

# **Serving Victoria** A Guide to the Public Sector CEOs



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### Introduction

The role of a chief executive officer (CEO) in the Victorian public sector is a broad position with multiple dimensions and the accountabilities are substantial and multifaceted. The role is critical to the effective and efficient delivery of government services.

These accountabilities are undertaken in an environment of intense scrutiny. This can include agents such as the Auditor-General, the Ombudsman, portfolio-specific regulators and integrity bodies, as well as committees of parliament, the opposition, the media and other stakeholders.

The primary aim of this guide is to provide a reference point for incoming CEOs on their role within the public sector. The guide presents information on and insights into the issues that are unique to being a public sector CEO – including the responsibility of CEOs to their board, as an accountable officer under legislation, and as a senior public official – and aims to facilitate a 'no surprises' approach to their transition. As such, the guide could form part of a board chair's induction process for a new CEO. In addition the guide may be useful for new chairs and board members to better help them understand the role of a CEO.

This guide is written for CEOs of public entities which are governed by a board, which in turn appoints a CEO to manage the operations of the entity. However, the concepts in this guide are equally applicable to the heads of public entities with other governance structures.

In this context, the term 'CEO' is used to mean the operational head of a public entity. However, the nomenclature could also be 'managing director, 'executive director' or similar. Similarly, the term 'board' is used in this guide, but the information could also apply to entities with governing boards made up of commissioners or trustees.

The guide may also be of interest to a wider audience than new public entity CEOs and their boards. It may be useful for heads of administrative offices, special bodies and departmental units with legislated responsibilities, as well as departmental officers who work with public entities.





## The Role of the CEO

This section of the resource provides an overview of the role of the CEO in supporting their boards to steer the entity on behalf of the responsible minister.

### Accountability to the Board

The role of the public entity's governing body (generally a board) is to steer the organisation on behalf of the responsible minister. This includes:

- a strategic role: setting the overall operational direction of the entity;
- **a risk management role:** monitoring and reviewing the effectiveness and currency of risk management, compliance and reporting systems and notifying the minister of known risks; and
- **a stewardship role:** ensuring that the entity's activities reflect the public sector values and employment principles and that the entity has arrangements in place to meet its statutory obligations.

The role of the CEO is to support their boards to fulfil their responsibilities. Whilst the board is accountable to the government, the CEO is responsible to their board. Part of this responsibility is to support the board to provide good governance of the entity.

An entity's enabling legislation usually confers on the board all the entity's powers. Therefore the powers of the CEO and other senior staff are derived by formal delegation from the board.

### **Underlying Principles**

There are four core principles that support public entities' ability to deliver their legislated responsibilities. These principles should underpin and inform all actions and decisions a CEO makes. The CEO must act:

- **collaboratively** rather than competitively with other public sector organisations, and where legal and appropriate, delegate responsibilities and authority to staff within the entity to maximise operational efficiency and effectiveness;
- **flexibly** to adapt, develop and change themselves and their entity as demands and challenges necessitate;





- **with prudence** in making decisions about the expenditure of public money, allocation of resources and recommendations to the board, on the basis of careful evaluation of need, value and alternatives, and with full disclosure of the process and rationale for decisions made; and
- **applying the public sector values** of responsiveness, integrity, impartiality, accountability, respect and the application of human rights to their work and ensuring that others in the entity also apply these values to their work.

### **Key Responsibilities**

A public entity CEO is the operational arm of the board. As such, all CEO roles involve common key responsibilities and, by extension, a common set of tasks, irrespective of the entity or its environment. However, depending upon the needs of the entity and the environment in which it operates, the board may wish to give greater priority to certain responsibilities and tasks in any given period.

The following list provides an overview of the key responsibilities within a CEO role. The CEO's role is to:

- **articulate a vision:** the CEO supports the board in articulating and then promoting a vision of what the entity will achieve in line with its purpose, powers, authority, functions, deliverables, reporting and compliance requirements;
- **establish strategies:** working with senior staff, the CEO is responsible for setting strategies to deliver the board's priorities and meet the entity's obligations;
- **manage organisational plans:** working with senior staff, the CEO is responsible for establishing and delivering operational, financial, workforce and other plans that detail how the entity's vision as established by the board will lead to tangible outcomes;
- **design the organisation:** working with senior staff, the CEO is responsible for establishing and revising the way in which the entity is designed, including the key role, relationships, systems, and deployment of staff with particular skills sets, to ensure the effective and efficient delivery of outcomes;
- **manage finances and assets:** working with the board and with senior staff, the CEO is responsible for managing finances and assets in line with legal requirements and established business management practices;
- **lead and manage the entity's workforce:** working with senior staff, the CEO is responsible for engaging staff and developing their capacity to deliver the entity's plans, and ensuring their safety and wellbeing during their employment;





- **establish a productive culture:** working with the board and senior staff, the CEO is responsible for establishing a workplace culture that delivers productivity by fostering staff engagement, satisfaction and wellbeing. This includes 'walking the talk' by actively practicing and modelling values that contribute to a productive culture;
- **establish and manage the entity's reputation:** working with the board and senior staff, the CEO is responsible for building and maintaining a positive reputation for the entity, one that engenders trust and credibility;
- **establish and manage relationships:** the board and CEO are responsible for establishing and managing communications and collaborations with other organisations (including the departments with which the entity is affiliated, other organisations in the same or related fields of work and community representatives) in order to deliver outcomes effectively and efficiently;
- **deliver organisational impact:** working with the board, senior staff and key stakeholders, the CEO is responsible for seeking feedback about the entity's impact and making adjustments to the entity's plans, design, culture, relationships and risk management to increase the positive impact of the entity;
- **manage compliance and reporting:** working with the board and senior staff, the CEO is responsible for ensuring compliance with relevant legislation, including enabling legislation, the *Public Administration Act 2004,* and other legislation governing use of public funds and records;
- **manage risk:** working with the board and with senior staff, the CEO is responsible for identifying and managing the risk that the entity will be unable to deliver outcomes as a consequence of resource constraints, unexpected situations, changes in the operating environment, damage to reputation, or inability to attract and retain an appropriately skilled workforce; and
- **provide authoritative advice:** working with senior staff, the CEO is responsible for providing accurate and timely advice to the board, minister, department, entity staff and other stakeholders about the entity, the field in which it works, and emerging risks and challenges.

In addition to these key responsibilities, CEOs need to maintain a focus on continuing their own personal and professional development as public sector leaders. Some of the options they may wish to consider are developing their professional networks, participating in professional associations (e.g. IPAA and ANZSOG), mentoring and coaching.





## **Key CEO Relationships**

This section of the guide provides an overview of key relationships for entities and their CEOs. It also provides key strategic and operational questions that incoming CEOs may wish to consider in managing their relationships. The questions are not intended to be a comprehensive list. Rather they focus on the 'common traps' that CEOs may face, as identified by current and former senior public sector leaders.

### The Relationships with the Board

Where the governing body of a public entity is a board, generally it is the board that appoints a CEO to manage the day-to-day operations of the entity. As the primary link between the board and staff of the public entity, the CEO is critical to ensuring that the entity is responsive and accountable to board policies and priorities. The board delegates certain authorities to the CEO.

The board is responsible for providing overall direction for the entity, the CEO manages the day-to-day operations. In effect, the board plans 'the route' and the CEO has their 'handson the wheel'. It is important that the board and the CEO know and understand the distinction between their respective roles. Whilst the CEO and the board share responsibility for leadership of the entity, they fulfil this responsibility in different ways. The CEO is usually a full-time position, unlike the governing board which only meets a number of times a year. The CEO, therefore, plays a key role in providing advice to the board on issues and risks as they arise. However there are clear differences in the respective roles.

Table 2 below distinguishes between the governance role of a board and the management role of the CEO.

Table 2: Governance and management responsibilities

Governance Role - BoardManagement Role - CEOThe board governs the entity.The CEO manages the complexity<br/>and details of the day-to-day<br/>business operations and individual<br/>operational functions.





#### **Governance Role – Board**

#### Management Role – CEO

The board sets the vision and strategy for the entity.

The board acts on behalf of the government in a 'trustee' or 'stewardship' role and is accountable for the success or failure of an entity. The CEO works within the entity to articulate the vision and strategy.

The CEO is accountable to the board.

Part 5 of the Public Administration Act provides a framework for good governance of public entities within the Victorian public sector. It specifies the governance principles, including the duties of the board.

The CEO is accountable to the board for:

- implementing strategy and reporting progress;
- implementing policies and working towards results in an efficient, prudent and ethical manner;
- providing accurate and timely information;
- financial management;
- risk management;
- human resource management;
- occupational health and safety;
- articulating and promoting the board's vision for the entity;
- setting standards;
- delivering quality public services; and
- overall performance (including the outcomes and behaviour of the entity).

However, every entity is different and the nature of the relationship between the board, the chair and the CEO can vary. Figure 3 below shows the range of responsibilities and demonstrates the requirement for a close and effective relationship between the CEO and





the board.





## **Making it Work**

This section provides key strategic and operational questions that incoming CEOs may wish to consider as they go about their day-to-day business. The questions are not intended to be a comprehensive list. Rather they focus on the 'common traps' that CEOs may face, as identified by current and former senior public sector leaders. The section first considers the factors relevant to maintaining the strategic capacity of an entity to deliver on its objectives before outlining the major compliance and accountability requirements of public entities.





## **Organisational Capability**

A core responsibility of the CEO is to ensure that the organisation has the capacity and capability to meet its objectives.

CEOs may choose to undertake or commission an organisational capability assessment. Such an assessment can assist CEOs understand the fundamental strengths and weaknesses of their entity and provide valuable information about where to direct resources. This may be particularly relevant when the defined goals or objectives of the public entity have changed.

'Capability' has many different meanings and there is no single public sector definition of the term. The VPSC defines capability as what an entity needs in order to deliver efficiently the outputs required to achieve the government's goals as set out in the entity's strategy.

The skills and resources that make up an entity's capability include staffing, infrastructure, technology, financial resources, strategic leadership, process management, and networks and linkages with other organisations and stakeholders.

An entity's capability is its potential to perform by successfully applying its skills and resources to accomplish its goals and satisfy in stakeholders expectations. Public entities need to utilise this capability effectively and collaboratively to improve their operations and reduce costs to government.

Capability assessments can provide a conceptual framework as well as a practical, evidence-based, analytical tool. CEOs may conduct a capability assessment of their entity to:

- identify and consider capability areas most relevant to the goals and purpose of the entity;
- provide a focus for future activity;
- contribute to the identification of capability strengths, gaps and opportunities relevant to successful implementation of the business of the entity; and
- determine whether the entity has sufficient capacity to achieve its objectives.

There are many tools to assess an organisation's capability. In general terms there are some essential elements that are common to all tools. These elements are shown in Table 3.

Table 3: Organisational capability assessment elements





| Element  | Description   |
|--|---|
| people   | the staff and their collective skills, experience,<br>tacit knowledge, culture, attitudes, relationships,<br>and needs and expectations necessary to deliver<br>the desired service |
| business practices                                     | the documented processes that underpin service delivery   |
| facilities and equipment                               | the physical facilities and (non-ICT) equipment required to enable service delivery   |
| information and<br>communication<br>technologies (ICT) | the systems for the communication, capture,<br>classification, documentation, storage,<br>management, retrieval and dissemination of<br>knowledge                                   |
| knowledge  | the domain-specific knowledge applied in service<br>delivery, excluding tacit knowledge   |
| accountability and<br>governance                       | the framework to determine accountability and<br>governance for all aspects of the entity's<br>operations   |

When undertaking a capability assessment, it is important to have a clear understanding of the public entity's role, as determined by the legislative requirements, and government and board priorities (including ministerial statements of expectations or obligations). Section 1.5 provides further guidance on this.

### **Workforce Planning**

Effective delivery of government priorities, both in the present and the future, is dependent





on a strategic emphasis on human resource development.

Workforce planning is a tool that assists organisations and managers to plan for the future, anticipate change, manage their workforces and meet their business goals. It provides a framework for making workforce decisions that align with the strategic goals of the organisation. The workforce plan identifies how future staffing and skill needs will be met (i.e. via recruiting, development, internal deployment, recruitment, succession planning). This ensures that planning is proactive and talent surpluses and shortages are avoided where possible.

Workforce planning includes the following steps:

- understanding the organisation's strategic direction and the impact of that direction on the workforce;
- analysing the current and future workforce needs and competencies;
- analysing the gap between the current and future needs;
- developing strategies to address workforce gaps, including an understanding of market forces;
- implementing strategies to align the workforce with future business needs; and
- evaluating the success of the workforce planning strategies in meeting objectives.

A workforce plan will help the entity meet its objectives by ensuring that the staffing profile of the entity has the right capabilities to meet current and future demands.

Recruiting staff with a view to future business agility is appropriate in the public sector, as future trends are unpredictable. Strategic workforce development requires high-level input and ownership from the entity's executive to ensure targeted recruitment.





### **Appendix 2: Governance**

| source Description   | n Lead<br>agency   | Available at:                     |
|--|--|-----------------------------------|
| nstitution More<br>: 1975 commonly<br>referred to<br>the Victoric<br>Constitutio<br>this Act<br>provides th<br>framework<br>within whic<br>parliament<br>democracy<br>and<br>responsible<br>governmer<br>operate in<br>Victoria. It<br>out the bos<br>rules and<br>structures -<br>the Crown<br>Queen and<br>Governor),<br>Houses of<br>parliament<br>local<br>governmer<br>the Suprem<br>Court, and<br>Executive<br>(ministers c<br>the public<br>service).   | as and Cabinet on,   | http://www.legislation.vic.gov.au |
| olic The Public<br>ninistration Administra<br>2004 Act creates<br>compreher<br>framework<br>ensure goo<br>governance<br>across the<br>Victorian<br>public sect<br>This Act<br>outlines the<br>structure o<br>the Victoric<br>public serv<br>provides fo<br>the creatio<br>departmen<br>and the<br>employmes<br>executives,<br>specifies<br>public sect<br>values and<br>employmer<br>principles,<br>provides fo<br>good<br>governance<br>newly creat<br>public sect<br>values and<br>employmer<br>principles,<br>provides fo<br>good<br>governance<br>newly creat<br>public entit<br>and the public<br>sector as a<br>whole. | tion of Premier<br>s a and<br>nsive Cabinet<br>to<br>od<br>e<br>cor.<br>e<br>of<br>an<br>ice,<br>or<br>no f<br>an<br>ice,<br>or<br>or<br>no f<br>an<br>ice,<br>or<br>or<br>e of<br>tad<br>or<br>e<br>to<br>f<br>an<br>ice,<br>or<br>or<br>in of<br>an<br>of<br>an<br>ice,<br>or<br>or<br>i of<br>tab<br>int<br>of<br>i<br>tab<br>int<br>of<br>i<br>tab<br>int<br>of<br>i<br>tab<br>int<br>of<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tab<br>int<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>tabb<br>i<br>t<br>tabb<br>i<br>tabb<br>i<br>t<br>i<br>tabb<br>i<br>t<br>i<br>t<br>i<br>t<br>i<br>t<br>i<br>t<br>i<br>t<br>i<br>t<br>i<br>t<br>i<br>t<br>i | http://www.legislation.vic.gov.au |





| Resource  | Description  | Lead<br>agency                              | Available at:                       |
|---|--|---|-------------------------------------|
| Appointment<br>and<br>Remuneration<br>Guidelines for<br>Victorian<br>Government<br>Boards,<br>Statutory<br>Bodies and<br>Advisory<br>Committees | Outlines the<br>principles and<br>procedures for<br>the<br>recruitment,<br>selection,<br>appointment<br>and<br>remuneration<br>of part-time<br>non-executive<br>directors and<br>members of<br>statutory<br>authorities,<br>advisory<br>committees<br>and the boards<br>of government<br>business<br>enterprises.<br>These<br>guidelines also<br>apply to<br>unpaid<br>appointments<br>to such<br>organisations. | Department<br>of Premier<br>and<br>Cabinet  | http://www.dpc.vic.gov.au           |
| Directory of<br>Public Entity<br>Boards in<br>Victoria  | This directory,<br>updated<br>annually,<br>provides<br>information on<br>the<br>classification<br>and<br>composition of<br>public entity<br>boards in<br>Victoria.   | Victorian<br>Public<br>Sector<br>Commission | http://www.publicboards.vic.gov.au/ |
| Join a public<br>board  | The Join a<br>pubic board<br>website is<br>designed to<br>connect<br>indviduals to<br>Victorian<br>public sector<br>board<br>opportunities.  | Victorian<br>Public<br>Sector<br>Commission | http://boards.vic.gov.au            |
| VPSC<br>Governance<br>resources   | A web-based<br>guide,<br>developed to<br>assist<br>potential, new<br>and existing<br>board<br>members of<br>Victorian<br>public entities<br>to understand<br>concepts of<br>good<br>governance<br>and the critical<br>policies and<br>procedures<br>that drive their<br>day-to-day<br>work. It is<br>designed to<br>provide<br>practical<br>guidance to<br>boards of<br>public entities.                         | Victorian<br>Public<br>Sector<br>Commission | https://vpsc.vic.gov.au/governance/ |





| Resource   | Description   | Lead<br>agency                              | Avaílable at:   |
|--|---|---|---|
| Guide to<br>Whole of<br>Victorian<br>Government<br>Legislative<br>Compliance<br>Obligations<br>for Public<br>Sector Entities | A guide<br>designed to<br>assist<br>departmental<br>officers in<br>supporting<br>their minister<br>in relation to<br>assessing the<br>compliance of<br>entities in<br>meeting its<br>legislative<br>obligations<br>and, where<br>appropriate,<br>support the<br>entity to assist<br>it to meet its<br>compliance<br>obligations.<br>The guide does<br>not purport to<br>be exhaustive,<br>but may be<br>valuable to<br>public entity<br>CEOs in<br>understanding<br>their<br>obligations. | Victorian<br>Public<br>Sector<br>Commission | https://vpsc.vic.gov.au/resources/guide-to-whole-of-victorian-government-legislative-compliance-obligations-for-public-sector-entities/ |
| Legal Form<br>and<br>Governance<br>Arrangements<br>for Public<br>Entities:<br>Guidelines                                     | These<br>guidelines<br>provide advice<br>for Victorian<br>Government<br>employees on<br>options for<br>establishing a<br>new public<br>entity or<br>reviewing<br>existing public<br>entity or<br>reviewing<br>existing public<br>entities. They<br>may be of<br>value to public<br>entity CEOs<br>seeking to<br>understand<br>the<br>complexities of<br>public entity<br>structures, or<br>those leading<br>new, reforming<br>or winding-up<br>entities.                                  | Victorian<br>Public<br>Sector<br>Commission | https://vpsc.vic.gov.au/resources/legal-form-and-governance-arrangements-for-public-entities-guidelines-revised-may-2013/               |
| Strategic<br>Management<br>Framework<br>Guide  | A guide for the<br>Victorian<br>public sector<br>outlining the<br>key elements<br>of a better<br>practice<br>management<br>cycle.   | Department<br>of Treasury<br>and<br>Finance | http://www.dtf.vic.gov.au   |
| Welcome to<br>the Board  | This booklet is<br>designed as an<br>introduction to<br>the VPSC's<br>web-based<br>governance<br>resources (see<br>above).  | Victorian<br>Public<br>Sector<br>Commission | https://vpsc.vic.gov.au/resources/welcome-to-the-board/   |





| Resource  | Description  | Lead<br>agency                              | Available at:   |
|---|--|---|---|
| Recruiting a<br>CEO: A Guide<br>for Victorian<br>Public Sector<br>Boards                    | This guide is<br>designed to<br>help Victorian<br>public sector<br>board chairs<br>and directors<br>conduct the<br>CEO<br>recruitment<br>provides<br>prompts and<br>reminders for<br>board<br>directors,<br>especially<br>chairs, who<br>already have<br>some skills and<br>experience in<br>conducting<br>recruitment<br>processes,<br>evaluating<br>performance,<br>and providing<br>constructive<br>feedback. It<br>may also be<br>useful for<br>CEOs in<br>recruiting<br>senior<br>executives.                                   | Victorian<br>Public<br>Sector<br>Commission | https://vpsc.vic.gov.au/html-resources/recruiting-a-ceo/        |
| Assessing a<br>CEO's<br>Performance:<br>A Guide for<br>Victorian<br>Public Sector<br>Boards | This guide is<br>designed to<br>help Victorian<br>public sector<br>board<br>directors<br>assess the<br>performance<br>of their CEO. It<br>provides<br>prompts and<br>reminders for<br>board<br>directors,<br>especially<br>chairs, who<br>already have<br>some skills and<br>experience in<br>conducting<br>recruitment<br>processes,<br>evaluating<br>performance,<br>and providing<br>constructive<br>feedback. It<br>may also be<br>useful for<br>CEOs in<br>conducting<br>performance<br>assessments<br>of senior<br>executives. | Victorian<br>Public<br>Sector<br>Commission | https://vpsc.vic.gov.au/resources/assessing-a-ceos-performance/ |





| Resource   | Description  | Lead<br>agency                              | Available at:   |
|--|--|---|---|
| Recruitment<br>and<br>Appointment<br>to the Board: a<br>Governance<br>Officers'<br>Toolkit | This toolkit has<br>been<br>developed to<br>assist<br>governance<br>officers in<br>departments<br>who are<br>responsible for<br>supporting<br>government in<br>appointing<br>Directors to<br>public entity<br>Boards. It is<br>designed to<br>supplement<br>the<br><i>Government's</i><br><i>Appointment</i><br><i>and</i><br><i>Remuneration</i><br><i>Guidelines for</i><br><i>Victorian</i><br><i>Government</i><br><i>Boards</i> ,<br><i>Statutory</i><br><i>Bodies and</i><br><i>Advisory</i><br><i>Committees</i> .<br>This toolkit<br>aims to clarify<br>the processes<br>of recruiting<br>and<br>appointing<br>Directors to<br>public entity<br>Boards. It may<br>be of interest<br>to CEOs who<br>wish to better<br>understand<br>this<br>goreas. | Victorian<br>Public<br>Sector<br>Commission | https://vpsc.vic.gov.au/resources/recruitment-and-appointment-to-the-board-toolkit/ |





## **Appendix 3: Finance**

| Resource  | Description  | Lead<br>agency                           | Available at:                     |
|---|--|--|-----------------------------------|
| Audit Act<br>1994                               | An Act to provide<br>for the conduct<br>of efficient and<br>effective<br>financial and<br>performance<br>audits in the<br>Victorian public<br>sector, the<br>examination of<br>bodies that<br>receive public<br>grants, and the<br>administration<br>and audit of the<br>Victorian<br>Auditor-General's<br>Office. | Department<br>of Premier<br>and Cabinet  | http://www.legislation.vic.gov.au |
| Audit (Public<br>Bodies)<br>Regulations<br>2005 | Prescribes which<br>persons and<br>bodies are 'public<br>bodies' for the<br>purposes of the<br>Audit Act.  | Department<br>of Treasury<br>and Finance | http://www.legislation.vic.gov.au |





| Resource  | Description   | Lead<br>agency                           | Available at:                     |
|---|---|--|-----------------------------------|
| Financial<br>Management<br>Act 1994                           | Provides for the<br>financial<br>administration<br>and<br>accountability of<br>the public sector<br>and for annual<br>reporting to the<br>parliament by<br>departments and<br>public sector<br>bodies.  | Department<br>of Treasury<br>and Finance | http://www.legislation.vic.gov.au |
| Financial<br>Management<br>Regulations<br>2004                | Regulations<br>made under<br>section 59 of the<br>Financial<br>Management Act,<br>covering the<br>handling of<br>unidentified and<br>surplus monies,<br>the expenditure<br>of royal<br>commissions and<br>boards of inquiry,<br>and the efficient<br>and fair<br>investigation of<br>losses of and<br>deficiencies in<br>public money<br>and other<br>property of the<br>State. | Department<br>of Treasury<br>and Finance | http://www.legislation.vic.gov.au |
| Financial<br>Management<br>(Amendment)<br>Regulations<br>2006 | Regulations<br>made under<br>section 59 of the<br>Financial<br>Management Act.  | Department<br>of Treasury<br>and Finance | http://www.legislation.vic.gov.au |
|   |   |  |                                   |





| Resource  | Description   | Lead<br>agency                           | Available at:                  |
|---|---|--|--------------------------------|
| Standing<br>Directions of<br>the Minister<br>of Finance | The Standing<br>Directions of the<br>Minister for<br>Finance form the<br>basis of sound<br>financial<br>management for<br>the state. The<br>directions are<br>designed to<br>supplement the<br>Financial<br>Management Act<br>1994 by<br>prescribing<br>mandatory<br>procedures that<br>must be<br>complied with by<br>all Victorian<br>public entities.<br>Areas covered<br>include<br>governance and<br>oversight,<br>structure and<br>systems, policies<br>and procedures,<br>and reporting. | Department<br>of Treasury<br>and Finance | http://www.treasury.vic.gov.au |
|   |   |  |                                |





| Resource   | Description   | Lead<br>agency                           | Available at:                  |
|--|---|--|--------------------------------|
| Financial<br>Management<br>Compliance<br>Framework | This framework<br>assists Victorian<br>public sector<br>entities to<br>establish and<br>maintain<br>effective<br>financial<br>management to<br>support the<br>achievement of<br>entities' key<br>objectives and<br>goals. It also<br>helps the<br>Victorian<br>Government<br>monitor the<br>standard of<br>financial<br>management in<br>line with the<br>Standing<br>Directions of the<br>Minister for<br>Finance. | Department<br>of Treasury<br>and Finance | http://www.treasury.vic.gov.au |
|  |   |  |                                |





| ResourceDescriptionLead<br>agencyAvailable at:Financial<br>Reporting<br>DirectionsEnsures<br>consistent<br>application of<br>accounting<br>treatment across<br>the Victorian<br>public sector in<br>Compliance with<br>Australian<br>Accounting<br>Standards, specifically in<br>instances where<br>those standards,<br>specifical policy<br>and disclosure<br>requirements.Department<br>of Treasury<br>and Financehttp://www.dtf.vic.gov.au<br>of Treasury<br>and FinanceBorrowing<br>and<br>manuestanent<br>Powers ActAn Act to provide<br>for borrowing<br>and nivestment<br>powers for<br>certain statutoryDepartment<br>of Treasury<br>and Financehttp://www.legislation.vic.gov.au<br>of Treasury<br>and Finance |                                 |  |             |                                   |
|---|---------------------------------|--|-------------|-----------------------------------|
| Reporting<br>Directionsconsistent<br>application of<br>accounting<br>treatment across<br>the Victorian<br>public sector in<br>compliance with<br>Australian<br>Accounting<br>Standards Board<br>standards,<br>specifically in<br>instances where<br>those standards,<br>specifically in<br>instances where<br>those standards<br>provide<br>accounting<br>treatment options. Also<br>impose other<br>government non-<br>financial policy<br>and disclosure<br>requirements.Department<br>of Treasury<br>and FinanceBorrowing<br>and<br>nd<br>nd<br>Newers Act<br>1987An Act to provide<br>for borrowing<br>and investment<br>powers for<br>certain statutoryDepartment<br>of Treasury<br>and Finance                    | Resource                        | Description  |             | Available at:                     |
| andfor borrowingof TreasuryInvestmentand investmentand FinancePowers Actpowers for1987certain statutory   | Reporting                       | consistent<br>application of<br>accounting<br>treatment across<br>the Victorian<br>public sector in<br>compliance with<br>Australian<br>Accounting<br>Standards Board<br>standards,<br>specifically in<br>instances where<br>those standards<br>provide<br>accounting<br>treatment<br>options. Also<br>impose other<br>government non-<br>financial policy<br>and disclosure | of Treasury | http://www.dtf.vic.gov.au         |
|   | and<br>Investment<br>Powers Act | for borrowing<br>and investment<br>powers for<br>certain statutory   | of Treasury | http://www.legislation.vic.gov.au |





| Resource                      | Description   | Lead<br>agency                           | Available at:                     |
|-------------------------------|---|--|-----------------------------------|
| Monetary<br>Units Act<br>2004 | An Act which<br>allows fees and<br>penalties to be<br>fixed by<br>reference to fee<br>units or penalty<br>units that can be<br>indexed annually<br>by an amount to<br>be fixed by the<br>Treasurer. The<br>Act also<br>amended various<br>references to<br>monetary<br>amounts in older<br>Acts, and (having<br>regard to<br>inflation) indexed<br>certain fees that<br>had remained in<br>monetary<br>amounts. | Department<br>of Treasury<br>and Finance | http://www.legislation.vic.gov.au |
|                               |   |  |                                   |





| Resource   | Description   | Lead<br>agency                                 | Available at:                  |
|--|---|--|--------------------------------|
| Victorian<br>Government<br>Risk<br>Management<br>Framework | This framework<br>brings together<br>information on<br>governance<br>policies,<br>accountabilities<br>and roles and<br>responsibilities<br>for all those<br>involved in risk<br>management in<br>the public sector.<br>The framework<br>also provides for<br>a minimum risk<br>management<br>standard and an<br>attestation by<br>accountable<br>officers in annual<br>reports. | Department<br>of Treasury<br>and Finance       | http://www.treasury.vic.gov.au |
| General<br>Procurement<br>Requirements                     | Policies and<br>guidelines which<br>set minimum<br>standards for<br>procurement of<br>non-construction<br>goods and<br>services in<br>Victorian<br>Government<br>departments and<br>some public<br>entities.  | Victorian<br>Government<br>Purchasing<br>Board | http://www.vgpb.vic.gov.au     |





| Resource                                       | Description  | Lead<br>agency | Available at:              |
|--|--|----------------|----------------------------|
| Victorian<br>Managed<br>Insurance<br>Authority | VMIA is a<br>statutory<br>authority which<br>provides risk and<br>insurance<br>services to<br>departments and<br>public entities in<br>order to minimise<br>losses from<br>adverse events. | _              | http://www.vmia.vic.gov.au |





### **Appendix 4: Public Sector Standards**

| Resource  | Description   | Lead agency                             | Available at:                     |
|---|---|---|-----------------------------------|
| Public<br>Administration<br>Act 2004                              | An Act to<br>establish values<br>and principles<br>to guide<br>conduct and<br>performance<br>within the<br>public sector; to<br>ensure a public<br>sector that<br>responds to<br>government<br>priorities in a<br>manner that is<br>consistent with<br>public sector<br>values;<br>provides<br>effective,<br>efficient and<br>integrated<br>service delivery;<br>and is<br>accountable for<br>its<br>performance. | Department<br>of Premier<br>and Cabinet | http://www.legislation.vic.gov.au |
| Charter of<br>Human Rights<br>and<br>Responsibilities<br>Act 2006 | An Act to<br>protect human<br>rights by<br>establishing a<br>Charter of<br>Human Rights<br>for Victoria,<br>and by<br>establishing the<br>Victorian Equal<br>Opportunity<br>and Human<br>Rights<br>Commission to<br>report on its<br>operation.   | Department<br>of Justice                | http://www.legislation.vic.gov.au |





| Resource   | Description   | Lead agency                                | Available at:   |
|--|---|--|---|
| Equal<br>Opportunity<br>Act 2010   | An Act to<br>promote<br>recognition and<br>acceptance of<br>every<br>Victorian's right<br>to equality of<br>opportunity, to<br>eliminate (as<br>far as possible)<br>discrimination<br>and sexual<br>harassment,<br>and to provide<br>redress for<br>people who<br>have been<br>discriminated<br>against or<br>sexually<br>harassed. | Department<br>of Justice                   | http://www.legislation.vic.gov.au                                 |
| Victorian<br>Public Sector<br>Commission   | The VPSC has<br>responsibility<br>for promoting<br>high standards<br>of integrity and<br>conduct in the<br>public sector  | -  | Supporting the public sector and its employees                    |
| Code of<br>Conduct for<br>Victorian<br>Public Sector<br>Employees                      | Prescribes the<br>behaviour<br>expected of<br>public sector<br>employees.   | Victorian<br>Public Sector<br>Commissioner | https://vpsc.vic.gov.au/resources/codes-of-conduct/               |
| Code of<br>Conduct for<br>Victorian<br>Public Sector<br>Employees of<br>Special Bodies | Prescribes the<br>behaviour<br>expected of<br>public sector<br>employees of<br>special bodies.  | Victorian<br>Public Sector<br>Commissioner | https://vpsc.vic.gov.au/resources/codes-of-conduct/               |
| Managing<br>Conflicts of<br>Interest   | Assists public<br>sector<br>employees to<br>avoid actual,<br>potential or<br>perceived<br>conflicts of<br>interest.   | Victorian<br>Public Sector<br>Commissioner | https://vpsc.vic.gov.au/resources/managing-conflicts-of-interest/ |





| Resource   | Description  | Lead agency                                | Available at:  |
|--|--|--|--|
| Gifts, Benefits<br>and Hospitality<br>Policy<br>Framework              | Sets minimum<br>requirements<br>and<br>accountabilities<br>for the<br>Victorian public<br>sector and<br>guides the<br>development<br>and review of<br>policies.  | Victorian<br>Public Sector<br>Commissioner | https://vpsc.vic.gov.au/resources/gifts-benefits-and-hospitality-policy-framework/ |
| Register of<br>Lobbyists   | A public<br>document<br>containing<br>information<br>about lobbyists<br>who make<br>representations<br>to government<br>on behalf of<br>their clients.   | Victorian<br>Public Sector<br>Commissioner | http://www.lobbyistsregister.vic.gov.au  |
| Victorian<br>Government<br>Professional<br>Lobbyist Code<br>of Conduct | Provides advice<br>to both<br>lobbyists and<br>government<br>representatives<br>to ensure that<br>contact<br>between them<br>is conducted in<br>accordance<br>with public<br>expectations of<br>transparency,<br>integrity and<br>honesty. | Victorian<br>Public Sector<br>Commissioner | http://www.lobbyistsregister.vic.gov.au  |





### Appendix 5: Public Sector Employment

| Resource                                      | Description  | Lead agency                              | Available at:                     |
|---|--|--|-----------------------------------|
| Public<br>Administration<br>Act 2004          | An Act to<br>establish<br>values and<br>principles to<br>guide conduct<br>and<br>performance<br>within the<br>public sector;<br>to ensure that<br>employment<br>decisions in the<br>public sector<br>are based on<br>merit; to<br>promote the<br>highest<br>standards of<br>governance in<br>the public<br>sector; and to<br>promote the<br>highest<br>standards of<br>integrity and<br>conduct for<br>persons<br>employed<br>within the<br>public sector.   | Department of<br>Premier and<br>Cabinet  | http://www.legislation.vic.gov.au |
| Occupational<br>Health and<br>Safety Act 2004 | An Act to<br>secure the<br>health, safety<br>and welfare of<br>employees and<br>other persons<br>at work, to<br>ensure that the<br>health and<br>safety of<br>members of the<br>public is not<br>placed at risk<br>by the conduct<br>of employers<br>and self-<br>employed<br>persons, and to<br>provide for the<br>involvement of<br>employees,<br>employees, and<br>organisations<br>representing<br>those persons,<br>in the<br>formulation<br>and<br>implementation<br>of health,<br>safety and<br>welfare<br>standards. | Department of<br>Treasury and<br>Finance | http://www.legislation.vie.gov.au |





| Resource  | Description  | Lead agency                              | Available at:  |
|---|--|--|--|
| Fair Work Act<br>2009   | An Act which<br>provides a<br>balanced<br>framework for<br>cooperative<br>and productive<br>workplace<br>relations in<br>order to<br>promote<br>national<br>economic<br>prosperity and<br>social inclusion<br>for all<br>Australians.                                  | Commonwealth<br>Government               | https://www.legislation.gov.au/Series/C2009A00028  |
| Policy on<br>Executive<br>Remuneration<br>for Public<br>Entities in the<br>Broader Public<br>Sector | Policy which<br>sets out better<br>practice<br>approaches<br>and approval<br>procedures for<br>the<br>determination<br>of and<br>accountability<br>for executive<br>remuneration<br>in public<br>entities in the<br>Victorian public<br>sector.                        | Victorian<br>Public Sector<br>Commission | https://vpsc.vic.gov.au/resources/policy-on-executive-remuneration-for-public-entities-in-the-broader-public-sector/ |
| Victorian Public<br>Service<br>Executive<br>Employment<br>Handbook                                  | Provides details<br>about the<br>government's<br>executive<br>employment<br>policy for<br>governing<br>bodies, public<br>entities, and<br>current and<br>potential public<br>sector<br>executives.   | Victorian<br>Public Sector<br>Commission | https://vpsc.vic.gov.au/resources/victorian-public-service-executive-employment-handbook/                            |
| Grievance and<br>complaint<br>management  | The VPSC<br>provides a<br>range of<br>resources and<br>services to<br>public sector<br>employees and<br>employers to<br>assist with the<br>resolution of<br>grievances.  | Victorian<br>Public Sector<br>Commission | https://vpsc.vic.gov.au/ethics-behaviours-culture/grievances-and-complaints/   |
| Victorian Public<br>Sector<br>Commission<br>register of<br>Review Officers                          | A non-<br>mandatory<br>register<br>established by<br>the VPSC to<br>enable public<br>sector<br>organisations<br>to access<br>independent<br>review officers<br>to conduct<br>workplace<br>grievance<br>reviews and<br>misconduct<br>investigations<br>on their behalf. | Victorian<br>Public Sector<br>Commission | https://vpsc.vic.gov.au/resources/register-of-review-officers/   |





| Resource  | Description  | Lead agency                              | Available at:   |
|---|--|--|---|
| People Matter<br>Survey   | An annual<br>survey<br>conducted by<br>the VPSC on<br>behalf of<br>Victorian public<br>sector<br>organisations,<br>which gathers<br>information on<br>workforce<br>culture and<br>climate. This<br>includes<br>measures of<br>job satisfaction<br>and the way<br>managers and<br>workgroups<br>operate within<br>participating<br>organisations.<br>The survey<br>assists these<br>organisations<br>to develop a<br>stronger<br>values-based<br>culture. | Victorian<br>Public Sector<br>Commission | https://vpsc.vic.gov.au/ethics-behaviours-culture/people-matter-survey/                         |
| Organisational<br>dynamics<br>(Organisational<br>design, change,<br>culture;<br>workforce<br>planning and<br>succession risk<br>management) | The VPSC<br>undertakes<br>research,<br>provides<br>advice, and<br>develops<br>resources on a<br>range of topics<br>to support<br>organisational<br>leaders, HR<br>staff and<br>mangers to<br>effectively<br>manage<br>complex<br>organisational<br>dynamics  | Victorian<br>Public Sector<br>Commission | https://vpsc.vic.gov.au/workforce-capability-leadership-and-management/organisational-dynamics/ |
| Developing<br>Conflict<br>Resilient<br>Workplaces:<br>Report and<br>mplementation<br>Guide  | The report<br>outlines the<br>opportunities<br>to the Victorian<br>public sector of<br>building<br>conflict resilient<br>workplaces,<br>while the<br>accompanying<br>guide outlines a<br>number of<br>innovations to<br>help senior<br>leaders and<br>organisations<br>respond to, and<br>reduce, internal<br>conflict.  | Victorian<br>Public Sector<br>Commission | https://vpsc.vic.gov.au/resources/developing-conflict-resilient-workplaces/                     |



