

Department of Education & Training: Strategic Planning

Tabled 21 October 2015

The Auditor-General provides assurance to Parliament on the accountability and performance of the Victorian Public Sector. The Auditor-General conducts financial audits and performance audits, and reports on the results of these audits to Parliament.

On 21 October 2015, the Auditor-General tabled his performance audit report, *Department of Education & Training: Strategic Planning*.

Overview

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- The Department of Education & Training (DET) has demonstrated continuous poor performance.
- There are significant weaknesses with DET's governance and leadership.
- These weaknesses undermine strategic planning implementation.
- DET needs a new and positive culture.

The impetus for this audit was the Department of Education & Training's, or DET's, continuous poor performance demonstrated in 27 audits of DET from 2009–2014. These audits suggested that there were fundamental problems with DET's governance, leadership and planning activities.

This audit found that there are significant weaknesses with DET's governance and leadership, and the way it implements its plans and learns from its actions.

DET is currently working towards addressing its leadership, governance and structural failings. This work shows promise but in order to succeed it will require DET's leaders to adopt a new and positive culture.

Background

- Annual budget—\$12 065.6 million
- Owns/operates 1 528 schools
- Fifteen of 26 (57%) long-term outcome indicators deteriorated or showed no significant change.
- Consistent underperformance found in 27 VAGO audits (2009–14).

In 2014–15 DET managed a budget of \$12 065.6 million, and owned or operated 1 528 government schools.

DET's 2014–18 Strategic Plan presents data showing that its performance for 15 of its 26, or 57.7 per cent, of its long-term outcome indicators has deteriorated or shown no significant change over recent years. This is consistent across all four of DET's long-term outcomes of achievement, engagement, wellbeing and productivity.

Between 2009 to 2014, VAGO undertook 27 audits that identified five areas in which DET has continually underperformed:

- information management
- guidelines, standards and performance indicators
- integrated services
- oversight and monitoring, and
- consistent support to education providers.

Focus of this audit

Key areas examined

- Governance
- Planning and implementation
- Monitoring performance

Audit scope

- Strategic and operational plans across business units, including regions, over the past five years.

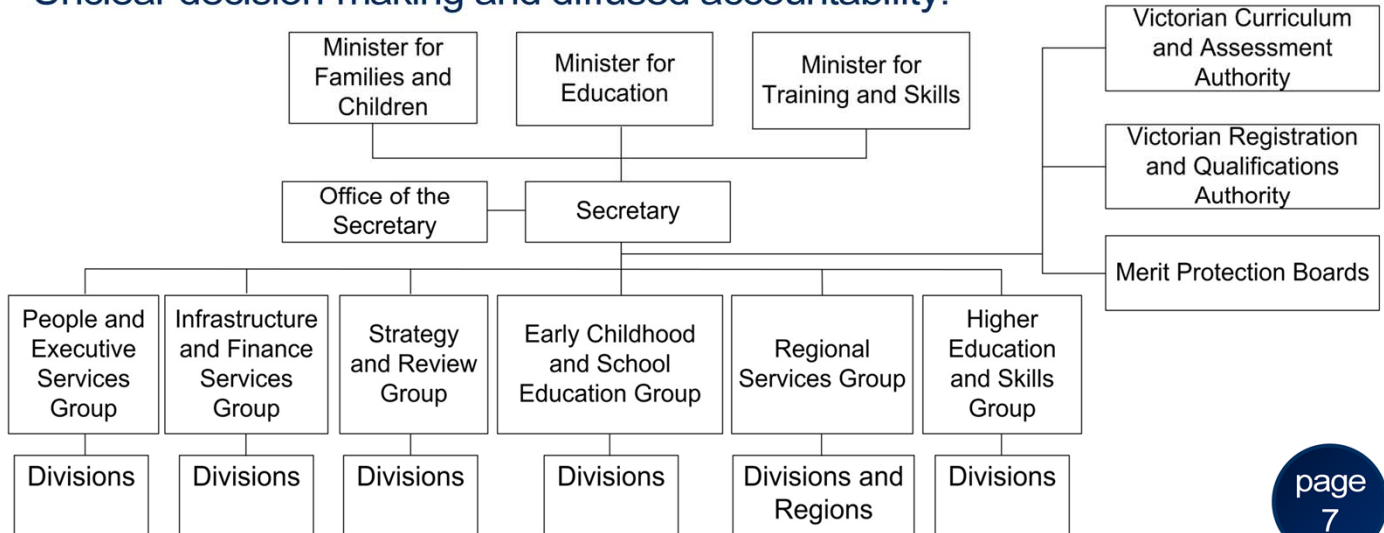
This audit examined how effectively DET plans to achieve its objectives. To do this we assessed whether:

- DET has an effective planning framework which supports the development of strategic and operational plans
- DET's plans are effectively implemented
- And whether planning is effectively monitored to assess the achievement of outcomes and objectives.

The focus of the audit was on DET's strategic planning, and the operational plans and other work plan actions that support this. This includes business plans within DET's business units and regions. Activities since 2009–10 were included.

Governance

Unclear decision-making and diffused accountability.



Source: Department of Education & Training.

Good governance requires strong leadership, a culture of communication, and cohesive and collaborative work practices.

Despite a reliance on committees, DET has poor oversight of its committees' functions, responsibilities and performance. This has led to unclear decision making and diffused accountability.

Decisions made by leadership and committees are not clearly and consistently communicated and there is no shared understanding of the decision-making framework across DET.

Governance

Leadership group lacks accountability



Source: Department of Education & Training.

Accountability is diminished as work plan actions do not align with responsible executive officer performance development plans, even though they are required to do so.

Governance – *continued*

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pages
5–14

- The governance framework that supports DET's strategic planning is deficient.
- DET's leadership is weak, has a poor culture of communication and is siloed.
- This impedes DET's ability to plan strategically.
- DET has known about these issues since 2011.

DET requires a new and positive culture. It is working towards addressing governance failings.

The governance framework that supports DET's strategic planning is deficient. It lacks strong leadership, has a poor culture of communication and is siloed. This weakens DET's capacity to make informed strategic decisions, implement work plan actions successfully and monitor performance.

DET has known about its governance weaknesses since 2011 but has only taken limited action to address them until 2015.

Planning framework and implementation

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15–26

- Weaknesses in application of framework.
- Decision-making is not transparent.
- Limited focus on resource planning.
- Inconsistent planning and oversight of implementation.

DET requires greater transparency in its decision-making and better planning, monitoring and oversight of implementation.

A strategic planning framework outlines an organisation's direction. To achieve its objectives, an agency requires effective implementation of its actions.

We found that DET's strategic planning framework is generally sound. However, there are weaknesses in the application of the framework.

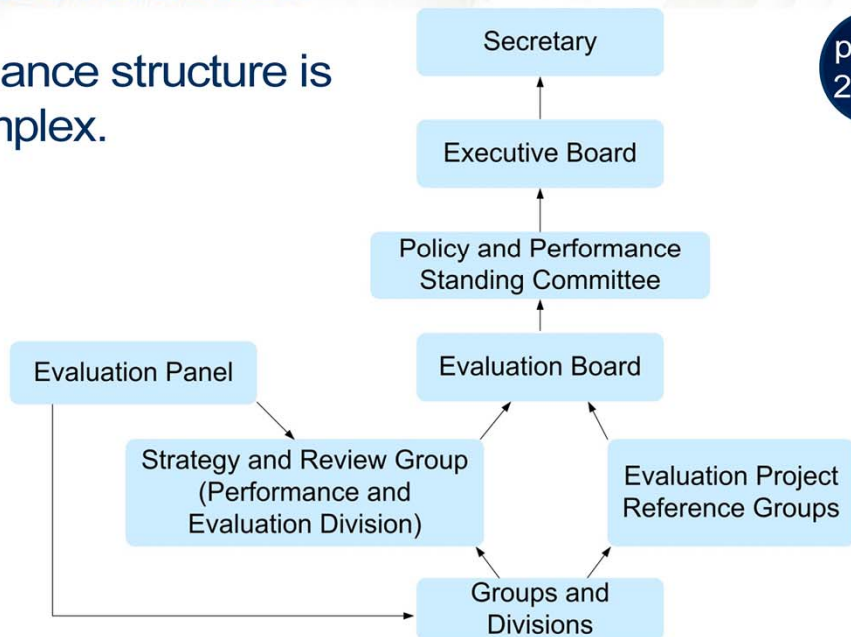
DET's strategic decision-making processes are not transparent, and resources and budgets of divisional and group plans are only partially aligned.

Further, implementation of work plan actions lack consistent planning and oversight. Key elements of good implementation planning are often missing as DET does not have a consistent format upon which it creates plans or a project management framework to ensure work plan actions are adequately implemented and overseen.

Weaknesses in the application of DET's planning framework have resulted in unclear roles and responsibilities for work plan actions, and have reduced accountability for the achievement of strategic priorities. This increases the risk of unreasonable delays, increased costs and failure to deliver products and services.

Performance and evaluation

- Evaluation governance structure is unnecessarily complex.



Monitoring and evaluating performance provides crucial information about an agency's capabilities, use of resources and achievement of outcomes.

We found that DET's evaluation governance structure is unnecessarily complex, and decision-making and accountability roles are difficult to determine. While work plan actions are evaluated, findings are not centrally aggregated to inform strategic planning.

Performance and evaluation

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27–36

- Lack of performance targets weakens framework.

DET needs performance targets and to use evaluations to inform strategic planning.

DET has a sound performance measurement framework, however, a lack of targets weakens its value.

DET's unnecessarily complicated evaluation structure limits its ability to plan to meet its strategic priorities and efficiently allocate resources.

Recommendations – governance

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| | | Accept |
|-----------|---|--------|
| That DET: | | |
| 1. | reduces or streamlines its committee structure, assessing the number, role and performance of each committee | ✓ |
| 2. | modifies the executive officer performance and development process to ensure sufficient performance oversight, including the development of an underperformance policy. | ✓ |

We made six recommendations that DET:

- reduces or streamlines its committee structure
- modifies the executive officer performance and development process

Recommendations – planning framework and implementation

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| | | Accept |
|-----------|--|--------|
| That DET: | | |
| 3. | introduces greater transparency around decision-making processes into its corporate management framework, including better documenting new project proposals and resource allocation | ✓ |
| 4. | introduces a project management framework that reflects better practice and includes guidelines and templates for project management, implementation, monitoring and oversight. | ✓ |

- introduces greater transparency around decision-making processes into its corporate management framework
- introduces a planning implementation framework that reflects better practice

Recommendations – performance and evaluation

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| | | Accept |
|-----------|---|--------|
| That DET: | | |
| 5. | develops targets for the Education and Training Outcomes Framework, where applicable, so that progress and performance can be properly assessed | ✓ |
| 6. | establishes a central repository for strategic program evaluations and applies the lessons learned from evaluations to current and future programs. | ✓ |

And that DET:

- develops targets for the Education and Training Outcomes Framework, where applicable
- and, establishes a central repository for strategic program evaluations and applies the lessons learned from evaluations to current and future programs.

DET has accepted all recommendations and has provided a detailed outline of how it intends to address each recommendation and by when it intends to achieve these actions. This is contained in Appendix A of the report. The Auditor-General will monitor this progress over time.

Key messages

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DET is working towards addressing governance failings. It will require leaders to adopt a new and positive culture.

DET needs transparency of decision-making and improved implementation of its strategies.

To apply learnings to current and future programs, DET needs to develop targets for its Outcomes Framework and to develop a central repository for strategic program evaluations.

To summarise, our key messages from the audit are that:

- DET is working towards addressing governance failings. In order to succeed it will require leaders to adopt a new and positive culture.
- DET requires greater transparency in its decision-making processes and to implement best practice on project planning, monitoring and oversight.
- And, DET needs to develop targets for its Outcomes Framework and to develop a central repository for strategic program evaluations to apply learnings to current and future programs.

Overall message

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Achievement of DET's outcomes is significantly undermined by ineffective department-wide governance and poor implementation of plans.

Our overall message is that the achievement of DET's outcomes is significantly undermined by ineffective department-wide governance and poor implementation of plans.

Relevant audits

- *Literacy and Numeracy Achievement (2009)*
- *Management of School Funds (2009)*
- *International Students: Risks and Responsibilities of Universities (2009)*
- *The Effectiveness of Student Wellbeing Programs and Services (2009–10)*
- *Tertiary Education and Other Entities: Results of the 2009 Audits (2009–10)*
- *Managing Teacher Performance in Government Schools (2009–10)*
- *Administration of the Victorian Certificate of Education (2009–10)*
- *Victorian Registration and Qualifications Authority (2010–11)*
- *Local Community Transport Services: the Transport Connections program (2010–11)*

Relevant audits are listed on the next three slides.

Relevant audits – *continued*

- *Managing Student Safety (2010–11)*
- *Early Childhood Development Services: Access and Quality (2010–11)*
- *Indigenous Education Strategies for Government Schools (2010–11)*
- *TAFE Governance (2011–12)*
- *Victorian Institute of Teaching (2011–12)*
- *Tertiary Education and Other Entities: Results of the 2011 Audits (2011–12)*
- *Science and Mathematics Participation Rates and Initiatives (2011–12)*
- *Casual Relief Teacher Arrangements (2012–13)*
- *Programs for Students with Special Learning Needs (2012–13)*
- *Student Completion Rates (2012–13)*

Relevant audits – *continued*

- *Learning Technologies in Government Schools (2012–13)*
- *Implementation of School Infrastructure Programs (2012–13)*
- *Tertiary Education and Other Entities: Results of the 2012 Audits (2012–13)*
- *Management of Staff Occupational Health and Safety in Schools (2013)*
- *The State of Victoria's Children: Performance Reporting (2013)*
- *Performance Reporting Systems in Education (2013–14)*
- *Apprenticeship and Traineeship Completion (2013–14)*
- *Access to Education for Rural Students (2014)*
- *Additional School Costs for Families (2014–15)*
- *Education Transitions (2014–15)*

Contact details

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For further information on this presentation please contact:

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If you have any questions about this or other reports, or if you have anything else you would like to discuss with us including ideas for future audit topics, please call us on 03 8601 7000 or contact us via our website.