

# Innovation and transformation in the Public Sector



# Achieving outcomes

Leaders in public sector agencies are expected to work together across the whole of Government to tackle important issues. While the public focus is on front-line services, we know that there are opportunities for leaders to make a real difference to operations that impact on the delivery of these.

Budget-related efficiency dividends, talent and staffing considerations, and technology challenges and opportunities remain top of mind for public sector leaders. The increasingly tighter timeframes imposed on delivering on these objectives and the pressure to provide accurate evidence-based outcomes and outputs have never been stronger.

In our work with public sector agencies, the team at Grant Thornton Consulting found there are five key themes that leaders must focus closely on to deliver the best results:



**Grant Thornton Consulting – solving complex problems with a cross-disciplinary team**



1

## Fund the future

### Business cases

Access to funding, and spending funds well, is critical. Without this, leaders cannot lead the organisation to deliver on its outcomes. Therefore, outcome-based business cases are a must. But this can be complex – balancing the big picture, risks, measurements, political overlay and the priorities of your agency and of those with which you work most closely. Bringing stakeholders along starts early. Business cases are only of value if they are implementable, appreciating the real-world challenges on an agency-by-agency basis, and taking into account how they will solve the complex problems at hand across Government.

Grant Thornton helps our clients along the full spectrum of the funding process: helping to develop robust and executable business cases.

2

## Measure for success

### Benefits realisation

Once funding has been accessed, leaders are able to start generating outcomes.

However, measuring the success of these projects against what benefits they set out to achieve – or its objectives – is imperative. Poorly measured benefits can have a long-term impact on an agency: future funding can be stifled and a cyclical problem created.

Grant Thornton helps our clients measure the success of its projects, establishing realistic objectives at the outset, and testing throughout the project with all stakeholders inside and outside the agency.



### Case study

## Accessing the funding needed

### eHealth NSW

Grant Thornton Consulting was engaged by eHealth NSW to assist in the preliminary and final business case, as well as the procurement of a state-wide imaging solution, for NSW Health in a once-in-a-generation uplift of technological and process capability.

Working closely with 10+ Local Health Districts (LHD) and eHealth, Grant Thornton was able to run a rigorous consultation process that enabled an unprecedented level of collaboration and agreement across the LHDs. The stakeholder group was able to agree on a combined set of system requirements across the LHDs.

With a total expected cost in the \$200m range across 10 years, this project represented one of the largest capital investments in NSW Health imaging in a generation. Grant Thornton Consulting was instrumental in managing and facilitating this complex business case and procurement. The business case has been accepted and procurement finalised.



### Case study

## Changing the face of emergency management

### NSW State Emergency Service

The NSW State Emergency Service has set out to change the way it provides emergency and rescue services to the people of NSW, a major transformation for this 63-year-old organisation.

This shift required a clear vision: not just of what the future looked like, but how each part of the organisation would contribute to that vision.

Grant Thornton worked with the Commissioner and his direct team to describe the outcomes and benefits the Service would deliver to the people of NSW. We conducted in-depth stakeholder management and analysis to construct a picture of the new SES, generating the measures against each of defined outcomes to provide a true understanding of how the Service tracked against its objectives. Functions traditionally viewed as back office were evidence linked to front line services.

3

## Govern programs well

Poor project management and assurance, as well as not accessing the right expertise at the right time, has been the downfall of many great initiatives. From blown-out budgets to underwhelming outcomes, the way your organisation manages projects is key to consistent results. With the push to deliver outcomes within the public sector, delivering projects to all requisites will become increasingly important to deliver on promises by Government.

Grant Thornton works with clients on all stages of project implementation. We take a long-term view of the project, as well as the day-to-day issues allowing us to spot barriers or opportunities to improve the process.

4

## Manage risk

Risk – in its many forms – is front of mind for leaders in public sector organisations, however full enterprise risk management is still maturing. Risk must be managed at an enterprise and project level and not simply through controls, but through appropriate risk culture and attitude.

Managing risk together with a fast-changing political landscape means leaders have a lot to navigate.

The reality, though, is that a more thoughtful and principled approach to risk can reduce the red tape, protecting agility while still ensuring a sufficiently controlled environment.

We work with our clients on their internal audit, control effectiveness and risk management to provide independent oversight and review of an agency's control environment to manage key risks, inform good decision-making and improve performance.



### Case study

## Effective and agile project management

### University of Technology Sydney

Faced with a University-wide reform program “Unleash UTS” and a relatively mature program management office, CIO Chrissy Burns was keen to further lift the outcomes the programs were delivering for the University. With a focus first on business benefit, UTS worked with Grant Thornton to design and implement a new benefits realisation framework to apply to all programs of work. Measurement and reporting of the Division was uplifted to reflect greater customer focus. Grant Thornton and the team at UTS are providing a more adaptable approach to business cases and looking for further improvements in the way more agile projects are delivered in the University.



### Case study

## Providing independent assurance on risk management through internal audit

### NSW Land and Housing Corporation

With responsibility for managing the State's social housing portfolio valued at over \$3.5bn and pressures to deliver the Government's vision to transform the social housing system over the next 10 years, NSW Land and Housing Corporation (LAHC) faces incredible scrutiny and exposure to procurement and program risks.

Grant Thornton helped set up and establish LAHC's Internal Audit function to provide assurance on LAHC's management of their risks. Since then, we have continued to work with LAHC to develop their Strategic Internal Audit Plan, review their Plan annually and deliver internal audits that are flexible and continually focused on LAHC's strategic priorities and evolving risk landscape.

## Build capability with...

### Operations

Now that you have approved funding and your projects are underway, you need to manage costs at every turn and recognise that much of the heavy lifting needs to be from people within your agency. The primary focus for the public sector here is to look for ways to deliver better value, particularly within back office support and operations. Increased pressure on delivering the “efficiency dividend” is a constant challenge as the trend from delivery agent to commissioning agent continues.

With a public sector practice in Australia and an extensive global network of industry experts, Grant Thornton works hard to build capability within the agencies in which we work. See a recent thought leadership piece from our US firm on Navigating Disruption [here](https://www.grantthornton.com/-/media/content-page-files/public-sector/pdfs/surveys/2017/2017-CFO-survey-navigating-disruption.ashx) [https://www.grantthornton.com/-/media/content-page-files/public-sector/pdfs/surveys/2017/2017-CFO-survey-navigating-disruption.ashx].

As a full service firm we are also able to offer specific insight on issues such as indirect taxes, new accounting standards on leases and operational challenges around asset management.



### Case study

## Finance capability across whole of Government

### Whole of Government

Grant Thornton worked across whole of Government to review finance capability and to recommend targeted strategies to address deficiencies. An improvement agenda is now in place with a program to improve technology use, better understand non-financial KPIs and outcomes based budgeting and cultivate data analytics capability to generate real business insights.

Grant Thornton is building on these insights to work with specific agencies on their finance function and worked with leadership on detailed implementation plans addressing people, processes and technology.

### Leadership

At its core, leaders in the public sector face similar issues as those in the private or listed environment. Challenges can be around budget uncertainty, human capital, ICT, governance and risk.

Grant Thornton offers leaders fast-paced senior executive decision-making workshops based on our Global “CEO Room” and “6 Box” frameworks.

By engaging our firm, you access a cross-disciplinary team of Partners to help you think clearly not only about immediate issues and opportunities at hand, but also stress-test existing strategies in the current and future world – as well as the opportunity to compare insights with similar sessions run elsewhere in Australia and globally across the private, NGO and public sectors.

The “CEO Room” provides a facilitated conversation for you and your leadership team to challenge existing and established thinking, unlock valuable insights, consider strategic issues and identify solutions for your agency.

The “6 Box” dialogue is a structured discussion across six largely operationally-focussed dimensions for success in your agency – realising strategic ambition, financing initiatives, managing risk and regulation, optimising operations, engaging talent and defining and maximising stakeholder value.

# Outcomes that matter

Public sector leaders are pushing for significant change within their organisations. Balance this with heightened and changing customer and stakeholder expectations and delivering on your agency's promise, and the role has never been more challenging.

As a business with global and local expertise working alongside public sector leaders globally, Grant Thornton Consulting is conscious of constraints. Budgets are not limitless, consultants can't solve everything and sometimes you just have to tackle problems head on and in-house. Our work is sometimes just a small intervention or a larger multi-year or multi-program initiative – our engagement model is flexible.

We work with you on the issues you face end-to-end. Whether it's defining the problem, operationalising ideas or managing projects and programs, Grant Thornton Consulting will help you deliver the outcomes you seek.



# How we work with you

Grant Thornton Consulting works with you to devise and implement the right strategy to deliver on the outcomes your stakeholders demand.

We make it our business to deeply understand your business and take a hands-on and practical approach to the design and delivery of all advice.

Above all, we are committed working with you to deliver the outcome, not just a process.

Grant Thornton Consulting brings together specialists with deep expertise in each of the five areas that are critical to high performing public sector agencies: Strategy & Growth, Performance Improvement, Human Capital, Technology Advisory and Business Risk.

By engaging Grant Thornton Consulting, you also access the expertise and experience of world-leading assurance, tax and advisory teams.

From the unique audit and assurance requirements facing agencies, to staying across the complex fraud and corruption obligations (and managing the ever-increasing exposure points for such conduct) facing the sector, we can introduce you to experts in a range of areas affecting the public sector with deep industry experience.

## About Grant Thornton

Grant Thornton is an award-winning globally recognised professional services network and is one of the world's major organisations of independent assurance, tax and advisory firms.

Grant Thornton member firms help dynamic organisations to unlock their potential for growth. Our brand is respected globally, as one of the major global accounting organisations and is recognised by capital markets, regulators and international standards-setting bodies. Our global scale across more than 135 countries and 50,000 people means we can meet the changing needs of businesses and provide them with the insight and agility to help them grow.

Grant Thornton Australia has more than 1,160 people working in offices in Adelaide, Brisbane, Cairns, Melbourne, Perth and Sydney. We've got scale, combined with local market understanding. That means we're everywhere you are, as well as where you want to be.

**You can learn more about Grant Thornton's services at our website [grantthornton.com.au](https://www.grantthornton.com.au)**

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