



Highlights



Government-wide audit of executive (EX) appointments

October 2008



The Public Service Commission (PSC) is an independent agency reporting to Parliament, mandated to safeguard the integrity of the public service staffing system and the political neutrality of the public service. In addition, the PSC recruits qualified Canadians from across the country.

Why did the PSC conduct this audit?

Executives in the federal public service represent an important resource to Parliament and to Canadians. How they are recruited, assessed and appointed has fundamental implications for all aspects of government services, as well as for the government’s ability to deliver positive results for Canadians. The transparency and accountability of executive appointment decisions set the “tone at the top.”

Until the coming into force of the current *Public Service Employment Act* (PSEA) in December 2005, the PSC made the vast majority of executive-level appointments. With the change in legislation, the PSC was encouraged to, and did, delegate its authority to appoint federal government executives to the deputy heads of departments and agencies. Delegation allows an organization to manage its own executive staffing and recruitment needs in the most efficient and effective manner.

Deputy heads are now expected to exercise the delegated appointment authority in a way that respects the PSEA, its supporting Appointment Framework and the values on which they are based – the core values of merit and non-partisanship and the guiding values of representativeness, fairness, transparency and access.

The current PSEA, as well as assuming increased delegation of the appointment authority for executive resourcing, required a major transformation by departments and agencies. These changes included:

- establishing governance structures to support planning;
- conducting and monitoring executive recruitment and appointment processes;
- developing executive resourcing capacity; and
- engaging these personnel within a context of high mobility among human resource advisors.

The audit focused on executive appointments made from January to December 2006 and included 100% of appointment processes of executives at levels four and five (which includes assistant deputy ministers) and 50% of executives at levels one to three (which includes directors and directors general).

What did the PSC find?

Overall, we found that the executive appointment processes generally respected merit and non-partisanship. Nearly half (169 of 348) of the audited appointments were considered satisfactory. The remaining files audited had some shortcomings.

We identified 13.5% of the cases (47 of the 348) as unsatisfactory in which:

- merit was not respected or
- there was the appearance of a preferred candidate or
- there was no evidence of an assessment.

We were satisfied with the assessments of 63% (132 of 210) of advertised appointment processes. However, we found 57 advertised appointments in need of improvement in areas such as assessing all essential qualifications, proper communication to candidates and fairness to candidates. Some assessments were also incomplete. Without the necessary evidence to show why particular candidates were appointed, neither the deputy heads nor the PSC can be sufficiently assured that merit was respected and that the processes were fair and transparent.

For non-advertised appointments, we found that only 10% (11 of 107) of the appointments were satisfactory. The rest required improvements in either the assessments or the rationale that was given for choosing a non-advertised appointment process. It was often unclear why a non-advertised appointment process was chosen over an advertised one. Clearly, organizations faced challenges in meeting the new requirements for non-advertised appointment processes introduced by the change in legislation.

We also found that, while some challenges remain, requirements pertaining to area of selection, screening, language requirements, conditions of employment and notification were generally respected.

What action is the PSC taking?

Given the issues identified in this audit, the PSC has committed to undertake an extensive review of the executive resourcing services it provides to organizations. The PSC will also review and clarify relevant policy and guidance for executive resourcing.

The 47 unsatisfactory files in our audit will be further reviewed to determine what further action should be taken. Those files that did not contain any evidence as to why the candidate was chosen will be referred directly to organizations so that assessments can be conducted.

The PSC has received action plans from some organizations that face significant and systemic challenges in meeting the requirements of the Appointment Framework.

The deputy heads of all audited organizations were provided with an opportunity to comment on the audit results. Organizations emphasized 2006 as a transition year. The audit was viewed as providing them with an opportunity to better understand the requirements of the new legislation and reflect on policy requirements. Deputy heads noted that, since 2006, the organizations have been improving their practices as they gain more experience. They also indicated that their organizations planned to take, or had already taken, action to improve the quality of executive appointment processes.

The PSC will use this audit as a benchmark and adapt ongoing PSC monitoring to effectively report on the results of executive appointments. We plan to do a follow-up audit in two years.

