

CHAPTER 13: CONCLUSION

13.1 In conducting its inquiry into DFAT's management and operations, the Committee believed it had a responsibility to address the obvious undercurrent of innuendo which had the potential to undermine the reputation of DFAT, to damage morale in the Department and to affect adversely the reputations of some of its staff. This made the inquiry essentially reactive. The Committee provided an opportunity for critics of DFAT, both internal and external, to put their cases and for the Department to respond. This approach led to the Committee considering a wide range of issues across the span of DFAT's management and operational responsibilities. As well as being the vehicle for the general assault on the Department by the DFAT Reform Group, which the Committee largely discounted, the inquiry produced evidence worthy of serious consideration on thirty-three specific issues covered in the preceding chapters. Wherever possible, the Committee sought empirical evidence on these issues rather than opinions.

13.2 The first broad theme to emerge from the Committee's review was the extent and pace of change to which DFAT had been subjected in recent years. Many changes in DFAT's management and operations were brought to the Committee's attention in the context of complaints about past problems which DFAT had recognised and dealt with, or which the Department was at least in the process of addressing. In other cases, complaints related to the consequences of changes like destreaming which had been initiated by the Department or the Government as part of a conscious policy.

13.3 Many of the Department's actions reflected apparent changes to the culture that DFAT inherited from the former DFA. For instance, Mr Woolcott told the Committee:

When I joined the then Department of External Affairs over four decades ago, it was a very different place. It was much smaller; it was less complex. It was really more like an extended family than a department of state. Everyone knew everybody else: it was small enough for relationships between individuals rather than management systems to be a principal means of management (Evidence, p. 6).

It was clear to the Committee that much of the change of the past few years had been associated with a move in the Department from reliance on personal relationships to the use of more formal management systems. This cultural change in DFAT differed from and was additional to the extensive general change in attitudes and approaches to management that occurred across the Australian Public Service at the same time. Being added to the wider public service reform, the specific cultural change within DFAT must have added considerably to the stress experienced by many officers and by the Department as a whole. Many traditionalists may have found it hard to cope with the shift to modern management systems.

13.4 DFAT did not manage aspects of the process of change in a satisfactory manner and this undoubtedly contributed to the DFAT Reform Group's concerns. However, it

is clear that the changes have been large and rapid and DFAT must be given credit for the progress it has made. Surprisingly few substantial criticisms of the Department were sustained.

13.5 It is always possible to argue that particular changes should have gone further or faster. There is an obligation on those who advance such arguments to produce evidence rather than anecdotes and stereotypes, and to show that their preferred change could have been achieved without offsetting costs or delays in other areas of reform. Those who argued that DFAT had not changed sufficiently or sufficiently fast generally failed to meet that obligation.

13.6 The paternalistic management style of the old DFA with its reliance on individual relationships still has its supporters. It is understandable that a degree of nostalgia for the old days of the DFA family remains. However, the Committee could not endorse such a position.

13.7 The second broad theme of this report is that the changes should not be reversed. While there can be debate over the optimal pace of change, none should be entertained on its necessity or its general direction in recent years.

13.8 The third broad theme of the report is that the most serious faults that DFAT's critics were able to expose to this independent external review were relatively minor. The Committee's recommendations relate mainly to housekeeping issues. Its criticisms of DFAT do not go to any major aspect of the Department's management and operations.

13.9 Nevertheless, the incidence of management failure in DFAT described in this report should remind the Department not to be complacent. DFAT should continue to make rigorous efforts to improve its administration and should be continually alert to areas of potential regression or management failure.

13.10 While recognising the additional workload that this inquiry placed on DFAT, the Committee believes that the inquiry acted as a catalyst for the reaching of satisfactory outcomes to some issues confronting the Department. This appears to have been especially the case where issues were in dispute between DFAT and other departments or agencies. But the inquiry did also bring other matters of concern to light and, in the Committee's view, facilitated their solution. Other issues placed on the agenda by the recommendations in the report are also worthy of attention.

13.11 Overall, this report should not be interpreted as being severely critical of DFAT. The cumulative effect of the descriptions of minor faults that make up a large part of the report could produce an excessively adverse impression. As a result, the generally laudatory comments that the Committee received from many organisations that have dealt with DFAT have been overshadowed in the report. So too have been the many areas of the Department's management and operations about which there were no complaints.

13.12 In previous reports, the Committee has commented favourably on the general high standard of the Australian Public Service. Nothing that it has seen of the management and operations of DFAT in this inquiry has caused it to doubt the general validity of that position.

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