

Foreword from the Commissioner

State of the NSW Public Sector Report 2021

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This year has been another challenging one for the NSW public sector. After emerging from the first wave of the COVID-19 pandemic and living with zero COVID for a period, we were soon faced with new challenges in combating the Delta strain. It is a testament to the hard work and commitment of our people that we have transitioned to living in a COVID-normal way.

In 2021, we continued to leverage digital technology to enhance customer service and drive productivity. We have seen the continued success of the Service NSW app as a crucial tool in the government's COVID response, including to quickly roll out information and support for the community and businesses. I am incredibly proud of the work our people are doing to advance our state towards a digitally enabled world.



Our structure

The structure of our sector continues to support our people to deliver services to the citizens of NSW. The Regional NSW cluster has been embedded and leads key work to support regional communities, including through the 20-Year Economic Vision for Regional NSW. The sector's new regional workforce principles mark a change in the way we think about place-based work. Jobs that can be done from anywhere in the state will be advertised that way, opening new opportunities for people to live in rural NSW and work for the NSW Government. In addition, more senior leaders will be based in regional NSW, closer to the staff they lead and the communities they serve.

Our people

The highs and lows our people have experienced this year are reflected in the People Matter survey results. On a broad range of measures, results have either remained steady or improved slightly. Pleasingly, and despite this year's challenges, the sector employee engagement score has remained high, at 67%.

With the inclusion of the Health cluster in the survey again this year, the improvements in the overall People Matter survey results are a great reflection of the sector's ability to work together in difficult circumstances.

Last year, the pandemic necessitated an acceleration of flexible ways of working. The sector's long-term focus on flexible work, digital delivery and leadership capability meant it was well placed to meet many of the challenges brought about by the pandemic.

Hybrid working, where employees spend part of their time in the office and part of their time working from home, is here to stay. Over the past year, managers and staff have learned to work effectively in a hybrid environment while maintaining high levels of engagement and output across the sector, which are both markers of productivity.

By offering flexible working as part of our employee value proposition, we will continue to attract and retain top talent, including in occupations experiencing skills shortages, such as information technology (IT) and cybersecurity.¹ This is consistent with national and global trends. Flexible working supports agencies to attract and retain diverse talent, such as people with caring responsibilities, people with disability, regional workers and older workers.²

Recent NSW Government research shows that flexible working can increase productivity and living standards, lower traffic congestion, transform central business districts, revitalise local economies and reduce instances of negative workplace behaviours.³ The benefits of flexible work also extend to frontline workers, who experience less traffic congestion and potentially more flexible rosters.⁴

We will of course need to consider what hybrid and flexible work look like for different organisations, roles and types of service delivery in the sector. We will also need to maintain the good management practices that were emphasised during lockdowns, such as managing for outcomes.

We continue to make progress towards the diversity targets in the Premier's Priority for a world class public service. I am thrilled that we have already achieved the goal of doubling the number of Aboriginal and Torres Strait Islander people in senior leadership to 114 by 2025, with 130 current senior leaders identifying as Aboriginal and Torres Strait Islander people.

This year, 42.7% of the sector's senior leaders are women. Sustained effort will be needed to reach the target of gender parity by 2025. I note that six out of 11 members of the NSW Secretaries Board are women. This will increase to seven in 2022 with the appointment of Karen Webb as NSW Police Commissioner. This is the highest number of women that have been on the Board at one time.

The sector continues to support LGBTIQ+ employees through local staff networks and the sector-wide Pride in NSW network. The Pride in NSW network has over 1,400 members, and the People Matter survey saw an increase in staff identifying as LGBTIQ+ and non-binary from 2020 to 2021.

There was a slight increase to 2.5% in the number of people recording in our human resources (HR) systems who say they have a disability, turning around a downward trend over the past few years. There was also an increase to 4.6% in the number of people disclosing a disability through the People Matter survey. The sector is working to develop initiatives that will encourage individuals to share their disability at work. These increases are encouraging, but a large amount of work is needed to reach the Premier's Priority target of 5.6% of the workforce identifying as having a disability by 2025.

The workplace experience for people with disability is an area in which I want to see us make significant improvements. There is much to be done to ensure people with disability feel they are included and belong in the workplace, and are supported to do their best work.

There are several collaborative initiatives underway across the sector to build an environment where people with disability feel safe and supported. These initiatives include:

- making recruitment inclusive by increasing the number of agencies being accredited as disability-confident recruiters, ensuring recruitment platforms meet accessibility standards, building reasonable adjustments into the recruitment process, and providing comprehensive advice to disability employment service providers to make NSW Government recruitment an easy choice for their clients
- redesigning workspaces in line with new accessibility standards
- undertaking impactful research to uncover the barriers employees with disability face when choosing to disclose their disability, and providing solutions for agencies to remove these barriers
- trialling workplace adjustment passports.

Disability employment networks are also critical partners in ensuring that the voices of people with disability are central to understanding barriers and designing solutions.

The PSC is a member of the IncludeAbility Employer Network, established by the Australian Disability Discrimination Commissioner. We will be sharing with the sector learnings and good practice gained through our association with this network.

Our workplaces

The health and safety of our employees and customers is of utmost importance. During the pandemic and as we emerge into a world where COVID is endemic, departments and agencies have taken proactive steps to ensure their workplaces, staff and customers are COVID-safe.

Staff members have stepped forward to get vaccinated to protect themselves, their families and the communities they serve. This is in line with the sector's expectation – and in some instances in line with public health orders and employer directions – that staff get vaccinated if they can do so safely. The work of NSW Health in establishing vaccination hubs and administering thousands upon thousands of vaccinations has been extraordinary.

The People Matter survey has again been used to understand employees' experiences, both positive and negative. Over the years, the percentage of employees experiencing or witnessing bullying has trended down. Remote working may have contributed to some of this decrease. As such, the sector needs to rise to the challenge of continuing to reduce negative workplace experiences as people return to the office.

This year, the People Matter survey expanded its focus on wellbeing by asking employees about their experiences of discrimination and racism in the workplace. As with other negative workplace behaviours, the numbers are low. However, any level of discrimination and racism is unacceptable, and we need to work together to ensure that everyone has a positive experience at work.

Our leaders

Leadership matters, and this year our leaders have continued to lead and support our people to deliver great outcomes for the community during challenging times.

It is pleasing to see an increase across the sector in employee perceptions of how leaders act and communicate. Employees increasingly feel confident that their leaders will act on the results of the People Matter survey, and they feel more confident in their leaders' people management. That's not to say there isn't more to do, but I want our people to know that leaders are putting words into action and striving for continuous improvement.

We have expanded access to the sector's Leadership Academy and increased the diversity of participants. Record participation levels in 2021 show that our leaders have enthusiastically taken up this opportunity to learn and grow as leaders. This shows that our leaders are committed to better serving and representing their people and the community.

Our organisations

It is pleasing to see increases in measures for role clarity, support, teamwork and collaboration across the sector. Our organisations are developing managers who are continually improving the way they design roles and how they communicate to employees the value of their contributions to the organisation and the communities they serve.

We will continue to strive towards building and maintaining world class organisations. Digital ways of working are becoming firmly embedded in our organisations and are improving the experiences of our employees and our customers.

The pandemic saw the sector embrace new digital ways of working and delivering services. This trend will continue. We will make it a key pillar of productivity-enhancing work that the sector is undertaking. Today the sector continues to increase its risk appetite to embrace innovation and better serve our diverse community.

We are striving to become a world class public sector in every sense of the term. While we are there in some areas, in others the sector will continue to learn and work its way to world class. I look forward to steering our sector towards the best employee experience possible.

This year's report

The State of the NSW Public Sector Report 2021 is my second independent assessment of the performance of the NSW public sector as NSW Public Service Commissioner. This year, I've taken the opportunity to review the structure of the report and consult with key stakeholders.

The structure has remained the same since the PSC was established and, while it has served our sector well over the years, the message I have heard from users is that there is a demand for a more focused and easier-to-digest report.

We have redesigned the report to present you with an assessment of the sector that better highlights the key areas of our workforce and meets demands for data that can help us measure up to world class.

Kathrina Lo

NSW Public Service Commissioner

December 2021

Notes

¹ National Skills Commission (2021)

² Future of Work Institute (2012); Australian Human Rights Commission (2015)

³ NSW Innovation and Productivity Council (2020); People Matter Employee Survey (2021)

⁴ NSW Innovation and Productivity Council (2020)

Next section: Our KPIs

How we are performing overall as a sector.

