Appendix 1: Methodology for Interview Study 2004–07

In the period 2004–07, the authors undertook a total of 43 formal interviews with departmental secretaries, chief executives of agencies reporting under the *Financial Management and Accountability Act 1997 (Cth)* (FMA Act), and representatives of authorities and companies reporting under the *Commonwealth Authorities and Companies Act 1997 (Cth)* (CAC Act).

A total of 25 interviews, including 13 with departmental secretaries and 12 chief executives, were undertaken with interviewees from departments and agencies reporting under the FMA Act. The 18 interviews with bodies reporting under the CAC Act covered authorities, companies and government business enterprises and included interviews with six board chairs, six chief executives and six directors/managing directors.

Following the authors’ findings in earlier interviews that were undertaken in 2002–03, this new series of interviews sought to obtain clearer qualitative data with respect to the adoption of concepts and principles of corporate governance (and governance generally) within the federal public sector. In particular, the interviewers sought the views of relevant participants as to the roles and operation of executive and management boards within government departments and central agencies, and as to the authority and operation of authorities and companies reporting under the CAC Act.

The Interview Schedule comprised three sets of questions. The first set comprised open questions for both FMA and CAC interviewees and they addressed three general areas of interest that are associated with public sector governance: interviewees’ understanding of the meaning of corporate governance (and governance generally across the Australian public sector), their understanding of the governance ‘system’ as a whole (i.e. the legislative framework for accountability, performance and stakeholder participation), and their views as to who should bear responsibility for the oversight of public sector governance.

The second set of questions was directed specifically to the representatives of FMA bodies. These questions required interviewees to consider the role and operation of executive and advisory boards that were utilised within departments and the role of the chief executive and boards in central agencies reporting under the FMA Act. Interview questions sought to explore the character of these boards given the adoption of the decision-making board and more prescriptive ‘corporate’ governance requirements of the CAC Act.
Questions also sought to establish the arrangements of departments and agencies to achieve whole-of-government coherence through the use of representatives on each other’s committees.

The final set of questions was directed specifically to those representing CAC bodies and sought to test the perception of interviewees regarding the independence of government given their role as participants in a corporate entity within the public sector. In particular, how did they see their independence manifested in practice, how were the ‘corporate’ requirements of the CAC Act being adopted in practice and how compatible were the requirements of the CAC Act with the requirements of the FMA Act in reflecting the authority of the chief executive and the chief executive’s responsibility to the minister? Specific issues that were raised by these questions included the role of government policy in the work of boards, the processes for appointment of the chair and directors by ministers, and whether these processes affected the dynamics of the board in making collective decisions.