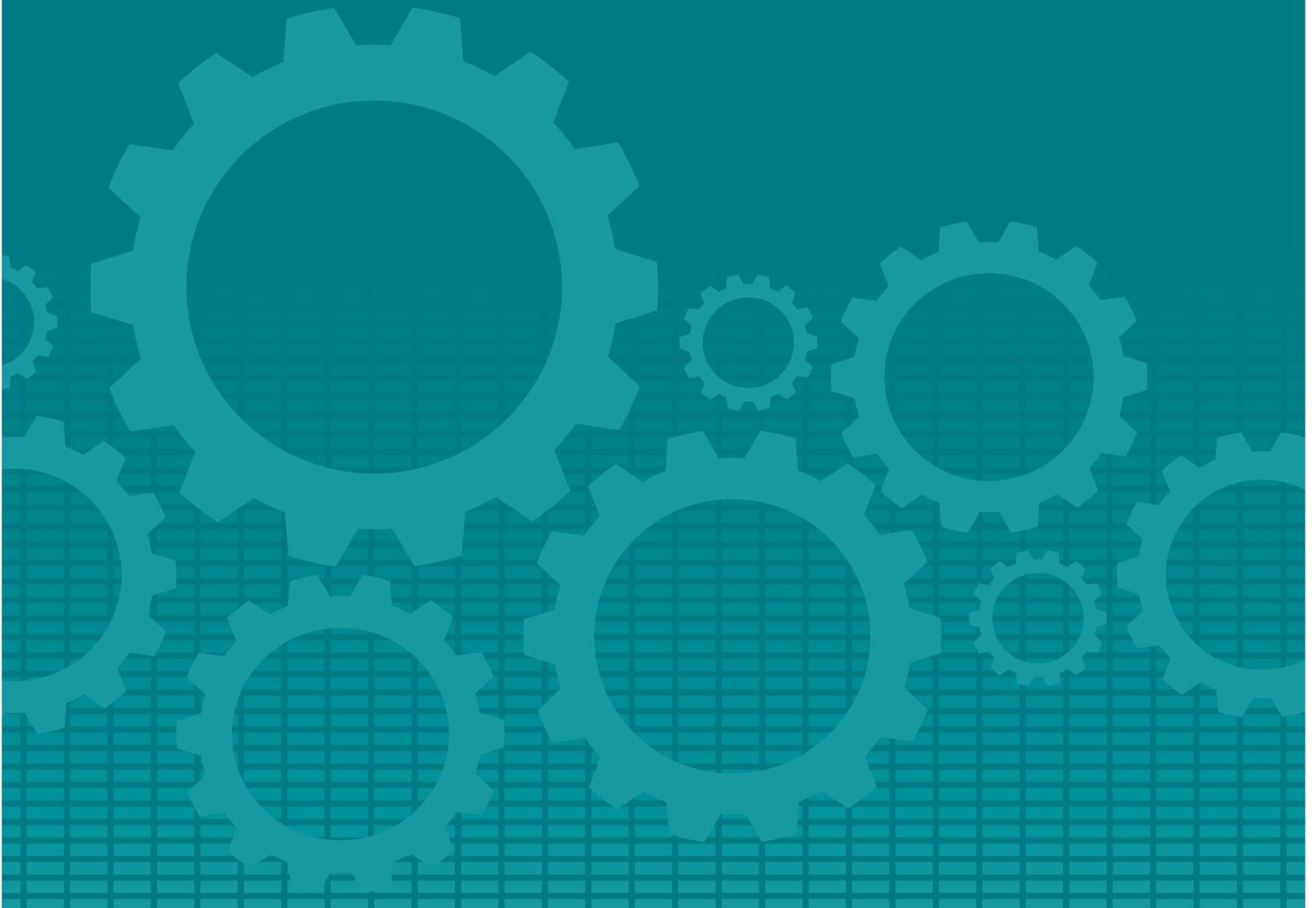




Australian Government  
Department of Human Services

# Quality Framework



working  
as one

[humanservices.gov.au](http://humanservices.gov.au)



The Quality Framework is based on six quality elements including accountability, quality processes, issues management, capability, culture and reporting.

## Foreword

The Quality Framework is a significant milestone for the department. For the first time since integration we will have a single set of expectations for ensuring that the services we deliver are high quality and meet the expectations of both customers and government.

We deliver an extraordinary range of payments and services to many millions of Australians. Last year the department paid around \$158 billion in payments. Each day, staff have around 360,000 face-to-face interactions with customers across just less than 600 sites and answer 220,000 customer calls. The opportunity is there to make every one of these a positive experience.

Equally important are our connections with business and stakeholders, including medical professionals, professional associations and community and not-for-profit organisations. We are one of the largest Australian Government agencies, touching the lives of every Australian at least once during their lifetime.

With this role comes great responsibility. Every time we make a decision on how we design and deliver services we must consider the people we serve and put them at the centre of everything we do. Everything we do really matters.

We need to respond to customer feedback and take action to prevent systemic issues from occurring. Increasingly, it is not enough to simply respond once something goes wrong – mistakes are costly and we want to avoid them. We need to build in checking systems and escalation processes which will enable us to more proactively identify issues and act quickly and collaboratively to prevent and resolve them. We are all responsible for quality and as leaders we have a particular accountability for ensuring staff and customers are engaged in the design and implementation of best fit solutions. This is what the Quality Framework is about.

The Quality Framework is based on six quality elements including accountability, quality processes, issues management, capability, culture and reporting. Together these elements form the basis for performance improvement and organisational excellence. While there may be different ways of applying these quality elements because of the diverse nature of our business, consistency will be encouraged through the development of a common language and common set of tools, templates and reference materials. These materials will be available on the intranet's Quality Information Hub. In addition, specialist staff will be on hand to consult with business areas and training in continuous improvement and quality techniques will be available to those staff charged with responsibility for implementation.

Leaders and staff will now have a clear set of quality guidelines. We will be better equipped to deliver on our Strategic Plan commitment to deliver quality services to our customers. *Everything we do really matters.*

### **Kathryn Campbell**

Secretary

Department of Human Services

September 2013

## Introduction

The strategic purpose of developing a departmental Quality Framework is to mandate a consistent and integrated approach to delivering quality services and to support the department to be collaborative and proactive rather than reactive in addressing gaps, identifying systemic issues, best practice and continuous improvement opportunities.

This document outlines the approach to building the Framework which will consist of six elements - Accountability, Quality Processes, Issues Management, Capability, Culture and Reporting. Underpinning these elements is the key principle – Continuous Improvement.

The Framework includes the fundamentals of quality such as quality standards and definitions, integrated quality processes, knowledge management processes including process mapping, metadata, as well as providing solutions for accountability and performance management of quality.

The Framework will support our strategic theme of 'Government outcomes, customer outcomes'. It provides governance and support structures to apply the model at an individual, product and services or organisational level. A focus on products and services is a basic building block of the Framework because it ensures a customer centric approach and an outcomes focus. The term customer is to be taken throughout to include stakeholders, providers and third parties as appropriate.

The new approach has three core features:

- building an approach to managing for quality that is integrated across programs, and consistently applied in all parts of our operations;
- identifying and resolving systemic issues that are impacting on our service delivery; and
- all leaders within the organisation taking a visible, personal and accountable 'customer advocacy' role in driving resolution of quality issues.

## Intent

The Framework supports our Strategic Plan by empowering our staff to 'deliver quality services to our customers' that are cost effective and improve the customer experience. There are key links to high level strategic priorities including:

- 1B Ensure we have controls and processes in place to meet our strategic objectives, manage risks and make effective use of our resources.
- 2A Examine work functions...to identify the functions, responsibilities and support our people need so they can build and deliver our services.
- 2C Strengthen our leadership group by driving accountability; and
- 3C Continually evaluate the effectiveness of all our services using input from the community, customers, service providers and our partner agencies.

The Framework will support us to deliver these strategic priorities and service charter promises by providing a consistent, business owned approach for building quality service delivery elements into each product and service – for example, process maps will help identify lengthy onerous processes; quality checking will identify re-work issues and proficiency testing will help identify capability gaps; all of which, when resolved, will result in more cost effective processes and a better customer experience and fewer complaints.

It will provide an important adjunct to program strategies such as the Business Reviews, Program Integrity Reviews and Conformance Reviews. A fully implemented Quality Framework will provide the bridge from reactive effort to proactive effort and becoming a quality focussed organisation. As we are all currently responsible for the delivery of quality service and outcomes, any costs associated with implementation of this Framework are intended to be absorbed.

## Consultation

To inform the development of a departmental Quality Framework a stakeholder engagement forum was conducted in Canberra on 22 November 2012. The purpose of this forum was to seek input from senior stakeholders and use their input to inform and advance the Framework.

Following the workshop, the Quality Advisory Group was formed. This Group was established after consultation with members of the previous Quality Sub-Committee. An updated terms of reference was drafted and the first meeting held on 29 January 2013. The Quality Advisory Group will report through to the Customer Committee and will play a vital role in the Framework and delivery of quality customer outcomes.

A stocktake of quality control and quality assurance processes has been undertaken and distributed to stakeholders for review and input. An engagement plan has been established, internal and external stakeholders have been contacted to provide insight into existing frameworks and to ensure views on quality approaches such as what works and what doesn't are captured and taken into consideration.

A National Quality Managers forum teleconference was held in December which provided the opportunity to inform quality managers of the proposal and to seek their ideas and input. A further meeting was held early February 2013.

SES briefings have been held and feedback was sought from Deputy Secretaries Participation, Families and Older Australians and Health and Service Delivery Reform, whose input has been incorporated into this paper. Further stakeholder workshops were held in May to test the draft Framework itself, to ensure it will be useful to managers and staff and ensure we have incorporated current best practice.

A review of external Quality Frameworks has been undertaken. Internal views on this Framework have also been sought. Concepts and principles have been considered in the build of our Framework approach.

## Definition of quality

Quality is ensuring Government outcomes are achieved as intended and that we are meeting our published service commitments to customers. This will be through:

- a skilled capable workforce that has correct and timely information to do their job well
- a workforce that proactively escalates issues to improve our products and services
- quality checking processes that provide early indicators of problems
- using internal and external feedback to build business intelligence leading to business improvement
- quality reporting together with operational indicators that provide an overall view of the health of our products and services
- an accountable leadership that resolves underlying causes of systemic issues.

## Knowledge Management

The Framework will require that leadership addresses the challenges of knowledge management. Moving to a systematic management of knowledge is a culture change process. We will be introducing a culture where knowledge is seen as important to corporate success, and where accessing and sharing knowledge becomes a routine process. This will require a change in the way people think and behave.

The Framework will require the following data and technology resources to assist the understanding and investigation of quality issues:

- business process modelling policies, standards and tools
- access to accurate and timely data sources
- a technology based issues management tool
- enterprise data warehouse that includes customer and corporate information
- active mechanism for staff to propose enhancements
- ensure that all systems have appropriate documentation and metadata.

## Six elements of the Quality Framework

**Accountability:** The foundation of a Quality Framework is the establishment of operational and support accountability structures, responsible for the implementation and administration of the Framework.

**Quality processes:** Quality processes are a set of guidelines that when used repeatedly will ensure quality. When consistently applied, processes are a valuable source of information which aids effective decision-making.

**Issues management:** The issues management process will bring together the intelligence gathered through various issues and feedback registers into a consolidated register and assign responsibility for resolution.

**Capability:** Enhancing the department's capability at an organisational and individual level is critical to achieving quality outcomes. Staff who are well trained and confident to use the skills and techniques at their disposal will drive high performance results without sacrificing quality.

**Culture:** The implementation of the Framework will generate greater teamwork and leadership, escalation, creativity and discipline accelerating our department's transition from being reactive to proactive performance management. Quality focused leaders and staff will drive changes in behaviour, new methods of working, improved communication, better team work, a clearer focus on long term improvement strategy and more informed and accountable decision making.

**Reporting:** The development of performance reports will include new indicators of quality to provide a more balanced view of the performance of each business area. Measuring quality in conjunction with operational measures will drive accountability and continuous improvement through increased visibility of the standard of our products and services that we deliver. Performance reports will include benchmarking achievement of quality standards both qualitative and quantitative to ensure all aspects of our products and services are measured.



## Accountability

The foundation of a Quality Framework is the establishment of a governing system with responsibility for endorsing the quality strategy, vision, policies and processes, issues management model, quality communication strategy, and the ongoing development of quality key performance indicators.

**Customer Committee:** The Customer Committee will provide the senior executive sponsorship and support to the Quality Advisory Groups' quality activities. The Customer Committee will have the mandate to critically assess the Framework and continuous improvement initiatives to ensure that appropriate resources are allocated, priorities are set and expectations and outcomes are managed as required.

**Quality Advisory Group:** The Quality Advisory Group will strategically direct the implementation of the Framework and ongoing priority quality improvement activities. The Quality Advisory Group will provide timely updates to the Customer Committee on the development, implementation and maintenance of the Framework. The Quality Advisory Group will also propose and monitor performance against agreed quality key performance indicators (KPIs), propose or endorse continuous improvement strategies to address significant quality issues, ensure that considerations of quality customer/Government outcomes informs departmental business practice and promote quality through communication and case studies.

**Service Delivery Performance and Quality Division:** The Service Delivery Performance and Quality Division will develop the Framework; establish documentation that underpins the Framework for example, vision, strategy, quality policies and procedures, processes, issues management model and communication for consideration by the Quality Advisory Group. The Division will also provide expert knowledge in an advisory capacity and skilled staff to undertake independent reviews of specific issues jointly with business owners and recommend appropriate improvement strategies as well as secretariat support to the Quality Advisory Group.

**Operational accountability:** Each National Manager will be accountable for managing the administration of their quality strategy including decision-making, alignment with the Framework, issues management, analytical investigations and continuous improvement initiatives. National Managers will work collaboratively with each other and with the Quality Service Recovery and Customer Review (QSRCR) branch, Service Delivery Performance and Quality Division to:

- advocate quality in service delivery and drive improvement initiatives
- report on quality indicators and issues management progress
- collaborate with other branches regarding systemic issues and business improvement

Each National Manager will facilitate a self-assessment of current quality processes to gauge current conformance with the elements, principles, standards and tools outlined in the Framework with the aim of establishing a quality strategy for the branch. Note: Self-assessment tools and support will be provided by the QSRCR branch.

**Quality Strategy Plans:** The establishment of quality plans is required to support the implementation of the branch quality strategy. The quality plan will outline each task required to ensure the Framework requirements are in place.

**Connecting the business:** The department implemented a program to encourage creative thinking and enable the sharing and discussion of ideas. The program is called iDHS. It is envisaged that continuous improvement tools and techniques in the hands of skilled staff within each business area, will support the analysis and identification of improvement strategies of potentially viable innovative improvements.

**Encouraging collaboration and active engagement:** A Business Ownership Register will be established to define ownership responsibilities and accountabilities for each product and service, providing clarity and improving accountability for decision making and issue resolution.

**Planning:** Alignment with the Framework is to be included in:

- Strategic planning
- Business and performance planning
- Management and Leadership Capability Framework
- Job statements at the SES and Executive level
- Other capability frameworks
- Individual performance and development agreements.

### Assessing implementation of the Framework:

The Framework will be formally assessed annually against relevant quality standards and principles. This will ensure that the Framework is effective and is continuously improved.

### Integrating other quality related frameworks:

The Framework sets the parameters within which other business areas will develop or refine their quality, program management, capability, and compliance and ICT frameworks. This means that these frameworks will have much in common, but not that they will be identical. The Framework is an instrument that will help strike a balance between what we have in common and what is particular to each business area.

A viable process for reviewing all quality processes initiatives on a regular basis will be established.



## Quality processes

All aspects of the Framework will be implemented and will include an evaluation of reference tools, the identification of issues using continuous improvement methodology and analytical tools, data and technology requirements and quality processes.

Implementation will be progressive, identifying those products and services requiring priority attention where quality, rework, complaints or risk may currently be an issue. A viable process for reviewing all quality processes initiatives on a regular basis will also be established.

Quality checking will consist of a combination of pre-checking, post-checking and targeted checking which will be developed to ensure that appropriate checks are in place within the end to end business process to provide assurance that the information and outcomes generated are of a high standard, and are compliant with relevant policies and procedures:

- confidence levels associated with current quality control/assurance systems will be assessed
- definitions related to quality will be defined and standardised
- all quality process and procedures will be documented

A categorisation model, including the impact on the customer, will be consistent with a new Integrated Feedback and Issues Management Register. This will ensure that processing errors can be easily linked to feedback and issues management to ensure a whole of business view of 'like' complaints, issues and errors impacting customers.

Where traditional quality processes are not feasible, other types of quality processes will be introduced. This will ensure that a systematic cycle of formal checks is undertaken on products and services to evaluate the quality of the product or service being delivered. The data and information collected will be reviewed for accuracy and reliability and will be conducted in accordance with quality processes guidelines.

**Measurement of success:** The above requirements will be measured by quality and accuracy key performance indicators.

**Customer outcome:** Ensures the department is proactive in addressing errors and repeat calls, resulting in unnecessary customer contact.

## Issues management

**Issues management:** The issues management process will bring together the intelligence gathered through various issues and feedback registers across the department into a consolidated issues management register. The success of a departmental issues management approach will be dependent on defining accountabilities, principles of operation, including ownership for specific business areas within the register (i.e. feedback technical support), identification of categories, identification of the owner of the issues (single or multiple) and tracking.

The issues management process will form a repository for capturing finalised issues from multiple sources with the aim of undertaking further analysis to identify and address systemic issues.

Staff will require training in applying continuous improvement methodology and associated analytical tools including root cause analysis techniques, for example 'five whys analysis'. Service Delivery Performance and Quality Division will provide on-going support in relation to root cause analysis investigation.

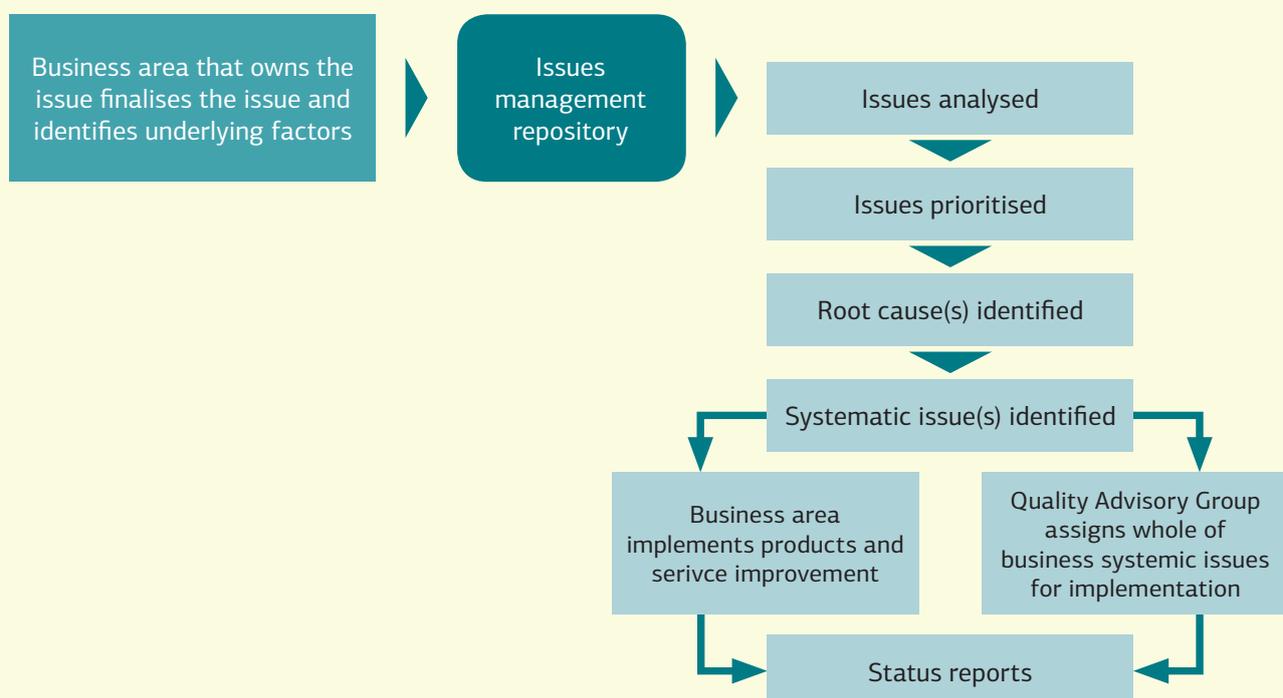
Governance of the overall management of the departmental issues register will be established including accountability for the monitoring of systemic issues from identification to implementation and learning. Suitably skilled staff will use the appropriate tools to analyse complex issues within the issues register, providing business intelligence and identifying trends to better address and anticipate issues. The effectiveness and benefits emanating from implemented business improvements will be measured and reported to the Quality Advisory Group.

Currently intelligence about our services and processes is captured via feedback registers, customer surveys, suggestion boxes, quality control error registers, technical support, policy support, issues registers, enhancement registers, staff surveys, complaints, Ombudsman administrative deficiency findings, internal audits and reviews and payment accuracy risk management plans (this list is not exhaustive). There is currently no link or overview provided of this intelligence in any consolidated way.

Business areas will be responsible for capturing, categorising, resolving and implementing improvements, providing feedback and identifying underlying factors as required.

**Measurement of success:** The above requirements will be measured by the implementation of the required tool or the per cent by which the task is completed.

**Customer Outcome:** Builds intelligence to assist decision making, improving the quality of our products and services for our customers.



## Capability

As part of the continuous improvement process, quality intelligence will be gathered and analysed including results from root-cause analysis. The findings from this analysis may include gaps in work processes, work practices or individual capabilities. Managing individual capability is therefore a key element of this quality framework.

In addition staff capability to participate in quality initiatives will need to be addressed and staff provided with opportunities to obtain the necessary skills and qualifications, for example DMAIC and root cause analysis skills.

There is a need to build quality into workforce planning to ensure quality issues are addressed in future workforce requirements.

Staff need to be equipped with the necessary skills, tools and support to undertake their role. This will include the development of nationally consistent:

- new starter training procedures and standards
- standards to ensure remedial and refresher operational training is undertaken at individual, team or product level as part of a quality improvement strategy (root cause analysis investigations)
- procedures to ensure skills verification testing is undertaken and skill tagged
- procedures for ensuring quality-checker accreditation is undertaken, evaluated and skill tagged
- learning needs analysis templates to identify gaps in training, e-Reference, processing and information provided to customers
- development of training package for the application of the CI methodology and associated analytical tools. Coaching and or facilitation will be required to assist with the implementation or application of these techniques.

**Measurement of success:** The above requirements will be measured by the achievement of the required standard, or the appropriate notification that gaps in the process have been identified and addressed.

**Customer outcome:** The efficient and successful transfer of skills and knowledge will improve our ability to detect, escalate and resolve issues early and improve processing and information capability leading to more accurate and timely information payment.

## Culture

If we give staff the tools to ensure they can identify and escalate issues and see those issues lead to improvement strategies that are implemented we will build a quality-focused culture.

Desirable cultural characteristics include:

- quality is built into and is perceived to be an integral part of systems, processes and roles
- leaders consistently value and enable quality
- people are involved in and committed to developing quality solutions

Building a culture that emphasises continuous improvement of processes will result in a healthier workplace, satisfied customers and a growing reputation for delivery quality products and services. It requires our organisation to work collaboratively, to provide honest constructive feedback in relation to issues and processes, that there is consistent, well-structured and easy access to information, that there is a focus on getting it right the first time and that we value success and learn from our failures.

Quality reporting and clear accountability provides senior leaders with the opportunity to encourage and support, in a balanced way, the analysis and resolution of opportunities for improvement and be seen to be accountable back to staff and customers for resolving issues. This in turn encourages greater optimism by staff and escalation of issues.

A commitment to quality will be included in all relevant performance and development agreements

- and in multi-source feedback relating to performance management. Culture will be stimulated by:
- engaging staff from their perspective
- ideas and suggestions for continuous improvement are actively sought and encouraged
- reward and recognition for demonstrated commitment to quality (i.e. quality success stories)

A communication strategy to support cultural change has been developed including our mantra “Everything we do really matters” to reinforce support for attention to quality. Sharing of experiences, solutions and real life case studies between staff will encourage the right culture and a more positive customer experience, less repeat contact and rework. A quality awareness program will be implemented to raise the awareness of departmental endorsement of quality approaches - simple continuous take away messages that will create an holistic understanding and desire to embrace a quality culture. The program will prepare leaders and staff to become effective participants in the framework strategy and elements.

# Reporting

There are a number of diverse performance reports currently being produced, ranging from scorecards to performance snapshots.

They may be prepared by individual business areas, with their own internal indicators, or for senior executive where reports are prepared by Service Delivery Performance and Analysis Branch. What these various reports have in common is that they provide statistics of the performance of each indicator standing alone and largely from an efficiency perspective.

A view of the interrelationship with other indicators is not demonstrated in the majority of these reports. Current reporting therefore does not provide the department with an overall picture of how satisfied our customer is or how well we are meeting our government responsibilities.

**Example:**  
The process may have been timely, but the result was inaccurate information or a wrong payment. The data is showing a good result as there was a low wait time – but the customer has had to contact us again because the information did not meet their need or the inaccurate payment has caused distress. There is currently no measure of repeat calls and limited intelligence in relation to repeat work – however there is customer complaint data and quality checking results – business intelligence going to waste if not used to provide a whole of business view.

By requiring the business to consider development of quality indicators and providing greater intelligence through quality monitoring and reporting, the Framework will enable a more comprehensive measure of how well our business is performing and what we can do to proactively implement improvements.

## Executive level—Performance and Quality Scorecard

At an executive level, a Performance and Quality Scorecard will group performance and proposed quality indicators (to be developed) into agreed categories. The four quadrants outlined below are an example only, based on concepts developed by Harvard Business School. Input by key stakeholders is required to determine the most appropriate categorisation for the department.

- Service Performance
- Customer Relations
- Internal Monitoring & Assurance
- Learning Development & Administration

Within each of these four quadrants, achievement against current performance and proposed quality performance indicators relevant to each product or service will be reported using a traffic light concept (in line with project management reporting).

For each product or service where any one of the four quadrants has not met the overall benchmark, root cause analysis is required to identify systemic issues.

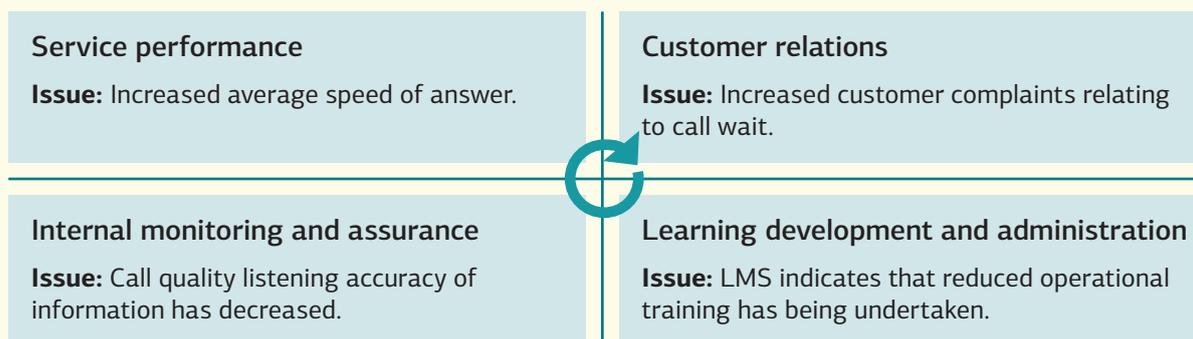
A Performance and Quality Scorecard, to be developed, will report identified systemic issues, strategies and timelines for improvement. Over time it is anticipated that the interrelationship between Quality and Performance measures will further help the business to proactively identify issues, that is before they impact on our performance indicators.

## Branch level reports

At a branch level agreed executive level performance and quality indicators will be the focus for business area reports.

The business area will identify issues impacting the achievement of the overall four quadrant approach. Root cause analysis of issues will be undertaken. The identification of systemic issues and improvement strategies will feed into the executive reports.

### Example of a Performance and Quality Scorecard in action



## Continuous improvement

Continuous Improvement will facilitate the achievement of quality objectives and form the foundation for effective quality outcomes for our customers. The long-term health of any organisation depends on their commitment to continuous improvement, gradually building up skills and capabilities within the organisation to find and solve problems.

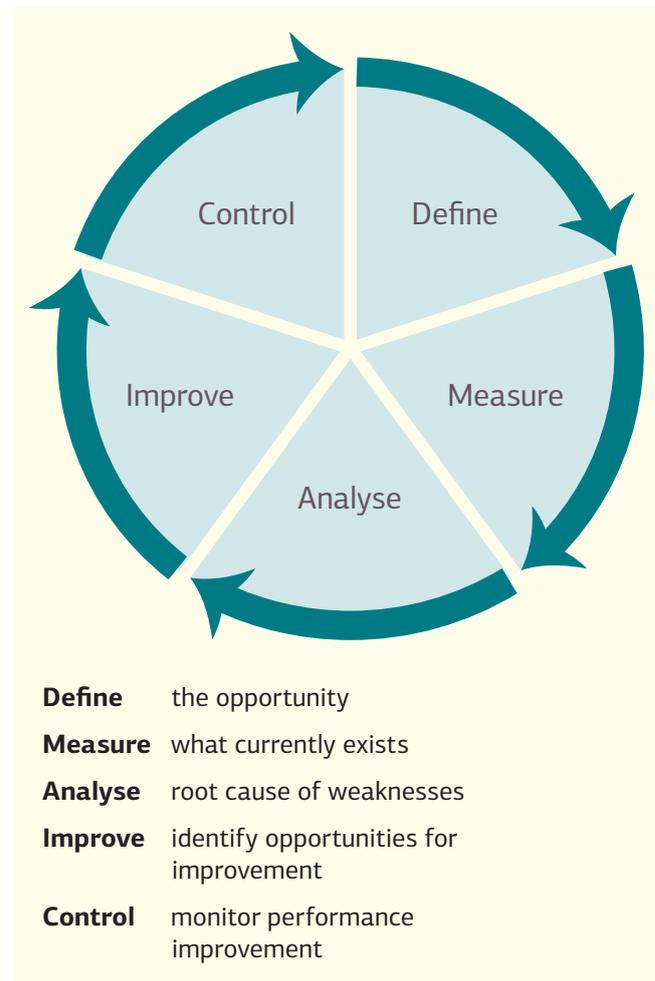
The critical factor in identifying improvement and best practice opportunities is that they are appropriate to the current and future needs of the organisation and can be acted upon in a reasonable timeframe.

The 'DMAIC' Continuous Improvement Methodology (see Figure 3) provides a structured approach to uncovering problems or gaps and determining ways to fix them. As part of the *Analysis* phase of 'DMAIC', additional problem solving tools can help enable the process including:

- Root Cause analysis including 'five whys'
- Benchmarking
- Problem-solving cycle
- Brainstorming
- Cause and effect (fishbone) diagrams
- Flow diagrams
- SWOT analysis

In the long term the continuous improvement process should be used by all business areas. Continuous improvement activities should be transparent and fully articulated allowing us to make best use of the improvements designed and pool resources where appropriate.

Figure 2: DMAIC Continuous Improvement Methodology



## Stakeholder benefits

The department's Quality Framework for Service Delivery will deliver the following benefits:

Stakeholder	Benefits
<b>Department</b>	<p>Provide a Framework that will ensure a structured approach to monitoring and addressing quality issues and continuous improvement activities, culminating in improved outcomes, products and services for Government and customers.</p> <p>Greater assurance that outcomes are being achieved as intended.</p> <p>Increased self-managed services through the application of targeted quality improvement processes, leading to the broader use of naturally connected and self-managed services.</p>
<b>Managers</b>	<p>Provide an overview of the health of each product and service, leading to improvements in the quality of data, reduced rework and early detection and resolution of issues.</p> <p>A focus on quality from design to implementation and review will ensure the delivery of a better quality product.</p>
<b>Staff</b>	<p>Build skills and expertise in continuous improvement and analytical tools to identify opportunities for improvements to our services and processes.</p> <p>Build staff skills and processing knowledge to provide a better quality service to our customers.</p>
<b>Customers</b>	<p>Improved accuracy and integrity in the information we hold will ensure customers accessing their data on line will have greater confidence in the information provided, leading to more customers accessing our services online.</p> <p>Single contacts and accurate payments lead to increasing our reputation as being a quality organisation.</p>

humanservices.gov.au

10454.1302