

Mike Pezzullo to SES staff

We have achieved much in the year since the announcement of the establishment of the Department and the portfolio of Home Affairs. I should like to thank you for your personal contribution to this endeavour. We have performed most creditably in relation to policy, operations and intelligence outcomes. During the coming year we will need to maintain this focus, while also lifting in relation to key enterprise, corporate and management functions.

I should specifically like to draw your attention to the Blueprint for Home Affairs. I expect you to fully read and understand the Blueprint and to use its content to ensure that your efforts are fully aligned with those of the greater enterprise. I also expect you to use the Blueprint to provide context to your staff, and to ensure that they understand how they contribute to a nation which is 'Prosperous • Secure • United'. The Blueprint is focussed on our workforce and our people; improving our systems and processes; and enhancing our use of intelligence and data. I will use your demonstrated efforts to realise the Blueprint when assessing your performance and considering future opportunities for you in the Department.

This letter does not cover the detail of the Blueprint but instead outlines my general expectations of you as a senior leader. We face many challenges, which I need not rehearse here. This is not a standard management letter concerned with specific performance goals. There are other avenues through which ordinary management expectations will be articulated. Nothing in this letter should be read as overriding or circumventing applicable laws and administrative policies, processes, practices and controls.

Good leaders are good managers – but leadership goes beyond management. What follows is my general leadership philosophy. It is important that we are aligned in terms of how to lead. First and foremost, we are one leadership team. We share credit and burdens across Group, Divisional and Branch lines. We tackle problems and arrive at solutions on an enterprise-wide basis. We value deep portfolio knowledge and experience, but we are also consciously building a diversified leadership team, consisting of leaders with different professional backgrounds and experiences, to deal with complex and inter-connected external risks and global dynamics. In terms of your own teams, I expect you to build capability, leverage the expertise, skill and experience of your people, nurture talent and assist your staff to realise their full potential. In doing so, I also expect you to contribute to our enterprise goals – even if that means at times willingly letting go of your best and brightest staff to work in other areas of the Department, the portfolio or government more generally.

I expect you to be authentically optimistic, always providing clear focus and positive direction to our staff, and energetically seeking to overcome obstacles and challenges. Your staff look to you for direction and motivation. Nothing destroys morale and focus more quickly and decisively than cynicism and negativity in supposed leaders. Your task is to inspire, persuade, stir and rally. To do this, you will have to communicate – clearly, effectively, consistently, and purposefully. You are not an

observer of events and tides. Your task is to interpret the external reality of your team and to show them the way forward. Not everything will always turn out as we would hope. When you see that something is wrong or needs to be escalated, do not ignore it or cover it up. If you need to escalate any issue, do so in a timely fashion, even if you do not have all of the facts or the fixes. Give key stakeholders the time that they might need to decide whether to intervene, direct or simply monitor. I expect you to deal with failure and disappointment individually and, as required, collectively. A helpless leader is no leader. Own and fix problems, and move past them. Absorb their lessons. So armed, become a better leader, and ensure that your team is also better for the experience.

I expect you to make decisions based on judgement, experience and intuition. The best decisions reflect a collaborative and strategy-centred culture. Our processes should ensure that different perspectives are brought to bear and the best data is garnered in support of decision-making. To do this, build new networks and foster existing relationships. Look for real world insights. Focus on information, data and intelligence – these things are central to all that we do. Knowledge of history, in its fullest sense, will give you a broad perspective, especially during what you might feel to be 'the darkest hour' – except, it almost most certainly will not be. History will be your lamp on these occasions, illuminating past episodes and rhythms which will suggest that we have faced similar challenges before now, and will do so again until the end of time. Engage with the reality of any given situation. Facts and results count more than cause and theory. Always ensure that you are in a position to explain your decisions, and the process by which you came to those decisions. Managing risk is central to every decision that we make, and you need to ensure that it is built into everything that you do. I expect you to calculate risk in order to mitigate threats and to take advantage of opportunities. In doing this, gather new partners – in industry, the general community, in other jurisdictions, and internationally. Be prepared to innovate, be agile and adjust as required, and leverage successful practice. In terms of taking risk, I will always back you if you can demonstrate that you have been operating within your lawful authority and your assigned span of responsibilities, that you have exercised reasonable judgement, based on demonstrable logic and evidence, and a clearly articulated risk/reward calculus, and that you have been looking to take advantage of opportunities to the benefit of the enterprise.

I expect you to take action. As a leader, your principal task is to generate effects, not merely to observe or, worse, give the appearance of activity. Always focus, giving every confidence that you have a firm grasp of the situation at hand. Crystallise your choices, pare your options and focus on those key actions that will make the most effective difference. Remain steady under pressure and especially in the midst of a crisis. Your confidence has to be credible and well founded. Do not micro-manage capable subordinates, but do not hesitate to spring into action when decisive intervention is required. Leaders bring a comprehensive conception to plans and activities. Often only they have the broad view and vision, the confidence, the authority and the vantage point from which to act quickly and decisively to grasp opportunities, or avert disaster. Do not over-exercise this prerogative, and only do so with purpose and effect. Leaders own their decisions through taking responsibility for the basis and the consequences of their decisions. Exercise judgement when

determining the necessary level of authority required for a decision to be taken. Decisions are best taken by those assigned with relevant responsibilities, and invested with the requisite authority. Do not pass decisions up the line needlessly, abrogate responsibility or become a bottleneck for timely decision-making. Be wary of debate which becomes a veil for indecision. That said, accept that some decisions will have to be taken as part of a collective process. You will be expected to own those decisions as well. If you have a dissenting view, that view should be prosecuted through the collective process. Have the courage to speak up at the appropriate time and in the appropriate forums. Open and respectful disagreement in decision-making discussions is welcome. Once a decision is made, however, it will be collectively owned.

Leaders are personally organised and efficient, and attentive to sound administration and management. By being personally well organised and prepared, you will reduce the 'noise' of your job and create as much space as possible to lead strategically and with purpose. Attention to detail, for instance in terms of sound record keeping, issuing clear written directions, reading papers ahead of key decisions and so on, are important aides to management – and good leaders are good managers. Meeting these standards is also a sign of respect. Disorganisation and a lack of appropriate attention to detail are signs of disrespect. Others rely on your attention, focus and decisions, so that they can do their jobs.

Leaders live by their values, and support and exhibit the values of their enterprise. Please do not say one thing and do another, or say one thing when it suits you and another when it does not. Value openness, collegiality and integrity, and have no tolerance for harassment, discrimination or bullying. Never put yourself into a position of being conflicted, in actual or perceived terms. You are required to declare any financial or other private interests that might give rise to real or apparent conflicts of interest. Non-disclosure of real or apparent conflicts of interest will be considered to be a significant breach should they subsequently come to light during the course of disciplinary or other proceedings. In terms of personal behaviour and ethics, you will of course comply with all stipulated rules and guidelines, but you should aim more generally to be known for exemplary behaviour.

In terms of reputation, we work in a highly contested space. Reputation is a function of what we do and what we are seen to stand for. It is not a function of communications plans and media management, although those aid in the management of reputation. Look for opportunities to authentically promote what we do, and to build confidence, without 'spin'. I would ask that you are especially attentive to the rule of law, and the oversight of the functions that we perform. Our portfolio is sometimes seen as a 'behemoth' which puts at risk liberty and personal freedom. You and I know that not to be true. To the contrary, we are dedicated to the proposition that without our concerted efforts in aid of economic prosperity, social cohesion, and an open society, and to the security of our nation and its people, our hard-won liberties and freedoms will be put at risk by hostile state actors and transnational non-state networks who would seek to fracture us, profit from misery, and otherwise expose us to the dark side of our ever-more connected and integrated global order. We

need to communicate this reality effectively, and with balance, lest others define us wrongly.

This letter will serve as the basis for any discussion that we might have during the year about your successes, which I will value and celebrate, and your (hopefully rare) mistakes and misjudgements, which will of course inevitably occur, because failure is a part of the human condition. Leaders aim to make failure rare, relatively inconsequential and recoverable. Should a discussion regarding failure have to occur, it will revolve around an explanation of how that eventuality came about, and whether it was managed in accordance with the leadership philosophy that I have set it out in this letter. I should like to conclude on this positive and optimistic note. We have a world of possibilities before us if we manage well the 'day-to-day' while at the same time keeping our eyes fixed on the future. I cannot and should not do it alone. That is not how teams work. I look forward to working with you.