

COMPLEXITY IN LEADERSHIP: TRANSLATING THEORY INTO PRACTICE IN AUSTRALIA'S NDIS REFORM

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Abstract: *In an era of increasing global complexity, policy leaders must navigate multifaceted challenges such as the COVID-19 pandemic, gender equality, and climate change, which require interdisciplinary approaches. Complexity theory offers a valuable framework to understand the interconnectedness among policy actors and the unpredictable nature of policymaking. This paper examines the practical application of complexity theory through the case study of Australia's National Disability Insurance Scheme (NDIS). It highlights the crucial role of policy leaders in managing uncertainty, unintended consequences, and interdependent relationships. By exploring the dynamics of political leadership within the NDIS system, this study underscores the need for inclusive cooperation, stakeholder engagement, and adaptive governance. It also addresses the unintended consequences of policy implementation, such as service disparities and funding uncertainties. Finally, the paper provides insights into how complexity theory can inform contemporary academic discourse and policymaking strategies, advocating for a shift from linear solutions to more adaptive and iterative policy approaches*

A. INTRODUCTION

Current global political issues such as the COVID-19 pandemic, gender equality, and climate change involve interdisciplinary aspects such as social, economic, environmental, and health. These issues become more complicated and highly uncertain due to the interconnectedness between policy actors and rapidly changing situations. Therefore, complexity theory emerges as a framework offering a lens to explain the vital interconnectedness between individual elements and the whole systems (Boulton, 2010). Understanding complexity in policy development is crucial for leaders to find the best answers for complex policy problems. This paper will explore the interaction between policy leaders and the Australian NDIS (National Disability Insurance Scheme) to illustrate the practical application of complexity theory systems and divide its findings into three sections. They are first, navigating the leader as the crucial actor in practicing complexity theory; second, exploring the political leader's experience in the NDIS study case and suggestions; and lastly, giving insights for current academic discourse.

B. ANALYSIS AND DISCUSSION

1. Navigating the leader as the crucial actor in practicing complexity theory

The leaders become critical actors in translating the complexity theory into practice. Boulton (2010) argues that the world is messy, interdependent, uncertain, and changing. Therefore, applying complexity theory to policymaking is crucial since policy leaders must deal with uncertainty issues, unintended consequences, and interconnectedness between policy actors. For example, policymakers have roles and responsibilities in unifying multiple perspectives from diverse groups for more significant goals. Ospina and Foldy (2010) argue that policymakers need to embrace the interconnectedness between social actors within or outside government organizations that can lead to achieving the organization's mission successfully. This study is crucial since it highlights the complexity of policy leaders to resolve potential conflicts across different communities to reach a common purpose. Therefore, leaders are crucial in navigating complexity to create strong relationship bonds among policy actors with multiple perspectives. Importantly, the complexity theory treats leaders as part of the complex system that acting independently with other policy actors to create feedback mechanism and unstable interaction patterns (Eppel, 2017). However, Cairney and Geyer (2017) point out that we need to be cautious of overestimate policymakers' capabilities to translate complexity theory into practice due to limited cognitive capacity and ability to gather information. As a result, policy leaders must embrace complexity to forge inclusive cooperation in the mess of multiple perspectives and prepare for unintended consequences for producing better policy outcome.

2. Exploring political leader's complex experience in the NDIS study case and suggestions.

This paper will focus on the complexity of organizational and interface change within the NDIS reformation system. The National Disability Insurance Scheme (NDIS) stands as a testament to the complex nature of contemporary policy interventions. On the one hand, the scope of NDIS is providing support to all Australian users with a disability that promotes inclusivity and equal opportunities (Bice and Xie, 2018). However, implementing the NDIS reformation system possesses interconnections, unintended consequences, and uncertainty that increase complexity. The choice and control mechanism gives NDIS users flexibility and independence in their insurance scheme and promotes human rights (Foster et al., 2021). This mechanism can lead to disparities in service availability and quality. Individuals living in remote areas might find fewer providers available, and there may be a mismatch between the types of services offered and those needed. Also, changes in policy, funding, or administration can alter how the NDIS operates and affect both participants and service providers. The changes can lead to confusion and a lack of clarity about what services are available and how to access them. Lastly, the NDIS needs to work with other departments, such as Health and Social Services, to ensure comprehensive care for participants. However, differing eligibility criteria and service delivery models can create difficulties in coordination. There is a growing need to continually assess, evaluate, and refine the NDIS scheme, acknowledging its complexities rather than oversimplifying them to ensure NDIS delivers its objectives (Dickinson et al., 2021).

In the NDIS study case, senior political leaders have a responsibility to craft a national strategic direction that can support individuals with disability welfare and equal potential in society. Leaders need to collaborate with other policy actors in preparing the national strategic direction for creating the NDIS system. For example, political leaders from different departments, state, and federal government levels create a national meeting to discuss national disability strategy (Bice and Xie, 2018). Also, the senior policy actors from within the government need to collaborate with different policy actors such as academic experts, advocacy leaders from non-profit organizations, the local community, and users. These interconnections between multiple policy actors change how ideas travel from bottom to up and reshape government structure and power dynamic relations. Therefore, political leaders need to have the capability to manage policy networks and balance multi-interest through lobbying and consultation. Having transparent and consistent communication is crucial for building and maintaining stakeholders' confidence (Ospina, 2016). It is vital to create confidence among stakeholders to encourage better-engaged participation and increase trust in reforming NDA. Therefore, leaders can understand the root of the problems through every policy actor giving their best effort to information and producing suggestions to influence legislation to produce a bill that reforms NDA to NDIS.

The unintended consequences of the changing nature of disability service providers need greater senior policy leader attention. Sara and Xie (2018) argue that the NDIS marks a paradigm shift; now, participants receive individual funding based on their unique needs and goals, which they can use to purchase the services that best suit them. The study draws attention to the critical need for senior policy leaders to consider the broader implications of the individualized funding model implemented by the NDIS. While this model offers autonomy and personalization, it also could bring the unintended consequences of potential isolation and reduced social interaction for users and their families. The shift towards individual funding, while empowering in many ways, inadvertently diminishes the communal and collective support structures intrinsic to previous disability service models. Therefore, Cairney (2012) precisely answers this issue by saying that to solve complexity, one needs to shift from an individual to a holistic approach. Therefore, policy leaders could treat policy intervention as an experiment not only in the designing but also in the implementation results in an iterative process. The government could experiment with incentivizing the development of community programs that include individuals with disabilities. These programs should provide opportunities for social interaction, skill development, and community participation. As a result, policy leaders can ensure that the NDIS not only supports the individual needs of people with disabilities but also fosters their social inclusion and emotional well-being.

The uncertainty funding model for the NDIS system brings more complexity. Sara and Xie (2018) argue that the government still has uncertain commitments on how to fund NDIS. The study reveals that there are debates among senior government leaders on the funding model using an increase in the Medicare levy by 0.5 or using tax increases by 2%, resulting in an outcome that is hard to predict. The ununified voice brings implications to the confusion on the sustainability of the NDIS system since any funding solution needs to consider not just the immediate needs but also NDIS's long-term sustainability. For example, the funding model must consider future project costs and ensure evolving circumstances.

Ospina and Foldy (2010) shows that the method of achieving similarity was unsuccessful, and this was crucial because it will avoid different organizations' needs, challenges, and unique aspects. Senior policymakers should embrace the divergence to create convergence, and it implies that differences are not just obstacles but are also sources of strength, innovation, and adaptation that can inform more effective strategies. The key to harnessing the strengths of diversity lies in establishing equitable governance mechanisms (Ospina and Foldy, 2010). Equitable governance mechanisms refer to structures and processes that ensure all members or stakeholders have an equal opportunity to contribute to decision-making. The mechanism is designed to facilitate inclusivity and ensure that all voices are heard and considered, unifying all the differences.

3. Giving insights for current academic discourse.

Complexity, often seen as a daunting challenge, profoundly impacts the decision-making processes of policy leaders. Navigating a world where systems are intertwined and outcomes unpredictable demands a paradigm shift in traditional policy formulation (Cairney, 2012). The basic concept of complexity suggests that simplistic, linear approaches to policymaking are not just inadequate but potentially counterproductive in today's multifaceted aspects. Senior policy leaders, in their task for creating policy solutions, must grapple with a complex of interconnected variables, each influencing and being influenced by the other. This dynamic interplay often results in unforeseen consequences, making adaptability a crucial trait for contemporary policymakers. The argument, then, pivots towards a suggestion: instead of resisting complexity, leaders should embrace it. By integrating the principles of complexity theory into their strategic framework and implementation, they can craft policies that are more resilient, adaptive, and iterative with contemporary challenges. Such an approach does not offer an easy solution. However, it offers a more realistic and holistic approach, recognizing that in the face of complexity, adaptability and continual learning are more valuable than simple solutions of policy problems.

However, complexity theory has faced difficulty applying it in a practical context. Cairney (2012) has made a critical point that complexity theory has difficulty in applying empirical analysis due to the nature of the complexity itself. For example, the narrative of complexity is determined by how to describe the extent of complexity that can lead to the hierarchy of complexity. For example, policy leaders can have broad narratives of complexity since central government has holistic approach of NDIS system. However, the local government may have a narrow understanding and narrative on the complexity of NDIS in implementing the local. Similarly, Cairney (2015) argue that complexity it is not just descriptive framework but a functional tool that enables local bodies to adeptly adapt to their dynamic environments. So, in telling a complex story, senior policy leaders must first decide what the audience wants to remember and then decide which combination of infinite elements will best enable them to understand the problem and agree with the action taken. As a result, leaders can foster a shared understanding and consensus on the actions required. It is crucial to balance acts that retain the essence of complexity while making it accessible and actionable. This situation underscores the importance of narrative strategy in the practical application of complexity theory, especially in policy contexts where multiple stakeholders and various interests and needs converge.

C. CONCLUSION

In the complex policy world, senior policy leaders emerge not merely as decision-makers but as center navigators of complexity. The NDIS reform in Australia demonstrates that senior policy leaders need to take a complex path to create effective policy outcomes. This happens because leaders must face fundamental challenges such as intertwined uncertainties, interconnections of diverse stakeholders, and unforeseen consequences. Therefore, it is crucial to embrace complexity rather than linear policymaking in addressing different needs and perspectives of various stakeholders especially from design to policy implementation. In the dynamic of complex policy networks, leaders need to have the capability to bridge the gap between policy actors and build effective communication to achieve common goals. In addition, effective communication can be used as a tool to help building narrative in complexity. This complexity narrative is vital for senior policy leaders in communicating and framing the policy problems. The complexity narrative can help set the boundaries of complexity and use the available resources to achieve common goals and organizations' missions. Senior policy leaders can use equitable mechanism to make sure each policy actor have equal opportunities. All in all, senior policy leader's need to have an ability to organize hierarchy of complexity into more actionable and meaningful plan that can lead to better decision making with the inclusive help from other policy actors due to limited cognitive and ability to gather information.

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