



AUSTRAC

Provision of an Operational Review

Summary Report



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Introduction

Overview

Introduction

The purpose of this document is to present the findings of the AUSTRAC Operational Review. In undertaking this review, AUSTRAC seeks agreement of the Finance and Resourcing Sub-Committee (FRSC) on priority scenarios for the movement of AUSTRAC resources to meet the future needs of the organisation.

The document includes:

- an overview of the scope and method used in conducting the review
- a summary of the data limitations
- an overview of how the data is presented
- data analysis, including:
 - workforce baseline
 - current delivery level for each branch
- presentation of branch scenarios for a 15% increase or decrease in FTE and a sensitivity analysis to determine the difficulty to change and the strategic impact
- an overview and description of the themes and observations that emerged from the consultations and an outline of top-down and bottom-up considerations for action, and
- a suggested timeline for implementation of the short term and long term solutions to the themes that emerged from the consultations.

Introduction

Scope and method

Scope of the review

The scope of the operational review was to:

- conduct desktop analysis of AUSTRAC material
- meet with Organisation Development team to validate workforce data and opportunities
- meet with Finance team to validate finance data and opportunities
- Meet with National Managers and Directors to discuss and determine what 15% plus/minus FTE would mean to the branch deliverables and the consequences of that plus or minus – People and Business Solutions and Strategic Planning, Finance and Performance to be pilot branches
- Facilitated FRSC discussion including presentation of consolidated information, options, analysis and a roadmap
- Presentation of FRSC agreed information, options, analysis and a roadmap to the Governance Committee.

Method

1. Development of a baseline view of each branch, comprising:
 - APS workforce numbers and average cost
 - contractor workforce and average cost
 - key branch outputs, including their contribution to AUSTRAC strategic outcomes (e.g. CEO priorities, corporate plan).
2. Identification of scenarios at a branch level for a 15% increase or decrease in FTE
3. Sensitivity analysis to ascertain the:
 - a) indicative difficulty of implementing each scenario across:
 - cultural implications
 - timeframe to implement
 - workforce redeployment options
 - other supporting requirements (e.g. ICT)
 - b) expected impact on branch outputs and AUSTRAC strategic outcomes of each scenario.

Introduction

Data limitations

Data limitations

This report has been produced using data provided by AUSTRAC. The data limitations are outlined below.

General

- There was some variation in the level of data provided across branches
- There is a possibility each of the branches applied the definitions (refer to Appendix 1) in a slightly different way to the scenarios presented during consultations

Points of clarification

- The data provided included point in time data for APS staff and annualised data for contractors
- The allocated FTE was based on 2019-20 budget
- The branch plans and correlating outputs were for 2020-21

APS staff and contractor figures

1. Actual APS = Actual staff at 1 July 2020 (OTE)
2. Actual FTE = Actual APS + contractor estimate for the 2020-21 financial year
3. Allocated FTE = budgeted FTE 2019-20 + actual contractor 2019-20

Introduction

Presentation of data

Presentation of data

The approach taken for this report has been to:

- collate and summarise the data provided by each branch
- consolidate and present a summary of the scenarios and their corresponding sensitivity assessment
- identify the themes and observations that emerged from the consultations and provide some consideration of short and longer term actions.

The scenarios identified by each branch present tactical opportunities for AUSTRAC to adjust its FTE allocation. A number of themes have emerged across the scenarios and have been presented with two options for consideration:

1. A bottom-up approach – involves implementing tactical solutions by theme from the base level up over the short term.
2. A top-down approach – involves strategic and whole of agency response over the longer term.

The following key has been used throughout to link data to specific branches.

	Strategic Communications		People & Business Solutions
	Strategic Planning, Finance & Performance		International Partnerships
	Intelligence Operations		Regulatory Operations
	Intelligence Partnerships		Legal & Policy
	Innovation & Technology Solutions		Executive & Ministerial

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Common Themes

Observations, considerations and value

Overview

While identifying the tactical scenarios for the movement of FTE a number of common themes emerged. These themes have been outlined over the following pages as an alternative consideration to the branch-by-branch scenarios for the movement of resources. These themes represent areas consistently identified for increased resources across the scenarios as well as areas identified for potential gain in efficiency or effectiveness.

The observations from the consultations that informed the themes have been captured over pages 22-24. Considered actions against these themes have also been outlined and presented across two approaches. The options of a bottom-up or top-down approach are outlined on the following page.

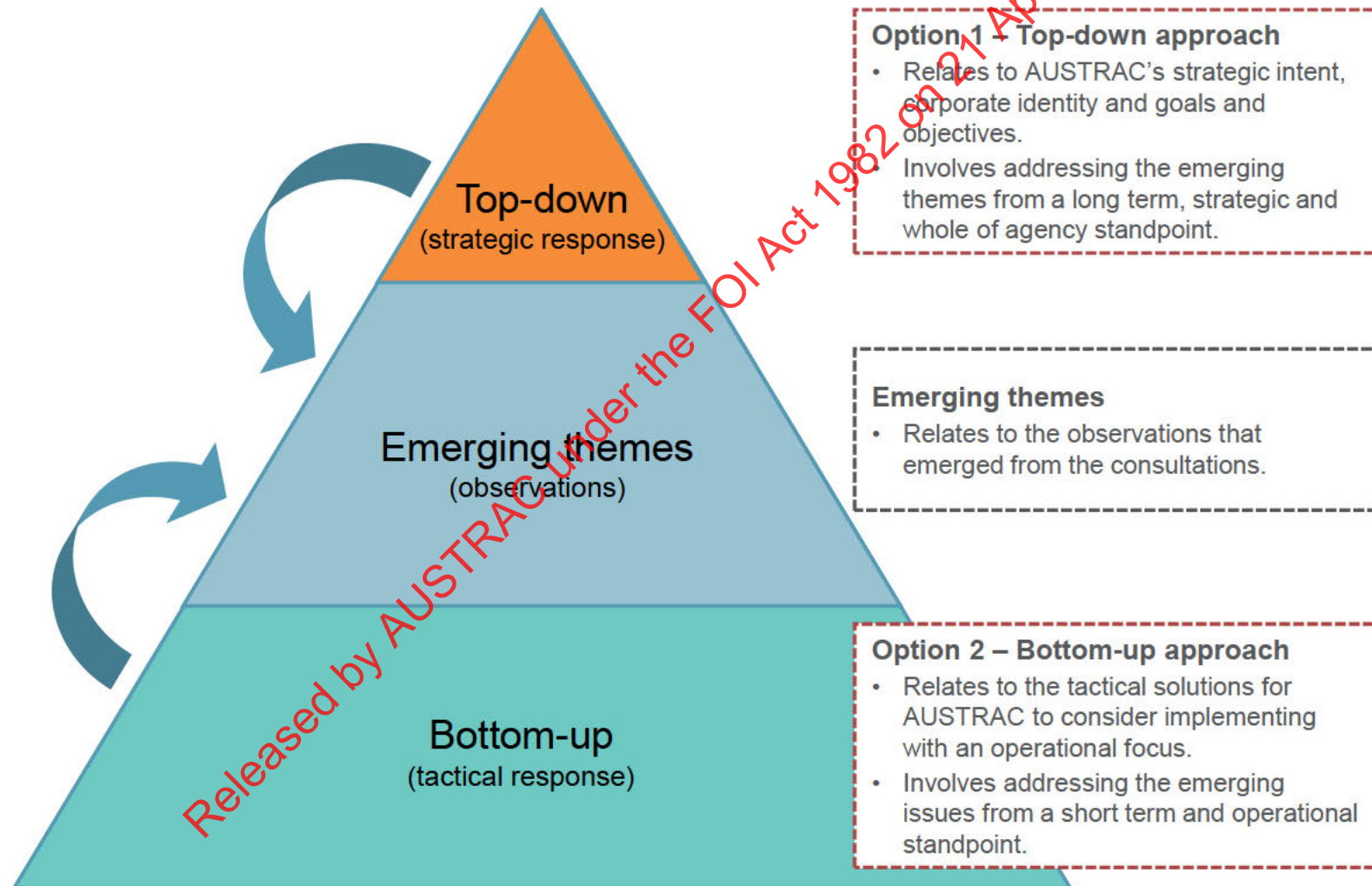
The high-level value to AUSTRAC in addressing these common themes has been identified. The value to the agency is consistent whether adopting a bottom-up or top-down approach. It should be noted however that a bottom-up approach is likely to return a short term value specific to the current environment while a top-down approach is likely to return a more sustained value to support the agency as it evolves.

The bottom-up and top-down approaches may have different applications across the different themes. In making this assessment it is important to consider the pros and cons of the actions relative to the challenges and opportunities, the environment and the capacity to implement. For example, a key consideration would be the value of a bottom-up approach in providing an immediate, local result versus the potential for sub-optimal longer term, agency-wide outcomes.

Common Themes

Approaches to address themes

The diagram below provides a high-level insight into two options for AUSTRAC to consider in determining the agency's approach to address the themes that emerged from the consultations.



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Appendix

Appendix 1 – Definitions

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Appendix 1 - Definitions

Current delivery level

The definitions below were used across all consultations to standardise analysis and review outcomes. An inbuilt assumption was that 100% delivery is appropriate for the outcome desired by the organisation.

Criteria	Definition
Maximum	Outputs delivered to a standard that achieve ~100% of potential outcome. i.e. there is no ability to improve the outcome generated.
Moderate	Outputs delivered to a standard that achieve ~75% of potential outcome. i.e. there is limited ability to improve the outcome generated.
Minimal	Outputs delivered to a standard that achieve ~50% of potential outcome. i.e. there is significant ability to improve the outcome generated.
Negligible	Outputs delivered to a standard that achieves <50% of potential outcome. i.e. there is currently no outcome being generated.

Appendix 1 - Definitions

Strategic impact

The definitions below were used across all consultations to standardise analysis and review outcomes.

Criteria	Low	Medium	High
Extent to which initiative impacts AUSTRAC outcomes (positively or negatively)	No change to current delivery level and associated outcome	Moderate change to current delivery level and associated outcome	Significant change to current delivery level and associated outcome

Appendix 1 - Definitions

Difficulty of change

The definitions below were used across all consultations to standardise analysis and review outcomes.

Criteria	Low	Medium	High
Cultural Implications	No impact on AUSTRAC culture	Moderate impact on AUSTRAC culture	Significant impact on AUSTRAC culture
Timeframe to Implement	< 3 months	3 to 6 months	> 6 months
Workforce Deployment Options	No ability to redeploy workforce	Partial ability to redeploy workforce	Complete ability to redeploy workforce
Other Implications (e.g. ICT)	No other dependencies / costs to action change	Moderate other dependencies / costs to action change	Significant other dependencies / costs to action change

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