

30 April 2009

# Sent via email to: community.affairs.sen@aph.gov.au

The Secretary
Senate Community Affairs Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

To Whom It May Concern:

RE: INQUIRY INTO NATIONAL REGISTRATION AND ACCREDITATION SCHEME FOR DOCTORS AND OTHER HEALTH WORKERS

#### INTRODUCTION

As a long-standing member of the Australian Psychological Society (APS) and an active participant in the College of Organisational Psychologists (COP), I offer a submission which challenges certain elements of the National Registration and Accreditation Scheme. I am a self-employed management consultant and organisational psychologist and over a number of years I have worked either directly with an employer (Mount Isa Mines) or with a management consultancy. At no stage have I identified with the health profession and the same applies to any organisational psychologist/consultant with whom I converse regularly.

The terms of reference, in a number of respects, are not relevant to organisational psychologists but we will be affected by this foreshadowed legislation. In particular, I submit that sections A, B and C could well read as:

- The impact of the scheme on state and territory <u>non-health</u> providers covered by the scheme as it currently stands
- The impact of the scheme on <u>organisational</u> clients' care and safety
- The effect of the scheme on standards of training and qualification of <u>non-health</u> professional covered by the scheme as it currently stands

# The thrust of my submission is under-pinned by the following assertions:

- Organisational psychology is not only relatively diverse within itself but also very different from the 'treatment' models associated with clinical and related areas of psychology.
- The modus operandi, focii and models between the 'health' and 'non-health' sectors can be quite different.
- Our professional allegiances and affiliations are quite different.
- Our clients are organisational representatives and not the public.
- Following on from the above, the legislation does nothing to protect organisational clients but may inappropriately constrain organisational psychologists compared with their natural competitors: human resource consultants, management consultants and even economists.
- In the long run, the introduction of a prescriptive scheme which does not recognise the nature and function of organisational psychologists will lead to a reduction in funding in university organisational psychology programs in Australia. This will have a negative impact on the quality of people-based organisational research and consulting expertise available to a broad range of Australian organisations.

Let me be more specific.

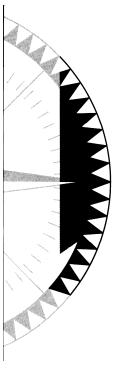
# MANAGEMENT CONSULTANTS

- recruitment
- psychological assessment
- outplacement
- career development

Level 1 47-49 Sherwood Road Toowong Qld 4066

Telephone (07) 3870 5265 Facsimile (07) 3870 5263

www.compassconsulting.com.au



## 1. The Diversity of Psychology

Many applied psychologists, and in particular organisational psychologists, do not identify at all with the health industry/profession. In fact, Professor Michael Frese (of Germany), in his presidential address at the opening of the International Congress of Applied Psychology (Athens, 2006), indicated that the greatest competition for applied psychologists arises from economists. Moreover, the keynote speaker at this opening function was a short-listed candidate (from India) for the position of Secretary-General of the United Nations. This is applied psychology at its apex and recognises that a diverse, holistic and open systems applied psychology approach can enhance the development of effective and sustainable organisations, industries, communities and even countries.

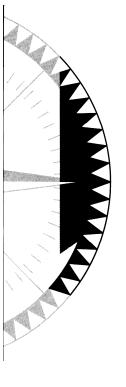
The vast majority of organisational psychologists would probably agree with Australian social scientist, Dr Merrelyn Emery, in her discussion of the global financial meltdown as reported in the BRW flagship edition (December 11, 2008 – January 14, 2009, page 36). She noted that "Economics, like most of the sciences today, uses closed rather than open systems. That means that each person in each institution is treated as a separate entity and, therefore, there is no conceptualisation of how these ripples flow through systems and particularly large systems such as a global economy." [Merrelyn Emery was the wife of the late Professor Fred Emery, one of Australia's most eminent psychologists and social scientists. His work on socio-technical systems is often mentioned in any brief history of organisational psychology – globally.]

This lack of awareness of ripple effects and open systems processes is reflected in the foreshadowed regulatory legislation. The regulators are guilty of a simple and closed system mentality in relation to the profession of 'psychology'. The 'costs' outweigh the 'benefits' by pursuing this narrow and undifferentiated approach – certainly for organisational and other non-health psychologists.

# 2. Membership of other professional bodies (by Australian organisational psychologists)

Organisational psychologists often affiliate with professional bodies including:

- The Institute of Management Consultants (IMC) (The APS COP has at least two members who are Fellows of the Institute)
- Australian Human Resources Institute (AHRI)
- Australian Institute of Company Directors (AICD)
- Australian Institute of Management (AIM)
- Australian Institute of Project Management (AIPM)
- → This indicates that our professional allegiances are in the non-health sectors.
- 3. Members of the APS COP identify with the Society for Industrial and Organizational Psychology (SIOP), Division 14 of the American Psychological Association. SIOP stages annual conferences, with over 3,000 delegates. The 2008 conference in San Francisco included workshops with topics such as:
  - Doing competencies well in applied settings
  - Making mergers and acquisitions work
  - Using technology to enhance assessment and development programs
  - The impending workforce crisis
  - Executive talent management



### Symposia, presentations and papers included:

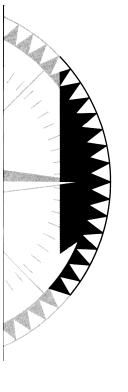
- Executive assessment
- Examining faking using within subjects designs and applicant data
- Empowering leadership
- Personality and the workplace: Advances in measurement and assessment
- What happens after job loss: process-orientated perspectives on job search
- → The Australian biennial IOP conferences have a similar focus: The scientist-practitioner model as applied to work and organisational settings.

#### 4. The IAAP and the IAAP Handbook of Applied Psychology

The International Association of Applied Psychology is a broad 'church' of applied psychologists with members in over 80 countries. Founded in 1920, it is the oldest international association of psychologists. An international congress is held every four years, with the next to be hosted by the Australian Psychological Society in Melbourne in 2010. At this time, the new IAAP Handbook of Applied Psychology will be provided to all attendees/delegates. A large tome to be published by Wiley-Blackwell, the contents contain 33 chapters in two parts: Professional psychology; Substantive areas of applied psychology. While there are a few chapters referring to clinical psychology and health psychology, the vast majority of the chapters (mostly written by overseas experts although at least three by Australians) fall within the non-health domain and include titles such as:

- Educational and school psychology
- Vocational psychology
- Work psychology
- Organisational psychology
- Personnel/Human resource psychology
- Occupational health psychology
- Human factors and ergonomics
- Psychological assessment and evaluation
- Forensic psychology
- Sports psychology
- Environmental psychology

- Community psychology
- Behavioural economics
- Political psychology
- Cross-cultural psychology
- Traffic and transportation psychology
- Applied cognitive psychology
- Media and consumer psychology
- Psychology of religion and religious experience
- Psychology applied to terrorism
- Ethics in applied psychology
- Psychology and national development (including Indigenous psychology)
- → 'Patients' and the 'public consumers' are not relevant to these sectors.
- 5. It is worth noting the type of <u>reading materials</u> that are inspected and the type of <u>events</u> that are attended by many organisational psychologists:
  - Events associated with professional development compulsory or otherwise
  - Breakfasts, lunches, seminars and workshops as sponsored by AICD, AHRI, IMC, AIM, university business schools, test distributors, etc.
  - Subscription to magazines such as BRW
  - Subscription to newspapers such as the Australian Financial Review, with particular focus on the monthly publication 'The Boss'. [Just on this note, several panel speakers at a recent workshop designed for new organisational psychologists/postgraduate students in organisational psychology recommended that the students read the Australian Financial Review.]
  - Industry specific magazines (such as Mining Monthly, etc)



- Harvard Business Review; MIT Sloan Management Review; Asia Pacific Journal of Human Resources, etc
- Various professional journals including:
  - o Personnel Psychology
  - o International Journal of Selection and Assessment
  - Journal of Occupational and Organisational Psychology
  - o Consulting Psychology Journal: Practice and research
  - o International Journal of Testing
  - o Human Performance
  - o European Journal of Psychological Assessment
  - o Journal of Applied Psychology
  - o European Journal of Work and Organisational Psychology
- o Industrial and Organisational Psychology: Perspectives on Science and Practice [On a personal note, I subscribe to or have subscribed to all of these journals.]
- → Our reading materials and events are business, organisational and work focused: not health, clinical or hospital focused.

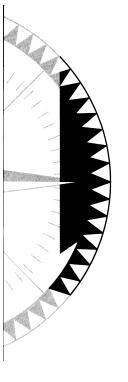
#### 6. University education and professional development.

I believe this is a critical element for the sustainability of applied (non-health) psychology in Australia. I am currently teaching a semester of (postgraduate) Psychological Assessment for organisational psychologists at a local university while an Associate Professor is absent overseas on sabbatical. The thrust and topics covered are quite different from that in a clinical program. While there are similar core components in terms of ethics, assessment versus testing, and psychometric and measurement fundamentals, there are also significant differences in terms of:

- The nature of the instruments studied (non-clinical)
- Computer-based and internet-delivered testing this is a very important theme and is very different from the clinical domain
- Assessment and development centres (for management and leadership potential, etc)
- Vocational assessments (including as part of adult career transition activities)
- Integrity testing and other criterion orientated personality scales (for safety and theft risk assessments and in the assessment of counter-productive work behaviours in general)
- Modern test theory including item response theory and generalization theory
- The interfaces between job analysis, psychological assessment and personnel selection.
- → Universities will increase resourcing in clinical programs while reducing resourcing in organisational psychology programs. There will be medium to long-term negative consequences, with Australian organisations needing to rely more on overseas trained organisational psychologists to deliver the quality services they expect currently. Alternatively, management consultants and human resource practitioners, without the depth of relevant training and expertise, will fill the void.
- → A postgraduate university program for organisational psychologists would fit easily into a management or business school. Several universities (eg. University of Queensland; Griffith University) have senior staff from organisational psychology relocating to business schools (or vice versa).

#### 7. Our clients - their needs and perceptions

It appears that the proposed national regulatory scheme is aimed at removing duplication across states and creating economic efficiencies. In addition, the aim is to protect the public – the 'clients' of those professionals working within the health field.



This begs the question: Who are the clients of organisational psychologists? They are <u>not</u> the public. While it may be argued that we have multiple clients, our key client is an organisational representative, with titles including:

- Owner/Principal/Director
- Chief Executive Officer/General Manager
- Chief Financial Officer/Company Secretary
- Human Resources Manager
- Operations Manager
- Director-General

- Sales Manager
- Group Manager People and Performance
- Senior Recruitment Officer
- Manager Organisational Development
- Manager People Systems
- Public Service Commissioner

What are the perceptions of our clients? Do they want organisational psychologists (practitioners or researchers) who fall under the health industry banner? No – they are seeking external (or internal) resources to address the following:

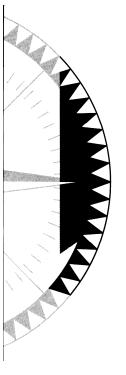
- Assisting in the 'diagnosis' of people based issues that may impact on organisational effectiveness, sustainability and reputation
- Assisting in the implementation or facilitation of initiatives following the 'diagnosis'
- Providing ethical advice and expertise to minimise business/organisational uncertainty
- Providing expertise based upon an effective mix of research and practice, using the accepted principles of psychology, with particular reference to: individual differences, cognition, group dynamics, and measurement theory
- → <u>It is not just the providers/psychologists who are 'different' but also the clients or</u> communities they serve.

### **SUMMARY AND CONCLUSION:**

Clinical psychology in Australia has surged over the past three years and this is reflected in the substantial increase in membership of the APS College of Clinical Psychology as illustrated in Table 1, page 5 of the February 2009 edition of InPsych (the Bulletin of the APS). As the APS acting president noted in the accompanying article, there is a real concern regarding the reduced diversity within the membership of the Australian Psychological Society. To me, this is akin to Merrelyn Emery's comments regarding the need to look at the systemic effects of any initiative or intervention. Designed with certain meritorious intents in mind, the foreshadowed national regulatory scheme for the 'health professions' could have quite significant negative impacts, unforeseen and unintended. [The Medicare rebates for clinical psychologists have already had an impact, with increased resources and funding directed towards clinical programs, probably at the expense of more holistic, system orientated and work/organisation programs.]

As an organisational psychologist, I know that the vast majority of my colleagues (if not all) do not identify at all with the health industry and have little in common, on a daily basis, with psychologists in the clinical and related fields. Those psychologists who have attended workshops for supervisory training (for state based psychology registration purposes) will attest to having very little in common with the clinicians at such workshops. It is at these times that organisational psychologists, sports psychologists, educational psychologists and others bond together, recognising that our modus operandi, models and focii are very different from that of clinicians. We are not on the same page.

For their work on Prospect Theory and the application to human decision making, Daniel Kahneman and Amos Tversky were awarded the 2002 Nobel Prize for Economics – yet they are/were applied psychologists. This type of applied research, along with research and practice in



organisational psychology, has nothing to do with clinical or health psychology. [Daniel Kahneman presented at the 2001 IOP Conference in Sydney – it was a privilege to hear him.]

I urge the Senate Inquiry to look at this matter very closely. There are significant negative consequences if the new regulation is introduced 'as is'. Please keep in mind the following:

- Organisational psychologists strive to ensure the development and maintenance of high standards as well as the existence of a blend of science and ethical practice in organisational settings.
- Any void created (through the stifling of organisational psychology) will be filled by inappropriately trained practitioners from other arenas. By way of an example, it is likely that human resource practitioners and management consultants could well move into certain fields within 'organisational psychology' but they lack the methodological rigour, training and awareness of a raft of issues including measurement error, the nature of individual differences and, dare I say it, even solid ethical guidelines at times. [We are already seeing this in the current economic downturn, where transactional recruiters become 'outplacement counsellors' overnight.]
- Intended health system legislative changes in the UK and the USA have also been challenged vigorously on the basis of: (a) a failure to protect organisational clients (UK) (b) putting organisational psychologists at a commercial disadvantage with respect to management consultants (UK) and (c) the likelihood that new licensing and accreditation requirements will limit severely the existence of appropriate organisational psychology programs (USA).
- The intended legislation will <u>not</u> benefit the overall community there are likely to be significant negative implications and unintended ripple effects. (In addition, such legislation is likely to enhance the feelings of difference/isolation between the various disciplines of psychology in Australia. This does not assist the public or the psychology profession(s).)

Yours sincerely

Peter Macqueen Member, APS College of Organisational Psychologists Fellow, Institute of Management Consultants Brisbane, Queensland

**PLEASE NOTE:** In this document the term APS refers to the Australian Psychological Society and not the Australian Public Service.

Att: Definition of Organisational Psychology; common research and practice areas (from Wikipedia)

Guion (1965) defines I-O psychology as "the scientific study of the relationship between man and the world of work:... in the process of making a living" (p. 817). Blum and Naylor (1968) define it as "simply the application or extension of psychological facts and principles to the problems concerning human beings operating within the context of business and industry" (p 4). I-O psychology has historically subsumed two broad areas of study, as evident by its name, although this distinction is largely artificial and many topics cut across both areas. I-O psychology has roots in social psychology; organizational psychologists examine the role of the work environment in performance and other outcomes including job satisfaction and health. I-O psychology is represented by Division 14 of the <a href="mailto:American Psychological Association">American Psychological Association</a>.

Common research and practice areas for I-O psychologists include:

- Job analysis
- Personnel recruitment and selection
- Performance appraisal/management
- Individual assessment (knowledge, skills, and ability testing, personality assessment, work sample tests, assessment centers)
- Psychometrics
- Compensation
- Training and training evaluation
- Employment law
- Work motivation
- Job attitudes (e.g., job satisfaction, commitment, organizational citizenship, and retaliation)
- Occupational health and safety
- Work/life balance
- Human factors and decision making
- Organizational culture/climate
- Organizational surveys
- Leadership and executive coaching
- Ethics
- Diversity
- Job design
- Human resources
- Diversity
- Organizational development (OD)
- Organizational research methods
- Technology in the workplace
- Group/team performance

I-O psychologists are trained in the "scientist-practitioner" model. The training enables I-O psychologists to employ scientific principles and research-based designs to generate knowledge. They use what they have learned in applied settings to help clients address workplace needs. I-O psychologists are employed as professors, researchers, and consultants. They also work within organizations, often as part of a human resources department where they coordinate hiring and organizational development initiatives from an evidence-based perspective.

http://en.wikipedia.org/wiki/Organizational Psychology

Downloaded 29 April 2009 at 1355 AEST