

13 July 2018

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Chair, Review Panel  
APS Review  
Department of Prime Minister and Cabinet  
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Thank you for the opportunity to contribute to the Australian Public Service Review.

## **How we see the background to the APS review**

AHRI sees the Australian Public Service providing advice to government and delivering services to the Australian people against a backdrop in which agencies are faced with a changing world of work that is characterised by:

- emerging technologies that are shaking up many traditional business and operational models, and affecting the nature of work, workplaces and workforces
- pressure to develop workforce plans, performance frameworks and talent strategies that enable the APS to anticipate those future workforce changes, and deal with them expeditiously as they present themselves
- demands for specialist expertise, capability and foresight in undertaking challenging initiatives with respect to the way the APS workforce, workplaces and work itself are designed and how they might look in the future, including labour models that encompass contractors and gig workers, as well as part-time and full-time employees. It will mean looking in detail at a potential overhaul of classification structures and mobility, and extend to consideration of industrial arrangements, flexibility, APS values, contingent workforces, and transitioning workforces to meet future needs.



## **AHRI and the APS**

AHRI is well placed to contribute to enabling the APS, through building shared accountabilities, to become a more sought-after employer of choice for workers operating within a range of labour models in the future by providing work that is productive and enriching for its people, who in turn serve the community as exemplars of innovation and agility.

### ***Custodians of culture***

Good leadership and management of APS people needs to include line managers and agency heads working with HR partners to share ownership and accountability as custodians of organisational culture. HR should be expected to play a key role and rightfully be held accountable for key elements of that leadership, including the development of an organisation's culture strategy.

However, for cultural transformation to be truly successful and driven through the entire organisation's non-HR processes, agency policies and practices also need to change, so that individuals, regardless of their seniority, need to be accountable for the culture they display and to which they contribute.

### ***Strategic capability***

It should be noted that the APS is already on a path towards a shared services and centres of excellence model, with transactional HR services outsourced to six hubs within APS agencies. The HR teams that remain, as the APS transitions to this model, could be effectively used to lead and contribute substantially to the building of strategic HR capability.

## **HR certification and the APS**

AHRI is making this submission on the premise that a combination of a globalised workforce exposed to rapid future advances in technology have presented those who oversee workforces in general, and the public-sector workforce in particular, with challenges that require solutions to new problems, and often problems to be dealt with in uncharted territories.

It is no secret that for many years the APS has not enjoyed access to HR practitioners who have demonstrated the level of leadership capability and business acumen in the areas to which we have alluded above. In addition to the independent analysis the Australian Public Service Commission (APSC) has undertaken in relation to HR capability, further evidence for that can be found in the number of occasions in which people from outside HR have been appointed to fulfil the HR function and wear the label of HR, and often without having brought with them the range and depth of capabilities that enable them to perform at the level that their senior HR counterparts would be expected to perform in the top companies within the private sector.

The outcome has been that in the past the HR function has not earned a reputation in the APS for its capacity to operate at the level required to deal adequately with the complex issues that confront them with respect to the workforce they oversee in the present, as well as the workforce they foresee in the future.

Recognising that malaise, in 2015 AHRI took upon itself the task of creating a certification regime that set a high bar in Australia for entry to the HR profession. The certification standard is based on a globally benchmarked set of capabilities and behaviours outlined in the [AHRI Model of Excellence](#), and includes validating professional behavioural attributes such as being credible, solutions driven and future oriented. As an industry model, it was developed with extensive Australian and global industry and public-sector input, and the intellectual property it supports is continuously reviewed to ensure relevance to shifting trends and organisation needs.

Certification candidates are now required to demonstrate organisation expertise and capability via a 4-unit exacting postgraduate-level professional study program, to undertake continuous professional development, and to sign up to an enforceable code of conduct.

Since then, 555 HR practitioners have become certified via one of the pathways to certification, one of which involves large numbers of senior and experienced practitioners undertaking a senior leader pathway. Of those, around 40 percent are from the public sector, the remainder being from the private sector and not-for-profits.

While considerable time was spent in building the right capability development and assessment tools, and also 'telling the story' to AHRI members, the momentum generated is reflected in the total number of 1118 candidates who are presently engaged in the process of certification, and the growing evidence of positive organisation and individual impact of the certification journey they are on.

## **The wider context of global HR certification developments**

AHRI is not alone in establishing HR standards through certification, with the UK, Canada, Singapore and the US also initiating certification models.

AHRI has a longstanding partnership with its UK counterpart, the Chartered Institute of Personnel and Development (CIPD), which includes a globally unique opportunity that affords mutual recognition of certified practitioners through a reciprocity agreement, thus aligning AHRI certification with CIPD chartered HR practitioner status. This agreement is contributing to the mobility of certified HR practitioners between the UK and Australia.

More recently in our region, the Singapore Government initiated a National HR Certification Framework to set HR standards for the good of the nation that involves the Ministry of Manpower, the Trade Union National Congress, and the Singapore National Employers Federation forming a tripartite agreement to raise the standards of HR practice through a national certification standard.

It is expected that within a few years certification will be a pre-requisite to work in HR in Singapore. AHRI is in the process of establishing a memorandum of understanding with Singapore, with both parties taking the view that establishing reciprocity of certification standards will facilitate future mutual recognition and mobility of certified HR practitioners between Singapore and Australia.

## **What does HR certification look like in the APS?**

HR capability isn't simply about what HR practitioners know or studied, or even how long they've been in a role (i.e., what's typically listed on an individual's CV). True impact is based on their professional knowledge, skills and behaviours, as articulated in the [AHRI Model of Excellence](#). They are the professional attributes the AHRI certification framework is able to assess and validate. When combined with AHRI membership that holds HR practitioners to account against a professional and enforceable code of conduct and ongoing requirement for continuous professional development, the outcomes lead to genuine 'professionalisation' of key capabilities that have been attested to within the organisations that employ successful HR certification candidates.

The very first AHRI certification program commenced in the APS in August 2015 as a pilot with 24 HR practitioners representing a number of agencies from across the APS. Since that time, AHRI has worked with agencies that have been proactive in building HR capability, including the Australian Taxation Office, Department of Agriculture, Department of Defence, Department of Environment and Energy, Department of Foreign Affairs and Trade, and CSIRO.

The AHRI HR certification strategy goes beyond mere rhetoric and is genuinely delivering on professionalising the HR profession in the APS, as evidenced by testimonials (video and written) and references that can be viewed in attachment 1. They demonstrate return on investment (ROI) by way of improved HR capability. HR certification can deliver at an individual and organisational level. Certification establishes HR behaviours such as ethical practice, which is enforceable through a professional code of conduct supported by the requirement to undertake continuous professional development.

What differentiates AHRI certification from some other global models (for example, the US utilises a multiple-choice online knowledge assessment) is that AHRI certification focuses on demonstrating business impact of HR practice on real business and organisation problems in the present, with a future orientation. It is this unique feature that has resulted in agencies like the ATO, Defence and CSIRO supporting repeat certification programs in their agencies. Indeed, agencies such as the ATO and Defence who have seen the ROI of certification are now setting AHRI certification as being advantageous when applying for HR roles within their agencies.

The ATO partnership with AHRI on certification also shows the potential of building HR capability in a large organisation with distributed networks of geographical coverage beyond Canberra.

Another feature of AHRI certification is that because the AHRI Practising Certification Program (APC) is set at postgraduate-level, it provides articulation into [university programs](#) in Master of Human Resource Management and MBAs. The AHRI APC program forms part of a vocational education training pathway (VET) as noted in the recent [PwC's Skills for Australia report](#), and also provides opportunities for successful APC candidates to continue their studies in order to broaden their career pathways.

### **What does HR certification look like in the other industry sectors?**

At an organisational level, AHRI has selected as evidence of momentum a number of leading brands within the private sector to profile the organisational benefits of HR certification (e.g. Qantas, Deloitte, Optus and Virgin).

In addition, certified HR practitioners who have self-funded their own certification, represent a significant number of practitioners from the private, not-for-profit and local-government sectors (see attachment 2).

### **The future is about partnerships**

With respect to opportunity and impact in the APS, the evidence is clear that AHRI is well positioned to support an accelerated engagement and delivery strategy into the future around building HR capability and establishing HR standards and professionalism through certification.

During AHRI's interaction with HR practitioners undertaking the APC program, it has become apparent that there is a great deal of work in the organisational development space that is undertaken outside the HR function in the APS. It is often performed by external consultants at significant cost. This is an expensive practice compared to building internal capability to undertake these activities within the HR function.

AHRI has a proven model which is ready and able to support the APS in building HR capability and contributing to the delivery of cultural change with a new operating model. The AHRI certification model enables HR professionals to partner agency leaders to align practices in order to ensure the development of organisational strategy and organisational culture.

More than ever, the expertise of appropriately credentialled HR professionals will be required to effectively and agilely respond to the complexities and realities of changing work, workplaces and workforces. As such, core HR capabilities such as organisational design, workforce planning, job design, culture change, employment relations, performance management and stakeholder management with a focus on building public value are at the

centre of the AHRI certification program. These capabilities will be crucial in supporting any future APS reform agenda.

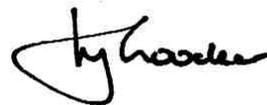
The case studies and testimonials set out in attachment 1 demonstrate the ROI already being derived from the AHRI HR certification program, and they could be accelerated across the APS in a very cost-effective way.

AHRI has an established public sector network through its [Public Sector Reference Panel](#) which plays a key partnership role with the Institute which we actively lead and use as a collaborative forum. Led by Carmel McGregor, former Deputy Secretary Defence People, this panel can be mobilised to assist the APS once the review is finished and roles for organisations and HR are clear. The panel provides insight and advice on public sector HR issues and is also engaging with key international leaders such as Lord Gus O'Donnell former Cabinet Secretary in the UK, Peter Ong in Singapore, and Peter Hughes in New Zealand.

There is an opportunity for AHRI to work with a coordinating body such as the Australian Public Service Commission to accelerate the work we have been doing with the departments and agencies and our own Public Sector Reference Panel to gain momentum and give greater traction to support the APS reform agenda in the context of the changing nature of work, workplaces and workforces.



Peter Wilson AM  
Chairman



Lyn Goodear  
Chief Executive Officer

### **About AHRI**

The Australian HR Institute is the national association representing human resource and people management professionals. We have around 20,000 members from Australia and across the globe.

AHRI Vision: Shaping the HR profession for the future

## Attachment 1

### AHRI HR CERTIFICATION WEBSITE

<https://www.ahri.com.au/hr-certification>

- AHRI Practising Certification Program (APC) <https://www.ahri.com.au/apc>
- Senior Leaders Pathway <https://www.ahri.com.au/seniorleaderspathway>
- Academic Pathway <https://www.ahri.com.au/academicpathway>
- HR Certification Pathfinder <https://www.ahri.com.au/pathfinder>

[\*PwC's Skills for Australia – Industry-led review and development of vocational training\*](#) (July 2018) makes reference to AHRI's HR certification model.

### APC CAPSTONE PROJECT SUMMARY

The Capstone Unit of the AHRI Practising Certification Program (APC) is the mandatory Unit 4 of the APC that attests to candidates' capability in practice to deliver impact. It is differentiated from the first three units in that it assumes knowledge and skill, and unlike the first three units, APC candidates cannot satisfy the unit's requirements by way of RPL or credit transfer. What follows are summaries of Capstone projects that have been completed and that demonstrate impact in organisations:

[How the ATO reaped the benefits of certification](#) (Donna Ross CPHR, Director of People Support, Australian Tax Office; Lauren Sloan CPHR, HR Manager, People Support Team, ATO; and Kerrie Wilby CPHR, Director, Learning and Development, ATO)

[How does Russia in HR compare to Australia?](#) (Jill Collins CPHR, Department of Foreign Affairs and Trade, Deputy Ambassador at the Australian Embassy in Moscow)

[Onboarding](#): Developing, testing and implementing the onboarding process for post-doctoral fellows and their line managers by Kathryn Alison Rogers CPHR, Senior HR Adviser, CSIRO

[HR upskilling](#): HR immediate upskilling by Susan Moriarty CPHR, HR Account Manager, HR Support Branch, Department of Human Services

## EMPLOYER PERSPECTIVES ON CERTIFICATION

### Public Sector

[Push and pull](#) Rowena Bain CAHRI, Assistant Secretary, Culture and People Development Branch, Department of Defence

[Why certification is the key to making CHROs into CEOs](#) Jacqui Curtis FAHRI, Chief Operating Officer, Australian Taxation Office

[How to make the leap from HR professional to chief operating officer](#) (Paula Goodwin FCPHR, COO, Corporate Strategies Division, Department of the Environment and Energy)

[The career advantages of HR certification](#) (Samantha Robertson CPHR, Assistant Director HR Policy And Analytics, People Branch Department of the Prime Minister and Cabinet; Cathy Stokes CAHRI, Director, Wellbeing and Employee Relations Section, People Branch, Corporate Services Division, DPMC)

[The strategic value of HR certification](#) (Fiona Michel FCPHR, Chief Human Resources Officer, and Gil Sewell CPHR, Director, Organisational Development, Auckland District Health Board, NZ)

[How HR certification helps build organisational capability](#) (Darren Sharp CPHR, Assistant Secretary, Department of Foreign Affairs and Trade)

[Why even the most senior HR professional should get certified](#) (Trevor Heldt CPHR, HR Director, CSIRO)

[Centre stage](#) Jess Lang CPHR, HR Business Partner, Department of Defence

[Certification: It's never too late](#) Clifford Gillam FCPHR, Executive Director – Workforce, Department of Education (Western Australia)

Showcasing Public Sector Talent <https://player.vimeo.com/video/236690432>

Department of Environment and Energy case study <https://player.vimeo.com/video/244291515>

Department of Social Services case study <https://player.vimeo.com/video/231493741>

The Australian Taxation Office on the APC Program <https://player.vimeo.com/video/197978194>

The Australian Taxation Office on HR certification <https://player.vimeo.com/video/210712203>

The Australian Government on HR Certification <https://player.vimeo.com/video/197978312>

Department of Defence on HR Certification <https://player.vimeo.com/video/197977885>

[PDF of public sector testimonials](#)

## **Private Sector**

Selected private sector testimonials include:

The Business of HR Certification <https://player.vimeo.com/video/230523976>

Qantas case study <https://player.vimeo.com/video/259946681>

[PDF of private sector testimonials](#)

## Attachment 2

Individual HR practitioners who have and/or are currently in the process of self-funding their HR certification come from more than 100 organisations, a sample of which are presented in this graph

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Private Sector	Other
NAB	Australian Catholic University
Qantas	BNP Paris (Malaysia)
Lendlease	Deakin University
PWC	HR Academics
Rio Tinto	HR Consultants
SAP	Australian Red Cross
Viva Energy	Woollahra Municipal Council

