

University of Technology Sydney

Doctor of Philosophy

Thesis

**A study into the dissonance in the
Governance Principle of Accountability in
the Australian Public Service Department
of Defence**

Principal Supervisor:

Associate Professor Shankar Sankaran

Co-Supervisor:

Dr Julien Pollack

Prepared by:

Anthony Patrick Ablong

Submission:

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CERTIFICATE OF ORIGINAL AUTHORSHIP

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me, and that any help that I received in my research work and the preparation of the thesis has been acknowledged. I also certify that all information sources and literature used are indicated in the thesis.

Signed: _____

Dated: 16th December 2013

Candidate: Anthony Patrick Ablong

Endorsed:

Signed: _____

Dated: _____

Principal Supervisor: Associate Professor Shankar Sankaran

Endorsed:

Signed: _____

Dated: _____

Co-Supervisor: Dr Julien Pollack

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Abstract

Over the past four decades, public commentary, independent reports and Australian Government enquiries have claimed and shown that the Department of Defence (Defence), the largest and most complex Commonwealth agency, has not managed the use of public monies in its acquisition and procurement activities at an acceptable level, and as a consequence there has been a corresponding loss of public confidence in its conduct. In the period 2000 to 2010, the Defence spent about \$26.8 billion (i.e., 2 percent of Australia's national income) a year of public money. During this period, progress albeit questionable had been achieved in some areas: in military operations, in defence policy, and in initiatives that were reflected in a range of public sector reforms that include the Kinnaird Review, the Mortimer Review, the Strategic Reform Program 2009 Delivering Force 2030, and other more recent Commonwealth Government commissioned Reviews such as the Black Review.

Despite these initiatives, the public evidence of the agency's performance continued to indicate its inability to deliver much needed lifesaving outcomes and outputs to the Australian Defence Force (ADF) and that there was a need to restore public confidence in the acquisition and procurement procedures and processes: raising questions about governmentality that focused on accountability, transparency, integrity and stewardship, four of the Principles of the Australian Public Service Governance Principles.

The research investigated three major capital acquisition and procurement cases identified in government documents using content analysis to determine whether the theme of accountability had been compromised. The evidence reflected instances of the agency's failure to adhere to and comply with the Australian Government legislation and APS regulations and rules to implement the programs: the outcomes of which were significant waste of public money and unacceptable reputational costs to the agency, the Commonwealth and the Australian community.

This study expected to find that as a traditional organisation, the Department of Defence's application of the large-scale authoritarian form of the Taylorism governance model to control, police, litigate and arbitrate would ensure adherence and compliance to the APS corporate governance principle of accountability in its acquisition and procurement activities.

However, in applying the key research question:

- How was accountability balanced against decision control in acquisition and procurement programs?

And the corresponding questions include:

- Were other APS Governance Principles affected?
- What were the impacts on the agency, its stakeholders and the APS by the dissonance?

the study uncovered evidence of dissonance in accountability and failure in the rational approach to public sector management activity whereby governmentality practices were taken out of the program and project management activities.

The significance of this qualitative study is that the theoretical elaboration of governmentality emerged to build on the sparse library of studies that links to the emerging Foucauldian Governmentalities themes and practices that show the nature of the shift in governance for collaboration, control and surveillance. The findings also contribute to knowledge in the practice fields of public sector administration and management, ethics, corporate social responsibility, public value, supply management and military studies.

Keywords: Governmentality, Public Sector Administration and Management, Ethics, Accountability, Public Sector Governance Best Practice, Corporate Social Responsibility, Auditor-General Assurance Reports, Australian Defence Acquisition and Procurement.