



The Corrections Chief and the Minister: TEACHING NOTES

Synopsis of case

New Zealand's newly appointed Minister of Corrections, Judith Collins, has refused to confirm confidence in her departmental chief executive, Barry Matthews, following an audit report very critical of Corrections' management of prisoners on parole. The Community Probation and Psychological Service (CPPS), one of Corrections' two main operational arms (along with Prison Services) is responsible for the management of parolees, as well as for all community-based sentences. There has been exponential growth in the numbers, scope and complexity of community-based sentences since 2007 and despite increased staff numbers and hours of training, CPPS is struggling to cope. The Auditor-General's report, which was prompted by the shooting of an innocent man by a paroled convicted murderer, finds failures to comply with most aspects of CPPS activities. In advance of the report's release, Corrections has prepared a Compliance Plan to better respond to most of its criticisms, and the final report includes the Department's rebuttal of some of the charges. The Minister, however, was "deeply disappointed and concerned" by its findings, and when questioned by the media would not express confidence in Matthews. She asked the State Services Commissioner, who is the employer of all public sector chief executives in New Zealand, to report within ten days on "who should be held accountable" for the deficiencies highlighted, and how improvements could be made.

The case is in three parts, the first of which describes the situation leading to what the media interpreted as a call for Barry Matthews "head on a plate." The second part summarises the State Services Commissioner's report, and a short epilogue describes the outcome for Corrections in the Budget some months later. Part A can be provided for pre-reading, with Part B handed out during a session and the epilogue supplied as students leave class.

This teaching note has been prepared by Janet Tyson, Australia and New Zealand School of Government for Professor Paul t'Hart, to support the teaching of the case study 2009-96.1, 96.2 and 96.3. The use of teaching materials is restricted to authorised persons.

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Course audience

Senior public sector managers; postgraduate students with an interest in leadership, ministerial relationships, and the role of the media.

Immediate issues

- What should the State Services Commissioner take into account when considering what is being widely reported as the Minister's demand that Barry Matthews should resign?
- What should a) Barry Matthews and b) the Minister do next?

Basic issues

- Leadership style and resilience
- The relationship between elected officials and appointed public servants
- The principles and practice of compliance

Teaching objectives

The case can be taught from a range of complementary angles within the overall theme of the relationships between public servants and ministers:

1. *The management of political transitions and successions.* In this case, there was not only a change of minister but a change of government, a rare event in recent Australian and New Zealand political history. Political transitions of this kind pose a severe challenge to public service leaders, as there is widespread uncertainty not just about the incoming government's policy priorities and its staffing of cabinet positions, but also about its willingness to trust and work with a government bureaucracy that has loyally (responsively) served its political competitors. In the case of Matthews and Collins, this more generic uncertainty translates into acute and high-visibility issues around trust and confidence, and the political need for a new minister to be seen to be "in control", "not a whimp" and "forging change".
 - What institutions/conventions govern the management of such transitions?
 - To what extent did the key players observe these conventions?
2. *Managing the tension between democracy and bureaucracy, and managing accountabilities of both in the context of highly politicised issues.*
 - How do public servants and politicians build up and consolidate their working relationships when there is high-intensity media interest and a volatile public opinion climate around the portfolio in question?
 - How to prevent incidents growing into moral panics that create a climate in which a minister comes under severe pressure to "act"?
 - How to align ministerial and agency communications with the media?

- What options does an agency head have if the minister charts her own course in public, and leaves the department dangling?
- Will, in the case of “bad news” occurring within the portfolio, the minister stand up for the agency, or hide behind it by shifting blame towards it?
- What options do senior officials have for forging productive working relationships with new ministers whilst at the same time inducing them to do their bit in preserving the integrity of the Westminster-style “bargain” (see Hood and Lodge, 2006) between ministers and their public servants?

Suggested student assignments

1. Barry Matthews’ contract as CE of Corrections was renewed in early 2008 to run to the end of 2010. Are there any circumstances in which, in your view, he should contemplate resigning earlier?
2. What, in practice, might Matthews do to improve his relationship with the Minister? Are there any steps that the Minister should be advised to take?
3. (after reading part B): What advice might the State Services Commissioner offer the Chief Executive following his report findings?
4. What strategies might Corrections use to ensure that compliance targets are better met?

Background to assist with responses to the suggested student assignments

Note: While the case study has been prepared from publicly available materials, Barry Matthews has agreed to take part in several class discussions of the case study, and notes made on these occasions are included for the information of the case teacher.

1. Early resignation: It is his personal style to “stick by his commitments” as he did in Western Australia. As the head of Corrections, he would be in a strong position; if he did offer to cash in his contract and resign, the State Services Commission might be forced to ask him to stay. It is unlikely there are many alternative candidates for Matthews’ job. He was in effect head-hunted to do a job that had been vacant for some months; he was reappointed “by mutual agreement” with the then State Services Commissioner Mark Prebble in early 2008. A 2009 performance appraisal found the department under his leadership was achieving its contribution to the key objectives of the Justice Sector, through the outcomes of *Protecting the Public*, and *Reducing Re-Offending* despite the rapid and unpredicted growth in offender numbers and the diminishing experience of staff.

While his personal confidence and resilience carry him through incidents like the one described in the case, and being frequent cartoon fodder, he acknowledges his determination to “make a difference” is very hard on his adult family and older

grandchildren. He feels he is “reasonably well-equipped” to manage the inevitable media criticism and politics that go with the job, and feels it is essential to be prepared to front up and admit mistakes if they have been made. However, he will never be surprised by the ability of the media to take, or even create, a distorted story, to which someone must respond.

2 . Relationships with the Minister. The Minister, Judith Collins, was a Law School classmate of Barry Matthews, who like her husband was formerly in the police. “We have a regard for each other’s competence.” Collins, with legal training and background, had been an outspoken member of the parliamentary opposition, though usually on social welfare issues, and missed out on the “premium” portfolios of Justice and Attorney-General when the new government was formed. She was quick to show an uncompromising style in Corrections and in Police; in so doing was seen as having difficulty making the transition from opposition to government.

For Barry Matthews, she was the sixth Minister of Corrections since 2004, with the style of her predecessors ranging from low-key avoidance of headlines to a more public role, supporting rehabilitation. Similarly, ministerial support for the department varied, with the most recent incumbent, Phil Goff (now leader of the opposition) seen as very good at supporting the department in the media and in parliament. The Ministers before Collins were all part of the coalition Labour Governments which instituted the major legislative changes affecting Corrections.

Matthews had expected to take part, with the Minister and the Auditor-General, in a tripartite presentation on the Auditor-General’s report, which would include what Corrections planned to do to fix what it admitted was an unacceptable situation. On the day, he was advised of the change in tactics which led to the Minister presenting alone, presumably following advice from a more senior level on the opportunities to be found in a call for accountability. Time would therefore have to pass before the Minister made in public any conciliatory gesture towards Matthews, which she did in a few months’ time at occasions such as the new prison officers’ graduation.

Despite the impact of the Minister’s statement on some of his staff, used to a much more supportive Minister, Matthews emphasised his response must be to “play it down the middle: it’s very important that the CE is seen publicly and in the organisation to be working closely with the Minister. I had to support what the government wanted to do, and acknowledge our failings, but also get the staff to improve both performance and morale by making a positive difference. “We need to understand what we do and what we don’t do [including sentencing and parole release decisions] and make sure that what we do, we do as well as possible.”

4. Targets and guidelines: An interesting discussion can be had on the relation between checklists and compliance, and whether increased compliance with specified outcomes will in fact achieve required behaviour improvements.

References

Hood, C and Lodge, M (2006) *The Politics of Public Service Bargains – Reward, Competency, Loyalty and Blame*, Oxford University Press.

2011 update

Barry Matthews completed the term of his contract on 24 December 2010, handing over to Ray Smith as the next Chief Executive of the Department of Corrections.

A final interview with him “Prison boss ends six years’ hard labour” can be found at http://www.nzherald.co.nz/news/article.cfm?c_id=1&objectid=10695614

An interview with him for Television New Zealand’s “The Court Report” , which includes footage of Matthews and of the minister at the time covered in the case is available at

<http://tvnz.co.nz/the-court-report/court-report-s2010-profiles-e1-video-3987400>