

OFFICE OF SHARED SERVICES — DECOMMISSIONING

Statement by Minister for Finance

HON SIMON O'BRIEN (South Metropolitan — Minister for Finance) [10.03 am]: I would like to update the Parliament on the government's progress towards decommissioning the Office of Shared Services.

A steering group chaired by the Director General of the Department of Finance, Anne Nolan, is in place and is making good progress. The steering group is charged with providing advice to the government, through me as the Minister for Finance, on an implementation plan for the decommissioning of shared services while considering and evaluating options that may retain benefits from previous investment into systems. In early August, the steering group reviewed options for each of the services provided by the Office of Shared Services—namely, human resources, payroll, finance, procurement and recruitment.

In considering the options for the recruitment function, it was apparent that all services provided by the Office of Shared Services are business processes—that is, manual—and there is no link to the information software's enterprise resource planning system. It was also widely recognised that recruitment had been a source of significant client dissatisfaction. Thirty-two agencies receiving recruitment services indicated a strong desire to resume control over this important function. The chair of the steering group has advised me that the only viable solution for the future provision of recruitment is to return responsibility for these processes to the agencies. I have therefore approved the immediate decommissioning of the recruitment function. The recommendation to me, on behalf of the steering group, also noted that there will be no requirement for increased funding for staff in agencies as a result of the return of responsibility for recruitment. Shared services recruitment staff will be transferred to agencies as the function is returned.

The decision to decommission recruitment will maintain the momentum for change. Work has commenced with the Public Sector Commission to ensure agencies are ready to resume responsibility for recruitment. The timing for the return of recruitment to agencies is dependent on the capacity of the Public Sector Commission to reinstall its recruitment advertisement and management system, which is the online system used by government to manage recruitment, redeployment, severance and entry-level vacancies in the public sector. It is expected that the decommissioning of recruitment will be complete by the end of November 2011. Agencies have been advised of the decision and I am pleased to say that this early move has been welcomed by the agencies.

Consideration of the statement made an order of the day for the next sitting, on motion by **Hon Ed Dermer**.