Final Report

Audit of Staffing

Office of the Chief Audit Executive

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Introduction

1. This engagement was included in the Public Services and Procurement Canada (PSPC) 2018 to 2023 Risk-Based Audit Plan.

2. PSPC plays an important role in the daily operations of the Government of Canada as a common service provider for federal departments and agencies. It supports them in the achievement of their mandated objectives as their central purchasing agent, linguistic authority, pay and pension administrator, real property manager, treasurer, accountant, and integrity adviser. Given its size and importance, finding the right person, at the right time, for the right position, while upholding the integrity of the staffing process is essential to the effective management of the Department and delivery on its objectives.

3. According to the Public Service Commission glossary, staffing within the public service refers to "the processes and actions leading to appointments to and within the public service, deployments, secondments and assignments."

4. In April 2016, the Public Service Commission's New Direction in Staffing came into effect. The overarching goal was more simplified, streamlined staffing processes based on departmental needs and risk tolerances. In support of this New Direction in Staffing, the Public Service Commission renewed its Appointment Framework.

5. The renewed Public Service Commission's Appointment Framework allows deputy heads to exert additional discretion in their approach to staffing, and reduces administrative and reporting requirements. Departments are provided with more flexibility to design their staffing systems based on their own organizational context and evolving business needs. This approach allows managers to exercise judgment while remaining accountable for staffing-related decisions.

6. Within PSPC, the Deputy Minister sub-delegates staffing authority to the lowest managerial/supervisory level possible, based on operational requirements, via PSPC's Instrument of Human Resources Delegation. This Instrument outlines conditions for sub-delegation, and is reviewed annually by the Human Resources Operations Sector.

7. PSPC's organizational structure to administer the staffing function is decentralized and involves two sectors within the Human Resources Branch: the Executive Group Strategies and Programs, and the Human Resources Operations Sector. In addition, regional human resources services are found in the 5 PSPC regions: Atlantic, Quebec, Ontario, Western, and Pacific.

8. The Executive Group Strategies and Programs Sector manages all executive staffing and executive talent management activities both in the National Capital Area and PSPC's 5 regions. There are 12 full-time equivalents who provide executive staffing services. Executive Staffing has been excluded from the scope of the engagement due to the different model for delivery.

9. The Human Resources Operations Sector carries out services related to non-executive staffing in the National Capital Area. The sector provides operational services and support to sub-delegated persons; services to branches; and, support to PSPC staffing advisors. There are 131 full-time equivalents who provide staffing services.

10. Regional human resources services carry out staffing actions for their respective regions. There is a total of 51 full-time equivalents with staffing responsibilities across the 5 regions.

11. The 2 key groups of stakeholders involved in staffing at the operational level include individuals with sub-delegated staffing authority, referred hereafter in this report as "sub-delegated persons" and human resources advisors and human resources assistants with staffing responsibilities, referred hereafter as "staffing advisors".

12. Sub-delegated persons are directly accountable for staffing decisions. Staffing advisors are expected to support sub-delegated persons in the exercising of their staffing decisions by: identifying the best staffing strategies to address managers' needs, while taking into account potential risks and mitigating measures associated with the staffing approach; providing expert advice in the application of the legislative and policy frameworks for staffing; and, providing flexible and innovated approaches that are geared towards specific needs. See Appendix A for steps in the staffing process.

13. PSPC processes a significant number of staffing activities each year. In the fiscal year 2018 to 2019, the Department recorded a total of 23,307 staffing actions in MyGCHR (the system for the management of all human resources information in the federal public service). These staffing actions included all types of appointments, such as indeterminate, term, acting, internal and external from both advertised and non-advertised processes.

14. Staffing processes are regarded as either executive staffing or non-executive staffing. In 2018 to 2019, 1,090 executive staffing actions (5%) and 22,217 of non-executive staffing actions (95%) were processed by the Department.

15. Depending on the type of action required by managers to staff a position, staffing processes are regarded as express or complex staffing. Express staffing excludes any action for which merit must be demonstrated, including both advertised and non-advertised processes, which are considered complex staffing.

16. In the fiscal year 2018 to 2019, 16,702 express staffing actions (72%) and 6,357 of complex staffing actions (28%) were processed by the Department.

17. Since November 26, 2018, express staffing actions are processed through the My HRResource Portal. As part of the implementation of the My HRResource Portal express staffing processes were streamlined and incorporated into the Portal. The My HRResource Portal is a self-service tool that allows PSPC managers and employees to submit and track a variety of human resources requests, pay action requests, and My HRResource call centre pay enquiries and issues in a single location.

18. The My HRResource Portal contains electronic forms to be filled out for each type of express staffing action and links to flashcards with information regarding express staffing requirements. Once the requester has filled out the form concerning the anticipated staffing action, the system automatically assigns a ticket number to the request. As applicable, the requester, then, supplies additional information associated with the request via the Portal. A staffing assistant will create a file in GCDocs for the anticipated express staffing process (if it does not already exist) and will save the request and the documentation received in GCDocs. GCDocs is the Government of Canada's information management tool used for saving, and sharing electronic information.

19. Documents related to complex staffing actions are maintained in GCDocs. Upon receiving a formal staffing request via email, a staffing advisor creates a staffing file with a selection

process number in GCDocs. Staffing advisors also add a staffing checklist for the staffing process to the GCDocs file. Only human resources personnel are provided access to the GCDocs file; however, the client may be provided access to certain folders, such as those containing information pertaining to assessments of candidates. At the end of the staffing process, the staffing checklist is completed by the staffing advisor and the file is closed.

Definition of internal audit

20. An audit provides a reasonable level of assurance by designing procedures so that the risk of an inappropriate conclusion being drawn based on the audit procedures performed is reduced to a low level. This includes inspection, observation, inquiry, confirmation, recalculation, re-performance and analytical procedures.

Focus of the audit

21. The objective of this audit was to assess whether PSPC staffing service delivery, service standards, training and communication and systems and tools are designed and implemented to support the Department in appointing qualified candidates in a timely manner.

22. During the planning phase, we met with key departmental personnel with staffing responsibilities in the Human Resources Branch, and consulted with representatives of the Public Service Commission to solicit their input on the expectations for the staffing function in federal government organizations. We also reviewed and analyzed applicable federal government policies, PSPC policies and procedures, and documentation relating to administration of the PSPC staffing function and implementation of the New Direction in Staffing changes. A risk-based approach was then used in establishing the objectives, scope and approach for this audit engagement.

23. The audit assessed selected processes, practices and activities spanning the period of April 1, 2018 to January 31, 2019 for non-executive staffing. It included the National Capital Area and the 5 PSPC regions: Atlantic, Quebec, Ontario, Western, and Pacific. However, we also reviewed some additional documentation to June 2019 to obtain a more complete understanding of certain activities. Executive staffing was excluded from the scope of the engagement.

24. We sent a survey to 203 sub-delegated persons from a population of 1,246. For this survey, the response rate was 30% (61 out of 203).

25. We performed a walkthrough of a judgmental sample of 17 express staffing files from a population of 2,043 files that have been completed across the Department via the My HRResource Portal since its implementation on November 26, 2018 to January 31, 2019. In addition, we judgementally selected 35 complex staffing files from a population of 2,142 files completed in the National Capital Area between October 1, 2018 and January 31, 2019. These 52 staffing files included small samples of 2 to 3 files covering 22 staffing processes - 7 express processes, such as short-term acting appointments, casual appointments, student hires; and 15 complex processes, such as external advertised; external non-advertised; internal advertised; internal non-advertised; and long-term acting appointments.

26. The intent of the file walkthrough was to identify any common themes of issues in staffing processes that impact staffing timelines and to corroborate and/or validate observations collected via other means of audit enquiry. It also included identifying whether opportunities to use innovative practices and tools in the selected staffing appointments were capitalized

on; and supported the results of the survey of sub-delegated persons. However, the sample size was not sufficiently large to draw formal conclusions based on the walkthrough alone.

27. More information on the audit objective, scope, approach and criteria can be found in the section "About the audit" at the end of the report.

Statement of conformance

28. The audit conforms with the Internal Auditing Standards for the Government of Canada, as supported by the results of the quality assurance and improvement program.

Conclusion

29. We found that PSPC staffing service delivery, service standards, training and communication and systems and tools were not designed and implemented to support the Department in appointing qualified candidates in a timely manner. While, PSPC staffing service delivery was satisfactory for express staffing, weaknesses remained in the non-express staffing processes and short-term staffing appointments.

30. Staffing service standards were not developed and not consistently reported to senior management. Additionally, training and communication was available to staffing advisors, sub-delegated persons, and individuals with support staffing responsibilities within branches; however, effectiveness of the PSPC staffing workshops was not measured. Finally, improvement is required to promote the awareness and use of innovative tools and practices in staffing within the Department.

31. PSPC initiatives to strengthen the staffing function, such as the implementation of the My HRResource Portal and an Integrated Strategic Planning Process exercise, which included an analysis of the scope of human resources activities performed by individuals with support staffing responsibilities, were already underway. However, strengthening specific staffing activities and controls is also required, to ensure the Department's effective and efficient staffing function.

Management response

32. We have had the opportunity to review the report of the Chief Audit Executive and agree with the conclusion and proposed recommendations.

Observations

33. Audit observations were developed through a process of comparing criteria (the correct state) with condition (the current state). The following observations may note satisfactory performance, where the condition met the criteria, or they may note areas for improvement, where there was a difference between the condition and the criteria.

Service Delivery

Expectations: Service delivery related to staffing supports the Department's ability to appoint qualified candidates in a timely manner. Specifically PSPC's staffing policies, processes, procedures and practices support stakeholders in executing their duties; and, facilitate staffing activities resulting in appointing qualified candidates in a timely manner.

> **Conclusion**: Overall, service delivery for express staffing was satisfactory. Despite this, weaknesses were identified for complex staffing.

34. Staffing service delivery is a term that explains how an organization's human resources group offers services to and interacts with its clients. Well-established service delivery supports sub-delegated persons in assessing and in appointing qualified candidates, who meet the requirements for the respective positions in a timely manner. To achieve high-quality staffing service, it is important that staffing policies, processes, procedures, and practices support the stakeholders in appointing qualified candidates in a timely manner. Staffing delays can result in the loss of qualified candidates, and the ability to successfully deliver departmental programs. However, it is important to note in the context of the civil service that quality and timeliness of service can be influenced by factors outside of the control of the organization's human resources group (e.g., security clearance and language testing).

35. As reported by the Office of Chief Audit Executive via the PSPC Review of Staffing in July 2019, staffing policies, processes and procedures were established and communicated; and, additional guidance was available to support sub-delated persons and facilitate the role of staffing advisors. In addition, respondents to our survey commented that policies were updated, less restrictive, and provided more flexibilities in staffing;

Effectiveness of service

36. The Department used a portfolio service delivery model whereby each branch and region was assigned a specific staffing advisor within the Human Resources Branch to assist with staffing matters. This model supports the human resources personnel in building the knowledge and understanding of the operational functions of an organization. This ability to understand organizational decisions and to align activities with the organization's strategies or priorities helps to ensure that the staffing function produces the desired results in terms of organizational effectiveness.

37. We noted the quality aspect of human resources service delivery could be improved. Based on the results of the Public Service Commission's 2018 Staffing and Non-partisan Survey, 64.3% of PSPC managers found that staffing advisors in their organizations provided them with useful staffing advice. The federal government average in this area was 59.4%.

38. There is a disconnect in views as to the service that human resources believe they are providing, and what the sub-delegated managers believe they are receiving. Managers expect human resources advice to be strategic, solution oriented, and less operational. Managers feel that this is not the case as supported by the results of the Public Service Commission's March 2018 report titled "Insights on the Perceptions of Staffing Advisors and Sub-delegated Persons under the New Direction in Staffing". The Public Service Commission's report results were based on the pilot system-wide questionnaire, which included PSPC as one of the 25 participating organizations. It reported that 65% of staffing advisors described their role as a strategic partner, compared to only 35% of sub-delegated persons. Additionally, 49% of sub-delegated persons viewed the role of staffing advisors as primarily focusing on rules and processes, compared with 34% of staffing advisors.

39. As noted in our Review of Staffing, it is common for sub-delegated persons to hire employees or consultants to assist with staffing matters (referred to as 'individuals with support staffing responsibilities'). Sub-delegated persons rely on the services provided by these individuals,

as opposed to working with Human Resource Branch's staffing advisors. We were advised by sub-delegated persons this reliance is due in part to their belief that their staffing needs are not met by the Human Resources Branch.

40. The Office of Chief Audit Executive did not assess the scope of responsibilities performed by individuals with support staffing responsibilities, as the Department recently launched an Integrated Strategic Planning Process exercise, which included this type of analysis. The results indicated that branches had dedicated resources to assist sub-delegated persons with various human resources activities, including staffing; and to supplement in the services offered by human resources. Supplementation of internal branch resources varies within branches with a total of 157.5 full-time employees at PSPC. This is in addition to the 131 full-time staffing advisors in the Human Resources Branch. A management action plan is being developed to address concerns identified by the Integrated Strategic Planning Process exercise.

Express staffing

41. Since November 26, 2018, all express staffing requests have been tracked via the My HRResource Portal. As part of phase 2 of the My HRResource Portal implementation for express staffing, process mapping and/or leaning of 26 main human resources processes with an additional 35 sub-processes was performed. This resulted in express staffing procedures being aligned and consistent throughout the Department, improving effectiveness of the staffing processes.

42. Some helpful features of the Portal include the identification of the name of the staffing advisor assigned to the file to allow for easy following up and the development of flashcards for express staffing processes that communicate to sub-delegated persons key information required to staff particular processes (e.g., what documentation to submit, key steps in the process, etc). The Portal date stamps key staffing activities by stakeholders; therefore, the staffing process can be tracked for progress by both the sub-delegated person and staffing advisor. Based on our survey of sub-delegated persons, 70% of respondents indicated that the expansion of the Portal resulted in less burdensome administrative processes.

43. We could not assess the quality of candidates hired through the express staffing processes as merit is not required to be assessed for these staffing appointments.

Complex staffing

44. We found initiatives to streamline and simplify complex staffing processes had been launched. This included implementation of phase 3 of My HRResource Portal for complex staffing discussed in greater detail in section "Information management and information technology tools" of this report.

45. Although efforts had been made, improvements are required. Our survey results indicated that sub-delegated persons acknowledge that processes are being improved. More specifically, 62% of sub-delegated managers recognized efforts have been made to simplify staffing processes based on policy changes to facilitate a more timely appointment of candidates, and 69% of respondents believed that options were available to address their staffing needs as quickly as required. Despite this, 59% of respondents believed that there remained challenges in existing staffing processes.

46. Some reasons identified for challenges in staffing included: a lack of staffing advisors available to provide direct operational support to sub-delegated persons; a lack of consistency in the role assumed and advice provided by staffing advisors; a high level of turnover of the human resources personnel, leading to a need to recommence a staffing process and the need to resubmit documentation; insufficiently automated staffing activities and insufficiently modernized staffing practices and processes; issues with priority clearance; issues with letters of offer (errors or delays in issuance); and security clearance and scheduling of second language testing. It should be noted that some of the reasons identified are outside of the Human Resources Branch control. The findings of our file walkthrough supported the challenges identified.

47. We reviewed 35 files to assess whether candidates met the essential qualifications such as education and experience requirements. It was determined that all 35 candidates met the essential qualifications assessed.

Efficiency of service

48. We found that the timeliness aspect of staffing service delivery requires improvement, particularly for complex staffing.

49. We were informed by HR advisors that delays in staffing processes occur as a result of sub-delegated persons not providing required information and/or documentation to human resources advisors in a timely manner, impeding the ability to staff a position in the required time.

50. This was confirmed by our file walkthrough. We noted that documentation required by a human resource advisor to process a staffing request was sent immediately before or even after the effective date of the appointment. Thus, staffing advisors were unable to process staffing requests in a timely manner, which in turn impacted timely remuneration. In our data analysis, this applied particularly to short- term acting situations, where 67% of acting requests were received by human resources advisors after the start date.

51. There were also delays in sub-delegated persons providing signed letters of offer to human resources, resulting in delays with sending documentation to the Pay Center. Based on the new PSPC timelines, discussed in the next section of this report, the prescribed turnaround to return a signed letter of offer is 4 business days for selected processes, including: new hires, promotions within the Department, and long-term acting. Based on our analysis, for 42% of these staffing actions, a signed letter of offer was returned in 5 or more days. When delays occur, it can adversely impact timely staffing as well as timely and accurate pay.

52. We also noted delays with data entry by Human Resources Branch into MyGCHR, which has an impact on employees' pay. In 13 of the 17 express files reviewed, the median number of days to enter the data into MyGCHR once the data entry was authorized, was 16 days. The number of days for data entry, ranged from 4 to 39 days. In 33 of the 35 complex staffing files reviewed, the median to enter the data into MyGCHR from the date the data entry was authorized, was 52 days. The number of days ranged from 1 to 522 days. Human resources advised that to mitigate the impact of backlogs with MYGCHR data entry on pay, critical first to pay staffing actions were processed on a priority basis.

Express staffing

53. In the 8 month period prior to phase 2 of My HRResource implementation (from April 1, 2018 to November 26, 2018), the average time to process staffing actions was 23 days (from the date that the manager contacts the staffing advisor with the staffing request to the signed letter of offer being received by human resources). In the 9 month period after implementation (from November 26, 2018 to June 30, 2019), the average time to process staffing actions was reduced to 14 days. This included 7 staffing type of appointments for which the date of the signed letter of offer received by human resources was tracked in My HRResource, such as: casuals, part-time workers, deployments without advertisement from other government department, deployments without advertisement from within the Department; term extensions, appointments via federal student work experience program (FSWEP) appointments, and appointments via co-operative education and internship program.

Complex staffing

54. We noted that with the exception of the Ontario Region, timelines were not established for complex staffing; hence, adherence to timelines could not be monitored. We were informed that the sub-delegated person and the human resource advisor are encouraged to establish a formal plan to facilitate timely staffing, and support expected service delivery. Development of such staffing plans is optional. Based on our file walkthrough, none of the 35 complex staffing files reviewed had a staffing plan with predetermined timelines.

55. The Ontario Region, at the request of their Regional Director General, used the 75 day service standard for advertised appointments and reported on the results at their regional Human Resources Committee meetings. For this 75 day standard, the start date was the closing date of the job advertisement, and the end date was the date the assessment results were finalized.

Cultural challenges in staffing

56. We noted cultural challenges in staffing which were outside the scope of the audit. More specifically, we noted the use of casual appointments as a short-term solution to compensate for delays in processing indeterminate staffing appointments.

57. Casual workers are hired for specified periods that may not exceed 90 working days in one calendar year, in a department or in an agency to which the Public Service Commission has exclusive authority to make appointments. The period of casual employment may be for one or more terms, but is not to exceed 90 working days in a department or agency in a calendar year.

58. In total, casual appointments constituted 13% of all staffing appointments in the Department during the period from April 1, 2018 to January 31, 2019. The use of the casual appointment mechanism within branches and regions varied from 8% in one organization, to 50% in another. Based on a survey of selected sub-delegated persons, who were the top users of casual appointments in their respective branches and regions, the key identified reasons for the use of casual appointments included: a quick method to hire, meeting short-term staffing needs, providing the opportunity for a right fit assessment prior to term or indeterminate staffing, and knowledge retention/transition from subject matter experts.

59. We noted instances suggesting a casual appointment was used as a first step of providing a short term solution to address long-term staffing needs. More specifically, we found 23% (469 out of 2,062) of individuals hired through a casual appointment process were subsequently appointed on an indeterminate basis.

60. While casual appointments expedite the process of filling a position and/or provide a trial opportunity to assess a potential candidate, this practice results in 2 (or sometimes more) staffing actions, and duplicates the number of staffing appointment processes, and the workload of all parties involved (i.e. sub-delegated persons, human resource advisors, and pay advisors).

61. We also observed that a significant number of short-term acting appointments for 10 business days or less. An acting appointment is a staffing option used to temporarily assign employees to perform the duties of a higher-level position. Short-term acting appointments are used to fill an immediate need in specific circumstances, such as a short-term project or backfilling temporary vacancies from an employee on leave, training or assignment. Collective agreements set out qualifying periods for acting pay and require the employee be paid acting pay when they are substantially performing the duties of the position they are filling on a temporary basis. Short-term acting appointments are for a minimum of 15 minutes and a maximum of 4 months.

62. Acting appointments greater than 4 months are managed as complex staffing actions because the qualification of the person appointed acting are assessed against the requirements of the position they are filling and they must be deemed qualified to fill the position on a temporary basis.

63. We observed that during the period from November 26, 2018 to June 30, 2019, 57% of express staffing actions represented short-term acting appointments. Further, as noted in Table 1, in 32% of short-term acting appointments, the individual was acting for 5 business days or less, and in 46% of short-term acting appointments, individuals were acting for 10 business days or less.

Table 1: Breakdown of short-term acting appointments recorded in My HRResource from November 26, 2018 to June 30, 2019.

Duration of short-term acting appointment	Count	Percentage
Up to 1 week	1,502	32%
Between 1 week and 2 weeks	667	14%
Between 2 weeks and 1 month	497	10%
Between 1 month and 2 months	366	8%
Between 2 months and 4 months	1,722	36%
Total	4,754	100%

64. Acting appointments are intended to compensate an employee for assuming the full responsibilities of the person they are replacing. However, ambiguity exists as to whether an individual acting for a short period of time is discharging all of the responsibilities of the person that is absent.

65. At the present time, there is no formal definition of what substantial performance of duties entails, as such there may be an opportunity to provide clarity to managers to ensure short-term acting appointments respect the collective agreement requirements. The Human Resources Branch advised that management needs to consult with unions and labor relations to discuss concerns and develop guidance related to short-term acting appointments.

66. Reduction in the number of casual appointments and short-term acting appointments would reduce administrative cost and pressure on the express staffing process, as well as the pay process. The Human Resources Branch noted that using casual staffing actions for long term needs or short-term acting creates duplication of effort and paperwork. However, sometimes, these actions are needed for unplanned short-term situations.

Recommendation 1: The Assistant Deputy Minister of the Human Resources Branch should improve effectiveness and efficiency of complex staffing processes.

Management Action Plan 1.1: The Human Resources Branch will proceed with the implementation of phase 3 of the My HRRessource Portal to include complex staffing actions, providing managers with an integrated single window for submitting and tracking their complex staffing requests.

Service Standards

Expectations: PSPC staffing service standards exist to set stakeholder expectations regarding the time required for human resources to complete key staffing processes. The standards are assessed and performance against these standards is reported to senior management.

Conclusion: Overall, staffing service standards are not developed and not consistently reported to senior management. The date that defines the start of the staffing action or the date that defines the end of the action for these service standards were not established to ensure consistent interpretation and application. In April 2019, PSPC established detailed timeliness standards for "managers to human resources" and "human resources to pay" for certain staffing processes.

67. Service standards are integral to delivering high quality client service and effective performance management. They help clarify expectations for clients, drive service improvement, and contribute to results-based management. Without service standards being formally established and actively monitored, PSPC staffing processes may not be executed efficiently to facilitate the timely appointment of qualified individuals. In addition, management may not be able to assess the effectiveness of staffing performance, and adjust service standards, as needed.

Express staffing

68. We found 2 service standards had been established for 2017 to 2018 and 2018 to 2019. However, we noted that neither the date that defines the start of the staffing action nor the date that defines the end of the action for these service standards were formally established to ensure consistent interpretation and application. Therefore, the integrity of these results is not guaranteed.

69. Performance results were reported against the 2 service standards for the fiscal year 2017 to 2018. Compliance to the service standards are met when staffing related to critical-to-pay actions were completed within 10 business day, and staffing related to assignments,

secondments and deployments are completed within 20 business days, see Table 2 below for details.

Table 2: Express staffing service standards for 2017 to 2018

Staffing Service standard	Target 2017 to 2018	Mid-year Result 2017 to 2018	Final Result 2017 to 2018
Staffing related to critical-to-first pay actions: Student hiring, Casual Employment, Casual Extension, Term Extensions and Part-time Workers will be completed within 10 business days	90%	95%	81%
Staffing related to assignments, secondments and deployments will be completed within 20 business days of receipt of complete staffing package from hiring manager	90%	57%	44%

70. Performance results against the service standards were not reported for the fiscal year 2018 to 2019. We were informed the decision not to report on performance results was taken as a result of the shift in priorities towards aligning PSPC service standards with the new Office of the Chief Human Resources Officer's timeliness standards for 11 types of staffing requests, effective April 1, 2019.

71. Based on our data analysis of express staffing appointments in the National Capital Area for the period from April 1, 2018 to January 31, 2019, the service standards remain unmet. However, we noted improved results post implementation of phase 2 of the My HRResource Portal for express staffing in November 26, 2018. Results are noted in Table 3.

Table 3: Express staffing service standards for 2018 to 2019 in the National Capital Area

Staffing Service standard	Target 2018 to 2019	April 1 to November 26, 2018	November 26, 2018 to January 31, 2019
Letter of offer for staffing services related to critical-to-first pay actions is issued to client within 10 business days.	90%	69%	79%
Staffing related to deployments, assignments, and secondments is completed within 20 business days.	90%	48%	78%

Complex staffing

72. We found that no formal departmental service standards were established. To mitigate, we were advised that human resources encouraged sub-delegated person and the human resource advisor to establish a formal plan to facilitate timely staffing, and support expected service delivery. However, staffing plans were not established. Based on our file review, none of the 35 complex staffing files reviewed had a staffing plan with predetermined timelines.

73. In addition, we were unable to assess timelines to staff positions within PSPC. There were data integrity issues with the timeline data recorded for the National Capital Area. Also, Quebec, Western, and Pacific regions did not track timelines. The Ontario Region tracked and monitored only the 75 day standard for advertised processes, as mentioned earlier in this report. The Atlantic Region tracked selected timelines; however, there was an insufficient number of staffing actions to assess timelines for that region.

HR actions that lead to pay actions

74. In April 2019, PSPC established detailed timeliness standards for "managers to human resources" and "human resources to pay" for certain staffing processes that lead to a pay action. These PSPC timeliness standards were designed to align with 11 Office of the Chief Human Resources Officer timeliness standards related to staffing actions that lead to pay actions. We understand these standards and performance against them will be communicated within the Department, including monthly reporting to the Executive Committee on the timeliness performance results by branch.

75. Prior to the release of formal timeliness standards from the Office of the Chief Human Resources Officer, in June 2018, as part of the initiative to improve timeliness of human resources transactions leading to pay actions, the Department began tracking timeliness of staffing action activity from "manager to human resources" and "human resources to pay" for selected express high volume transactions.

76. The performance results for the period from November 26, 2018 to March 31, 2019 were presented to the Executive Committee. The results (included in Table 4) indicated low compliance rates with the timeliness standards (effective April 1, 2019) for the reporting period.

Table 4: Managers to Human Resources to Pay – Timeliness compliance for high-volume requests types processed between November 26, 2018 and March 31, 2019.

Detailed information for high-volume requests types				
	Casual	Student hires	Term extensions	Short-term actings
PSPC proposed timeliness standard for managers to human resources	A manager submits all required documents to human resources 25 days before the effective date of an appointment			
Departmental Manager average compliance rate	13%	37%	60%	10%
Highest compliance rate within PSPC branches/regions	25%	70%	98%	19%
Lowest compliance rate within PSPC branches/regions	0%	0%	19%	2%
OCHRO's timeliness standard for human resources to pay	Human resources submit documentation to the Pay Center 10 days before the effective day of an appointment			
Human Resources compliance rate	13%	29%	67%	8%

> **Recommendation 2:** The Assistant Deputy Minister of the Human Resources Branch in conjunction with the Regional Directors General should ensure that relevant service standards are established and clearly defined for staffing processes, and performance results are measured and reported on.

Management Action Plan 2.1: The Human Resources Branch is committed to developing and implementing service standards aligned with human resources to pay principals and to confirm the roles and responsibilities of the parties involved.

Management Action Plan 2.2: The Human Resources Branch is committed to developing a communications plan to promote new service standards and roles and responsibilities.

Management Action Plan 2.3: The Human Resources Branch will submit an annual report to the Assistant Deputy Minister of Human Resources to assess the organisational performance in this regard.

Training and Communication

Expectations: Training and communication provided to stakeholders supports them in discharging their responsibilities. Pertinent information, tools and staffing updates are communicated to all stakeholders including staffing advisors, sub-delegated managers, and individuals with support staffing responsibilities within branches.

Conclusion: Overall, training and communication was available to staffing advisors, sub-delegated persons, and individuals with support staffing responsibilities within branches. There was no information collected to measure the effectiveness of the PSPC staffing workshops available to sub-delegated persons, and individuals with support staffing responsibilities within branches.

77. Effective training and communication with all stakeholders promotes: effective, efficient and timely staffing; and increases compliance with legislative and policy requirements; and, helps to raise awareness on available staffing tools, processes, policies, and practices.

78. For staffing advisors, we found a learning path for staffing personnel in positions Personnel Administration 01, 02, and 03 had been developed in 2017 by the Corporate Staffing Directorate. This learning path included 20 modules and aligned with the technical competencies noted in the Treasury Board Secretariat's Personnel Administration competency profile. Human resources team leaders identified a total of about 30 staffing advisors in development who would need to follow staffing modules. We confirmed that these staffing advisors have been enrolled in taking the staffing modules. We also noted that the Corporate Staffing Directorate recorded participants' evaluation of the staffing modules. Analysis of participants' evaluation of modules indicated a high level of satisfaction.

79. Monthly national conference calls were held to share information and discuss any high-risk or reoccurring issues with human resources management and staffing advisors across the Department. These calls were followed up with written newsletters and minutes, which were posted in GCDocs. There were also monthly senior management meetings with representatives from all branches and regions.

80. With regard to sub-delegated persons, the departmental mandatory training specific to staffing was identified and consisted of the course - Staffing: A Resourcing Tool for Managers (P901) provided by the Canada School of Public Service or an approved equivalent. Completion of this training, or an approved equivalent, is a requirement for being granted a sub-delegation authority.

81. Further, pertinent information on staffing was regularly communicated through several means, such as the departmental weekly newsletter "In the Know". We were informed that the Human Resources Branch offers, on a requested basis, Staffing 101 workshops for sub-delegated persons and individuals with support staffing responsibilities in branches. These non-mandatory workshops inform clients of the PSPC staffing framework, staffing roles and responsibilities, staffing options, and staffing process. The workshops' attendance rate was not tracked, and the effectiveness of these workshops was not measured.

82. Based on our survey of sub-delegated persons, 79% of respondents indicated they understand the staffing policies, processes, and procedures; and 72% indicated that the Human Resources Branch used appropriate means to communicate pertinent information on staffing. Despite the fact training and communication is available, and staff believe they understand the process, as reported above there remain issues with the effectiveness and efficiency of staffing processes.

Information Management and Information Technology Tools

Expectations: Supporting information management and information technology systems and tools are available to facilitate efficiency of staffing processes and support quality of information. Information management and information technology systems were optimized to enhance staffing processes, and completeness of staffing information. Innovative tools were available and used to facilitate obtaining a larger volume of qualified candidates, and expediting their assessment and appointment.

Conclusion: The My HRResource Portal supports the department's ability to process, track, and monitor express staffing actions, however the existing information management and information technology systems do not support complex staffing actions. Innovative tools were available to support managers, but the use of available technology may not be optimized.

83. Information management and information technology tools improve staffing processes and increase efficiency and the quality of information. Innovative tools allow to more easily and efficiently access, assess and select from a larger volume of qualified candidates. In the era of digital transformation, without the use of innovative tools and practices, the Department would be limited in its ability to attract and appoint qualified candidates in a timely manner. In a continually evolving global business environment, the ability of an organization to adapt to change and also to seize opportunities that become available due to change depends on creating high-performing and agile workforce.

Information management/information technology

84. As noted previously, GCDocs is the Government of Canada information technology system used for saving, finding and sharing electronic information. It is used by PSPC as the data repository for information related to staffing actions for express and complex staffing. During our file walkthrough, we observed a lack of consistency and completeness of information contained in GCDocs as it related to staffing file management with regard to both express and complex staffing.

Express staffing

85. We found the My HRResource Portal has improved the Department's ability to process, track, and monitor express staffing actions. As noted previously, the Portal is user friendly and helps

to enhance completeness of staffing information, as specific fields are mandatory, and the system date stamps staffing activities.

86. In addition, the Portal uses a Protected B environment hosted by Shared Services Canada, which ensures that all communications, interactions and attachments that take place within the tool are safe up to Protected B (most human resources and pay-related information is either Protected A or B). Moreover, the express staffing letter of offer template was streamlined and digitally enabled to maximize efficiency.

Complex staffing

87. We found existing information systems for processing, tracking, and monitoring complex staffing actions did not support staffing processes and information integrity. Multiple systems were used within the Department to capture complex staffing related information.

88. We were informed that the Human Resources Branch was in the process of implementing phase 3 of the expansion of the My HRResource Portal which focuses on complex staffing. More specifically, the Portal will serve as a single point of entry for complex staffing actions. The expansion of the Portal is expected to streamline operational staffing processes and address staffing case management. Key activities that are expected to be completed in phase 3 include: leaning exercise and simplifying of 15 staffing operations processes; and national harmonization and procedures development. The expansion of the Portal as it relates to complex staffing is expected to be completed and rolled out in quarter 3 of the fiscal year 2019 to 2020. However, we were advised there are possible delays in the implementation due to the system upgrade.

Innovative staffing tools

89. We noted that various innovative tools were developed by the Public Service Commission and PSPC to support sub-delegated managers and staffing advisors in appointing qualified candidates in a timely manner. Examples of innovative tools acquired by the Department included: the Statement of Merit Criteria builder which allows sub-delegated persons to choose from hundreds of pre-populated merit criteria for the selected occupational group and level; the Pool Management Tool that provides a centralized list of pools and inventories established as a result of advertised processes for the Department and for which there are qualified and available candidates; and CompMetrica™, an interview builder tool, which assists in developing a professionally designed structured interview to assess the competencies associated with the position to be filled.

90. Additionally, we noted that in support of human resources service delivery, the Human Resources Branch annually prepares an Information Management and Information Technology Investment Plan and approves initiatives based on priorities and funds available. We received confirmation that the plan for the fiscal year 2019 to 2020 was approved on May 6, 2019.

91. The Business Systems and New Initiatives Directorate is a dedicated group within the Human Resources Branch that is responsible for providing leadership and direction as a Center of Expertise in human resources systems, change management and innovation. As part of the Information Management and Information Technology Investment Plan, the Directorate is scheduled to implement several innovative tools in staffing.

92. While innovative tools were available, only 59% of respondents indicated that they are aware of innovative tools and practices available; and 39% of the surveyed sub-delegated persons indicated that they have used them. Increased awareness of innovative tools and practices would contribute to their use, and provide an opportunity for continuous improvement in staffing processes.

93. Based on our file walkthrough of 35 complex staffing files, we cannot conclude if the use of innovative tools and practices was discussed between sub-delegated persons and staffing advisors. The staffing checklist used by staffing advisors does not track if innovative practices and tools were considered.

94. In our file walkthrough, we observed some examples of innovative tools and practices being used in efforts to appoint qualified candidates in a timely manner. These included a self-assessment corroborated by the manager; social media such as GCConnex; a pilot project to hire employees with disabilities recommended by a non-profit organization supporting a special need group; and an online exam. In most cases, traditional staffing practices were used.

Recommendation 3: The Assistant Deputy Minister of the Human Resources Branch should continue to improve information management and information technology tools for complex staffing.

Recommendation 4: The Assistant Deputy Minister of the Human Resources Branch should promote and encourage use of available innovative tools and practices in staffing.

Management Action Plan 3.1: The Human Resources Branch will implement phase 3 of the My HRRessource Portal (see recommendation 1) and pilot (and if all possible, introduce) of VidCruiter (videoconferencing software).

Management Action Plan 3.2: In parallel with the development of the portal, the Human Resources Branch will develop the guideline for information management for staffing processes.

Management Action Plan 4.1: The Human Resources Branch will develop a communication plan to communicate the various technological tools available and new staffing trends. The Human Resources Branch will build on success stories related to the use of these tools and best practices.

About the audit

Authority

This engagement was included in the Public Services and Procurement Canada (PSPC) 2018 to 2023 Risk-Based Audit Plan.

Objective

The objective of this audit was to assess whether PSPC staffing service delivery, service standards, and systems and tools are designed and implemented to support the Department in appointing qualified candidates in a timely manner.

Scope and approach

The scope of the audit focused on 4 areas: service delivery; service standards; training, and communication; and, information management and information technology systems and tools.

The engagement included the National Capital Area and the 5 PSPC regions: Atlantic, Quebec, Ontario, Western and Pacific. We assessed procedures, processes, practices, and activities related to express and complex staffing, spanning the period of April 1, 2018 to January 31, 2019. We also reviewed some additional documentation until June 2019 to obtain a more complete understanding of certain activities.

Our scope covered the processes from when a sub-delegated person contacts a human resource advisor with the decision to initiate a staffing action, to the date when the documentation is submitted to the Pay Centre.

We conducted interviews and inquiries with key departmental personnel with staffing responsibilities in the Human Resources Branch and PSPC regions, and representatives of the Public Service Commission to solicit their views on the expectations for the staffing function in federal government organizations. We also reviewed relevant documentation relating to administration of the PSPC staffing function and implementation of the New Direction in Staffing changes.

Additionally, we conducted a survey of sub-delegated persons to solicit their views on the client services provided and to determine their overall satisfaction with the staffing processes and practices. In total, we surveyed 203 sub-delegated persons of 1,236 individuals identified by the Human Resources Branch on March 15, 2019 as sub-delegated persons. However, we noted that some individuals identified were not eligible for the survey, as they either no longer held the sub-delegated staffing authority or worked at the Department. For this survey, the response rate was 30% (61 out of 203). As well, a survey on the use of a casual appointment was distributed to 18 sub-delegated persons, of which 8 individuals responded to the survey.

Further, we analyzed data available in PSPC staffing case management systems to determine actual timelines to staff positons, and identify any issues in the processes. More specifically, we assessed the data tracked in the Access database for the National Capital Area for express staffing for the period from April1, 2018 to November 26, 2018; and complex staffing processes from April 1, 2018 to January 31, 2019. As well, we assessed the data tracked in the My HRResource Portal for all express staffing across the Department from November 26, 2018 to January 31, 2019.

Finally, we performed a walkthrough of a judgmental sample of 52 non-executive staffing files - 17 express staffing files from a population of 2,043 files that were completed across the Department via the My HRResource Portal since its implementation on November 26, 2018 to January 31, 2019. In addition, we selected 35 complex staffing files from a population of 2,142 files completed in the National Capital Area between October 1, 2018 and January 31, 2019. These 52 staffing files included small samples of 2 to 3 files covering 22 staffing processes - 7 express processes, such sort-term staffing appointments, casual appointments, student hires; and 15 complex processes, such as external advertised; external non-advertised; internal advertised; internal non-advertised; bridging; long-term acting appointments.

The intent of the file review was to identify any issues in staffing processes that impact staffing timelines; to make observations regarding the use of innovative practices and tools in the selected staffing appointments; and to support the results of the survey of sub-delegated persons.

To assess most recent processes and practices, for express staffing, we selected files from those that have been processed across the Department via the My HRResource Portal since its implementation on November 26, 2018 to January 31, 2019. For complex staffing, the files were selected from those completed in the National Capital Area between October 1, 2018 and January 31, 2019.

Based on analysis of the information and evidence collected, the audit team prepared findings and conclusions, which were validated with the Human Resources Branch.

This audit was conducted in accordance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.

Criteria

The criteria for this audit were chosen based on the results of a detailed risk assessment performed during the planning phase for this project. The criteria focused on the areas that are considered to be relevant and important to support the Department in appointing qualified candidates in a timely manner.

The criteria were as follows:

1. Service delivery related to staffing supports the Department's ability to appoint qualified candidates in a timely manner. PSPC's staffing policies, processes, procedures and practices support stakeholders in executing their duties; and, facilitate staffing activities resulting in appointing qualified candidates in a timely manner.

2. PSPC staffing service standards exist to set stakeholder expectation regarding the time required to complete key staffing processes. The standards are assessed and performance against these standards is reported to senior management.

3. Training and communication provided to stakeholders supports them in discharging their responsibilities.

4. Supporting information management and information technology systems and tools facilitate efficiency of staffing processes and support quality of information.
    I. The use of information management and information technology systems is optimized to support staffing processes and enhance quality of information.
    II. Innovative tools are available and used to support managers in appointing qualified candidates in a timely manner.

Audit work completed

Audit fieldwork for this audit was substantially completed in June 2019.

Audit team

The audit was conducted by members of the Office of the Chief Audit Executive, overseen by the Director of Procurement Audit and under the overall direction of the Chief Audit Executive.

The engagement was reviewed by the quality assurance function of the Office of the Chief Audit Executive.

Appendix A – Steps in the staffing process

The staffing process below was developed by the Public Service Commission and is followed by PSPC.

Planning
- Consider business plan in conjunction with HR and EE plans

Establish Merit Criteria
- Set:
  - Essential qualifications
  - Asset qualifications
  - Operational requirements
  - Organizational needs

Priority Placement
- Assessment based on order of precedence
- Selection based on essential qualifications

Choose process
- Choose advertised or non-advertised
- Set area of selection

Assessment
- Choose and apply assessment instruments

Selection
- If no priority person qualified, PSC issues clearance number

Informal Discussion

Selection
- Choose "right fit"
- Recognize ranking no longer required

Notifications
- Respect waiting period
- Make appointment

Appointment

Lessons Learned
- Plan for future
- Report on results

After Appointment
- Respond if any complaints to Public Service Staffing Tribunal (internal only)
- Carry out investigations, take corrective action or revoke, if necessary