enjoyed the idea that you could make a difference in what I regard as the most important business in the country. Talking motivationally to my staff about the importance of working in government I talk about having the Green and Gold jersey on when you're working for the Australian Government."

Harmer says that over the years there have been a lot of things that he would have liked to have done differently. He does not recall any major blunders, however. "Perhaps that's why I've managed to get through the system and get to the top," he says. The little things he recalls going wrong are occasions when "you've written a brief for the minister and you discover the figures used were out of date and the minister has referred to them in Parliament. Or you've briefed the minister for a meeting with a key stakeholder and no one bothered to check what the key issue for the discussion was going to be. You interpreted what you thought they were going to talk to the minister about and you got it wrong."

He says that when one finds a mistake such as wrong figures, it is essential to own up immediately. "Try and update it and explain it to the minister. Usually you get a kick in the butt for getting it wrong. But you have to accept that. Not everyone gets it right all of the time. But you have to be professional. You can't hide things. One of the things I've learnt in my public service career is that when you do discover something's gone wrong, or you've given the wrong information, or whatever, you have to very, very quickly correct it, whether it be at Senate Estimates, a brief to the minister or whatever. There is absolutely no doubt that you'll get yourself into more trouble trying to hide things, than you do making them transparent. But everyone makes mistakes. I also have a philosophy that it's best not to be too heavy in your criticism of staff for their first mistake. You should say, 'what have you learnt?' and 'what would you put in place to make sure it doesn't happen again?'"

Harmer says staff do learn from mistakes. But if staff are made too risk averse, "You won't get the creativity you need". "So I'm very careful about not punishing people too much and I think my ministers understand that too. Harmer is proud of his work on key policy initiatives over the years such as remodelling the housing assistance programs, the first home owners' scheme, transformational change in the Health Insurance Commission and re-negotiating a number of Commonwealth-State Agreements in housing, supported accommodation, mental health and disability programs.

Harmer has done quite a bit of Commonwealth-State negotiation and says among other things it requires a very good knowledge of the subject matter. "You can get yourself into difficulty very quickly in multilateral negotiations with state officials because they tend to stay in their areas of expertise and not move around

quite as much as we do in the Commonwealth," he said. "And they're very experienced at getting money out of the Commonwealth and trying to do as little as they possibly can for it. Commonwealth negotiators have to be very careful when dealing with the states on joint programs. I've usually managed to develop good relationships with my state counterparts which has helped. We often have debates and disagreements. But if you can call them and talk about it off line from time to time, that helps a lot. I think building good relations, whether it be within the Commonwealth across departments or between the Commonwealth and the states is absolutely critical to be an effective senior public servant. I don't know how anyone can really expect to be an effective leader and effective in serving a minister unless they're good at managing external and internal relations."

Harmer is an early starter, who does some exercise every morning before coming into work between 7.30 and 7.45. "I close my door until 9 o'clock and that hour and a half, hour and a quarter I get a lot of my reading done, planning for the day, thinking about strategy, reading the press clippings and that sort of thing. I open my door at 9 o'clock and then my day is typically a series of meetings with one or other of my senior colleagues. One or two meetings with external people, either a stakeholder group, or someone from another department. I, of course, have regular meetings with the minister."

Frequently he represents the department at meetings ranging from indigenous issues to portfolio secretaries' meetings and senior level inter departmental committees. He also actively contributes to the broader public service by speaking at Public Service Commission courses for senior executives and on leadership to groups of executives. In a typical week he usually spends up to a day outside Canberra – visiting state offices or attending meetings with key stakeholders. When Senate Estimates are on there is not only the attendance but also the practice sessions with group managers beforehand. He finishes his day at 6 o'clock or a little later.

"I have a firm view that I won't be very effective the next day unless I get a reasonable amount of relaxation. I constantly say to my staff that I'm impressed by what they do while they're here, rather than how long they're here. I'm interested in outcomes and outputs, rather than inputs. I don't judge people by how long they're at work. That is an input. I've been in places where that has been the case but I certainly don't believe in that approach. When people have completed their work for the day I want to see them going home to their families. I think staff productivity will be higher if they have high morale and I strongly believe that high morale comes from good leadership, (and I put a lot of effort into that with my senior executives)."

Harmer points to the leadership behaviours he has recently established as part of the FaCS strategic framework. They are to set the direction, provide clear and

consistent guidance to staff, achieve results, set the example and value and develop staff. "I constantly remind my senior managers of their responsibilities in these areas and constantly put pressure on managers to improve their leadership. This is the most certain way I know to improve morale and therefore productivity. There are some who believe that the best way to high productivity is through financial incentives but I don't believe this is what motivates public servants."

Harmer says he regards it as a very important part of his job to maintain good relations with his colleague secretaries and agency heads. "It doesn't mean agreeing with them all the time," he says. "Sometimes we have fundamental disagreements, including in our regular meetings. That's quite healthy. But never to the point where it becomes a personal issue. I never play the man (or woman), it's always the ball."

*This article was first published in the Canberra Times on 19 December 2005*