



Public Service Commission
of Canada

Commission de la fonction publique
du Canada

ORGANIZATIONAL COMPLIANCE FOR ESTABLISHING REQUIREMENTS

UNDER THE NEW DIRECTION IN STAFFING



RESULTS OF THE SYSTEM-WIDE STAFFING AUDIT:
ORGANIZATIONAL STAFFING SYSTEMS

SEPTEMBER 2018

Canada

Report Overview

As part of the pilot System-Wide Staffing Audit (the pilot audit), we reviewed the staffing systems of 25 organizations to determine compliance with requirements stemming from the New Direction in Staffing (NDS).

Effective April 1, 2016, deputy heads were required to have in place the following:

- Established direction, through policy, planning, or other means, on the use of advertised and non-advertised appointment processes
- Established requirements for sub-delegated persons to articulate their selection decision in writing
- An attestation form for sub-delegated persons that includes, at a minimum, the statements found in [Annex C](#) of the revised Appointment Delegation and Accountability Instrument (ADAI)

Audit findings indicate that all these organizations were in compliance with respect to establishing these requirements. The audit includes a recommendation that the Commission revise the ADAI to clarify its expectation regarding authorities within the terms and conditions of delegation.

Results of this review of organizational staffing systems will be integrated into a final report to be published later in 2018.

Introduction

As part of its renewed oversight model, the Commission has adopted a system-wide approach to audits, focusing on compliance with core requirements and intended outcomes of the Public Service Employment Act (PSEA).

The oversight model consists of a variety of tools, such as the System-Wide Staffing Audit and the Survey of Staffing and Non-Partisanship. These tools measure compliance and performance of the staffing system against the intended outcomes of the PSEA.

As part of the pilot audit, we examined the staffing systems¹ of the 25 organizations to determine compliance with New Direction in Staffing (NDS) requirements (see Annex A for a list of the organizations included).²

The review examined organizational policies, directives, and guidelines to validate whether the following organizational requirements were in place:

- Whether the deputy head established direction, through policy, planning or other means, on the use of advertised and non-advertised processes
- Whether the deputy head had established requirements for sub-delegated persons to articulate, in writing, their selection decision
- Whether the attestation form established by the organization for sub-delegated persons included, at a minimum, the requirements found in [Annex C](#) of the revised Appointment Delegation and Accountability Instrument (ADAI)

The results in this report reflect organizational compliance with requirements at the time of the audit.

¹ *Deputy Head Transition Guide (p.4)* describes an organizational staffing system as "...including but not limited to any staffing-related organizational policies; internal business processes, systems and tools; training materials; and guides for sub-delegated managers, HR professionals and employees."

² There are 77 active organizations for which the PSC has delegated appointment and appointment-related authorities to deputy heads using the Appointment Delegation and Accountability Instrument (ADAI).

About the Audit

The System-Wide Staffing Audit is comprised of three components:

Audit questionnaire:

To contextualize audit findings by gauging stakeholders' understanding of NDS implementation as well as their accountabilities/roles and responsibilities (published in a [separate report](#) in March 2018)

Organizational staffing systems:

To determine progress on implementation of NDS requirements

Appointments and appointment processes:

To assess adherence to the Public Service Employment Act and other applicable statutes, the PSC's Appointment Policy and ADAI

A final report that integrates the findings of all three components will be published in Fall 2018. Additional recommendations may be directed towards the PSC to support policy adjustments and program improvements, as required. In addition, the report may contain system-wide considerations.

Direction on the use of advertised and non-advertised appointment processes

- We found that all 25 organizations had established direction on the use of advertised and non-advertised appointment processes.

On April 1, 2016, when the revised ADAI took effect, deputy heads were required to establish direction, through policy, planning or other means, on the use of advertised and non-advertised appointment processes. Whereas previously, deputy heads were responsible for establishing criteria for the use of non-advertised appointment processes, the revised terms and conditions of the ADAI require that deputy heads establish direction on the use of advertised and non-advertised appointment processes in the manner that they deem most effective for their organization.

We found that for all 25 organizations, direction was established either through policies, directives, use of a guide or guidelines, or other formats. Eleven organizations established direction in the form of a policy, and either did not specify a preference, or provided a list of factors or considerations to determine the choice of appointment process. Other organizations opted to update their existing policy or list of criteria on the use of non-advertised appointments.

Exhibit 1: The PSEA does not provide a preference for using advertised or non-advertised appointment processes; it is required that the deputy head establish direction on the choice of appointment process. In one organization, this took the form of a “Policy on Staffing Management” with a list of factors and risks to be considered related to the position, the organization, or workforce diversity. A second organization established a “Staffing Framework” with a module on the use of advertised and non-advertised appointment processes. A list of considerations was provided, categorized as those related to the organization, to the workforce, and to efficiency. Reasons were given for why to use an advertised appointment process (e.g., the need to provide career opportunities, workforce renewal) or a non-advertised process (e.g., geographically remote location for the position).

Written articulation of selection decision

- We found that all 25 organizations had established the requirement for sub-delegated persons to articulate their selection decision in writing.

On April 1, 2016, when the revised ADAI took effect, deputy heads were to establish requirements for sub-delegated persons to articulate their selection decision in writing. Articulation of the selection decision occurs

when a sub-delegated person provides an unbiased, fact-based explanation of why a candidate was selected for appointment.

The Commission requires only that the articulation be recorded and accessible for a minimum period of five years following the last administrative action. Deputy heads have the discretion to specify how the written justification is documented (e.g., e-mail, briefing note, forms) and what is to be documented to support the selection decision.

We found that all 25 organizations in the pilot audit established this requirement.

Exhibit 2: Deputy heads established requirements for the articulation of the selection decision in a range of ways. Some deputy heads described their requirement for articulating the selection decision as a section of their overall staffing direction, including considerations for hiring managers. Many other deputies developed structured forms or templates to be completed by hiring managers to summarize the appointment decision.

Attestation form

- **We found that all 25 organizations had attestation forms in place for sub-delegated persons. The requirement that attestations forms include, at a minimum, the requirements found in Annex C of the Appointment Delegation and Accountability Instrument, was met by all organizations. Furthermore, a majority (72%) had customized this form to reflect their specific organizational context.**

On April 1, 2016, when the revised ADAI took effect, deputy heads were required, prior to sub-delegating, to ensure that persons being sub-delegated the authority to make appointments had signed an attestation form.

The attestation form serves to highlight staffing requirements that are non-discretionary and fundamental to the integrity of the staffing system. These requirements include appointments that are based on merit and free from undue influence, and assessments that are free from bias and personal favouritism.

Exhibit 3: Examples of how some organizations adapted their attestation form:

- Form was annexed to the sub-delegation letter to be signed
- Form was called a "Staffing Sub-delegation Agreement" or an "Appointment Sub-Delegation and Accountability Agreement"
- Used different formats for individuals who were previously sub-delegated staffing authorities and for those who were newly sub-delegated

The ADAI requires deputy heads to use an attestation form that includes, at a minimum, the statements found in [Annex C of the Instrument](#) (see Annex B of this report). Deputy heads may choose to include additional information or requirements based on their unique organizational context.

We found that all 25 organizations had established an attestation form that included the minimum requirements as found in Annex C of the ADAI. Eighteen (72%) organizations had chosen to include additional details or requirements by:

- Including statements ensuring that all others involved in the appointment process adhere to the requirements
- Reinforcing the need to adhere to the Values and Ethics Code for the Public Sector, or organization-specific codes of conduct
- Committing to collaborate with HR and aligning staffing decisions with organizational HR strategies

For all 386 appointments under review as part of the compliance component of the audit, we also examined whether the sub-delegated person who made the offer of appointment had signed the attestation form prior to making the offer of appointment. Results of this review will be included in our final audit report.

Deputy heads to establish direction and requirements for their organizational staffing system

The ADAI states that deputy heads must establish direction on the use of advertised and non-advertised appointment processes, as well as requirements for sub-delegated persons to articulate, in writing, their selection decision (henceforth referred to the "*direction and requirements*").

We expected to find demonstration that the direction and requirements were established by the deputy head. The supporting documentation could take different forms: for example, a briefing note signed by the deputy head, or a record of decision from an executive committee meeting.

We found that in all but one organization, the deputy head established the direction and requirements. In one organization however, these authorities were sub-delegated to an assistant deputy minister. Upon review of the ADAI, we determined that the instrument was open to interpretation regarding the sub-delegation of authorities contained within the terms and conditions. As such, the organization's interpretation and approach were understandable.

Greater managerial discretion in staffing introduced through the NDS is intended to allow organizations to adapt their resourcing strategies to their needs and operating context. By requiring deputy heads to establish direction and requirements, the Commission's intent is that deputy heads, who are accountable for staffing in their organization, set the strategic direction and clarify their expectations with respect to how these flexibilities are to be exercised within their organization.

Recommendation: The Commission should clarify in the ADAI that the authority to establish the direction and requirements is to be retained by the deputy head. The Commission should also determine whether

newly appointed deputy heads are expected to review the organization's existing policies and requirements to ensure that these continue to meet their organization's needs and are consistent with the strategic direction the new deputy head wishes to set for staffing within their organization.

Stakeholder Awareness of NDS Requirements

As part of the pilot audit, a questionnaire was administered to sub-delegated persons and staffing advisors associated with the sample of 386 appointments included in this audit. These stakeholders were also asked about their levels of awareness and understanding of the new NDS requirements. The results indicated that the majority of stakeholders were aware of these requirements, with staffing advisors reporting a higher rate of understanding. For more information, the report, "Results of the Pilot System-Wide Staffing Audit Questionnaire," is available on the [PSC web site](#).

Conclusion

Following the review of organizational staffing systems of the 25 organizations included in the pilot audit, we found that all organizations were compliant in establishing NDS requirements. We also found that in many cases, deputy heads had adapted these requirements to better reflect their organizational context. However, we found that the PSC's expectation regarding the establishment of the terms and conditions of delegation needs to be clarified in the ADAI to indicate that authorities within the terms and conditions should be retained by the Deputy Head.

Despite high compliance with the establishment of NDS requirements and adaptation of requirements to better support organizational needs, as indicated in our previous report of March 2018, the degree of perceived cultural changes remains uneven across stakeholders. Our Questionnaire Report showed that human resources specialists were more likely to perceive a higher degree of cultural change than sub-delegated persons. Furthermore, sub-delegated persons were more likely to view human resources specialists as being focused on rules and process as opposed to playing a strategic role in human resources.

This suggests that although staffing system requirements may be in place and are being adapted to reflect specific organizational context, few stakeholders perceive a change towards simplified staffing. This is even more so the case for sub-delegated persons where only 16% reported a simplified approach to staffing.

The final audit report will integrate these findings with those of the review of appointment compliance, and will be available in Fall 2018.

Annex A: List of organizations included in the pilot System-Wide Staffing Audit

Administrative Tribunals Support Services of Canada	Innovation, Science and Economic Development Canada
Agriculture and Agri-Food Canada	National Defence
Canadian Transportation Agency	Natural Resources Canada
Correctional Service Canada	Public Health Agency of Canada
Courts Administration Service	Public Prosecution Service of Canada
Department of Justice Canada	Public Safety Canada
Employment and Social Development Canada	Public Service Commission of Canada
Fisheries and Oceans Canada	Public Services and Procurement Canada
Global Affairs Canada	Royal Canadian Mounted Police
Health Canada	Shared Services Canada
Immigration, Refugees and Citizenship Canada	Statistics Canada
Indigenous and Northern Affairs Canada	Transport Canada
	Veterans Affairs Canada

Annex B: Minimum requirements to be included in the attestation form (as per Annex C of the Appointment Delegation and Accountability Instrument)

I, (*name of sub-delegated person*), hereby attest that in exercising my sub-delegated appointment and appointment-related authorities:

I will, when establishing qualifications, ensure that individuals are not personally favoured in appointment processes.

I will consider employment equity objectives.

I will ensure that the rights of persons with a priority entitlement are respected.

I will ensure those conducting the assessment are competent and that qualifications are assessed in the official language(s) of choice of the candidate.

I will ensure the assessment is conducted in good faith, free from bias and personal favouritism, and in a manner that is supportive of an individual's right to accommodation.

I will disclose any personal relationship I may have with candidates participating in appointment processes and ensure that the nature of this association, if any, is such that a decision can be rendered in an impartial manner.

I will make appointments based on merit without undue influence from any individual, group or political body.

Signature:

(*Insert: Name of sub-delegated person*)

Date:
