### Leading from the Front

A conversation with Peter Hughes



Peter Hughes
State Services Commissioner

He's been called the most outstanding public servant of his generation, won Chief Executive of the Year multiple times plus a raft of other leadership awards. Public Sector's ROSE NORTHCOTT talked with Peter Hughes, the new boss of the State Services Commission.

At the time of appointing Hughes to the job, Prime Minister John Key said the State Services Commissioner is a vital role, responsible for leading and overseeing the performance and integrity of the State Service, employing most public service CEs, plus driving ongoing improvements in the sector and how it operates.

#### WHAT MAKES A GOOD PUBLIC SECTOR LEADER?

There are three big things that make a difference – clarity of purpose, leadership and teamwork. The three go together. Leadership is a whole bunch of things but at the end of the day I talk about it as followership – not following the person or leader, but the direction of travel, what you are trying to achieve.

#### HOW HAVE YOU PUT THAT INTO PRACTICE IN THIS NEW JOB?

In the first week I got everyone in the same room for an open forum discussion with me and asked what do you want to talk about? We filled the whiteboard. But it wasn't about me answering questions. The point was that 100 people were looking at me, checking me out, thinking what is he about, is he listening, does he care, will I follow him? People and communication – that's critical to leadership. I often say communication is the oxygen of leadership.

#### WHY DID YOU JOIN THE PUBLIC SECTOR?

I was doing a BA in English Lit. and French language at Victoria University and was also enrolled in a law degree. I had a great Christmas holiday job at the local Department of Social Welfare office. I was at the bottom of the food chain, on the front-line working with people on the unemployment benefit and with sole parents. I loved it. I finished the BA and had about two years to go to finish law and I thought I don't want to do conveyancing. I want to work with people. I went on DSW's permanent staff and dropped out of law.

I was a basic grade clerk in the benefits division of the Wellington district office – we were called basics for short. I was 0007.101 and

reported to the 0007.102 section clerk who reported to 0007.103 senior section clerk and so on – it was like Gliding On, an old fashioned bureaucracy - but I loved the work.

#### WHAT ROLE HAS EDUCATION PLAYED IN YOUR CAREER?

I come from a working family and I'm the only person in my extended family who's got a university degree. Education has the power to change your life. It certainly changed mine.

While working at DSW I did a post-grad Diploma in Business & Administration through Massey. Later on, I helped a chap called Andy Kirkland do a reorganisation of DSW. It was the time of the 1990s Labour Government reforms and we took a big, old, lumbering department and turned it into a set of business units. At the end of that Andy asked what job I wanted. I was only in my early 30s and a colleague said you're too young to do one of those jobs. You need to get rounded out, you need to go to university and do a Masters. I thought, she's right.

I applied for a Harkness Fellowship. I rocked up to the interview panel of sirs and dames and they gave me a real hard time. They said you're working at welfare, what does that contribute to the economy? I lost my rag a bit and said two thirds of government spending goes on people on welfare, it's time someone started caring about that. They sent me on the fellowship, paid for me to go to Harvard to get a Masters Degree in Public Admin. It was an incredible experience.

## YOU CALLED YOUR PREVIOUS JOB AS CE OF MINISTRY OF EDUCATION THE BEST JOB IN THE WORLD. SO WHAT ATTRACTED YOU TO THE SSC ROLE?

I think education was certainly the best CE job I've done. It's the right end of the pipeline. I've spent a lot of time in welfare dealing with hard stuff – domestic violence, child abuse, neglect. In a way I wish I'd got into education earlier in my career. It's the end of the system where you can make a big impact.

This job is different. It's a whole-of-system-level role. In this role I get to think about the public service and state sector as a whole. To make a difference, that's the challenge of it.

If you go right back to the beginning of my career, I really do believe in public service; I believe it's a good thing to do in your life. I think we ought to be more positive and supporting of people who do it. Public service often gets quite a bad rap – talk about bureaucrats, often the

money side of things as if that's why people do it. In my experience, people do public service because they care and want to make a difference.

On my watch I want to reveal some of the contributions public servants make in our country. Since being in the job I've given a few speeches and I always start with that and I get a really strong positive response from people. I've been wandering around meeting all the public sector CEs at their place talking about what they want to see from me and the Commission, and it's absolutely fascinating to see the public service at work in its full diversity. I want public servants to celebrate and be proud of the difference they make.

#### WHAT ARE YOUR GOALS FOR THE JOB?

At this stage I've got four things:

- Public service and the ideal of public service, getting some positive recognition for that.
- We are part-way through a reform of the public sector system in New Zealand that's got two aspects. It's around better service, and more joined-up service. Putting the customer at the centre and achieving better outcomes for people. There's still more work to be done there.
- 3. I'm really interested in developing leadership in the public service and identifying leadership talent and bringing that through because that is our future. Leadership does make a difference.
- 4. I think the public service also has a role in leading on diversity and inclusion – it's doing well in a number of areas, but we could do better!

# A LOT OF YOUR ROLES (MSD, EDUCATION) HAVE BEEN AROUND LEADING AND MANAGING CHANGE IN THE PUBLIC STATE SECTOR ORGANISATIONS. WHAT INSIGHTS DO YOU HAVE?

I always start with the people. There are far too many people fiddling around with structures and systems and treating organisations like Meccano sets you can bolt together in the perfect way and then expect them to fly off into the sunset. What is really important is about clarifying what you are there to achieve, getting strong leadership and relationships and good teamwork. Really look after the people at the front of the organisation – they make the biggest difference. I put a lot of focus on culture building and leadership that empowers people to get on and take responsibility.

As CE I've always tried to clear a way for the people to get on and try stuff and take risks - it's the job of the leaders to make that possible. To do that, you have to look for incoming missiles and icebergs without making your organisation risk averse. We need to be risk aware, not risk averse.

# YOUR ACHIEVEMENTS AS CE OF MINISTRY OF SOCIAL DEVELOPMENT AND MINISTRY OF EDUCATION ARE WELL DOCUMENTED. WHAT WERE SOME OF YOUR EARLIER ACHIEVEMENTS?

When I came back from Harvard, George Hickton was running NZ Income Support Service and put me in charge of the southern region – the whole of the South Island. I'd never run anything that big before.

It was a huge learning curve. It was really old fashioned with 12 district managers, all men, no women to start with. They sent George an open letter saying we don't need Peter Hughes with his fancy Harvard degree; we can self-manage. It was all passive aggressive. I just worked with it. At that stage it was the worst performing region in the country and we turned it into the best performing one.

What I learned was the importance of clarity of purpose, leadership and teamwork, innovating and trying out stuff, identifying the best of it and sharing it around. I knew about the power of the frontline because I'd been on the front line and I have never forgotten what that's like. I freed up some of those front-line staff and used their skills and knowledge and that got us the distance. When we did succeed I gave everyone a prize to celebrate – a day off, which ended up in the media and just about cost me my job!

From there I went to health. I ended up as CE of the Health Funding Authority, a Crown Entity. I was charged with disestablishing it. I managed to protect and preserve a lot of the IP and capability that had been built up in all the key people. I did it in a constructive and respectful way.

## WHAT'S YOUR ADVICE TO YOUNG PUBLIC SECTOR PROFESSIONALS?

The public sector needs people who care and want to make a difference. Go where you can do that, where you are going to be passionate and where you want to make a difference. If you get that right early on, everything else will follow.

#### Recent career path:

1999	Chief Executive, Health Funding Authority
2000	Secretary for Internal Affairs, Department of Internal Affairs
2001	Chief Executive, Ministry of Social Development
2012	Professor of Public Management and Head of School of Government, Victoria University
2013	Secretary for Education, Ministry of Education
2016	State Services Commissioner, SSC

