Delivering now and in the future

Chapter 2

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The many parts of the NSW public sector share a common goal: delivering services that make NSW a great place to live, work and visit. This chapter discusses how the public sector is delivering for NSW currently, and how it will continue to do so in the future. It discusses customer satisfaction, the refreshed Premier's Priorities, the recent machinery of government changes, and the changing nature of work. It also assesses the sector's capacity for strategic workforce planning and change management.

Customer satisfaction with government services has improved

One way to determine if the sector is achieving its common goal is by measuring customer satisfaction with government services. When its customers are satisfied, it means that the sector is doing its job well – that its services are easy to use, of high quality and accessible to all.

The Customer Service Commission developed the Customer Satisfaction Measurement Survey (the CSMS) in 2013. A key survey output is the Customer Satisfaction Index which became the indicator for the original Premier's Priority to improve government services.

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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What is the Customer Satisfaction Index?

The Customer Satisfaction Index assesses how satisfied customers are with a government service, how close their experience is to their expectations of that service, and how close their experience is to an ideal service. It is scored out of 100. A higher score means that customers are more satisfied overall. Scores can be averaged across services to produce a score for the whole sector.

Scores on the Customer Satisfaction Index have increased since 2015, both for individual consumers and businesses. However, the increase has been greater and more sustained for consumers than for businesses (see Figure 2.1).

Source: Customer Satisfaction Measurement Survey (2015–19)

In 2019, the Customer Satisfaction Index score for consumers was 80.6, the highest it has been since measurement started, and exceeding the Premier's Priority target of 79.02. Efforts such as NSW Health's pilot to improve patient experiences in hospital emergency departments are showing how the push to put customers at the centre of service delivery is benefiting agencies and customers alike.

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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Improving the patient experience in emergency departments

Emergency department visits are one of the most common and important points of contact between patients and carers and the public health system. There were an average of 2.7 million presentations to NSW emergency departments per year over the past five years.

NSW Health recognises the importance of providing an excellent patient experience, which affects patient safety and quality of care. However, emergency departments are busy and complex settings, and informing patients and carers about processes, and regularly updating them on their progress through a department, is an ongoing challenge.

Health used information from the Bureau of Health Information's Emergency Department Patient Survey to develop the Emergency Department Patient Experience initiative. The initiative aims to create environments in which patients and their carers and families feel welcome, safe, cared-for and empowered.

Practical improvements that are part of the initiative include:

- introducing a patient experience officer, a non-clinical role that focuses on communication and building rapport with patients and carers in the waiting room
- enhancing waiting room facilities, such as seating and signage, to improve the comfort of patients and carers. This includes providing free wi-fi and phone chargers so that patients can keep in contact with family members more easily
- sending digital patient information, such as welcome animations, to the mobile devices of patients and carers. Information is available in nine languages, and aims to improve patients' and carers' understanding of what happens in an emergency department.

Beyond these practical improvements, the initiative builds on the culture of care among staff in emergency departments. Education for staff includes innovative simulation workshops that focus on communication and care in the waiting room.

> When the patient starts with that positive experience in the waiting room, that flows through the whole emergency department.
>
> — Clinical Nurse Specialist, Lismore Hospital

Health ran a six-month pilot of the initiative at Liverpool, Lismore, Nepean and Blacktown hospitals, starting in November 2018. The results were very promising, with improvements of up to 30% in patients' ratings of their experiences in the participating emergency departments.

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> The initiative is now being rolled out to a further 15 emergency departments in NSW. Its success has also led to further opportunities to review other hospital and community settings where feedback indicates the patient experience could be improved.

However, the Customer Satisfaction Index for businesses decreased to 77.6 in 2019, short of the Premier's Priority target of 81.16. This followed an initial increase from 2015 to 2016 and some degree of stability between 2016 and 2018. Investigations by the Customer Service Commission have revealed this decrease might be related to a greater desire for the sector to tailor services to business needs (in addition to consumer needs).

Improved services and customer outcomes continue to underpin the refreshed Premier's Priorities, announced in June 2019. These priorities, shown in Table 2.1, set ambitious targets to tackle many of the most important and difficult issues faced by the people of NSW.

Priority	What it means in practice
Bumping up education results for children	Increasing the proportion of public school students in the top two NAPLAN bands (or equivalent) for literacy and numeracy by 15% by 2023, including through statewide rollout of Bump It Up
Increasing the number of Aboriginal young people reaching their learning potential	Increasing the proportion of Aboriginal students attaining Year 12 by 50% by 2023, while maintaining their cultural identity
Protecting our most vulnerable children	Decreasing the proportion of children and young people re-reported at risk of significant harm by 20% by 2023
Increasing permanency for children in out-of-home care	Doubling the number of children in safe and permanent homes by 2023 for children in, or at risk of entering, out-of-home care
Reducing domestic violence reoffending	Reducing the number of domestic violence reoffenders by 25% by 2023
Reducing recidivism in the prison population	Reducing adult reoffending following release from prison by 5% by 2023
Reducing homelessness	Reducing street homelessness across NSW by 50% by 2025

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Priority	What it means in practice
Improving service levels in hospitals	100% of all triage category 1, 95% of triage category 2 and 85% of triage category 3 patients commencing treatment on time by 2023
Improving outpatient and community care	Reducing preventable visits to hospital by 5% through to 2023 by caring for people in the community
Towards zero suicides	Reducing the rate of suicide deaths in NSW by 20% by 2023
Greener public spaces	Increasing the proportion of homes in urban areas within 10 minutes' walk of quality green, open and public space by 10% by 2023
Greening our city	Increasing the tree canopy and green cover across Greater Sydney by planting 1 million trees by 2022
Government made easy	Increasing the number of government services where citizens of NSW only need to 'Tell Us Once' by 2023
World class public service	Implementing best-practice productivity and digital capability in the NSW public sector and driving public sector diversity by 2025

Table 2.1: Premier's Priorities

To support the delivery of the NSW Government's key policy priorities, the public sector transitioned from 10 to eight clusters during 2019, with the changes coming into full effect on 1 July 2019. The new structure will also help the sector deliver on the Premier's Priorities by streamlining how related agencies operate and collaborate. Following are some of the main changes of the reorganisation:

- The new Customer Service cluster brings together some of the functions of the former Finance, Service and Innovation cluster and other related pockets of the sector, such as the Customer Service Commission, Data Analytics Centre and Behavioural Insights Unit.
- The new Stronger Communities cluster brings together the former Justice cluster and Family and Community Services cluster.
- The Planning, Industry and Environment cluster brings together the former Planning and Environment cluster and Industry cluster. This new cluster will redouble the government's attention to the needs of regional NSW.

In addition to managing these internally driven changes, the sector also has to manage the accelerating change caused by external factors. Now more than ever, the sector needs a modern and effective workforce that is digitally capable, diverse and focused on the needs of customers and stakeholders. Agencies should

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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think strategically about how to better deliver services, plan and prepare for the workforce and operating challenges ahead, and support sector employees through increasing uncertainty. In other words, agencies need to build the world-class public service envisioned by the Premier's Priorities.

Sector leaders need to plan and prepare for the work of the future

There is little doubt that work is evolving – what people do, how they do it, and when and where they do it is changing at an increasing pace. Globally, governments are preparing for the work of the future by harnessing the potential of new technology to deliver services differently. However, the issue is broader than just the impact of advancing technology. It involves the impact of factors such as the ageing population, strategic choices made by government, and how the sector works together and with the citizens of NSW. Together these factors can change roles and create a need for new ones.

As the state's largest employer, the NSW public sector must consider how to prepare and upskill its employees to meet the challenges of work in the future. Research by the PSC identified key factors that may affect the way the sector works. These are discussed below.

Changing expectations of customers

People are increasingly expecting seamless, coordinated and responsive interactions with government, with high-quality outcomes at reduced cost. They want to interact with government services when and where they like, and in ways that suit them. Meeting these expectations will require an increasingly digitally capable workforce that is also collaborative and agile across traditional organisational boundaries. This is happening in some pockets of the sector already.

Societal and geopolitical shifts

Australia's population is ageing rapidly, and life expectancy is increasing.[1] Reflecting this, it's expected that the sector's workforce will be increasingly multi-generational, as Australians stay in the workforce longer before retirement. Even within the last 10 years, the sector has seen growth in the representation of employees aged up to 35 and over 65. This trend will have implications for workforce management, particularly in relation to flexible work and role design to cater to the varying career needs of an age-diverse workforce.

Australia's population is also becoming more urbanised[2], and there is a continued shift towards globalisation.[3] These changes are expected to directly affect public sector portfolios such as health, transport and education, through increased demand. Complex policy choices will need to balance the needs of people in regional and urban areas.

Advances in technology

Technology creates opportunities for government. It enables government to make faster and more informed decisions, delivering better policies and services for citizens. New technologies also free up workforce capacity to engage in important, customer-centric tasks by reducing time spent on routine, administrative

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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tasks.[4] For example, frontline public sector staff members may spend less time reviewing and populating forms, and more time interacting with customers in person. The Housing division of the Department of Communities and Justice has shown how this can be done cost-effectively, keeping both employees and customers in mind every step of the way.

Video embed:

Digital transformation helps improve service delivery

Technology also presents challenges for the sector. It could reshape the public sector workforce by automating some common roles, while also creating entirely new jobs with new skill requirements. As such, demand is increasing for higher-order technical skills, such as in science, technology, engineering and mathematics (STEM). Interpersonal, relationship and problem-solving skills are also becoming increasingly valuable to employers.[5] Therefore, agencies within the sector need to promote lifelong, continuous learning to upskill and support employees in performing new tasks or jobs – especially as the 'shelf-life' of skill sets becomes shorter.[6] Digital capability uplift is discussed in Chapter 5 of this report.

To help the sector accelerate whole-of-government digital transformation, NSW Treasury and the Department of Customer Service established the **Digital Restart Fund** in 2019. The fund simplifies the traditional government information and communications technology (ICT) funding model by releasing money in increments over time. This better enables digital initiatives that use iterative, multidisciplinary approaches to planning, development and service delivery. With these approaches, the problem, solution, timeframe and costs are discovered in the process rather than known from the outset. Agencies with digital initiatives that are within scope and meet the eligibility criteria can apply to draw money from the fund.

In sum, the NSW public sector of the future may look very different to that of today. However, the sector is not at the whim of societal and geopolitical shifts, advances in technology, and other external factors. Sector leaders should and will need to make strategic choices about how the sector carries out its work. Agencies across the sector, coordinated by the PSC, have been collaboratively exploring ways to lead the workforce into the future. Needless to say, strategic workforce planning will be a key to achieving this.

Strategic workforce planning enables agencies to deliver

Strategic workforce planning is a vital tool for designing the diverse workforce needed to continue delivering high-quality services for the people of NSW. It is about understanding and proactively preparing for changes that may affect the workforce. It also aligns an agency's strategic objectives with longer-term requirements by considering the possible future political, social and technological scenarios surrounding an organisation. Strategic workforce planning is:

- focused on the longer term and typically covers a three- to five-year outlook
- a collaborative process involving multiple parts of the organisation, including executives, middle management, subject-matter experts and local team leads

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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- based on data and evidence
- sponsored by senior leaders across the organisation
- supported by operational workforce planning, which ensures daily work is done effectively
- supported by tactical workforce planning, which gives concrete actions for each business area that help deliver the goals outlined in the strategic workforce plan.

Earlier this year the PSC published a sector-wide **Strategic Workforce Planning Framework** to help guide agencies on their workforce planning journey. The framework provides a practical and principles-based approach including an outline of the planning cycle, alongside discussion of the benefits and challenges of such planning.

The numerous benefits of strategic workforce planning include discovering and mitigating critical capability gaps, identifying pipelines for key talent, improving employee mobility and ensuring an agency's goals align with the goals of the government more broadly. It also encourages agency heads to actively consider workforce diversity, and enables more efficient and cost-effective use of resources. The Customer Service cluster began implementing strategic workforce planning just 18 months ago and is already seeing some of these benefits.

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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Customer Service cluster reaping the benefits of strategic workforce planning

The Customer Service cluster is responsible for driving excellence in customer service, digital leadership and innovation, and competitive fair and secure markets across the NSW public sector. It has a diverse, multifaceted workforce that delivers everything from frontline services in agencies – including Service NSW, Revenue NSW, NSW Fair Trading, SafeWork NSW and Liquor and Gaming NSW – to scientific research on behavioural insights. Despite this variety, the cluster managed to successfully roll out strategic workforce planning across all its business units.

The cluster identified several areas for improvement in its workforce management. These included a heavy reliance on contingent labour, which was limiting career development opportunities for departmental staff, and producing insufficient diversity in some pockets.

The cluster rolled out strategic workforce planning to each business unit after a successful pilot in Revenue NSW. A dedicated strategic workforce planning project team was set up within the People and Culture branch, and was given the task of 'getting the job done'.

Many people in the cluster didn't know what strategic workforce planning was or how to do it properly. So the team's first goal was to generate awareness around the concept and benefits of strategic workforce planning, and get senior leaders to commit to investing time in it.

Using the NSW Public Service Commission's Strategic Workforce Planning Framework as a starting point, the team put together planning packs for each business unit. The packs included:

- an introduction to strategic workforce planning
- insights and analysis of data relating to the current workforce, including role types, levels, diversity, turnover, trends, and comparable data across the cluster and relevant industries. This helped to illustrate benefits and areas for improvement, and address assumptions and information accuracy
- questions to help business units map their future business strategies back to the workforce (such as 'What major obstacles will the business face in achieving its strategies?').

The team facilitated cluster-wide planning sessions, to build each business unit's confidence in planning within their own business, in partnership with People and Culture.

One benefit to the department as a result of introducing strategic workforce planning is that it highlighted the challenges including:

- an older than expected ICT workforce, due to the loss of younger talent
- replicated functions and businesses within divisions and across the cluster
- inconsistencies with naming conventions and capabilities for role descriptions
- the absence of a clear employee value proposition
- the need to more fully consider market trends when sourcing, attracting and retaining talent.

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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The strategic workforce planning process is now informing critical areas of focus and initiatives. These include the commencement of collaboration with universities and diversity groups to source capable, diverse talent. The cluster has also created new roles to recognise emerging and future needs, such as Chief Data Scientist, and has seen a 56% reduction in the use of contingent labour. And because the cluster and business unit strategic plans are updated annually, these initiatives can be refined and updated as needed.

Importantly, there are now clear accountability mechanisms in place to ensure that each business unit implements strategic workforce planning recommendations and initiatives. For example, business units track progress and achievements against the action items in a dashboard, which they share with the Executive Leadership Team each month. A simple RAG (red, amber, green) status makes it easy to call out roadblocks early on, and overcome them with targeted responses.

To ensure that strategic workforce planning maintains momentum, the dedicated unit within People and Culture is sharing its success stories across the cluster

Strategic workforce planning is not without its challenges. It can be difficult to do if there is a lack of support and collaboration among senior management, if an agency focuses too much on day-to-day operational requirements, or if siloed human resources (HR) and business units restrict collaboration across the organisation.

One of the most common obstacles for agencies implementing strategic workforce planning is the view that available workforce, business and customer data are not of sufficient quality. While high-quality data are important for good strategic workforce planning, agencies can start by using what are available. NSW Health began its strategic workforce planning this way, and built on that foundation using new data as planning progressed. Data are now vital to Health's strategic workforce planning.

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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Data quality improvements contribute to better workforce planning at NSW Health

Demand for health care across NSW is growing, driven by an ageing population, an increasing prevalence of chronic illnesses and the digitisation of health care – among other factors. NSW Health must have the capability to provide services now and in the future. Workforce planning – ensuring NSW Health has the right people with the right skills in the right place at the right time – is therefore critical to delivering quality health care.

By 2013, Health's single Human Resource Information System (HRIS) had records of more than 170,000 employees across 17 local health districts (LHDs), speciality networks and other health organisations. This provides information on Health's workforce at state, organisation, facility, cost centre and employee levels. This single HRIS puts Health in a strong position to conduct effective, data-driven workforce planning.

Health can use these data to consider workforce characteristics such as age and gender, and, using clinical data, estimated future demand and geographical distribution of health services. The department is responsible for whole-of-cluster strategic workforce planning, with a time horizon of three or more years, while the LHDs take the lead on tactical (one to three years) and operational (up to one year) workforce planning. LHDs can apply their knowledge of the local environment, the community context and clinical care models to the department's higher-level strategic workforce planning.

At the strategic level, Health's comprehensive workforce modelling for medical specialities includes identifying where the skill shortages are likely to be in the future, using, among other things, information about supply from universities and vocational training institutes. This information is publicly available and supports workforce planning as well as career planning for individuals, enabling them to align their professional development to areas where there are the highest job prospects.

At the tactical and operational levels, this approach relies on scenario forecasting to consider how workforce composition affects service delivery. For example, in one hospital, Health identified an ageing workforce with few new graduates to mitigate the likely loss of skills in the next two to five years. This information enabled the facility to better plan its workforce pipeline.

Workforce planning continues to evolve as the system works to integrate additional datasets. Health is integrating data from different systems – including data relating to rostering, learning and development, and recruitment – into a single data warehouse to inform consolidated reporting and guide future workforce planning.

Crucial to the success of this planning is the quality of the data. Health undertakes a rolling program of audit and review, working collaboratively with LHDs to identify potential data anomalies, then correct them as needed and ensure they do not reoccur. This iterative process over time improves the accuracy of future forecasting and planning.

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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Workforce data are steadily available and there are processes in place to support the ongoing review of data quality. So NSW Health is now focused on developing central and local capabilities for workforce planning, which includes developing additional tools to support scenario planning at a local level. There are also opportunities to offer professional development support and training for those involved in workforce planning, to ensure they are using the width and depth of available data as effectively and efficiently as possible.

To further strengthen workforce planning capability, Health is developing a Workforce Planning Capability Framework to support its staff. This framework will come with a toolkit that brings together a range of practical resources and will be available on a central portal for staff members to access as needed.

In addition to building capabilities within an organisation so people can participate in ongoing strategic workforce planning, leaders will need a strong grasp of change management to support their employees through current and future challenges facing the public sector.

Managing change requires concerted effort

The scale and pace of the changes discussed in this chapter require sector leaders to think about how to best manage change in their agencies. It is encouraging that employee perceptions of change management improved slightly from 2018 to 2019, despite the extensive machinery of government changes happening when the 2019 People Matter survey was being run (see Table 2.2).

Question	2019 (% positive)	Change from 2018 (pp)
I believe senior managers provide clear direction for the future of the organisation	50.6	1.2
I feel that senior managers effectively lead and manage change	47.3	1.5
I feel that senior managers keep employees informed about what's going on	48.4	1.0
I feel that change is managed well in my organisation	41.9	1.6

Table 2.2: Employee perceptions of change management, 2019 vs 2018

Source: People Matter Employee Survey (2018, 2019)

However, there is still much room for improvement. The People Matter survey revealed significant variability across agencies when employees were asked how change was managed in their organisations (see Figure 2.2). Further, scores in some agencies went down between 2018 and 2019, while others went up – some by a significant amount. This shows that sustained effort is needed to help employees navigate change.

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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Source: People Matter Employee Survey (2018, 2019)
Note: Each column represents an agency.

As agencies across the sector improve their ability to manage change, those with above-average scores in employee surveys should share their learnings and practices with other agencies. One practice that should be adopted is clear communication. Clear communication is important because it provides appropriate direction to employees while minimising the ambiguity and anxiety associated with change. Research shows agencies can also do other things to manage change, such as:[7]

- Assessing and addressing an agency's readiness for change: Leaders need to understand an agency's capacity for change. This includes its successes and failures with change programs, the stress that employees may face and the capability of senior leadership to guide and implement change.
- Forecasting change using data and organisational knowledge: The ability to forecast change relies on having employees, systems and processes in place to capture and analyse data about customers, trends and the broader market. This can inform sector leaders when making decisions about the likelihood of change occurring, and how the organisation will respond to that change.
- Establishing executive sponsorship and an authorising environment: Executive buy-in and commitment play a crucial role in the success of a change program. Executives can be 'idea champions' who lead transformation and maintain momentum and commitment to change. As demonstrated in the case studies in this report, another consistent factor in the success of change programs in the NSW public sector is having an authorising environment that encourages change by allowing business units to take appropriate risks.
- Engaging first line managers: First line managers play a major role in engaging and supporting their direct reports through change, yet this is difficult for them to do if they do not feel engaged and supported themselves. The 2018 edition of this report showed that first line managers felt less engaged and supported than other groups of employees. This trend continued in 2019, and remains an area of concern.
- Promoting experimentation: Where possible, leaders should allow small-scale experimentation with change processes that allows change recipients to provide feedback and make local adjustments to broader change plans. This input can support broader change processes when they are implemented.
- Assessing change progress and outcomes over time: Leaders should periodically assess whether a change is producing the intended outcomes. Feedback gives leaders an understanding of the effects of change, and allows them to make improvements.

Change has been a central theme of this chapter. It is constant and happening at an increasingly fast pace. An ongoing priority for agencies will be to think about the types of work the sector will do in the future and how to structure its work and workforce for sustained delivery. The sector can then build capabilities and resilience to prepare for the future.

Notes

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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[1] Radford, Chapman, Bainbridge and Halvorsen (2018)

[2] United Nations (2018)

[3] Select Committee on the Future of Work and Workers (2018)

[4] Eggers, O'Leary and Datar (2019)

[5] Healy, Nicholson and Gahan (2017)

[6] Pelster, Johnson, Stempel and van der Vyver (2017)

[7] Fernandez and Rainey (2006); Stouten, Rousseau and de Cremer (2018)

Source: https://www.psc.nsw.gov.au/reports-and-data/state-of-the-nsw-public-sector/state-of-the-nsw-public-sector-report-2019/delivering-now-and-in-the-future
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