

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2015-16 Additional Budget Estimates
11 February 2016

AGENCY: CSIRO

TOPIC: All staff email access

REFERENCE: Written Question – Senator Carr

QUESTION No.: AI-157

Apart from Dr Marshall, who else read the all-staff email of 4 February before it was sent?

- a. Did the Board receive a copy of a draft all-staff email on 2 February, or did they only receive the draft public statement?
- b. Did the Minister or his office receive a draft of the all-staff email?
- c. Did anyone raise concerns about the way changes were described or the idea that the climate change “question has been answered”?
- d. Did anyone question the idea of likening CSIRO or indeed the whole country to a start-up?
- e. I understand that approximately 90 per cent of start-ups fail. Did CSIRO Leadership consider this when deciding to equate the organisation – let alone the whole country – to a start-up?
 - i. In what ways is an organisation of more than 5,000 people that has been around for almost 100 years like a start-up?
 - ii. In what ways is a country of 24 million people like a start-up?
- f. Start-ups often “pivot” in response to feedback from testing the market for their product. Did CSIRO test the market for climate research before deciding to pivot away from this activity? If so, please provide further details and a copy of any report resulting from this process?
- g. It has been reported that Dr Marshall looked to the Netflix model of management for inspiration, is that correct?
 - i. What lessons were taken from that to apply to CSIRO?
 - ii. Did CSIRO undertake any business planning process to identify differences in the roles of Netflix and CSIRO that might militate against simply adopting that company’s management model?

ANSWER

A draft version of the all-staff email was reviewed by the Executive Team and senior staff from the Human Resources, Communication, Ministerial and Parliamentary Liaison, Communication and Science Strategy Marketing and Innovation functions on 3 February. The all-staff email of 4 February was circulated to members of the Executive Management Council and to some Communication staff almost immediately prior to being sent to all staff.

- a. The Board received a copy of the 2 February draft version of the all-staff email.
- b. The Minister’s Office received a copy of the draft all-staff email on 4 February shortly before it was distributed to staff.

- c. The all-staff email went through draft forms during preparation and drafts were circulated internally for feedback, which in a number of cases was provided orally. To answer the question in more detail would require an undue diversion of resources.
- d. See answer to (c)
- e. The reference to “startups” was regarding the importance of CSIRO being able to try new approaches and activities. That analogy holds up in the following sense: an R&D organisation that is doing research at the breaking edge of science should expect to find that experimental approaches often fail, and to actively manage its research portfolio as the planned approaches either prove successful or fail as well as new opportunities or approaches emerge.
 - (i) See answer above.
 - (ii) The Australian economy has been described as going through a transition. The reference in the all-staff email reflected this and the consequential need to conduct research for the innovation required to support such an economic transition.
- f. As outlined in the Estimates Hearing, during the “deep dive” process the level of financial support (from the ‘market’) for different areas of research was considered along with other criteria during planning at business unit level and in the Executive Team’s deliberations. Financial support provided an indirect indication of market demand. See answer to Question AI-6.
- g. Dr Marshall is aware of Netflix as a business case study for how it attracts, retains and manages high performance employees. There is a 2015 Harvard Business Review article on this topic.
 - (i) See answer above – regarding general learnings in human resource management.
 - (ii) No decision has been made that CSIRO implement that model.