

REPORT OF THE EXPERT PANEL ON
**Integrated Business and
Human Resources Planning
in the Federal Public Service**

**BETTER CHOICES
FOR
BETTER RESULTS**

December 15, 2008

Dear Kevin Lynch and Marie-Lucie Morin:

In my capacity as Chair, I am pleased to provide you with the Report of the Expert Panel on Integrated Business and Human Resources Planning in the Federal Public Service.

As you know, the Panel brings together leaders from the private and public sectors to follow up on one aspect of the Clerk of the Privy Council's 2008–09 Public Service Renewal Action Plan. We were asked to review the 2007–08 integrated business and human resources plans prepared by departments and agencies and to identify best practices by November 2008. In the course of doing this, we are fortunate to have worked with Deputy Secretary James Lahey and a committed and energetic federal Practitioner's Working Group.

Integrating business and human resources planning is critically important in all organizations, and is often challenging in large and complex operations. Our Panel and its practitioner colleagues all brought to the table an appreciation of what it takes to do this well and of the many benefits that accrue from it. We received tremendous cooperation from departments and central agencies and particularly appreciated the active involvement of three Deputy Ministers on the Panel.

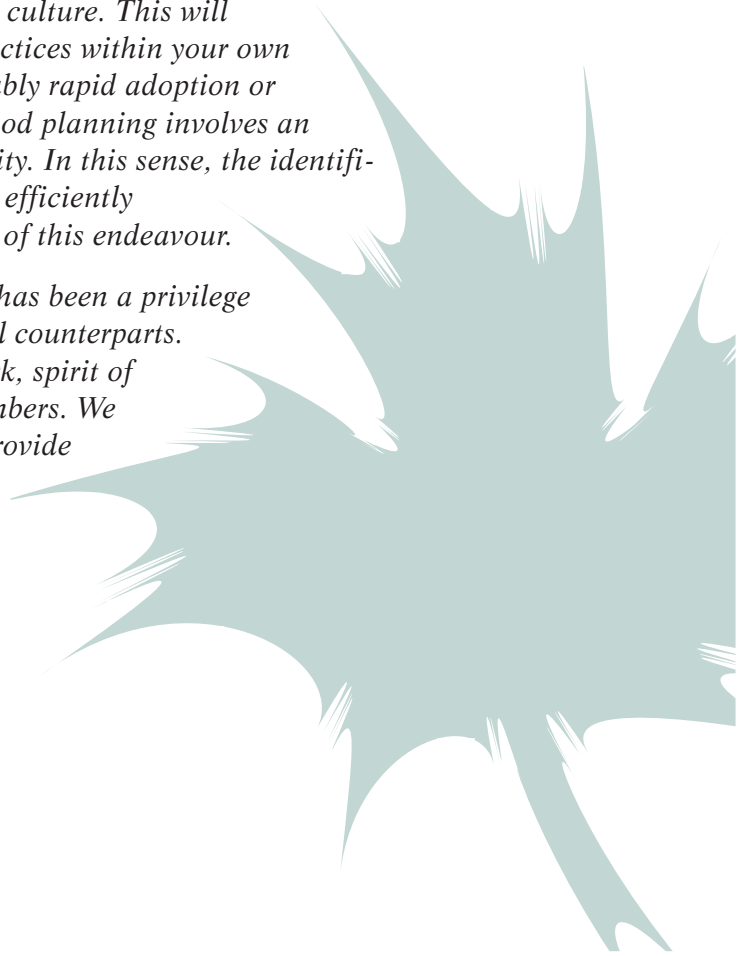
Three things are noteworthy. First, the leadership of the Clerk of the Privy Council in surfacing integrated planning as a corporate priority is one of the most important steps in this journey. Continued leadership of this sort will be critical as you move forward. Second, it is clear that some federal departments are currently engaging in deeply integrated and successful planning, despite challenges of scale and culture. This will enable other departments to learn from winning practices within your own organization and we would therefore expect reasonably rapid adoption or adaptation. Third, we have also emphasized that good planning involves an effort to search for simplicity in the face of complexity. In this sense, the identification of clearly defined priorities and a process for efficiently aligning the best resources with them is at the heart of this endeavour.

I speak on behalf of my colleagues in saying that it has been a privilege to work on this initiative with very impressive federal counterparts. I take this opportunity to acknowledge the hard work, spirit of sharing and resourcefulness of my fellow Panel members. We remain available to clarify our findings and/or to provide further advice, if this is necessary.

Sincerely,



Tony Dean



THIS REPORT



The Clerk of the Privy Council's 2008–09 Public Service Renewal Action Plan committed that “a panel of experienced external and internal executives [would] review the [2007–08 integrated business and human resources plans prepared by departments and agencies] and identify best practices by November 2008”.

Accordingly, an Expert Panel was established under the chairmanship of Tony Dean, former Cabinet Secretary for the Government of Ontario.

The members were Elisabetta Bigsby (former Senior Executive Vice-President, Human Resources and Public Affairs, Royal Bank of Canada); Robert Dolan (former Senior Vice-President, Corporate Services, Canadian National); Ivan Fellegi (former Chief Statistician, Statistics Canada); Michael McFaul (Senior Consulting Partner, Deloitte); and Gaston Ouellet (former Senior Vice-President, Human Resources, Alcan Inc). Two meetings were held, in October and November 2008.

Three current Deputy Ministers, Yaprak Baltacioğlu (Agriculture and Agri-Food Canada), Cassie Doyle (Natural Resources Canada), and Michael Wernick (Indian and Northern Affairs Canada) participated in the discussions. Interviews were held at the Deputy Minister level in five additional departments.

A Practitioners Working Group made up of Donald Bilodeau (Environment Canada), Drew Duncan (Indian and Northern Affairs Canada), Dana-Mae Grainger (Foreign Affairs and International Trade Canada), and Doug Dollinger (consultant) supported the Expert Panel by reviewing the plans provided by 16 departments and agencies and interviewing those active in integrated planning in those organizations.

Leaders from central agencies concerned with integrated planning (e.g. the Canada Public Service Agency, the Public Service Commission, the Treasury Board Secretariat and its Office of the Comptroller General, and the Canada School of Public Service) met several times to provide advice on the project. James Lahey and Natasha Parriag of the Public Service Renewal Secretariat at the Privy Council Office coordinated the overall effort.

This report distills the results of all this work. The Executive Summary (see page 1) outlines the Expert Panel's approach to integrated planning, its key observations and findings from the review, and its recommendations. A fuller treatment follows in the main body of the report.

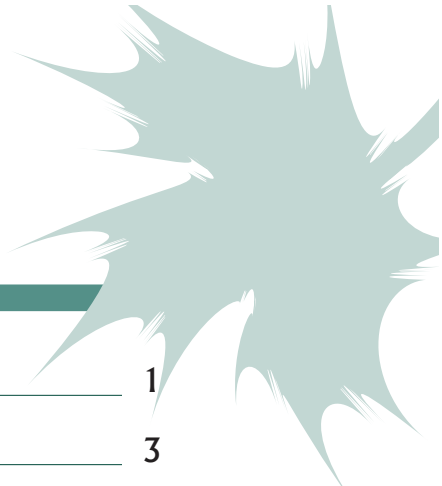


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EXECUTIVE SUMMARY



Integrating planning goes hand in hand with building effective and cohesive organizations. Doing both well requires clarity about key goals and the human skills and capacity needed to achieve them.

In the Panel's experience, the approach to integrated planning in the Public Service must be simple to apply, simple to understand, and simple to sustain. Managers at all levels need to reflect on the few achievable goals that the organization must accomplish, the resources required to deliver those outcomes, and the gap between outcomes and resources.

Once any gaps in the current workforce are identified, there are three possible approaches to closing them: **redesign the work, develop new capacity in existing staff, or hire more people**. Crafting and applying this balance is the bold ambition of integrated planning.

Business planning starts by stating business goals clearly. Specific proposals can then be articulated by line managers to address these goals. The human resources implications should be clearly elaborated in terms of the number, occupational group, cost, and duration. Proposals can then be assessed by the corporate leadership with regard to overall priority and feasibility.

The federal Public Service is no different than other organizations, in that its plans must align with spending and must consider trade-offs (e.g. between information technology and people, between centralizing and decentralizing, or between fewer employees with higher qualifications and more staff with lower-level skills sets).

Yet, planning in public service organizations tends to be organized by function and driven by process. It is often left to staff specialists, with top leadership intervening to make adjustments as the product is being finalized.

In reviewing the plans submitted by departments and agencies, and the insights elicited from managers and planners across the Public Service, the Panel found great variety — from exemplary practices, particularly on aspects of integrated planning or in certain parts of departments, to far less-developed and fragmented approaches. In effect, the Public Service has made a good start, but there are many opportunities for improvement.

Departments are well advised to define their business goals and to spell out the implications these goals have for enabling functions such as human resources, financial budgeting and information technology. The intended business results, including any adjustments, should be sufficiently concrete to be achievable.

Having achieved this clarity for themselves, departments will be well placed to use a single plan as the source of all required reporting products. However, in the absence of that clarity, it is unlikely that any number of secondary plans will be meaningful.

Applying shrewd and thoughtful analysis to an organization's real situation can create new choices for enabling greater success. For example, in a time of uncertainty, individual units cannot afford to take risks. Yet, a department as a whole can pool risk, and restructure with confidence the way in which it does things, attracts talent, or redeploys staff.

Integrated planning must be driven by line managers. Only they can determine the business goals and priorities with precision. Only they can decide how best to allocate resources, by aligning their organization's people capabilities with its business imperatives.

A selection of vignettes and useful practices is included below to illustrate how organizations in the federal and provincial governments as well as in private sector companies have applied integrated planning to manage day-to-day business operations, large-scale transformation, or talent management. These vignettes show that simple processes can yield significant and lasting results.

The Panel identified several winning conditions for achieving a sound overall standard for integrated planning in the federal government:

- forceful and pragmatic leadership;
- a cross-departmental focus on a small number of priorities;
- intensity and imagination;
- effective communications;
- persistence;
- a judicious mix of multi-skilling and specialization; and
- aligned and supportive central agencies.

RECOMMENDATIONS



The following recommendations on integrated planning are based on the best practices identified during the review of department and agency plans, on the interviews with key leaders and managers, and on the Panel's experience:

- 1. There should be top level affirmation of the importance of integrated planning in shaping a full range of choices for delivering on key business goals.**
 - In identifying future Public Service Renewal commitments, the Clerk of the Privy Council should continue to emphasize the fundamental importance of integrated planning.
- 2. Deputy Ministers should drive integrated planning and model integrative behaviours.**
 - In 2009–10 and 2010–11, Deputy Minister Performance Management Agreements should include explicit consideration of their success in integrated planning, both within their individual departments, and where appropriate, with their colleagues with regard to horizontal business priorities.
 - The Clerk should ask a small group of Deputy Ministers to encourage and support their colleagues in accelerating progress across the federal government.
- 3. Successful integrated planning is already occurring in some parts of the federal Public Service. These trail-blazing efforts should be disseminated and shared. They can be enhanced with reference to experience in other organizations and sectors. Approaches include the following actions:**
 - Work out a clear statement of the department's principal business goals and its strategies for achieving them.
 - Rely on managers throughout the organization to determine the most cost-effective options for achieving particular goals and to furnish the analysis and information needed to shape decisions.
 - Improve the capability for integrating workforce data with business and financial information. Start with the information available and perfect it through learning by doing.

- Establish governance that focuses the attention of leaders from the top level down to Directors General on making choices.
- Ensure that top-down direction and bottom-up identification of issues and options mesh. Line managers need to appreciate the priorities, gaps and risks affecting the department as a whole, while top management needs to understand what is operationally realistic.
- Identify, analyze, and take action on risks at the corporate level. Degrees of freedom at the unit level are not high enough.
- Design the process so real planning can happen once, and all external reports can flow from one plan.
- Facilitate internal mobility to avoid major disruptions in the workforce as business activities are adjusted.

4. The centre should support and facilitate.

- The Treasury Board Secretariat should take responsibility to ensure that policy and reporting requirements are simple, coherent and unified as soon as possible, ideally by June 2009. In particular, they need to specify the minimum requirements for planning products in a way that integrates all central agency needs and focuses on outcomes, not processes. Accomplishing this requires central agencies to plan, work and communicate together, as well as with departments.
- The Panel encourages the Treasury Board Secretariat to meet or exceed its target of a 25% reduction in the reporting burden by 2010–11.
- The Treasury Board Secretariat should foster specialist communities dealing with aspects of integrated planning, including those related to strategic; financial and human resources; information technology; and accommodation planning, to work together closely in strengthening their capacity and performance in support of line management.

PURPOSE

Integrating business and human resources planning is fundamental to delivering on business goals in tough times, as much or more than it is in good times.

Public Service Renewal seeks to ensure that the federal Public Service can serve Canada and Canadians with excellence for many years to come. To do so, the Public Service needs to manage unprecedented rates of retirement of experienced executives, managers and staff, under tight fiscal restraint. Just to maintain the March 2008 indeterminate population would require hiring 10,000 to 12,000 new staff each year.

As the Public Service manages these internal shifts, a confluence of external forces is creating enormous pressure to provide even better advice and programs. The complexity of public policy issues is increasing. Furthermore, there is a high degree of uncertainty in globally connected systems, and citizens have increasingly high expectations of their governments.

Technology can help, but it will not get the Public Service through this. The ability of the Public Service to compete and carry on successfully lies in finding ways to harness and channel the energy of its people toward those few things that simply must get done.

Planning that integrates people with business goals is both indispensable and simple in its intent. To do it well, an organization must be clear about its business goals and the human skills and capacity needed to achieve them. Once any gaps in the current workforce are identified, there are three possible approaches to closing them: **redesign the work, develop new capacity in existing staff, or hire more people**. Crafting this balance and designing how to execute it, is the bold ambition of integrated planning.

Applying shrewd, thoughtful, and honest analysis can create new choices for success. For example, in a time of uncertainty, individual units cannot afford to take risks. Yet, a department as a whole can pool risk, and restructure with confidence the way in which it does things, attracts talent, or redeploys staff. Integrated planning represents a shift from filling the vacancies of the moment to broadening choices with engaged people doing the right work in the right place at the right time.

Having a well-considered plan also reduces the temptation, in a time of tight resources, to implement simplistic solutions whose long-term impact would be detrimental to both employees and the business.

Integrated planning must be implemented by line managers. They are in the best position to integrate corporate and departmental goals and priorities with precision. Only they can decide how best to allocate resources by aligning the organization's people capabilities with its business imperatives.

Senior human resources managers have to be front and centre, and they must demonstrate their value in facilitating such planning. Yet they do not own the

**“I don't need an HR plan...,
you need an HR plan!”**

*— Alcan Senior Vice-President of
Human Resources to Line Manager*

integrated plan, since they do not have to deliver the business results. It is the line managers who are on the hook for that. Specialists can offer invaluable assistance: gathering the data, crunching the numbers, feeding the conversation with scenarios,

and working through the implications of options.

There is a debate about the scope of integrated planning. Some say that it only needs to link business and human resources planning. Others counter that it needs to be comprehensive, addressing all of the inputs to achieving business outcomes, from money to information technology to accommodation and equipment.

Ultimately, integrated planning needs to pull everything together. But at a minimum, it is about linking people plans to business goals. Once that marriage is secure, the other dimensions will inevitably come into focus as well.

SIMPLICITY IN THE FACE OF COMPLEXITY

In the Panel's experience, the approach to integrated planning in the Public Service must be simple to apply, simple to understand, and simple to sustain. Three fundamental questions that managers at all levels must reflect on when planning are as follows:

- What adjustments to the business goals must be made by the organization?
- What resources are required to achieve those outcomes?
- What is the gap between outcomes and resources (i.e. people and funds)?

Keeping it simple in a challenging environment calls for focus. Tackle a few big issues first and state the business goals clearly. This is how business planning starts. Specific proposals can then be articulated by line managers to address these goals. The human resources implications should be clearly elaborated in terms of the number, occupational group, cost, and duration. Proposals can then be assessed by the corporate leadership with regard to overall priority and feasibility, from a resource perspective.

The federal Public Service is no different than other organizations, in that its plans must align to spending and must consider trade-offs (e.g. between information technology and people, between centralizing and decentralizing, or between fewer employees with higher qualifications and more staff with lower-level skills sets).

Implementing any integrated plan requires the support of enabling functions. However, it is not the role of those enablers to do the planning, unless they are planning for their own needs. It is the managers, not the planners, who will hire the skilled people they need to deliver on their business goals. Figure 1 is a simple distillation of integrated planning to illustrate the general flow.

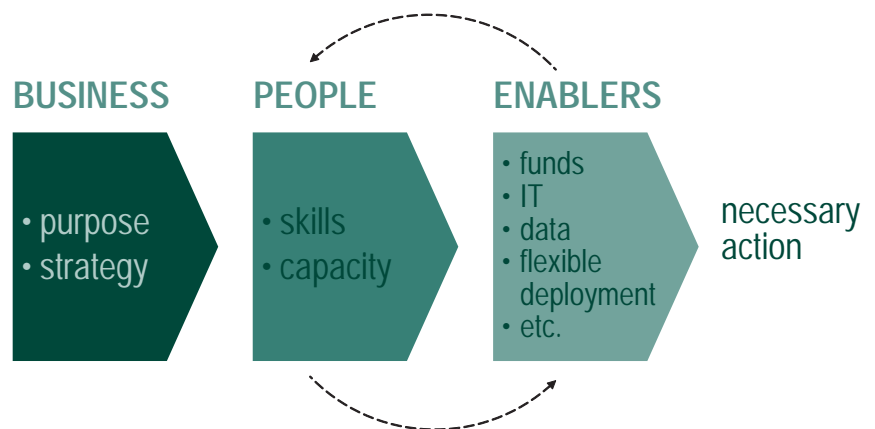


Figure 1: Conceptual Model of Integrated Planning

CRITICAL SUCCESS FACTORS

The Panel identified some winning conditions for successfully linking people plans to business goals. **The fundamental driver is leadership.** Deputy Ministers must drive the push for clarity in their departments. Demand from the top with clear governance, accountability, and performance expectations is indispensable. In moving forward with implementation, **the identification of a small number of strategic priorities** brings focus to the organization and **cross-departmental/cross-functional teams** bring an integrated approach to planning.

In addition the Panel identified the following:

- **Pragmatism** — Even with inadequate information, it should be possible to craft a sensible plan. Use the information and tools available, and improve them through learning by doing.
- **Intensity and imagination** — Structure a process that gives room for candour in conversations and in exploring options that open up new ways of achieving results.
- **Effective communications** — Engage managers and employees in a compelling and authentic story about the nature of the work, the values of the organization, and the way business is done.
- **Persistence** — Effective planning comes over time, through iteration, so be persistent.
- **Judicious mix of multi-skilling and specialisation** — Making significant changes to business in the context of a career workforce demands the flexibility to redeploy staff, while retaining a base of highly skilled specialists. Be clear about the number and types of specialists needed, and put in place mechanisms to encourage multi-skilling and internal mobility.

“In government, it is Deputy Ministers and Agency Heads who are the managers of people. The principal role of Central Agencies should be to establish expectations and to provide policy frameworks and guidance to departments and agencies, without the heavy hand of excessive control”.

— *Second Report of the Prime Minister’s Advisory Committee on the Public Service*



Also critical is the role of **supportive and aligned central agencies**. Central agencies must strive to find a good balance between:

- supporting the obligation of departments to meet their many accountability requirements to Parliament; and
- their own role in setting expectations for simple, inclusive and authentic planning, in support of policy and operational priorities.

The requirement for simplicity cannot be overstated. Piling on controls, templates, processes, and tools will not yield clarity. Rather, understanding and engagement — at all levels — in the act of planning are critical. Effective planning emerges over time, a fruit of iteration and sustained effort over several years.

**“Plans are nothing;
planning is everything”**

— Dwight D. Eisenhower

INTEGRATED PLANNING IN PUBLIC SERVICE ORGANIZATIONS

Planning in public service organizations tends to be organized by function and driven by process. Planning is often left to staff specialists with top leadership intervening to make adjustments as the product is being finalized. Nevertheless, within the federal government some departments have achieved breakthroughs in meaningful integrated planning.

Statistics Canada is one department with a well-established integrated planning system that links human resources information and costing with strategic objectives, operational plans and priorities, program performance, and budgets, for the purpose of examining human resources and financial capacities. The agency’s governance structure for integrated planning actively synthesizes the perspectives of its program and service areas. This process was developed over eight to 10 years, under the leadership of a single Deputy Minister.

More recently, other departments have developed integrated planning processes. For example, Natural Resources Canada’s renewal approach, called NorthStar, has yielded a new strategic framework for the department

and increased employee engagement. This process was built by merging top-down and bottom-up perspectives, across diverse business lines (increasingly referred to as program activities) over a relatively short period of two and a half years. One integrated plan is constructed for the fiscal year to meet legislative requirements and serve all external reporting needs. An early win came from pooling risk at the departmental level, using indeterminate staffing to retain many talented young professionals previously employed as term employees.

Based on these and other examples, some of the most important building blocks for effective integrated planning are as follows:

- Create a shared understanding of what the department is determined to accomplish. Get the departmental story straight. Ensure it is compelling and credible.
- Establish a form of governance that draws leaders from all parts of the organization into a conversation about the identification of choices and about decision-making on how to achieve business goals. Governance needs to operate on at least two levels (i.e. the Deputy Minister and those senior managers who report directly to him/her are supported by managers at the level of Director General). At the latter level, options can be tested and proposals vetted.
- Call for bottom-up responses, proposed actions, and analysis of how to respond to business goals. Put these through the governance process to yield a feasible plan.
- Identify, analyze, and take action on risks at the corporate level. Degrees of freedom at the unit level are not high enough.
- Ensure that the culture and specific mechanisms are in place to facilitate staff mobility in order to adjust to changing requirements.

More broadly, in reviewing the plans submitted by departments and agencies, and the insights elicited from managers and planners across the Public Service, the Panel found a broad range of planning capacity and effort — from exemplary practices, particularly on aspects of integrated planning or in certain parts of departments, to far less-developed and fragmented approaches. In effect, the Public Service has made a good start, but there are many



opportunities for improvement. It is not surprising that there is a feeling of confusion in some areas. This indicates a possible need for clearer expectations and time to establish comfort with a more integrated approach to planning.

The Panel’s framework for assessment essentially worked in the manner illustrated in Figure 1 (see page 7). This was distilled from reviewing various planning models in the public and private sectors (see Annex A for more details).

As noted above, many departments observed by the Panel have taken the critical step of recognizing the importance of integrated planning. Some have established planning processes, cycles and tools for themselves. A few departments are in their second or subsequent iteration of planning, well on their way to a sound level of performance. Organizations, in which decision-makers now fully understand the benefits they can derive from effective planning to manage their people, can expect to be more agile and responsive to a fast-changing environment and more attractive to the best employees.

There appears to be an evolutionary pattern that most organizations follow, once they begin to explore the potential of taking integrated planning seriously. Figure 2 sketches the normal progression.

Implementing Integrated Planning (IP)

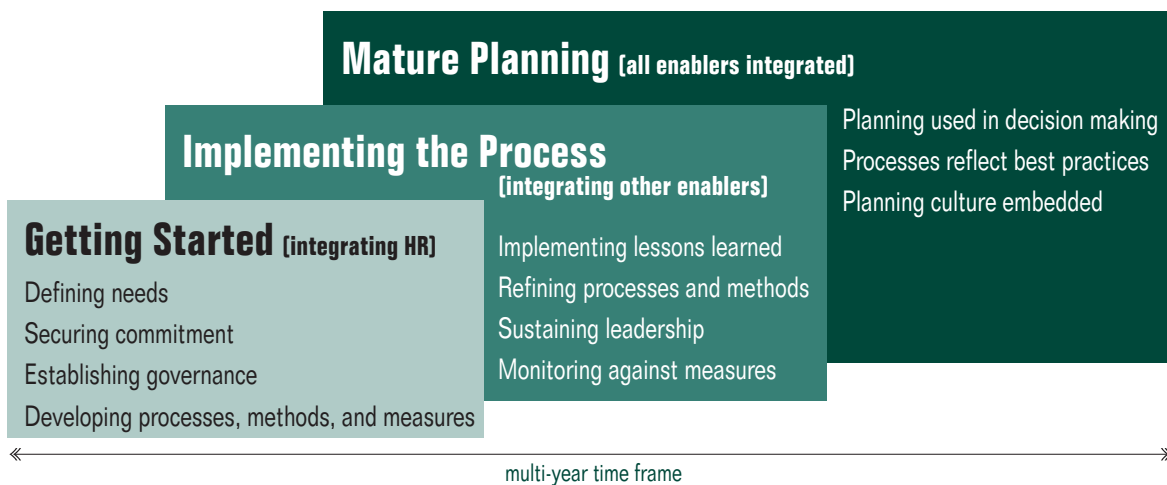


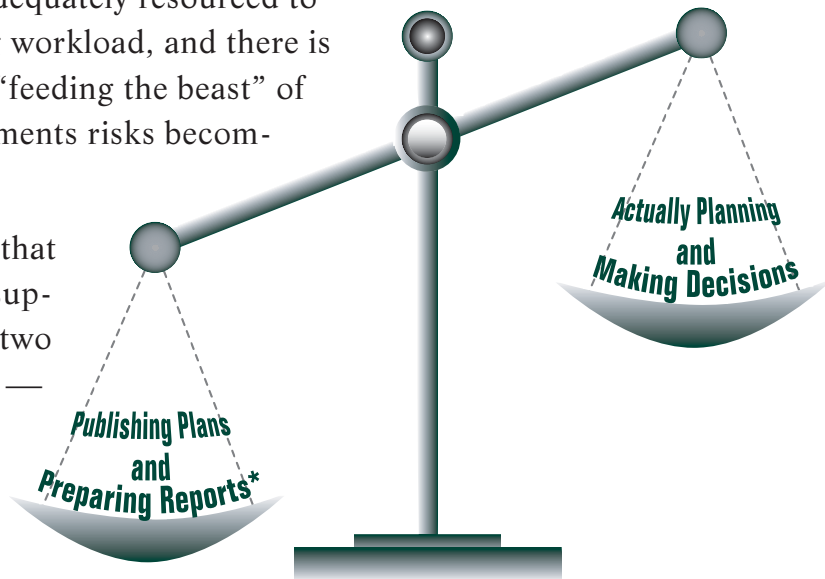
Figure 2

In the early stages of developing planning capacity, organizations tend to relegate planning to a small number of planning specialists, often working in separate areas of the organization, such as Corporate Planning and Human Resources. At this stage, if these two groups do not talk to each other, planning is fragmented and ineffective.

As the evolution continues, however, departments begin working diligently to improve their capacity and to align internal structures, processes and tools. In fact, because public servants keep delivering important results for Canadians, it is clear that planning is occurring. However, planning is not always integrated or documented; nor does it necessarily yield the best choices. Until planning matures, the cost will show up in difficulty renewing the Public Service workforce to achieve business goals.

Interviews indicated that, although most departments are confident in their understanding of effective planning, the weight of externally driven requests for planning-related products is causing added work, confusion, and frustration. After looking at the number of reports and plans expected from organizations, the Panel concluded that actual planning has in too many cases become secondary to preparing reports and publishing plans. Only a handful of organizations feel adequately resourced to manage this increasing workload, and there is a pervasive sense that “feeding the beast” of central agency requirements risks becoming a distraction.

Departments reported that they are struggling to support what are in effect two processes for planning — an internal approach focused on the achievement of business plans, which has a lot of everyday



*Currently more than 100 annual asks; commitment to reduce by 25% the reports required by Treasury Board policies



relevance and a parallel one that meets central reporting requirements. Many are left wondering which one is more important.

There are, in fact, numerous legitimate planning requirements that apply to departments. At the most fundamental level, as part of the process of accounting for public funds, departments must declare their intended results and associated resources to Parliament. Particular statutory requirements in such areas as official languages or employment equity also create planning and reporting demands.

Likely the most sensible approach is for departments to apply the simplest possible process to clarify for their own managers and employees their intended business results and related requirements pertaining to human resources and other functions such as financial budgeting and information technology.

Having achieved this clarity for themselves, departments will be well placed to deliver planning products such as the annual *Report on Plans and Priorities*, which is tabled in Parliament, and other required reports. One genuine planning process — and a single plan — can be the source of whatever formal planning documents may be required. But in the absence of that clarity, it is unlikely that any number of secondary plans will be meaningful.

Planning capacity was also raised as a concern by some departments. Determining business outcomes and their human resources and other implications is fundamentally a management responsibility. Focused attention will be required to strengthen the capacity of line managers at all levels to conduct the necessary analysis and to determine feasible priorities.

Planning specialists can play a vital supporting role. At present, it is difficult to recruit and retain effective planners. Departments report raiding of resources and the range of classifications and competencies varies. Central sponsorship of a functional community of practice and related centre of expertise would be advantageous.

In summary, improvement depends on investing as a priority in meaningful conversations driven by senior leaders to distill clarity on business goals and the related human resources and other implications. Focused attention and

iteration over several years will be required for all departments to reach a stage of sustainable competence in this work. For the next couple of years, at least, the focus should be on planning, rather than auditing or producing any more external reports than is essential.

Eventually, by focusing tenaciously on the winning conditions — forceful and pragmatic leadership; a cross-departmental focus on a small number of priorities; intensity and imagination; effective communications; persistence; a judicious mix of multi-skilling and specialization; and aligned and supportive central agencies — the federal Public Service can expect to achieve a sound overall standard for integrated planning.

ILLUSTRATIVE VIGNETTES

In describing concretely what integrated planning entails and how it can be practiced effectively, seven vignettes have been developed (see Annex A) on planning practices at the following companies and organizations: Canadian National, the Government of British Columbia, Hewlett-Packard, Natural Resources Canada, Rio Tinto Alcan (formerly Alcan Inc.), the Royal Bank of Canada and Statistics Canada. This selection illustrates how particular companies and government organizations have applied integrated planning to manage day-to-day business operations, large-scale transformation, or talent management. It shows that simple processes can yield significant and lasting results.

During the review of plans and interviews with Deputy Ministers and planning practitioners, several examples of specific and useful practices came to light (see Annex B). This annex describes how effective planning is yielding results for management in Health Canada, Human Resources and Social Development Canada, the Office of the Comptroller General, and Service Canada.

CONCLUSION

The journey toward sound integrated planning is well launched but will need a considerable amount of focused attention over the next 12 to 24 months. The Panel believes that energy directed at planning — not auditing or reporting beyond the essential — can advance integrated planning across the federal government. Indeed, the Panel is confident that the conversations and interactions with departments and agencies leading to this report have already engendered energy and momentum that should be reinforced.

ANNEX A: INTEGRATED PLANNING VIGNETTES

i. Canadian National

Background: Canadian National (CN) is a large rail company with roughly 25,000 employees across Canada. In the early 1990's, its future success was very much in question, due to operational inefficiencies, high costs, weak revenue growth, and an outdated business culture that was too focused on stovepipe operations, with little accountability for managing human resources. CN tended to promote employees for mastery of tasks rather than for demonstrated leadership, and it had few means in place of measuring either employee or organizational performance.

In the mid-1990s, CN executives began to address these issues by implementing an ambitious renewal program to turn the company into an efficient, profitable service-driven business and a leader in its field. It took CN four years to lay the foundation for building a high-performing organization that operates from a cross-functional — or organization-wide — perspective.

In undertaking integrated planning, CN identified the following guiding principles:

- Simplify in the face of complexity.
- Build on a framework or architecture of change in process, structure and people but remember that having the right people in the right places at the right time trumps everything else.
- Twin-track the processes of focusing on the optimal allocation of people and continuously improving processes, structures, and systems.
- Focus on people-oriented tactical moves aligned with identified priorities, and do not postpone critical decisions on people until a corporate human resources plan has been finished.

CN's method of integrated planning worked in the following manner. A small group of cross-functional CN executives (i.e. senior staff performing different functions in the company) collaborated on the annual business plan, working from a horizontal, organization-wide perspective and focusing on three or four priorities over a one-year period. At the same time, the group reviewed CN management, identifying its top 200 managers deemed critical



in reshaping the organization over the short to medium term. The group also reviewed the placement of these 200 top managers in order to ensure the best match of highly valued employees to high-value work. These reviews of top staff and their assignments helped CN to improve its management of human resources and started the process of transformational change in the company's thinking and operations.

The same small group of executives also took part in a survey on time allocation. The survey revealed that these executives spent an extraordinarily large percentage of time on low-value administrative tasks instead of on CN priorities. The results were a clear indication to these executives that they were taken up with low-level activities unsuited to their positions because they had not undertaken effective human resources planning to ensure that the right people were in the right places doing the right things.

Lessons Learned: Some key lessons emerged through this process:

- The planning process at CN was a decision-making process, not a prelude to decision-making. In addition to helping CN to manage its employees, the process also provided the wedge needed to open its culture to broader transformational change.
- CN began the process of integrated planning without an established methodology in place or all the pertinent data. While acknowledging that greater preparation would have been helpful at the outset, CN concluded that, since no exercise in integrated planning is without risk or error, it is important to begin with whatever information is available, without waiting for a fuller set of data or methodology to be developed. In going ahead with its integrated planning, CN relied on the sound judgment and business intuition of its senior managers.
- The introduction of integrated planning — and the new cross-functional or horizontal mindset that goes along with it — cannot be achieved overnight. It requires transformational change in the way an organization thinks and carries out its work. Planning tools and systems will catch up over time.
- CN believed that any integrating planning process should be kept simple. Ask people simple questions, and insist on simple and clear answers. Most

importantly, connect answers to decisions about people, and hold senior managers accountable for their decisions. The importance of the link between resources and expected results cannot be overstated.

- CN was also of the view that integrated planning must be both practical and strategic. Planning tools are useful. However, strategic thinking is even more effective in breaking down functional barriers within an organization as well as in establishing a more holistic approach to planning and operations.

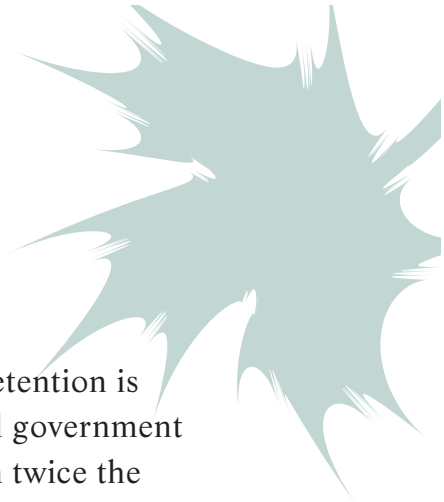
Conclusion: CN is often described within North American rail industry circles as the most-improved railroad in terms of productivity and in lowering its operating ratio (i.e. roughly the company's operating expense as a percentage of total revenue, the key performance indicator in the rail sector). Between the first and third quarters of 2008, CN revenues increased 12% to C\$2,257 million from C\$2,023 million. All told, CN has emerged from its transformation in the mid-90s as a recognized leader in the industry.

ii. Government of British Columbia

Background: In 2006, the BC Government unveiled its *Being the Best* initiative, the first government-wide human resources plan developed for the provincial public service. Its goals were to build internal capacity, improve competitiveness, and manage for results.

Accordingly, each ministry is required to develop its own human resources plan, outlining the demographics of its workforce, projected retirements and resignations, and ways of addressing any gaps. The human resources plans are also expected to include analysis specific to each ministry sector. Senior managers of every ministry are expected to lead and to be accountable for their human resources plans. Each year, these plans are reviewed by the Deputy Minister to the Premier and Cabinet Secretary, who provides feedback. These human resources plans are considered as important as the business plans, and both are distributed to employees simultaneously.

A high number of BC public servants — 45% of managers and 35% of bargaining unit staff — are expected to retire by 2015, posing a significant



human resources challenge to the provincial government. Staff retention is also an issue. For instance, in 2005–06, the number of provincial government employees who resigned (at an average age of 40) was more than twice the number who retired. An actuary was asked to develop a workforce planning model, the first of its kind for a public service in Canada. The model made projections about future labour shortages not only in the BC Public Service but also in the province's labour market in general. Its projections are shared with ministries, and form the basis of their own workforce projections and related strategies.

Leadership on Human Resources Planning: Quarterly since 2006, the Deputy Minister to the Premier and Cabinet Secretary has met with the provincial government's corporate executive (a group made up of all Deputy Ministers and Assistant Deputy Ministers) to discuss human resources challenges and strategies.

In 2006, a salary holdback was implemented for each member of the corporate executive, totalling \$1 million. In keeping with goals identified in the *Being the Best* initiative, the aim was to link executive performance to results, and thereby improve employee engagement. In fact, executives are awarded the salary holdback only if the annual BC Government's staff survey shows improvement on employee engagement.

The BC Government considers its human resources challenges to be the most critical operational issue it faces, requiring the attention not just of its human resources specialists but also its business strategists. Since 2006, a portion of the agenda of each Deputy Ministers' Council (a group made up of all Deputy Ministers) meeting is dedicated to the *Being the Best* initiative. The Deputy Ministers' Committee on the Public Service meets biweekly to develop the overarching strategy. In addition, a dedicated group has been established within the office of the Deputy Minister to the Premier and Cabinet Secretary to lead development of strategies related to human resources.

In each ministry, the full executive is expected to participate in human resources planning and strategy development. Furthermore, in most cases, human resources branches now report directly to Deputy Ministers instead of

to executive financial officers. These actions recognize the BC Government's understanding that effective human resources management is crucial to its success in delivering results.

Executive leadership and visibility on the human resources challenges facing the BC Public Service have been critical to the success of this initiative to date. The strategies the BC Public Service develops today will influence its workforce projections, which will form the basis of a significant service transformation agenda. The purpose of that transformation is to ensure the most effective delivery of high-quality public services to a growing and aging population with a shrinking workforce.

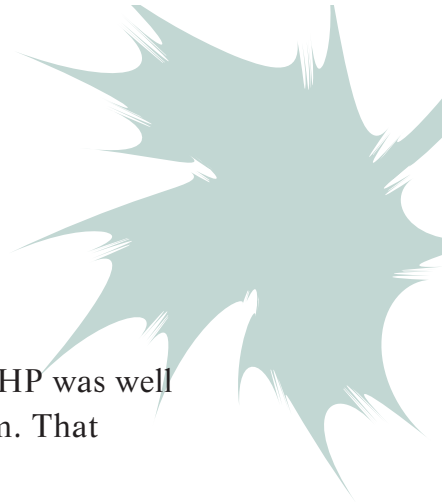
How the BC Government Measures Performance in Human Resources

Management: The BC Government monitors progress in several ways. For instance, it tracks the level of employee engagement, which has improved by 8 points over the past two years, according to a survey completed by 82% of employees.

Other quantitative performance indicators used include the percentage of external hires, the percentage of hires under the age of 30, the savings generated by innovation, the length of time it takes to fill a vacancy, and the number of job applications received. In addition, the BC Government has established an Intranet site, where employees are encouraged to blog about their workplaces. The government monitors the 30–40 employee comments posted each day, as a means of gauging its performance in human resources management. The website also contains a survey tool that enables employees to provide further feedback and make suggestions related to human resources.

iii. Hewlett-Packard

The world's largest technology company with total revenue of \$125B (2007), Hewlett-Packard (HP) is also an acknowledged leader in integrated workforce planning. Far from being a tedious administrative exercise, workforce planning is a core pillar of the HP business strategy for sustaining growth and securing continued leadership in the technology sector. In fact, it was HP's



capacity for such planning that convinced CEO Mark Hurd that HP was well positioned to acquire EDS, a \$22-billion technology services firm. That acquisition took place in August 2008.

Integrated planning at HP was born of necessity. With 360,000 employees and over a billion customers in 170 countries, tracking human talent in HP is a challenge at the best of times. Given the rapid pace of change in the industry, staff deployment across borders is a common way for HP to respond to shifting market needs and conditions.

For HP, it has always been critically important to understand the complexity and skill sets of its entire workforce, including its contingent workforce (i.e. independent contractors), the large number of consultants whose services it uses, and the temporary personnel it hires through staffing agencies. Workforce planning at HP is not just about collecting the usual employee data; it is about knowing the competencies and skill sets of employees, information collected through a combination of workplace surveys and managerial reviews. Managers are expected to develop a plan and to use it to manage their workforce. Workforce planning is just one part of a comprehensive strategy for managing people at HP.

For Shawn Williams, VP of Global Workforce Planning and Strategy at HP, workforce planning is ultimately about connecting high-value people to high-value work. It also means identifying areas in which high-value people are doing low-value work. Workforce planning provides a continuous means of identifying and eliminating such inefficient and ineffective allocation of human resources. Last year, for instance, HP's workforce planning unit was able to return \$7 billion to the business.



HP People Management Strategy

The firm's workforce analysis resulted in adjustments that made its allocations of human resources more efficient and effective, which in turn saved HP a considerable amount of money.

Workforce planning at HP is integrated with business planning related to IT, finance, real estate, procurement, the executive team, as well as with other human resources functions. In addition, HP assigns a specific cost to its human capital by including salary costs and a benefit multiplier for each employee in its human resources plans. These costs in hand, HP can examine the financial ramifications of its human resources in terms that are very familiar to HP's corporate finance staff. Indeed, given the preponderant cost of human capital to the company, the workforce planning unit often provides broad strategic direction to HP finance staff, a reversal of the usual relationship between human resources and finance branches. The costing of human capital is critical.

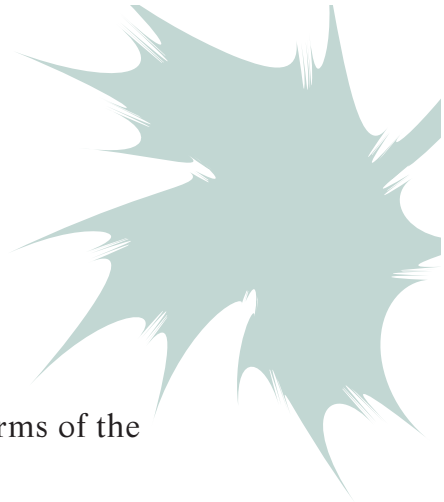
Carried out by 50 planners, workforce planning at HP is divided into three components:

- operations management, which develops strategies and initiatives to address identified gaps in skills and competencies;
- business strategy, which aligns the workforce with HP's strategic and operational goals; and
- industry and market analysis, which explores the broader business context, scanning the environment for developments in workforce management, relevant government regulation, and related labour-market trends internationally.

HP has identified the following success factors behind effective integrated planning: standardized metrics; foundational data expertise and business acumen; alignment with finance; and support from and alignment with all other elements of HP operations at the highest levels.

According to VP Shawn Williams, an effective workforce planner exhibits five key competencies:

- thorough knowledge of the business;
- sound knowledge of finance;



- detailed knowledge of workforce analytics;
- the ability to manage strategic conversations and to think in terms of the big picture; and
- knowledge of human resources and other enabling corporate functions.

For HP, getting the right people in the right jobs at the right time is about maximizing the return on investment in its workforce. It is not about doing a disconnected thing called human resources. On the contrary, it is about doing business the right way — putting the principal asset of the business to work to create greater value for shareholders, employees, and the broader community.

iv. Natural Resources Canada

Natural Resources Canada (NRCan) champions innovation and expertise in earth sciences, forestry, energy, and minerals and metals to ensure responsible and sustainable development of Canada’s natural resources. Over the last two and a half years, NRCan has been engaged in a business and human resources renewal process, working horizontally to bring together the different sectors of the department under a single organizational framework. Some sectors have traditionally been very autonomous and have a very long organizational history. The Geological Survey of Canada, for example, predates Confederation.

NRCan has had a good planning regime in place for some time, although it may have been vertical and mostly within individual sectors. Managers have tended to view their own planning as a guide to allocating sector resources independently of the department’s *Report on Plans and Priorities*, which was considered by many as a document strictly for Parliament. The department has made considerable progress in changing this kind of vertical thinking and improving its ability to plan horizontally. It did this through a bottom-up process begun by a dedicated team of employees, young as well as more experienced, from across NRCan operations. The “North Star” initiative and subsequent efforts produced an integrated strategic framework which spanned the department’s various sectors and has provided a solid foundation for departmental planning.

NRCan used its framework to revise its Program Activity Architecture in order to further advance horizontal planning. In addition, the department took a number of steps to strengthen its integrated planning by:

- implementing initiatives to improve the integration of science and policy;
- increasing planning resources;
- moving the departmental planning function from its corporate management and services sector to its science and policy integration sector;
- creating a department-wide planning community;
- effecting a change in departmental culture by engaging managers actively throughout the planning process; and
- developing a process that produces a single departmental business plan which addresses risks faced by NRCan while incorporating human resources, IM/IT, equipment, fleet and real property plans.

These efforts have resulted in more efficient processes, thereby reducing the planning and reporting burden on managers.

As part of NRCan's approach to human resources and business planning, the department has integrated various strategies and priorities into a single people management framework. The first planning cycle highlighted the need to strengthen the department's management of its term employees. It was determined that a large percentage of NRCan's programs are sunset funded and people hired to work on these programs are often term employees. Term employees on average are younger, well-educated and have generic and transferable skills, therefore making them a potential pool of talent for succession planning.

A Term Employee Management Strategy was developed to assist managers in taking a more strategic, horizontal and risk management approach to making staffing decisions. This initiative is reducing term employment in favor of indeterminate hiring and aims to ensure consistency, fairness and transparency in staffing practices across the department. As a result, many managers now regard term employees as departmental, rather than sector-specific, assets to be nurtured and retained.



This year, NRCan conducted a comprehensive financial and non-financial mid-year review. Lessons learned from this review are currently being applied in the inaugural ‘one department’ integrated planning exercise. This single, coordinated exercise will be used to develop an integrated NRCan business plan, as well as the Report on Plan and Priorities, the Corporate Risk Profile, and key corporate enabling plans such as Human Resources and Information Management/Technology.

The engagement and commitment of NRCan managers and executives to integrated planning grows with every tangible success.

v. Rio Tinto Alcan (formerly Alcan Inc.)

Background: No one would dream of starting the year without a business plan that articulates deliverables for the coming year. The same critical attention, however, rarely applies to human resources plans. In many organizations, the human resources branch is the only place where human resources plans are in demand, despite the fact that every manager throughout those organizations needs one in order to be able to deliver on key business goals.

Throughout the operations of the largest of the four major business groups comprising Alcan — the Alcan Primary Metal Group (APMG) — common sense and simplicity are immediately evident. APMG has 55 production facilities in 21 countries and regions, with total revenue of \$8.5 billion. Yet despite being a world-leading multinational in aluminum production, Alcan relies on a surprisingly simple planning process to ensure that its human resources plans are aligned to its business plans.

How Alcan Plans: The key questions for those engaged in integrated planning are: What are our business goals, and what people do we need to achieve them? Alcan keeps the answer and the related process simple.

Every year, APMG’s management group meets with the Alcan Executive Committee (i.e. the presidents of the four groups, plus all chief officers of finance, human resources, and legal and corporate affairs) for a thorough review and discussion of business and human resources plans. Having senior

business and human resources managers in the same room at the same time addresses business and human resource goals simultaneously, which ensures effective integrated planning.

The group president begins by making a succinct slide presentation, to which all Executive Committee members react in real time. While technical information is available if an issue has to be explored in more detail, the main thrust is to have a one-to-three-day discussion to establish the company's business and human resources goals. When interventions result in changes to the proposed plans under discussion, the committee adjusts them, along with the associated financial and business indicators. At the end of this annual process, the committee has produced a rolling five-year plan, which it continues to adjust each year, as needed.

How Alcan Effected a Change in its Business Culture: Since 1998, Alcan has been instilling the notion throughout its operations that its human resources plan is as critical as its business plan. Although managers have always been well aware that a production plan was indispensable, they rarely accorded the same significance to human resources.

Alcan found that one way to right that balance was to have the four group presidents present their human resources plans at the annual review sessions, thereby prompting them to take ownership of their human resources plans and to take responsibility for delivering the expected results identified in them. To encourage further accountability for human resources management at the most senior levels, the four presidents are also required to present, on a regular basis, their human resources plans, together with their business plans, to the Board of Directors. Finally, the Human Resources Committee of the Board periodically invites the group presidents to discuss their human resources plans and review young and prospective talent as well as their plans to develop it.

For a large business, APMG takes an exceptionally simple approach to crafting its human resources plan. In fact, the process of face-to-face discussions to establish annual and longer-term plans is viewed as more important than the plans themselves. The written document produced as a result of these



discussions is only a manifestation of the open and integrated exchange among senior management and the cascading effect this has on all operations throughout the company. In other words, the quality of the discussion at the Executive Committee and the Board of Directors depends on the quality of the preparatory work carried out at the departmental and functional levels in each business group.

vi. Royal Bank of Canada

Background: The Royal Bank of Canada (RBC) focuses on helping clients achieve financial success. One of RBC's strategic goals is to be the undisputed leader in financial services in Canada.

To maintain its position in the marketplace and keep pace with client needs for domestic banking services, it was decided to open more than 60 branches between 2007 and 2010 in key, high-growth urban markets across Canada. This initiative was headed by an executive sponsor and project lead. To begin, the project lead formulated a high-level project plan, demonstrating alignment of the initiative with RBC's strategic priorities and business objectives, and including estimates on the number of new branches needed and associated timelines, costs, and potential benefits. The executive sponsor reviewed the plan, validated the underlying assumptions, and forwarded it to senior management for approval. The project received that approval, which resulted in the allocation of further resources that enabled it to proceed with further exploration and detailed assessments of market opportunities.

The project lead assembled a team of experts from different functional areas of RBC (i.e. from human resources, real estate, operations, and finance units) to assess critical dimensions of the project. Regular progress reports were provided to senior management. This enabled senior managers to ensure the initiative remained aligned with RBC'S identified business objectives as well as to capitalize on emerging opportunities and to mitigate any risks associated with the project.

Given the size and breadth of the endeavour, the project team concluded that phased implementation would be prudent. Senior management reviewed and approved the opening and staffing of branches over a three-year timeline. The final approval for each new branch depended on the completion of assessments of the target market in question.

Each of RBC's functional and operational units undertook a thorough examination of the relevant dimensions of the project in order to better understand the complexities involved and the requirements necessary to achieve desired results. This examination revealed more about the demands that the project's implementation would make on RBC's functional units, which enabled them to determine the most effective way of allocating resources to the initiative.

At the same time, the project team assessed potential risks and opportunities related to the initiative. Early on in this assessment, the team discovered that competitive factors in some of the target markets had the potential to pose challenges in recruiting and training sufficient staff to meet the project timelines. To address this issue, the team proposed that action plans be tailored to each market's unique environment. For instance, in Alberta where the economic boom in recent years has resulted in a highly competitive job market, the team suggested early and accelerated recruitment and training of new staff. Senior management reviewed and approved the proposal, and certain functional and operational units at RBC (i.e. recruitment, and training) refined their resource allocations for each target market accordingly, while maintaining alignment with the project's business objectives.

Lessons Learned: Several key lessons were learned during this project, as follows:

- The initial phases of the project's implementation provided valuable information that was used to inform subsequent phases. The project team continued to monitor closely the lead time required to determine site availability, acquisition and construction, noting where modifications were required.
- Meanwhile, a related management review of RBC's sales staff capacity prompted a proposal to redeploy some current employees to select markets



in order to reduce recruitment requirements. Again, RBC'S functional and operational units made adjustments to resource allocations accordingly.

- RBC monitored client attraction and retention during each phase of the project's implementation. Results of that monitoring, which were relayed to the project team, helped to inform implementation of subsequent phases. This generated continuous feedback to guide ongoing improvements.
- Involving RBC's functional and operational units in integrated business planning resulted in horizontal engagement and commitment across the organization. It also enabled more effective resource allocation and, in turn, improved overall performance.

Conclusion: RBC ensures strong program management skills are brought to bear in undertaking significant and complex initiatives that require integration of multiple disciplines (i.e. projects that entail human resources requirements such as recruitment, training and placement; technological implications such as application development, workflow, and automation of processes; and operational needs such as process design, job aides, and measurement).

The framework used by RBC includes a multi-stage process, along with document templates to guide management of initiatives throughout their entire life cycles. In this way, RBC management is positioned to make informed and effective decisions at prescribed critical intervals, making necessary adjustments, as required, in keeping with changing circumstances.

vii. Statistics Canada

What It Does

Statistics Canada is mandated by the *Statistics Act* to provide timely, high quality statistical information to serve the changing needs of society. The agency produces statistics that help Canadians better understand their country — its population, resources, economy, society and culture. In addition to conducting a census every five years, the agency conducts some 350 active surveys on virtually all aspects of Canadian life.

How It Plans

Statistics Canada has an integrated human resources (HR) and planning system. The system's four main objectives are to:

- guide adjustment of Statistics Canada's programs and resources, be they substantive, financial or human, in order to meet changing client needs and priorities, to take advantage of opportunities, and/or to manage risks;
- identify and resolve issues affecting technical and management policies and practices, and address the human resources implications;
- monitor the performance of ongoing programs and major initiatives to ascertain if they are achieving expected results and supporting agency objectives; and
- foster innovation and efficiency.

The planning process starts with the articulation of strategic objectives for the next four to five years. These are based on a systematic review of major internal and external pressures. During the process, an efficiency target is set for the entire organization (generally 1% per annum), major HR trends and emerging pressures are examined, and broad strategies are identified to cope with them. Finally there is a call for the articulation of specific planning proposals or initiatives that specifically address the identified goals.

The proposals (both for program additions and reductions) are articulated by five committees known as planning syndicates, each of which is representative of both program and service areas. Four syndicates deal with "business" proposals and the fifth concerns itself with proposals which correspond to the identified broad HR priorities. Of the four "business" syndicates, two deal with proposals that result in visible statistical outputs and two deal with infrastructure proposals (e.g., systems, statistical methodology and dissemination). Every proposal addresses a specific business challenge and includes all of the HR implications: the number of employees, their occupational groups and levels, cost, duration, and so on.

The proposals are reviewed by the corporate leadership and assessed from the point of view of feasibility and overall priority. This takes into account



resources that are available by discontinuing previous activities, applying the mandatory efficiency target, and securing external funding sources. This rigorous planning system balances priorities to make corporate decisions and monitors progress.

Through the Long-term Planning process, Statistics Canada establishes a time horizon of three to five years for the development of priorities and plans, even though some projects will continue beyond that period and may need refinement in subsequent years. The approach is dynamic. It relies on advice from the committees. The process gives the agency the ability to adjust to new priorities. Activities that have a significant effect on the agency's central service areas (such as systems development, statistical methods, dissemination, and marketing), or that require special attention in a given planning cycle, are included in the long-term plans to ensure coordinated and integrated planning and delivery.

Approximately 3–4% of the agency's budget (excluding census budgets) is reallocated in each planning cycle. This is made possible through investment in ongoing programs to address new pressures, bring about future efficiencies, or reduce or eliminate programs of lower priority.

How is Business and HR Planning Integrated?

It happens in several ways. First, the entire process is driven by consideration of business needs. Second, broad overall HR challenges are identified and *fully costed responses are requested and assessed in light of their importance and affordability*. Third, since every proposal identifies its HR implications, approval of the proposals more or less automatically results in a detailed articulation of the required adjustments to the size and composition of the workforce. The combination of strategic HR initiatives and these derived adjustments to the workforce results in an HR plan that totally responds to business needs, both in the medium term (four to five years) and the longer term via the strategic initiatives.

Benefits of Integrated Business and HR Planning

Statistics Canada's integrated planning process helps to break down organizational barriers. It identifies challenges faced by the agency and strategies for going forward.

Prerequisites

The system depends on several simple but essential tools.

- A human resources information system, linked to payroll, which provides historical information that can be used to model the future evolution of the workforce and hence the risks that might arise.
- A system that determines the cost of each planning element, including HR.
- A culture in which much of the staff is used to moving from discontinued projects to new ones.
- Internal staff mobility supported by major investments in training and development.
- Above all, the integrated planning process depends on, and is facilitated by, line management ownership and accountability for HR management.

ANNEX B: USEFUL FEDERAL GOVERNMENT PRACTICES

i. Human Resources Planning/Post-Secondary Recruitment at Health Canada

In January 2008, Health Canada reviewed its integrated business and human resources plans, and identified a need to staff a significant number of entry-level science and technology (S&T) positions. As a result, and in keeping with Public Service Renewal, the department launched a large-scale recruitment campaign at university campuses across the country. Its objectives were to search for excellence in science to fill entry-level positions in chemistry, biology and scientific regulation; to promote Health Canada as an employer of choice; and to build relationships with universities.

Health Canada mobilized a team of over 150 senior managers (including the Deputy Minister, the Associate Deputy Minister and several Assistant Deputy Ministers), along with recent recruits/young professionals (referred to as ambassadors in this context) and hiring managers from across the regions to conduct interviews and provide information sessions on 10 university campuses. The department also hired Second City Communications to help explain to students the department's role and purpose in a way that students could relate to and find interesting. The campaign was deemed a success for the following reasons:

- Senior managers were directly involved on site during the campaign.
- The sessions were well attended (standing room only). In addition, attendees showed strong interest in working at the department, and many submitted applications.
- Health Canada was rated among the top five employers in Canada, according to a national survey conducted by DECODE, a market research company focused on youth (featured at www.workopolis.com). The willingness of the department's ambassadors to share their experiences with students made a positive contribution.
- Health Canada established a streamlined, fast-tracked assessment process for potential hires.

- Health Canada made 27 on-the-spot offers and qualified approximately 263 candidates for BI, CH and SG group positions into three staffing pools: Exemplary, Graduate Student and Employment Equity (EE). This will assist managers in meeting their human resources needs and closing gaps in the representation of EE groups.

Lessons Learned: Several valuable lessons from this campaign have enabled Health Canada to take steps needed to overcome recruitment challenges. During the recruitment drive, Health Canada staffed fewer positions than anticipated, which indicated a need for more precise human resources plans to support large-scale recruitment. It is also likely that the reduced take-up may speak to the need for a fundamental shift in culture from managers having to see and vet candidates themselves before hiring.

Health Canada is committed to using the pools of qualified candidates identified during the recruitment drive as the primary means of staffing next fiscal year. It also intends to share these staffing pools with other departments. It is anticipated that additional candidates will be appointed before the end of this fiscal year and during the next fiscal year.

Health Canada also conducted its first S&T recruitment workshop with science managers to help develop viable strategies. Additional key themes raised by these managers were:

- the need to undertake more strategic marketing in order to recruit mid-career professionals;
- the use of recruitment firms to help with hard-to-fill positions; and
- the need for streamlined and faster recruitment processes for hard-to-fill positions.

These measures will ensure a return on investment for Health Canada. The lessons learned will assist the department in moving forward with future recruitment goals.



ii. HRSDC's Integrated Planning Pamphlet

Background: Human Resources and Social Development Canada (HRSDC) began the process of integrated planning for 2008–11 in the midst of a significant departmental realignment aimed at refining and communicating a new organizational structure as well as delivering its mandate more effectively. The convergence of these two initiatives prompted HRSDC to develop an integrated planning pamphlet in order to explain the realignment and the plan to employees in a clear and concise way.

The fact that integrated planning was a government-wide initiative led by the Clerk of the Privy Council gave the process attention at the highest levels of management. Indeed, discussions about the purpose and scope of HRSDC's integrated business plan began with its senior managers.

For HRSDC, integration has two distinct dimensions — organizational and functional (i.e. integration of various planning activities, with particular emphasis on human resources management). The 2008–11 integrated business plan was the first to encompass the entire department, identifying three strategic areas of departmental activity: HRSDC, the Labour Program, and Service Canada.

The two-page pamphlet produced by HRSDC includes text, fact boxes, and graphics such as the department's Program Activity Architecture. Its presentation is simple and straightforward, with clear and engaging headings, such as:

- Who We Are;
- Results for Canadians;
- Our People; and
- Our Commitment to Excellence.

Lessons Learned: The department's integrated planning process and the related pamphlet allowed it to refocus its new organization on achieving results for Canadians, while communicating key planning information directly to its large and diverse workforce.

The pamphlet reinforced HRSDC's key renewal messages and commitments, and identified business and human resources priorities under four strategic outcomes. An electronic version was posted on the department's Intranet website, along with an invitation to all staff to provide feedback and engage in discussion of its contents. HRSDC has distributed hard copies of the pamphlet at town halls and branch retreats. More recently, the department included the pamphlet in an information kit provided to university graduates during its fall 2008 campus recruitment drive.

iii. Office of the Comptroller General: Management of the Financial Management and Internal Audit Communities

In 2008, the Clerk of the Privy Council named the Comptroller General as the Champion for the financial management and internal audit communities to provide functional leadership and support the development of sustainable capacity of these two communities across the federal government. The Transformation Management, Capacity Building and Community Development Sector of the Office of the Comptroller General (OCG), collaborates with departments and agencies to deliver government wide initiatives in support of financial management and internal audit capacity building and community development.

The OCG delivers collective staffing initiatives to create pools of qualified candidates that the departments and agencies can staff from. On an annual basis, university graduates are recruited for entry level positions through the Financial Officer Recruitment and Development Program and the Internal Audit Recruitment and Development Program. Each year, additional collective staffing processes are delivered by the OCG in collaboration with departments and agencies and in 2008–09, collective staffing processes for FI-02s and internal auditors at the AS-05, AS-06 and AS-07 levels are currently being completed.

As of September 2007, a new program to train chartered accountants in the federal government was established with the first cohort of 15 students



starting the program in May 2008. A second cohort of 15 students is planned for May 2009. The OCG has worked with the Canada Public Service Agency to develop a leadership development program for officers at the FI-03/04 level, as well as a finance specific stream of the Accelerated Executive Development Program. In addition, the OCG is working with the Canada School of Public Service to develop core curricula specifically targeted to financial management and internal audit officers in the Public Service.

Outreach activities are another important component of the OCG's work, including liaison with the three accounting institutes representing certified management accountants, certified general accountants and chartered accountants, as well as the Institute for Internal Audit. The OCG meets quarterly and holds annual meetings with the Chief Financial Officers and Chief Audit Executives, and meets once a year with Deputy Chief Financial Officers.

iv. Service Canada: Service Management Structural Model

Service Canada (SC, a business line of Human Resources and Social Development Canada) is mandated to improve services for Canadians by providing access to Government of Canada benefits and services. Launched in 2005, SC brought together a number of service delivery functions and staff from several departments to transform from a program-specific focus to comprehensive Government of Canada service outcomes.

With 16,000 employees (89% are located outside of National Headquarters), SC established a Human Resources Management Strategy to focus on its strategic business objective — service excellence for citizens. The change in its business drove a change in its workforce needs. As part of the strategy, SC introduced a structural model that organized work into four business streams.

The structural model clarifies roles, responsibilities and accountabilities. It ensures consistency of service delivery approaches across the country and provides greater clarity for performance expectations, both at organizational and individual levels, as well as greater flexibility in responding to changing demands and assigning staff to priorities. For example, as part of the model,

SC went from 4000 work descriptions that varied from region to region to 28 standard national work descriptions covering some 12,000 staff across the country.

In addition, the modularized structure makes for efficient expansion and contraction, such as shifting the balance between a full-time and part-time workforce, in an organization that delivers some time-limited or sunset programs and that regularly goes through peak operational cycles.

Service Management Structural Model

