

# Organisational Effectiveness

The Government has set high expectations of the Public Service and is demanding:

- > better results from the public services that it funds;
- > greater back-office savings initiatives;
- > further restraint in terms of core government administration positions;
- > stronger performance from government agencies; and
- > enhancement of the quality of services to the public.

The Ministry needs to ensure that government priorities and expectations and Ministry outcomes are reflected in, and drive, the organisation's structure, capability development and investment decisions. The Ministry also needs to be adaptive – able to respond quickly and effectively to an ever-changing environment, effectively monitor and improve its performance and ensure its services, systems and processes are cost-effective and provide value for money.

## Governance

The Ministry undertook a major business transformation in 2009 that resulted in a clearer organisational purpose and governance structure. The most significant elements are:

- > Fisheries 2030 providing clarity of purpose and direction for the Ministry;
- > a strategically aligned and more functionally integrated organisation to deliver better, more targeted services to tangata whenua and stakeholders at lower cost to all parties;
- > a Strategic Leadership Team focused on whole-of-Ministry outcomes;
- > objectives-based fisheries management as the axis of the Ministry's business model; and
- > a more agile organisation, with the ability to deploy resources more flexibly and quickly within a reduced baseline to where they are most needed.

## Organisational Health and Capability

The Ministry has established several strategies to assess progress and success in maintaining organisation health and capability.

## Staff Development and Improving Capability

The Ministry has continued to develop its People Strategy to attract, engage and retain good staff. The strategy has incorporated a range of initiatives including asking all staff to engage in the Performance and Development Agreement (PDA) process with their managers, carrying out a repeat Gallup Q12 Engagement Survey, implementing an internal communications strategy for 2010/11 and undertaking a benchmark review of the Ministry's policy advice.

The Ministry undertook the Gallup Survey in August 2010, looking at the levels of staff engagement. Overall, the results were very positive. The engagement of Ministry employees improved in a meaningful way since the last survey conducted in March 2010. Anything over 0.1 is considered a meaningful improvement at the organisational level and, using a scale of 1–5, the Ministry's Grand Mean from the August survey was 3.70 compared with 3.58 in March. Other improvements from the March survey to the August one included:

- > Staff felt they have more “opportunities to learn and grow”.
- > Staff felt more strongly that “someone at work cares”.

At the business group level, there was either a positive meaningful change or March levels were maintained for all the questions in the Gallup Survey.

## Code of Conduct and Values

The Ministry participated in the 2010 State Services Commission Integrity and Conduct Survey to obtain benchmarked feedback from staff to inform its approach to maintaining awareness and standards within the organisation.

Key findings of the 2010 survey included:

- > Nearly all Ministry staff (97 percent) are aware of its written standards of integrity and conduct.
- > Levels of awareness of how to report breaches confidentially and/or anonymously are relatively low (23 percent) compared with all public service department employees (51 percent).
- > Nearly six in ten staff are aware the Ministry provides integrity and conduct training, and most say they found it useful.

- > Only three in ten staff know where to go in the organisation to get advice about integrity and conduct issues.

Using the survey results, the Ministry developed an action plan for maintaining integrity and conduct standards.

### Staff Numbers and Turnover

The Ministry advertised 78 vacancies in the financial year to 30 June 2011 including permanent and fixed-term roles. Permanent position vacancies of 20 to 35 FTEs in 2010/11 have been covered on an interim basis by fixed-term employees, temporary staff or contractors.

The annualised core unplanned turnover rate was 11.8 percent as at 30 June 2011 compared with 7.5 percent as at 30 June 2010. Recent exit interviews cite career progression and employment uncertainty as the main reasons for leaving.

The State Services Commission's most recent Human Resources Capability survey reported core unplanned turnover of 9.2 percent in the core Public Service for the year ending 30 June 2010 compared with 7.5 percent for the Ministry in the same period.

### Equal Employment Opportunities

The Ministry is committed to being a "good employer" in terms of the State Sector Act 1988. This means an employer that operates a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment. This includes observing the Human Rights Act 1993 when recruiting to fill vacancies, to ensure employment opportunities are provided without unlawful discrimination.

### Strategic Risk Management

The Ministry's strategic risk approach is based on the new international risk management standard, ISO31000. Risk management disciplines and tools are being incorporated into our performance and planning framework.

A Risk Management Committee (RMC) monitors and provides advice to the Chief Executive in line with the best practice advised by the Office of the Auditor-General. The RMC is an internal governance committee, chaired by an independent expert.

Nine strategic risks have been identified in the management of fisheries and mitigating actions put in place (see Appendix 3 for detail on risks and mitigating actions). The Ministry has reported once against the nine strategic risks

identified, with no new mitigation actions identified or required.

## Improving Performance

### Performance Management Framework

The Ministry of Fisheries has developed a performance management system that supports the Ministry's Outcome Framework. This includes developing sector indicators to monitor Fisheries 2030 outcomes, and outcome indicators to measure the Ministry outcomes outlined in the 2011/14 Statement of Intent. This flows through to performance measures contained in the statement of service performance in the Ministry's Fisheries Services Plan (Output Plan).

This comprehensive suite of performance indicators and measures tells the performance story of the Ministry and of the fisheries sector. Aligned to the outcome framework, it ensures the linkage (intervention logic) between what the fisheries sector and the Ministry want to achieve and what action they take to achieve those outcomes.

### Strategy and Planning

The Ministry has become a strategy and plan-led organisation. It continues to implement Fisheries 2030 and complete the development of National Fisheries Plans and their associated Annual Operational Plans. Fisheries Plans establish one overall set of management objectives across the Ministry. This is enabling the Ministry to prioritise its activities to ensure it provides effective and cost-efficient fisheries management.

The new approach to Fisheries Plans is already delivering improvements to the Ministry's research and compliance planning and delivery. Research commissioned by the Ministry is now being explicitly linked to the management objectives in the Fisheries Plans to ensure that its research is focused in the right areas, while the Annual Operational Plans are providing a process for prioritisation of research and compliance services.

### Strategic Project Management

In February 2011, the Ministry implemented a new project methodology to improve project performance and delivery. In the past six months project governance and management have improved markedly. Projects are now increasingly meeting objectives and delivering results within time, scope and budget constraints.

## Improving Cost-effectiveness

Good sustainable fisheries management comes at a cost – to Government and to industry. For the past five years the Government has spent up to \$100 million a year managing New Zealand's fisheries and New Zealand fisheries interests, of which around \$30 million is recovered from industry each year for the costs of providing fisheries services and conservation services.

### Programme of Reviews

In 2010/11, the Ministry completed its reviews with industry and others of the cost-effectiveness of observer and research services provision. Together, these services make up approximately 30 percent of the Ministry's baseline and have a substantial financial impact on the fishing industry through the cost recovery system.

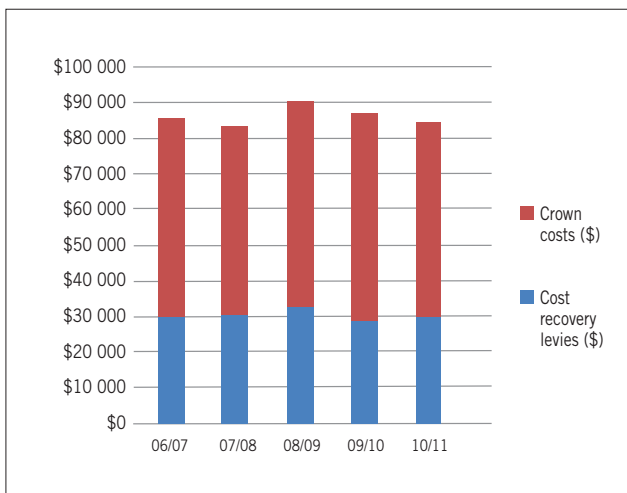


Figure 15: Industry cost recovery levies as proportion of total Vote since 2006.

## Organisation Services

In 2010, the Ministry reviewed its Organisation Services function. This resulted in savings of \$1.24 million per annum starting in the 2010/11 financial year.

The Natural Resources Sector government agencies are working on sharing capability to eliminate unnecessary duplication and minimise new investments in corporate and organisational infrastructures. This shared capability work is aligned with the Treasury-led Better Administrative Support Services (BASS) review and Department of Internal Affairs-led work on Government Information and Communication Technology.

The Ministry's support services costs have reduced to 13.39 percent from 14.18 percent of its organisation running costs, with an average quality score of 7.3. This compares favourably with both the NRS agencies and across all government departments.

## Information Technology

The Ministry developed an Information Systems Strategic Plan in early 2010 as the first stage of the Organisation Services Review recommendations. The plan contains a strategy to update a number of the Ministry's legacy systems, deliver new systems functionality for Ministry users and technology improvements over the next three years.

During the first 12 months of the three-year work programme, a number of new initiatives were completed. These included the development of a new web strategy and channel models to improve stakeholder experience, a geographical information systems strategy (GIS) to improve internal and external access to data managed by the Ministry, and the release of the Amateur Charter Fishing Reporting system.

TABLE 3: MINISTRY OF FISHERIES ADMINISTRATIVE SUPPORT AND ICT SERVICE PERFORMANCE

Function	Baseline 2009/10		2010/11 Performance		Target standard 2011/12	
	% of cost	Quality	% of cost	Quality	% of cost	Quality
Finance	1.61%	7	1.50%	7	1.45%	8 or better
HR	1.14%	8	0.82%	8	0.60%	8 or better
ICT	5.57%	6	4.92%	7	4.70%	8 or better
Procurement	0.12%	6	0.48%	6	0.20%	8 or better
Corporate and Executive Services	2.48%	8	2.71%	8.5	2.50%	8 or better
Property	3.26%	9	3.14%	9	3.26%	9
<b>Total</b>	<b>14.18%</b>		<b>13.39%</b>		<b>12.71%</b>	

The remainder of the Information Systems Strategic Plan work programme will be merged into the new MAF Information Services Strategy during 2011/12.

### **Procurement**

In line with government expectations on procurement, the Ministry's procurement is guided by a strategy that aims to:

- > deliver value for money over the lifetime of the item;
- > ensure that only assets that are essential for the delivery or support of the Ministry's outcomes are purchased;
- > ensure that departmental assets are well managed;
- > ensure appropriate processes and procedures are in place to provide assurance that its procurement activity is within policy and best practice;
- > work with the Ministry of Economic Development in support of the government procurement reforms, specifically the All of Government contracts; and
- > ensure conflicts of interest are well managed.