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ASSISTANT DEPUTY MINISTER (REVIEW SERVICES)



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Evaluation of Defence Civilian Human Resources Management Staffing



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Acronyms and Abbreviations

ADM(HR-Civ)	Assistant Deputy Minister (Human Resources – Civilian)
ADM(RS)	Assistant Deputy Minister (Review Services)
CAF	Canadian Armed Forces
CDS	Chief of the Defence Staff
CHRBP	Common Human Resources Business Process
CWMB	Civilian Workforce Management Board
DGCHRMO	Director General Civilian Human Resources Management Operations
DGHRSD	Director General Human Resources Strategic Directions
DGWD	Director General Workforce Development
DGWM	Director General Workplace Management
DM	Deputy Minister
DND	Department of National Defence
DPR	Departmental Performance Report
DRAP	Deficit Reduction Action Plan
FTE	Full-Time Equivalent
FY	Fiscal Year
HR	Human Resources
HRBM	Human Resources Business Manager
HRMS	Human Resources Management System
L1	Level 1
NCR	National Capital Region
O&M	Operation and Maintenance
OCHRO	Office of the Chief Human Resources Officer
OPI	Office of Primary Interest
PAA	Program Alignment Architecture
PSC	Public Service Commission
PSEA	<i>Public Service Employment Act</i>
PSES	Public Service Employee Survey
SMAF	Staffing Management Accountability Framework

SWE	Salary and Wage Envelope
TB	Treasury Board
TBS	Treasury Board of Canada Secretariat
VCDS	Vice Chief of the Defence Staff
WFA	Workforce Adjustment

Executive Summary

This report presents the results of an evaluation of the Department of National Defence (DND) civilian human resources (HR) management staffing. The evaluation was undertaken between December 2014 and December 2015. The purpose was to examine program relevance and performance for fiscal period 2010/11 to 2014/15 and to inform future management decisions related to program/service delivery and resource allocation, with a particular focus on the staffing function.

Description

The overarching objective of civilian HR staffing is to ensure the Department is resourced and sustained with positions in a prioritized and timely manner by high-quality candidates in accordance with Public Service Commission (PSC) policies and values. This will enable DND to have qualified, engaged and excellence-oriented employees in the right place at the right time. Ultimately, staffing activities are expected to contribute to DND sustainment (attraction and retention), an affordable, high-performing and principled workforce that supports the Defence organization.

Overall Assessment

- Civilian staffing is a critical internal service that directly supports the achievement of both DND priorities and Canadian Armed Forces (CAF) operational needs.
- Despite some success in achieving the expected outcomes, in terms of service delivery, the evaluation found issues with both timeliness and level of effort.
- With the new service delivery model now in place, there is an opportunity to strategically address department-wide staffing issues by fully exercising the functional authority of ADM(HR-Civ).

The management of civilian staffing activities is a shared responsibility within DND. Stakeholders include Assistant Deputy Minister (Human Resources – Civilian) (ADM(HR-Civ)), military and civilian managers of civilian employees, program branch senior management (Level 1 (L1)), the Vice Chief of the Defence Staff (VCDS)¹ and the PSC.²

Although Section 6.4 – Human Resources Management of the departmental Program Alignment Architecture (PAA) is most closely tied to civilian HR management, there are elements of civilian HR management (including staffing) in all PAA programs as the role of staffing is a secondary duty of most managers within the Department. The ADM(HR-Civ) organization spends approximately \$73 million a year³ on HR, approximately half of which is dedicated to staffing and the rest of which is dedicated to other activities such as labour relations management, classification and learning and professional development. Although there is a wide

¹ For the administration of employee security clearances.

² For second language evaluations and priority administration.

³ This excludes corporate salary and wages (to record non-discretionary civilian pay allowances that are funded separately from the normal civilian salary and wage envelope (SWE) such as maternity allowances, severance pay, foreign service allowances, educational leave, and survivor benefits). Detailed in DND financial systems: Defence Resource Management Information System.

fluctuation, it is estimated that each year almost half of hiring managers within the L1 organizations are involved in staffing activities.

Key Findings and Recommendations

Relevance

Without an adequate contingent of quality civilian employees, DND's capacity to carry out its mandate is compromised. As of 2015, there was a shortfall of approximately 2,400 civilian full-time equivalents (FTE) within the DND/CAF, representing over 11 percent of the civilian workforce. The Department's annual attrition rate⁴ of 7 percent, combined with internal movements and casual and student hiring, will result in an anticipated demand for 9,000 staffing actions in 2015/16.⁵ Accordingly, there is a strong ongoing need for staffing activity, and it is a high priority within DND. While there are various potential delivery models, the decentralized approach, supported by ADM(HR-Civ) for functional authority, oversight and support, is an appropriate role within DND to ensure that staffing activities comply with federal legislation and policy.

Performance

In order to assess the overall performance of staffing activity within the Department, the evaluation examined the extent to which the DND approach met expectations for the quality of candidates staffed, ability to meet timeliness and demand, compliance with policies and regulation, strategic planning and support, ease of delivery and overall efficiency and economy. Numerous areas are working well. Overall, positions in DND are being staffed with quality candidates. Departmental employees are confident in their own qualifications, are engaged and committed to their work and agree that their units hire effective employees. The PSC values for staffing processes (fairness, accessibility, representativeness and transparency) are being upheld. With respect to efficiency and economy, the new delivery model has reduced the size of the overall dedicated HR personnel⁶ by approximately 15 percent or 122 FTEs through the Deficit Reduction Action Plan (DRAP). While this has improved the affordability of the program, it is difficult to measure if efficiency has improved as staffing actions have dropped from over 11,400 per year in 2010/11 to under 7,000 in 2014/15 due to a mandated reduction in staffing in order to meet DRAP targets. It is noted that DND is similar to other departments in terms of clients served,⁷ though it has a slightly lower number of staffing actions per HR staff member.

There are, however, some significant concerns. The time needed to staff positions is the greatest issue, and as a result, the ability of the Department to meet its objectives is being challenged. All

⁴ Information presented in the Defence Resource Management Course (October 2015).

⁵ According to information in the Defence Management Committee-ADM(HR-Civ) Presentation "Addressing the Hiring Challenge" (May 27 2015).

⁶ ADM(HR-Civ) had 766 compensation FTEs, and L1 hiring organizations had another 200 dedicated HR FTEs for a total of 966 FTEs. After Integration this was reduced by 122 FTEs through DRAP (Source: Defence Renewal).

⁷ This statement is made in consideration of the fact that not all HR staff "serve" clients. At this time, it is not possible to differentiate HR staff dedicated to staffing activities versus other HR activities, such as labour relations and performance management.

of the stakeholders involved in the staffing process are responsible for the staffing delays. These are caused by the inexperience and unavailability of hiring managers, who, under the new model, have sub-delegated the responsibility for hiring but are themselves occupied with primary responsibilities. Within ADM(HR-Civ), HR officers are also tasked with multiple roles. At times, they make staffing a lower priority and tend to give inconsistent advice.

Timeliness is also compromised by a lack of well-defined roles and responsibilities within the HR service delivery model and by a lack of understanding of the service delivery model itself. There is, nonetheless, an appetite among hiring managers for more information and more training and tools to enable them to carry out their staffing responsibilities. Lastly, there are issues with respect to security clearances and language testing that cause further delays.

Recommendations

Recommendation 1:

- a) ADM(HR-Civ) should provide stronger support to the integration of business planning with HR demands. While some work has recently begun in this area through the new integrated service delivery model, there is opportunity through planning mechanisms to improve the strategic assessment of departmental staffing demand, identify priority areas for staffing and align HR service delivery resources accordingly.
- b) L1 organizations should improve their integrated business planning and dissemination of information to managers, HR staff and business planners in order to fully inform the planning process.

Recommendation 2:

By exercising its functional authority role, ADM(HR-Civ) should provide stronger and more consistent guidance and direction. ADM(HR-Civ) should educate managers and HR staff regarding staffing flexibilities and the appropriate management of corresponding risks to support the use of all staffing approaches, while still upholding PSC values.

Recommendation 3:

- a) ADM(HR-Civ) should develop user-friendly, standardized systems and tools to help clarify and track responsibilities and deliverables (for hiring managers and HR service providers).
- b) ADM(HR-Civ) should pursue potential improvements to tools and systems to modernize staffing approaches.
- c) ADM(HR-Civ) should pursue a more strategic use of staffing options, such as collective staffing processes, which would benefit hiring managers and other stakeholders.

Recommendation 4:

ADM(HR-Civ) should clarify and communicate to hiring managers and HR service providers the structure of the HR service delivery model, including roles and responsibilities, as they are determined. ADM(HR-Civ) should also ensure that both hiring managers and HR service providers are properly trained to fulfill their roles. Lastly, ADM(HR-Civ) should improve transparency regarding the post-Integration plans.

Conclusion

While the Department has ensured that staffing reflects the policies and guidelines of the PSC, it faces numerous challenges with respect to meeting its internal demand for timelines and capacity. With the implementation of the new service delivery model, there is an opportunity to address these challenges in a coordinated and strategic manner. Going forward, it will need to give priority to the staffing function among all stakeholders, including within both L1 organizations and ADM(HR-Civ).

Note: Please refer to [Annex A—Management Action Plan](#) for the management responses to the ADM(RS) recommendations.

1.0 Introduction

This report presents the results of an evaluation of the staffing component of civilian HR management, which is included in Section 6.4 of the DND PAA. In fiscal year (FY) 2014/15, spending on civilian HR by DND's civilian HR organization, ADM(HR-Civ), was \$72,506,741, approximately 47 percent of which was dedicated to staffing activities.⁸

The evaluation was undertaken by Assistant Deputy Minister (Review Services) (ADM(RS)) between December 2014 and December 2015 on behalf of the Chief of the Defence Staff (CDS) and the Deputy Minister (DM) of DND and in accordance with the DND/CAF Five-Year Evaluation Work Plan. The evaluation examined the relevance and performance of the staffing component of civilian HR management for the period of FY 2010/11 to 2014/15.⁹ Aspects of civilian HR management, including staffing, have been evaluated or reviewed by ADM(RS) and as a part of other Government of Canada reviews, such as the DND Audit of Human Resources Service Delivery (2009) and PSC Annual Reports.

The clients for this evaluation are the DM, the CDS, L1 senior managers¹⁰ within the Department and the DND civilian HR organization, ADM(HR-Civ). An evaluation advisory committee composed of ADM(HR-Civ) stakeholders was established to advise the evaluation team and support the evaluation. Recommendations resulting from the evaluation will be used to inform future management decisions related to HR staffing service delivery and resource allocation.

1.1 Context for the Evaluation

The Treasury Board of Canada Secretariat (TBS) directs federal departments to evaluate their internal services (which include HR services) either as a component of a program or as the subject of a stand-alone evaluation.¹¹ Given the interest of DND senior management in a deeper understanding of the reach, impact and expenditures of civilian HR activities, a stand-alone evaluation of the entirety of civilian HR management¹² was launched. After the evaluation was initiated, there was a shift in interest toward civilian staffing activities exclusively. The current evaluation therefore focuses on the relevance and performance of staffing¹³ in particular, situating these activities within civilian HR management where relevant. The civilian HR

⁸ In total, \$33,883,226 was spent on staffing, employee integration and total compensation, including salary-wage earnings and operation and maintenance (O&M) expenses.

⁹ In some instances information from prior years is presented where relevant.

¹⁰ A senior official, either civilian or military, who has direct accountability to the DM or the CDS.

¹¹ TBS. Policy on Evaluation, 2009. <https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15024>. Consulted on June 30, 2016.

¹² Including: civilian HR planning; work and organization design and reporting; job and position management; staffing, employee integration and total compensation; workforce development; and workplace management.

¹³ Overall resourcing of ADM(HR-Civ) is considered to some extent, as discussed in Section 2.5 – Efficiency and Economy section. Note that, in addition to the civilian HR management activity areas excluded from the evaluation, the following are also excluded from the scope: corporate services; change management; corporate compensation, permanent and temporary separation, collective bargaining, as well as executive staffing.

management landscape includes workplace management (e.g., supporting employee well-being), learning and professional development, classification and civilian HR planning and reporting.¹⁴

For this evaluation, it is important to outline the context. Civilian HR management within DND has undergone significant changes as a result of numerous initiatives over the course of the evaluation period. Many of these initiatives, several of which are still underway, have direct implications for staffing and the delivery of staffing services.

First, as part of an ongoing commitment to manage government spending, the Government of Canada introduced a revised Expenditure Management System in 2007. The intent was to ensure value for money for all government spending through the ongoing assessment, or strategic review, of all direct program spending.¹⁵

In 2009, the Office of the Chief Human Resources Officer (OCHRO) was established within TBS. OCHRO provided a framework for departments to clarify roles and responsibilities with respect to HR management and improve HR business practices.¹⁶ OCHRO also introduced the Common Human Resources Business Process (CHRBP) at this time to enable departments to streamline and standardize HR service delivery, including staffing.¹⁷ Within DND, ADM(HR-Civ) initiated the Civilian Human Resources Transformation, in part so that departmental HR-related business processes would reflect the OCHRO-directed CHRBP model. A part of this was a business process redesign, with staffing selected as one of the initial improvement areas.¹⁸

In addition to these changes, DND was responsible for implementing the Government of Canada DRAP, which was focused on achieving savings through efficiencies by FY 2014/15¹⁹ and which had an impact on departmental staffing activities. Substantial reductions were made to the number of FTEs across DND, including reductions of approximately 122 FTEs within ADM(HR-Civ). This represented about 15 percent of the total dedicated HR FTE within both ADM(HR-Civ) and the other L1 organizations. In response to DRAP-related reductions and budgetary constraints and in the interest of continual improvement, ADM(HR-Civ) undertook efficiency initiatives, such as E-Staffing.²⁰ The implementation of DRAP also affected the type of work undertaken within ADM(HR-Civ). That is, the number of staffing actions processed by

¹⁴ See Annex C for the Defence Civilian HR Management Logic Model, which outlines expected outcomes for all components of civilian HR management, including staffing.

¹⁵ TBS. Expenditure Management System, 2007. <http://www.tbs-sct.gc.ca/hgw-cgf/finances/pgs-pdg/em-gd/index-eng.asp>. Last consulted on June 30, 2016.

¹⁶ TBS. Policy Framework for People Management, 2010. <https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=19134>. Last consulted on June 30, 2016.

¹⁷ The consolidation of Canada pay services under Public Services and Procurement Canada (formerly Public Works and Government Services Canada) will result in the transfer of 174 ADM(HR-Civ) FTEs (expected to have been completed in December 2015).

¹⁸ Staffing transactions were sorted into high and low-risk categories. In total, 60 percent of staffing transactions were found to be processed by HR service providers, were low risk or administrative actions, and ADM(HR-Civ) concluded that redistribution of work across the organization would improve alignment of resources.

¹⁹ DND. Departmental Performance Report (DPR) 2013-14. <http://www.forces.gc.ca/en/about-reports-pubs-departmental-performance/2014-table-contents.page>. Last consulted on June 30, 2016.

²⁰ Originally “Fast Track Staffing.”

HR service providers declined, while hiring remained restricted in the Department, with an increase in Workforce Adjustment (WFA) activities over the same time period (approximately FY 2012/13 to 2014/15).

During the period of the evaluation, ADM(HR-Civ) initiated changes in response to findings and recommendations from reviews and oversight to align with Government of Canada direction and in response to a general desire to improve service delivery. The 2013 PSC Audit of the Department of National Defence found that DND lacked mechanisms to identify the specific individuals authorized (through sub-delegation) to undertake staffing activities, and it recommended that DND revise its staffing monitoring framework. Related to staffing, the 2014 ADM(RS) Audit of Human Resources Service Levels found a lack of communication and accountability regarding staffing service standards within ADM(HR-Civ), as well as a lack of standardized procedures for performance monitoring and file tracking. Additional recommendations concerning civilian HR management, including staffing, are expected through the Defence Renewal initiative. Defence Renewal, launched in 2012, includes an explicit focus on modernizing civilian HR management. For this effort, the objectives are more consistent HR service delivery and improved tracking of civilian HR data.²¹

As the above summary of initiatives suggests, there have been, and there will continue to be, significant changes for both DND and ADM(HR-Civ) related to civilian HR management and staffing for civilians within DND. It is in consideration of this context that civilian staffing was evaluated.

A final aspect of the context that was taken into account for this evaluation is the secondary impact of DRAP-related staffing restrictions within the Department. When staffing authorities were reinstated (starting in July 2013), following a period of department-wide hiring restrictions, ADM(HR-Civ) anticipated a capacity challenge to address pent-up staffing demand. This situation drew attention to the civilian staffing system and shed light on the need for sustainable improvements.

1.2 Profile

1.2.1 Description

The management of civilian HR, including staffing, is a shared responsibility within DND. Stakeholders involved in the staffing component of civilian HR management include the following:

- ADM(HR-Civ), including corporate planning and policy and HR service delivery in regional service centres;
- military and civilian managers of civilian employees;
- L1 senior management;
- VCDS for the administration of employee security clearances; and

²¹ DND/CAF. Defence Renewal Plan. Defence Renewal Initiative 6.3 – Civilian HR Management: Overview, October 2013.

- PSC for second language evaluations and priority administration.

As described in ADM(HR-Civ) strategic documentation,²² civilian and military managers of civilian employees across the organization and at every level are responsible for managing their civilian employees according to federal legislation and the Treasury Board (TB) policy framework. Managers of civilians are supported by ADM(HR-Civ) functional direction and guidance. With implications for staffing, ADM(HR-Civ)'s responsibilities are as follows:

- exercising functional authority;
- developing, communicating and implementing strategic civilian HR plans and supporting L1s in the development, communication and implementation of operational activities; and
- overseeing/monitoring to ensure that appointment (staffing) decisions are fair, accessible, representative and transparent.

Organizational Structure

DND

The DND/CAF is the only department where military members work alongside civilians (non-military members). The Defence Team is comprised of over 100,000 employees, including the following:

- approximately 87,000 Regular and Reserve Force members; and
- approximately 22,000 civilian employees.²³

To manage the staffing of such a large population of civilian employees, a significant volume of civilian HR actions are undertaken within DND.

ADM(HR-Civ)

ADM(HR-Civ), which reports directly to the DM, provides leadership, strategy and functional guidance for civilian HR activities. It also provides HR services to managers of civilians and civilian employees across the Department.²⁴ Within the ADM(HR-Civ) organization, there are four directors general as follows:²⁵

- The Chief of Staff for Director General Human Resources Strategic Directions (DGHRSD) performs a strategic management role and provides oversight and monitoring

²² Civilian Human Resources Functional Assessment (FY 2014/15).

²³ DND. DPR FY 2014/15. <http://www.forces.gc.ca/en/about-reports-pubs-departmental-performance/2014-2015/index.page>. Last consulted on June 30, 2016. Actual numbers for this period are 22,011 civilian employees, 66,130 military Regular Force and 21,707 Reserve Force personnel.

²⁴ Note that the CDS issues direction to military personnel on behalf of ADM(HR-Civ) and the DM to ensure military managers have the required guidance and direction to manage their civilian employees.

²⁵ Source: ADM(HR-Civ) intranet site. <http://hrciv-rhciv.mil.ca/en/o-adm-org.page>. Last consulted on June 30, 2016.

for the organization. DGHRSD is responsible for providing functional guidance for departmental HR planning, business planning and business change initiatives; cross-divisional initiatives; and ADM(HR-Civ) business requirements and corporate projects.

- Director General Workforce Development (DGWD) develops departmental frameworks, policies, strategies, programs and procedures and monitors departmental activities in the areas of civilian recruitment, staffing, WFA, learning and professional development and performance management.
- Director General Workplace Management (DGWM) is the functional authority in classification, labour relations, employee well-being and diversity, including employment equity. On behalf of the DM, DGWM issues decisions and represents the Department on all recourse methods available to civilian employees.
- Director General Civilian Human Resources Management Operations (DGCHRMO) oversees the operations of six regional civilian HR service centres (described further in this report). Regional HR service providers work with managers of civilians to address strategic and operational HR management needs. Regional HR service centre outputs include management services, civilian services for learning, employee records management, staffing, HR planning, program support and compensation.

The six regional civilian service centres are Atlantic, Eastern, National Capital Region (NCR), Ontario, Prairies and Pacific. Each service centre has a portfolio of regional clients. Table 1 describes the regional service centres in terms of the number of FTEs undertaking staffing activities, the number of staffing actions and the number of clients served.²⁶

Profile of Regional Service Centres	Atlantic	Eastern	Ontario	NCR	Pacific	Prairies	TOTAL
Number of Staffing FTEs²⁷ FY 2014/15	63	45	53	170	36	40	407
Number of Staffing Actions²⁸ FY 2013/14	860	751	1465	840	854	1734	6,931²⁹
Number of Clients	~3,900	~2,700	~3,700	~2,600	~2,300	~8,000	~23,200

Table 1. Profile of Regional Service Centres. This table displays the number of staffing FTEs, number of staffing actions and number of clients by region.

In FY 2014/15, there were 880 FTEs in ADM(HR-Civ).

²⁶ From the ADM(HR-Civ) Annual Staffing Activity Report (2013/14).

²⁷ Numbers provided by ADM (HR-Civ), based on 63.5 percent of the service centres' FTE total counts. Note that staffing also includes employee integration and compensation. Note that employee integration refers to integration of HR staff in the context of the Civilian HR Transformation initiative (ADM(HR-Civ) HR Integration Project Charter).

²⁸ Staffing Activity Reports (annual).

²⁹ Total includes staffing actions for: Canadian Forces Housing Agency - 85; Assistant Deputy Minister (Science and Technology) - 275; Ombudsman - 29; Director Civilian Executive Services - 38, not illustrated in table.

Management of Civilian HR

Acts, Policies and Other Guiding Documents

Corporate direction for civilian HR management is outlined in over thirty Defence Administrative Orders and Directives.³⁰ ADM(HR-Civ) must also ensure that legislative requirements are satisfied, which are outlined in over twenty acts and related documents. Additionally, activities undertaken by ADM(HR-Civ) are subject to over fifty TB policies, directives, standards and other guiding documents.

Accountability, Responsibility and Authority

The structure of authority and accountability in Defence is intended to enable all CAF members and DND employees to carry out their duties as effectively as possible. To understand how this works, it is necessary to define the concepts of accountability, responsibility, authority and functional authority.³¹

- **Accountability:** The obligation to demonstrate and take responsibility for performance in light of agreed expectations. Accountabilities cannot be delegated or transferred.
- **Responsibility:** An obligation to carry out a task or activity as part of one's roles, duties or obligations.
- **Authority:** The power or right to make decisions, give orders, take actions and enforce compliance.
- **Functional Authority:** The authority to issue binding direction and to monitor compliance and report in functional areas.

Authority for HR management, including staffing authority, is delegated to the DM of National Defence through central agencies and directly by relevant legislation.³² In the interest of efficient and effective management of civilian HR, authorities are further delegated to the appropriate manager or departmental official and are extended to the lowest possible level. Managers of civilians exercising delegated authorities must meet specific conditions through mandatory training and on-the-job experience.

ADM(HR-Civ) ensures that delegation instruments are in place and that training is available to managers of civilians, monitors the exercise of departmental delegated authorities and advises the DM on any abuse of delegated authority.

³⁰ This represents 13 percent of the overall number of Defence Administrative Orders and Directives department-wide (n = 378 in total).

³¹ DND/CAF. *Organization and Accountability: Direction for Members of the Canadian Armed Forces and Employees of the Department of National Defence* (Third Edition). 2014.

³² *Financial Administration Act* (FAA), 1985. <http://laws-lois.justice.gc.ca/eng/acts/f-11/>. Last consulted on June 30, 2016 and *Public Service Employment Act* (PSEA), 2003. <http://laws-lois.justice.gc.ca/eng/acts/p-33.01/>. Last consulted on June 30, 2016.

Civilian HR Staffing Process

The following is a high-level summary of the staffing process, which entails responsibilities for hiring managers, HR, PSC and VCDS.

1. **Initiate:** Hiring managers initiate conversations with HR to explore staffing options and prepare a staffing request and all required documents for submission to HR service providers.³³ The starting point of the process is when the completed staffing request is received by HR service providers.
2. **Validate:** HR validates the staffing request, then requests information and referrals from PSC on potential priority candidates. Any referrals received are assessed by hiring managers, who determine whether the priority candidate will be appointed to the position. If a priority candidate is appointed, the process advances to the “selection of candidate” stage.
3. **Advertise:** HR advertises the position to attract applicants.
4. **Initial Assessment of Candidate:** HR completes the initial assessment of candidates and invites successful candidates for further assessment.
5. **Assessment and Selection of Candidate:** Hiring managers assess and select candidates, HR reviews assessment results. Second language evaluations are conducted (administered by PSC), and security clearance is undertaken (administered by VCDS) for cases where security status is a condition of employment.
6. **Notification:** HR posts notifications regarding the proposed hiring and issues the letter of offer to the candidate.³⁴
7. **Offer:** The accepted letter of offer (signed by the manager and employee) and all applicable forms are provided to HR service providers.
8. **Closing:** HR closes the file by sending the letter of offer to the applicable office(s) and to the Compensation group, updating the Human Resources Management System (HRMS) and updating a staffing tracking tool.

This definition of the staffing process was developed by ADM(HR-Civ) in response to the 2014 ADM(RS) Audit of Human Resources Service Levels and in order to develop service standards for staffing. ADM(HR-Civ) identified the number of working days required to complete each step and the responsibilities of stakeholders. The process also accounts for the time to complete different types of staffing actions and the different levels of security required.

1.2.2 Objectives

Three levels of objectives were identified for staffing for the purpose of the evaluation. The immediate objective is concerned with effective and efficient staffing, while the intermediate and

³³ The staffing request includes the Statement of Merit Criteria and a plan or tools for candidate assessment.

³⁴ Notifications include notifications of consideration, notifications of appointment or proposed appointment or information regarding acting appointment.

ultimate objectives for staffing are nested in the context of civilian HR management and National Defence priorities.³⁵

It is expected that, as a result of staffing activities, positions within the organization will be staffed in a prioritized and timely manner by high-quality candidates in accordance with PSC staffing values. Staffing activities that hiring managers across DND undertake, as well as those that ADM(HR-Civ) undertakes, are expected to enable DND to have qualified, engaged and excellence-oriented employees in the right place at the right time. Ultimately, staffing activities are expected to contribute to DND sustaining (attracting and retaining) an affordable, high-performing and principled workforce that supports the Defence organization.

1.3 Evaluation Scope

1.3.1 Coverage and Responsibilities

As described in the Section 1.1 – Context for the Evaluation, the evaluation coverage was influenced by an interest from DND senior management in the relevance and performance of staffing activities in the period of FYs 2010/11 to 2014/15. Where relevant, results that related to other aspects of civilian HR management are also discussed. Activities related to compensation were also considered for some, but not all, of the analysis, since compensation responsibilities were being transferred to Public Services and Procurement Canada Public Service Pay Centre in Miramichi, New Brunswick at the time of the evaluation.

1.3.2 Resources

In addition to the resources for staffing that are associated with ADM(HR-Civ), there are costs associated with staffing across the Department as hiring and delegated managers have staffing responsibilities. Although Section 6.4 – Human Resources Management of the departmental PAA is most closely tied to civilian HR management, which assists in identifying funding associated with staffing, there are elements of civilian HR management (including staffing) in all PAA programs.

The average annual spending associated with ADM(HR-Civ) was \$75 million during the period FY 2008/09 to 2014/15.³⁶ Spending on staffing activities represents approximately 47 percent of ADM(HR-Civ) expenditures.

1.3.3 Issues and Questions

In accordance with the 2009 TB Directive on the Evaluation Function,³⁷ the evaluation addresses the five core issues related to relevance and performance. An evaluation matrix listing each of the evaluation questions, with associated indicators and data sources, is provided at [Annex D](#).

³⁵ Objectives and expected outcomes of civilian HR management are illustrated in the logic model in Annex C.

³⁶ This includes FTE employee salary (and benefits), as well as O&M costs.

³⁷ TBS. Directive on the Evaluation Function, April 1, 2009. <https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=1568>. Last consulted on June 30, 2016.

The methodology used to gather evidence in support of the evaluation questions and the evaluation limitations and mitigation strategies can be found at [Annex B](#).

2.0 Findings and Recommendations

2.1 Relevance

Key Finding 1: Staffing is how people are hired and promoted into positions from within and outside the organization. Without an adequate contingent of quality civilian employees, DND's capacity to carry out its mandate is compromised.

One of the primary functions of HR organizations in the federal government is to respond to the need for interpretation, guidance and advice on the complex array of policy, legislation and regulatory frameworks related to HR management. These HR organizations support both participants in HR processes (hiring managers, HR service providers) and recipients of HR services (employees).³⁸ This need is particularly acute in DND as there are approximately 24,000 civilian employees³⁹ working alongside 87,000 Regular and Reserve Force members across the country.⁴⁰ Furthermore, CAF members at certain levels are responsible for managing and staffing civilian employees in DND.

Not having the right people in the right place at the right time to carry out work in the service of DND's mandate has been identified as a corporate risk.⁴¹ The size of DND, combined with the complexity of its operational environment and military-civilian employment mix, presents unique HR challenges not experienced by other federal departments.

The implementation of the OCHRO-mandated CHRBP across the federal government aims for consistent HR service delivery across departments. Enhanced consistency paves the way for greater centralization of HR services, should a shared service model for staffing be considered as it has been for compensation services.

ADM(HR-Civ) staff provide corporate support and work with delegated managers who are responsible for carrying out critical HR activities across the entire spectrum of HR work, such as classification, staffing, learning and professional development and labour relations. The need for HR services is reflected in the demand for these HR activities. Even during a period of net reduction of civilian staff (in FYs 2012/13 to 2013/14), the Department averaged approximately

³⁸ Examples of acts and regulations that govern HR include: the PSEA, Public Service Employment Regulations, *Public Service Labour Relations Act*, Public Service Labour Relations Board Regulations, *Employment Equity Act*, *Official Languages Act*, *Financial Administration Act* and *Canadian Human Rights Act*.

³⁹ Source: ADM(HR-Civ).

⁴⁰ DND. DPR FY 2014/15. <http://www.forces.gc.ca/en/about-reports-pubs-departmental-performance/2014-2015/index.page>. Last consulted on June 30, 2016. Actual numbers for this period are 66,130 military Regular Force and 21,707 Reserve Force personnel.

⁴¹ DND Corporate Risk Profile. Also note that in a progress report on the Civilian Human Resources Transformation, ADM(HR-Civ) mentioned that further FTE reductions would significantly impair the organization's ability to support the Defence Team now and into the future.

7,400 staffing actions in response to unplanned attrition and demand for growth, while managing WFA activities.

2.2 Relevance—Alignment with Federal Roles and Responsibilities

Key Finding 2: As a result of ADM(HR-Civ) oversight and support, staffing activities undertaken within DND are aligned with federal legislation.

Roles and responsibilities for HR management are defined in the TB Policy Framework for People Management. People management in the public service is founded upon a legislative framework that includes the PSEA,⁴² the *Official Languages Act* and the *Employment Equity Act*.⁴³ OCHRO (within TBS) holds the key responsibilities for the implementation of the Policy Framework for People Management.

PSC is responsible for staffing, including the authority to make appointments within the public service. In accordance with the PSEA, staffing authorities are delegated to departmental deputy heads. This is formalized through an Appointment Delegation and Accountability Instrument under the PSEA, which identifies the appointment and appointment-related authorities being delegated, the authorities the deputy head may sub-delegate, the conditions of the sub-delegation, and how deputy heads will be held accountable. As outlined in the Appointment Delegation and Accountability Instrument, deputy heads are accountable to the PSC for all the appointment and appointment-related authorities delegated to them, as well as for any authorities they have sub-delegated. They must also have put in place a management framework based on the Staffing Management Accountability Framework (SMAF) provided by the PSC. The SMAF should ensure the effective sub-delegation of staffing authority, active monitoring of staffing decisions and potential staffing risks and should ensure that action is taken to continuously improve staffing management and performance. The SMAF should be closely aligned with the core expectations that are outlined in the Appointment Delegation and Accountability Instrument and the PSC appointment policies.

It should be noted that a new SMAF was introduced in 2014/15, in an effort to make it a more streamlined and effective management tool for deputy heads. The PSC SMAF now has one strategic outcome, one desired outcome, five elements (rather than indicators) and 12 indicators (rather than measures), making it simpler and more focused than the previous SMAF, which had 29 indicators and 60 measures. DND is currently in the process of revising the departmental staffing monitoring framework to reflect the new staffing policy requirements.

ADM(HR-Civ) plays a role in supporting the deputy head (the DM) in fulfilling delegated authority for staffing. ADM(HR-Civ) support for departmental staffing entails policy interpretation, implementation of central agency direction or guidance, including implementation of action plans in response to oversight recommendations, and communication to the HR service providers and sub-delegated managers on their roles and responsibilities for staffing. To this end,

⁴² The PSEA was developed as a complement to the *Public Service Modernization Act* (2003), whose objective was to create a more flexible staffing framework and clarify accountabilities for deputy heads and managers.

⁴³ TBS. People Management Legal Landscape, 2012. <http://www.tbs-sct.gc.ca/chro-dprh/pml-l-cjgp-eng.asp>. Last consulted on June 30, 2016.

ADM(HR-Civ) also provides training on sub-delegation of staffing authorities, which was granted to hiring managers in April 2015.⁴⁴ While ADM(HR-Civ) ensures that staffing undertaken within DND is aligned with federal roles and responsibilities, there are opportunities for improvement regarding the effectiveness of communication and training on the roles and responsibilities of the different stakeholders involved in the staffing process. This assessment is further expanded in Section 2.4.

2.3 Relevance—Alignment with Government Priorities

Key Finding 3: The management of civilian HR is aligned with Government of Canada priorities.

Creating jobs and securing economic growth was identified as Canada's top priority in the Speech from the Throne in 2011 and 2013. DND contributes to this Government of Canada priority by employing some 24,000 Canadians.

The 2013 Speech from the Throne also included a commitment to increasing performance accountability in the public service to provide better service to Canadians, at a reduced cost and to better recognize dedicated and effective employees. In this vein, a whole-of-government approach that enhances service delivery and value for money was initiated by the Clerk of the Privy Council and Secretary to the Cabinet through Blueprint 2020. DND has adopted the guiding principles of this initiative, such as working toward establishing an approach that enhances service delivery and value for money, modernizing the workplace and enabling a high-performing workforce.

2.4 Performance—Achievement of Expected Outcomes (Effectiveness)

For the purpose of the evaluation, staffing activities within DND were expected to result in the achievement of the immediate outcome "Positions are staffed in a prioritized and timely manner by high quality candidates," in accordance with PSC staffing values. This outcome includes six components, with results for each component explained in sub-sections 2.4.1 to 2.4.6.

Evaluating the achievement of expected outcomes entailed assessing performance against pre-established performance indicators, such as the following:

- stakeholder needs, obtained through the DND survey of managers of civilians, regional focus groups with managers of civilians and interviews with ADM(HR-Civ) corporate staff;
- trends and benchmarks from administrative data, collected for internal reporting and management purposes or to satisfy central agency reporting requirements; and
- analysis of workforce capacity, including changes to HR staff levels and composition.

⁴⁴ Prior to April 2015, there were two types of sub-delegation in the Department: certain managers had full appointment (staffing) authorities, while others shared sub-delegation with a certified HR officer. Source: PSC. Audit of the Department of National Defence, 2013. <http://www.psc-cfp.gc.ca/adt-vrf/rprt/2013/ar-rv/13-dnd-mdn/index-eng.htm>. Last consulted on June 30, 2016.

The evaluation included an assessment of the linkages between the immediate outcome for staffing with intermediate and ultimate outcomes. The intent was to demonstrate the fact that an effective staffing system is part of the foundation upon which the achievement of departmental outcomes is built.

- Intermediate outcome: DND has qualified, engaged and excellence-oriented employees in the right place at the right time.
- Ultimate outcome: DND sustains (attracts and retains) an affordable, high-performing and principled workforce in support of the Defence organization.

This evaluation also considered external factors that impact the ability to achieve expected outcomes (e.g., the changing context over the course of the evaluation and factors outside of the control of staffing stakeholders).

2.4.1 Ability to Provide Support to Business Planning and HR Planning Processes

Key Finding 4: While ADM(HR-Civ) assesses and analyzes L1 HR plans at the departmental level, there is opportunity through planning mechanisms to improve strategic assessment of departmental staffing demands and align to strategic priorities accordingly.

In order to plan against attrition, conduct succession planning, address deficiencies and gaps and align resources, it is critical for an organization to have the ability to forecast and adjust its workforce against business objectives. This would allow the organization to identify key priorities and align staffing activities to address these demands. Identifying staffing shortages is a key component of HR planning and a critical precursor to the strategic management of civilian staffing in DND.

The evaluation noted that there is a structure in place within ADM(HR-Civ) that should allow it to provide this key function. Currently, ADM(HR-Civ) provides HR policy direction and guidance via the HR Functional Planning Guidance, Defence Administrative Orders and Directives and other guidance documents such as bulletins, communiqués and manuals distributed throughout the organization and available on the ADM(HR-Civ) intranet site. ADM(HR-Civ) also disseminates, on an annual basis, functional planning guidance to assist L1 organizations with HR planning. Based on the individual L1 HR planning, ADM(HR-Civ) prepares an annual Functional Assessment to provide an overview of the state of the civilian workforce (including issues and risks).

The functional assessments are designed to consolidate L1 HR plans and address findings at a strategic level. The functional assessments determine factors such as department-wide shortage groups, recruitment issues, and potential pressure points in order to facilitate long-term planning within the Level 0s. However, it appears these assessments are not used to their full potential with respect to enabling a strategic assessment of departmental staffing demand and alignment of HR resources.

Additionally, there is little evidence that ADM(HR-Civ) has attempted to quantify and forecast future staffing demand or to align HR service delivery resources as a whole accordingly. For example, although the 2014/15 Functional Assessment predicted a significant increase in staffing requirements, there was an absence of a plan for processing the workload within HR service centres.

The Department does have a governance structure in place that would allow ADM(HR-Civ) to exercise functional authority over civilian workforce management. There are several governance committees whose mandates include oversight of civilian HR management. These are as follows:

- **Defence Management Committee**⁴⁵ considers all management matters, including those in the realm of civilian HR management, affecting the strategic direction of DND.
- **Civilian Human Resources Committee**⁴⁶ focuses on the following three priorities:
 - outlining people management priorities at the departmental level in support of Level 0 civilian HR management accountabilities;
 - establishing and guiding policies to be consistent with government priorities and legislative and policy frameworks; and
 - enhancing ADM(HR-Civ) functional authority and decision making through a consultative forum on people management policies, programs and service delivery.

As described in its Terms of Reference, the Civilian Human Resources Committee interacts with other departmental governance committees, including the Investment and Resource Management Committee, to ensure effective cross-departmental linkages.

- **Civilian Workforce Management Board (CWMB)**⁴⁷ reviews submissions from L1 organizations for external staffing to discuss WFA implementation and monitor progress against workforce reduction targets. Note that ADM(HR-Civ) FY 2015/16 Business Plan explains that, through continued use of the CWMB, ADM(HR-Civ) will monitor L1 FTE utilization in an effort to ensure civilian resources meet the departmental priorities and requirements; and
- **Civilian Human Resources Management Council** provides a strategic forum to discuss common civilian HR management issues across L1 organizations.

Despite their existence, the evaluation did not find evidence that these councils and committees focus on assessing staffing demand at the departmental level or planning for addressing staffing requirements specifically.

⁴⁵ Chaired by the DM and the CDS.

⁴⁶ The Civilian Human Resources Committee was formerly chaired by the DM, but it is currently chaired by the Senior Associate Deputy Minister.

⁴⁷ Chaired by the Associate Deputy Minister. Membership is comprised of VCDS, Assistant Deputy Minister (Finance) / Chief Financial Officer, Assistant Deputy Minister (Science and Technology), ADM(HR-Civ) and supported by Chief of Programme and the Defence Renewal Team. The CWMB was established in November 2010, but it is no longer in existence. A new committee is currently being established with the Senior Associate Deputy Minister as the committee chair.

Even within L1 organizations, there have been challenges to align business needs with HR priorities. Recently this has improved through the integrated approach that ADM(HR-Civ) introduced in 2014 to improve planning in relation to civilian staffing.⁴⁸ ADM(HR-Civ) collaborated with VCDS and Assistant Deputy Minister (Finance) / Chief Financial Officer to integrate the business planning and HR planning cycles in order to ensure that HR planning complements and reflects the business needs and priorities of the Department.

The lack of a focus on strategic workforce planning presupposes an opportunity for ADM(HR-Civ) to exercise greater functional authority.

Key Finding 5: Hiring managers in the regions do not always understand the L1 rationale for staffing-related decisions.

Decision making related to anticipated staffing occurs within the integrated business planning process. The L1s develop the HR component of these plans, which they consolidate from plans at lower levels of the organization (Level 2s and Level 3s). In the L1 plan, staffing needs for the entire L1 organization are assessed, and decisions are made regarding whether to fund civilian positions. Needs that are not funded translate into unfilled vacancies.

Qualitative evidence, gathered during focus groups with managers, suggests that the rationale for decisions regarding whether positions are to be funded is not always communicated to the level of the hiring manager. This was apparent in regional settings where hiring managers were more operationally focused and removed from the business planning process. Hiring managers were under the impression that ADM(HR-Civ) is responsible for restricting hiring, when in fact, it is the L1 who makes such decisions. Operational impacts of unfilled vacancies (e.g., increased workload, morale issues among managers and staff) are thus often attributed to ADM(HR-Civ).

Having more insight into the rationale behind staffing decisions could enable hiring managers to adjust practices or business objectives, rather than continuing to manage with the expectation that all vacancies will eventually be filled.

Key Finding 6: There is a need for L1s to prioritize (i.e., order) staffing actions for processing by HR Service Centre staff. Failure to do so could result in delays in staffing critical positions.

As part of planning related to staffing, L1 senior management must consolidate staffing needs from all levels (and regions) of the organization and then order staffing needs according to operational and business priorities. Ordering staffing needs enables HR service providers to action staffing requests in a prioritized manner—rather than first-come-first-served—so that critical positions are staffed first, and that HR service providers can pursue high-impact staffing options (e.g., collective staffing process). This helps to feed into the Department’s capacity to maintain a workforce of employees that are in the right place at the right time.

⁴⁸ In part in response to the “attention required” rating that DND received in the 2010/11 SMAF.

Clear, actionable priorities for anticipated staffing enable HR service providers to better plan resources to address staffing demand. As discussed in Section 2.4.1, however, there is a need for ADM(HR-Civ) to improve workforce analytics so its response to L1 staffing needs (e.g., workload planning) is appropriate. Ordered priorities for anticipated staffing also improves flexibility for HR service providers to respond to in-year, unanticipated staffing needs.

Interviews with HR service centre directors revealed that good practices have been established in some regions to ensure that L1 staffing priorities are consolidated, up-to-date and clearly communicated to HR service providers. The Operation DOTATION initiative, launched in the Eastern region in 2014, is a promising approach for several reasons, including that regional clients consolidated and ordered staffing needs according to operational and business priorities.

Promising Practice: Operation DONATION

- Senior management engagement between HR service centre staff and senior management of regional client organizations on the need to consolidate and order staffing needs.
- Hiring manager engagement: the Army drafted an operational order for the region. Later, all commanding officers from the region participated. Hiring managers were tasked, through the chain of command, with staffing processes to ensure that manager responsibilities on staffing processes were fulfilled without delay (contributing to the timeliness of staffing).
- Tools: use of electronic tool (“Roadmap”) to identify roles and responsibilities of actors involved and track progress; pool management tools that list and help monitor all pools available from which appointments can be made.

ADM(RS) Recommendation

1a) ADM(HR-Civ) should provide stronger support to the integration of business planning with HR demands. While some work has recently begun in this area through the new integrated service delivery model, there is opportunity through planning mechanisms to improve the strategic assessment of departmental staffing demand, identify priority areas for staffing and align HR service delivery resources accordingly.

b) L1 organizations should improve their integrated business planning and dissemination of information to managers, HR staff and business planners to fully inform the planning process.

OPI: ADM (HR-Civ)

2.4.2 Compliance with Policies and Regulations and Adherence to Public Service Values

Key Finding 7: Overall, DND complies with policies and regulations and upholds the PSC values for staffing processes. A balance needs to be achieved between upholding staffing values and employing staffing options that meet business needs.

Based on evidence reviewed for the evaluation, DND generally complies with policies and regulations in regards to appointments and appointment processes.⁴⁹ For example, the DND Deputy Head has established mandatory appointment policies for area of selection, corrective action and revocation, as well as criteria for the use of non-advertised appointment processes.

However, the evaluation found some concerns with respect to record keeping and the documentation of appointment decisions. One challenge is the identification of the specific individuals authorized to undertake staffing activities, which can affect accountability for appointment processes. The evaluation noted the intention to identify these individuals in conjunction with the roll-out of the training for newly sub-delegated managers, completed in March 2016. Another record-keeping issue, as will be discussed in the following section, is that there are challenges within the Department with respect to recording the time it takes to staff civilian positions. Inconsistencies are found in practices in different regions and in the use of business information tools among different stakeholder groups. It should be noted that ADM(HR-Civ) has, during the period of the evaluation, developed standardized procedures, processes and tools to monitor and report on HR service standards and is preparing to disseminate these to departmental stakeholders.

The objective of the PSEA was to create a more flexible staffing framework and clarify accountabilities for deputy heads and managers. Based on the PSEA and consistent with the *Values and Ethics Code for the Public Service*,⁵⁰ the DND has an obligation/accountability to uphold the following values:

Fairness

- Decisions are made objectively and free from political influence or personal favouritism; policies and practices reflect the just treatment of persons.
- Persons have the right to be assessed in the official language(s) of their choice in an appointment process.

Transparency

- Information about strategies, decisions, policies and practices is communicated in an open and timely manner.

⁴⁹ According to the 2013 PSC Audit of the Department of National Defence, DND complies with the PSEA, the Public Service Employment Regulations, the PSC Appointment Framework and related organizational appointment policies.

⁵⁰ TBS. *Values and Ethics Code for the Public Service*, April 2, 2012. http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb_851/vec-cve-eng.asp. Last consulted on June 30, 2016.

Access

- Persons from across the country have a reasonable opportunity to apply, and to do so in the official language(s) of their choice, and to be considered for public service employment.

Representativeness

- Appointment processes are conducted without bias and do not create systemic barriers to help achieve a public service that reflects the Canadian population it serves.

Evidence gathered from the evaluation through key informant interviews and focus groups indicated that these objectives are being met through organizational staffing processes. The Department has numerous legislative obligations and reporting requirements to demonstrate achievement of these objectives.⁵¹

The evaluation found a high degree of stakeholder satisfaction with the perceived fairness and transparency of the staffing process. A demographic snapshot of DND's representation of the four designated employment equity groups⁵² illustrates that DND has exceeded employment equity targets for two areas: persons with disabilities (129 percent of target) and aboriginal peoples (110 percent of target). The two areas that are underrepresented are for visible minorities (89 percent of target) and women (95 percent of target).

Results from the PSC Survey on Staffing (2013) indicated that the majority of DND managers of civilian employees believe they have enough flexibility to carry out staffing processes in an efficient manner. One-third (34 percent) of respondents, however, disagreed with the statement, demonstrating that there is room for improvement. The opportunity for improvement becomes evident when the PSC staffing values are considered along with the other objectives of staffing (prioritized and timely process, with high-quality candidates). The PSC staffing values must be balanced with these other objectives if staffing is to contribute to departmental operational and business priorities.

Section 2.4.4 – Timeliness presents survey data on time to staff by staffing type (Table 2). As illustrated in Figure 1, it takes almost twice as long to process an advertised appointment compared to a non-advertised appointment, averaging 225 days (seven and a half months) for external and internal advertised processes, versus averaging 130 days (four months) for external and internal non-advertised processes.⁵³

⁵¹ Management Accountability Framework submissions, which are mandatory reporting to OCHRO (Policy Framework for People Management) and PSC assessment of staffing performance through the SMAFs.

⁵² As of March 31, 2014.

⁵³ Process is defined as initial staffing request to submission of completed staffing package, and submission of completed staffing package to receipt of signed letter of offer.

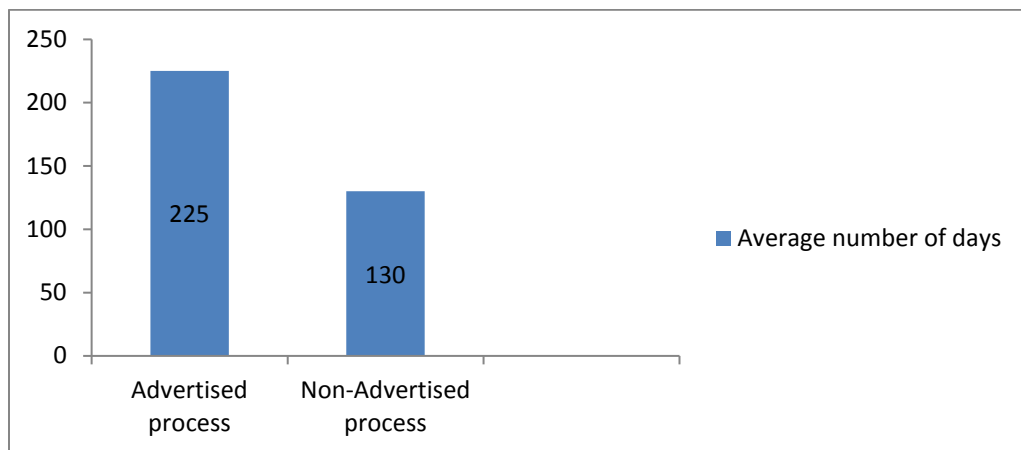


Figure 1. Average Time to Staff (in days) Advertised versus Non-advertised Staffing Processes. This figure displays the average number of days it takes to staff positions using both advertised and non-advertised processes.

Managers are sub-delegated to choose either advertised or non-advertised processes. However, evidence indicates a need for more guidance to the Department from PSC on different staffing options and their corresponding risks so that HR staff can provide more relevant advice and hiring managers can make better informed decisions. For instance, more guidance is needed in choosing internal versus external advertised staffing or advertised or non-advertised staffing processes.

The objective of the PSC Choice of Appointment Process Policy is to help organizations meet their operational and HR needs. The PSC advises that hiring managers' choice of appointment process should be consistent with the organization's HR plan and staffing values. However, the evaluation found a lack of understanding on the part of HR service providers and hiring managers about balancing PSC values with the need to staff quality candidates in a timely manner, particularly in terms of risk management. HR staff must be able to provide strategic advice and guidance on how to balance staffing values, legislation and policy requirements with alternative staffing approaches to meet their business needs.

Managers expressed concern that pursuing other types of staffing may result in the perception among staff that a staffing decision (for example, non-advertised appointment) is unfair. In addition to potential morale issues, they expected that they would face formal complaints. Analysis of staffing-related complaints as a proportion of the total number of staffing actions per year (between 2010/2011 and 2013/14) showed that the number of complaints was stable. Any encouragement for hiring managers to explore additional staffing flexibilities may need to be accompanied by additional support for addressing a potential increase in staffing-related complaints.

As illustrated in Figure 2, between FY 2010/11 and FY 2011/12, the Department's ratio of advertised versus non-advertised appointments⁵⁴ matched the average for the public service as a

⁵⁴ The numbers are based on ADM(HR-Civ) documentation and include internal and external appointment processes. PSC defines an external appointment process as "a process for making one or more appointments in

whole until 2012.⁵⁵ Recently, however, there has been a much greater use of non-advertised appointments (although among a significantly lower overall staffing rate, as discussed in Section 2.5 – Efficiency and Economy). This is likely due to DRAP, given the restrictions on hiring, which is reflected in the peak of non-advertised actions undertaken in FY 2012/13.

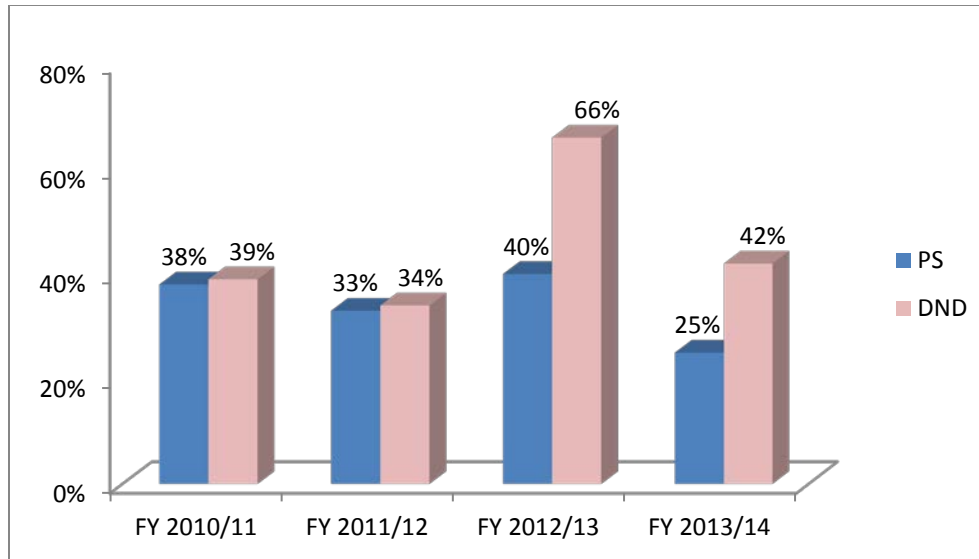


Figure 2. Percent of Non-advertised Staffing Actions – DND and Public Service for FYs 2010/11 to 2013/14. This figure displays the proportion of non-advertised staffing actions for both the DND/CAF and the public service for FYs 2010/11 to 2013/14.

ADM(RS) Recommendation

2. By exercising its functional authority role, ADM(HR-Civ) should provide stronger and more consistent guidance and direction. ADM(HR-Civ) should educate managers and HR staff regarding staffing flexibilities and the appropriate management of corresponding risks to support the use of all staffing approaches, while still upholding PSC values.

OPI: ADM(HR-Civ)

which persons may be considered, whether or not they are employed in the public service.” An external non-advertised appointment process is defined as “an appointment process that does not meet the criteria for an advertised appointment process.” An internal appointment process is defined as “a process for making one or more appointments in which only persons employed in the public service may be considered”, and “in the case of a non-advertised internal appointment process, this refers to all persons in the area of selection.”

⁵⁵ Note that this information excludes executive staffing.

2.4.3 Quality of Candidates Staffed

Key Finding 8: Overall, positions in DND are being staffed with quality candidates. Departmental employees are confident in their own qualifications, are engaged and committed to their work and agree that their units hire effective employees.

Overall, evidence from the evaluation indicated that DND is succeeding at attracting and retaining quality employees, despite challenges associated with staffing processes. However, the evaluation found opportunities for improvement related to the quality of new hires. For instance, according to the results of the 2014 Public Service Employee Survey (PSES), a total of 59 percent of departmental respondents believed that their units hire effective employees. This proportion has declined in recent years (63 percent agreed in 2008), and it differs considerably from executive respondents (90 percent agreed).

Although the “effectiveness” of an employee is largely a subjective concept, it is similar to the concept of merit. According to the PSEA, appointments to the public service are to be made on the basis of merit. A merit-based appointment is made when a candidate meets all essential qualifications, as well as additional qualifications that are identified for the job (i.e., asset qualifications, organizational needs and operational requirements). The 2013 PSC Audit of the Department of National Defence⁵⁶ found that merit criteria were met in only 48 percent of appointments. Of the remaining appointments, 6 percent did not meet merit criteria, and 46 percent did not demonstrate whether the candidate met merit criteria. The fact that merit was not demonstrated in almost half of appointments is primarily indicative of issues with the process of documenting the assessment of candidates.

Almost all respondents to the 2014 PSES survey agreed that they were willing to put in extra effort to get the job done. A strong majority of departmental respondents to the PSES believe their jobs are a good fit with their skills (85 percent agreed) and interests (81 percent agreed), and they express satisfaction and pride in their work. The majority would recommend DND as a great place to work (64 percent agreed) and would prefer to remain even if a comparable job were available elsewhere in the public service (59 percent agreed). The proportion of positive responses was even higher among executive employees.

There is an absence of data to inform the assessment of attraction and retention of high-quality candidates or to attribute attraction and retention outcomes with the staffing process. The systematic use of exit interviews and the analysis of results at a departmental level would be important steps toward better understanding trends in employee retention and attrition.⁵⁷ Qualitative evidence from some managers suggests that there are some areas where attraction and retention of quality employees may be compromised as a result of staffing challenges.

⁵⁶ The audit covered the period of October 1, 2011 to September 30, 2012.

⁵⁷ ADM(HR-Civ) referred to the implementation of an exit interview strategy across the Department in its 2014/15 Functional Assessment in order to better understand and proactively manage employee retention.

Attraction: Delays associated with staffing processes have resulted in the loss of top candidates to other job opportunities.

Retention: Persistent vacancies are dealt with by increasing employee workload, which has resulted in turnover of critical staff and in morale issues among remaining staff. Also, delays in receiving promotions through staffing processes or lack of promotional opportunities (especially regionally) result in turnover of quality employees, who then seek external opportunities.

It is important to emphasize that attraction and retention efforts vary with different labour market contexts. When employment alternatives are available, staffing delays and lack of staffing options are considered to have a greater negative impact on attraction and retention (e.g., public service in the National Capital Region, Irving Shipyards in Atlantic, oil sands opportunities for tradespeople or summer employment for students).

Equally important to highlight is that strong workplace management practices in the Department boost attraction and retention, as evidenced by qualitative information obtained during the evaluation. Factors such as workplace accommodation (e.g., flexible work arrangements) and work-life balance allow DND to maintain its reputation as an employer of choice and ensure that existing employees do not leave to pursue other, sometimes higher-paying, employment opportunities.

The evaluation noted that a mechanism is currently in place to address issues of concern related to the PSES survey results. Senior management within DND intended to review the specific results of the PSES (results communicated down to Level 2s and Level 3s) and to analyze the results obtained in the development of action plans.

2.4.4 Timeliness

Key Finding 9: The time needed to staff positions is the point of greatest concern in the staffing process. Staffing delays are caused by all of the stakeholders involved in the staffing process.

A recent Audit of Human Resources Service Levels⁵⁸ found inconsistent practices and a lack of business information tools with respect to recording the actual time it takes to staff civilian positions, which impedes the comparison of performance against service standards. The present evaluation gathered survey data to assess the actual time it takes to staff civilian positions. Results demonstrated that there is a wide variation in time to staff positions across all staffing types as illustrated in Table 2. For example, for 25 percent of managers, it took about a month and a half (50 days) from the initial staffing request to the submission of a completed staffing package for an external advertised process. But for 74 percent, it took up to three months (85 days). It was even reported that it took up to two years (730 days) to complete this step for that process.

⁵⁸ Conducted by ADM(RS) in 2014.

Staffing Type	Initial Staffing Request to Submission of Completed Staffing Package				Submitted Completed Staffing Package to Receipt of Signed Letter of Offer				Total Time (days/months)
	25%	Median	75%	Maximum	25%	Median	75%	Maximum	Mean
External Advertised	50	90	85	730 (~2 years)	75	70	130	980 (~2.7 years)	281 (~9 months)
Priority	7	35	182	365 (~1 year)	20.5	30	60	400 (~1 year)	216 (~7 months)
Internal Advertised	15	75	160	800 (~2.2 yrs)	9	35	75	240 (~8 months)	170 (~6 months)
Internal Non-Advertised	10	80	150	300 (~10 months)	9	30	58	270 (~9 months)	151 (~ 5 months)
Deployment	15	30	80	1,095 (~3 years)	10	29	45	150 (~5 months)	129 (~4 months)
External Non-Advertised	15	45	100	300 (~10 months)	2	25	55	90 (~3 months)	109 (~3.5 months)
Student	15	50	80	150 (~5 months)	14	35	45	360 (~1 year)	106 (~3.5 months)
Casual	7	15	45	350 (~1 year)	4	15	31	150 (~5 months)	67 (~2 months)

Table 2. Time to Complete Staffing Process by Staffing Types. This table displays the time it took survey respondents (managers of civilian employees) to undertake staffing processes under eight different staffing types.

The timeliness of staffing was the focal point of discussions with hiring managers engaged as part of the evaluation. Hiring managers' satisfaction with staffing was inevitably a function of the time needed to staff their positions. Feedback obtained from hiring managers, HR service centre directors and ADM(HR-Civ) corporate staff revealed that there are numerous factors that can explain the variance in the time it takes to staff civilian positions. Perceived delays were identified at all stages of the staffing process and a range of stakeholders were identified as being accountable for delaying the process unnecessarily.

Hiring managers felt that the time it takes to receive senior management approval⁵⁹ to staff positions is unnecessarily long. The extent of approvals required varied across DND organizations, and the issue was not raised in all contexts. The variability in requirements for senior management approval is a remnant of the DRAP context. That is, in addition to the departmental staffing controls established (e.g., the CWMB, which was to approve, defer or deny the creation of new civilian positions and indeterminate hiring activity from outside of DND), DND organizations also established their own staffing controls to manage WFA and the achievement of DRAP targets. Despite the fact that staffing controls have been lifted, certain

⁵⁹ From L1 senior managers.

controls at the organizational level have remained in place, such as the requirement to obtain approval to staff at multiple levels of management.⁶⁰

Stakeholders consulted for the evaluation attributed a number of factors that contribute to delays that arise throughout the remainder of the process, as follows:

- **Availability of Hiring Managers:** There is a perception that hiring managers are not always committing the necessary time to fulfill their responsibilities. Hiring managers may be unable to devote the necessary time to advance staffing processes. An approach that has been successful in one context has been for organizational senior management to free up hiring managers for work related to ongoing staffing processes. This has required engagement between organizational senior management and HR service providers, and it has resulted in accelerating staffing processes.

Another reason proposed by stakeholders about why hiring managers may not be committing the necessary time is that they may not be aware of their responsibilities. This is particularly applicable to military managers of civilian employees. At the HR service centre level, there is an opportunity to better explain and delineate the roles and responsibilities of hiring managers and HR service providers in the staffing process. This will be addressed to a certain degree through the roll-out of sub-delegation training for managers, but ongoing communication with hiring managers is also necessary.

- **Administrative Burdens:** Hiring managers and HR service centre directors identified opportunities for streamlining the administrative aspects of staffing processes. Fully digitized processes (e.g., with electronic signatures enabled in the E-Staffing program) and increased management access to required information (such as employee identification numbers, security statuses or language profiles) could reduce the back-and-forth between hiring managers and HR service providers, thus accelerating the process.
- **Responsiveness of HR Service Providers:** The responsiveness of HR service providers is perceived to have been compromised in the context of capacity challenges within HR service centres, HR service provider mobility and backlog of staffing requests. The resulting delays in the staffing process were noted by focus group participants and in the survey of managers. Increased access to required information was proposed as a means to reduce the administrative burden, which could potentially reduce the burden on HR service providers. Another concern is that HR service providers are responsible for all aspects of HR management, including labour relations which can consume vast amounts of time and take precedence. As a result, they become choke-points in the process as hiring managers wait for review/approval of their staffing submissions.

⁶⁰ Email correspondence February 17, 2015 from former ADM(HR-Civ), Ms. Binnington. Subject: Guidance on Managing Civilian Workforce Levels.

- **Inconsistencies in HR Advice and Decisions:** These inconsistencies were reported by hiring managers and acknowledged by HR service centre directors. Reducing the potential for inconsistencies may be a matter of clarifying the roles and responsibilities of HR service providers involved in service delivery and ensuring that the HR generalist (or the primary point of contact) is not offering advice without consulting a specialist first. Positional mobility among HR service providers aggravates the situation, since there is potential for inconsistencies over time when there is no consistent case management. There may also be a role for Director Civilian Employment Policies to play, as the staffing policy centre within ADM(HR-Civ), to ensure that policy expectations are clear to HR service providers.
- **Lack of Systematic Approach for Monitoring Progress of Staffing Actions:** Some regional service centres have developed their own tools and approaches for tracking the progress of individual staffing actions. Such tools allow HR service providers to better manage staffing processes in order to shorten delays between steps and to forecast HR resources for the completion of staffing actions. Interest was expressed for a consistent monitoring framework that all service centres could employ. It should be noted that in response to the 2014 ADM(RS) Audit of Human Resources Service Levels, tools were being developed and were expected to be fully operational by January 2016.

The remaining steps of the staffing process that may cause unnecessary delays are outside the control of HR service centre staff and hiring managers. These are second language evaluations, security clearances and priority clearance processes.

Delays also create compound effects. Slow staffing actions mean that priority clearance processes are often repeated several times within the same action as the 40-day clearance window is repeatedly closed. Candidate language profiles expire during long processes, which compound the process as a greater number of candidates require “retesting.” Further, slow processes create even more staffing action requests, as casual employees or acting employees are put in place to fill the gap during a long staffing action, compounding the overall workload and slowing the system down even further.

The PSC defines collective staffing as processes involving more than one hiring manager and/or appointments within more than one work unit or location and/or in multiple departments and agencies. Collective staffing processes allow hiring managers to generate, from a single advertised process, a pool of candidates from which they may appoint. The PSC reports that collective staffing from already established pools of qualified candidates takes approximately four weeks less time than those from distinct staffing processes.⁶¹

Collective staffing requires the establishment of pools of individuals who have had some degree of assessment completed in order to be included in a pool.⁶² These individuals are then assessed against the merit criteria established for each position being staffed. To create a pool, collective

⁶¹ PSC. Annual Report 2013/14, 2014. <http://www.psc-cfp.gc.ca/arp-rpa/2014/index-eng.htm>. Last consulted on June 30, 2016.

⁶² There are four different types of candidate pools that can be established or accessed: fully qualified (ready to appoint), essentially qualified, partially assessed and inventory (no assessment).

staffing has four steps: 1) planning HR needs; 2) planning the collective staffing process; 3) running, conducting and administering the collective staffing process; and 4) reporting on results or lessons learned. The role of hiring managers is to identify a sufficient pool of candidates, while the role of HR personnel is to provide guidance and information to assist hiring managers with the collective staffing process and provide required tools.

Collective staffing is becoming more widely used in the Federal Public Service. The PSC reports that in 2013/14, more than half (54 percent) of the staffing activities of large departments were from collective processes. Indeed, a stated priority of DND/ADM(HR-Civ) includes developing and implementing community management framework and strategies, which are expected to be achieved through collective staffing.

Hiring managers perceived that there were benefits to using collective staffing processes; however, they expressed concern that they may not be able to provide input on the development of criteria or the selection of candidates. They also expressed a need for more information on existing staffing processes, such as the existence and status of collective staffing processes within the Department or the public service. The evaluation found evidence that the use of collective staffing saves time in the staffing process and that collective staffing has been used to a greater extent in recent years. However, DND hiring managers are not utilizing the process most strategically or to its fullest capacity due to uncertainty as to when and how to administer it, as well as to a reluctance to draw upon candidates that were not selected through a process “that they did not manage themselves.”

There are also likely opportunities to improve timeliness through examining the process itself. The evaluation noted that the actual process for staffing has not changed for several decades. Application and screening of, at times, dozens of candidates is still done manually as are the scoring of written examinations that are deemed necessary to test candidates’ knowledge. Interviews are performed for all candidates who make it through the first phases of a process as opposed to the top candidates.

ADM(RS) Recommendation

3a) ADM(HR-Civ) should develop user-friendly, standardized systems and tools to help clarify and track responsibilities and deliverables (for hiring managers and HR service providers).

b) ADM(HR-Civ) should pursue potential improvements to tools and systems to modernize staffing approaches.

c) ADM(HR-Civ) should pursue a more strategic use of staffing options, such as collective staffing processes, which would benefit hiring managers and other stakeholders.

OPI: ADM(HR-Civ)

2.4.5 Satisfaction with the Service Delivery Model

Key Finding 10: Stakeholder satisfaction is compromised by a lack of well-defined roles and responsibilities within the HR service delivery model and by a lack of understanding of the service delivery model itself.

There are two levels at which the service delivery model for staffing can be understood: a planning level and an operational level. At the planning level, there are Programs and Planning Managers, who are involved in strategic HR planning and who have knowledge and experience with the organizational client. This role differs depending on the organization and the region. Furthermore, there is significant variation in the role of Programs and Planning Managers, contributing to inconsistencies and duplication in the staffing process. Prior to the start of HR Integration (in April 2014), they were known as Human Resources Business Managers (HRBM) and reported to L1 or Level 2 organizations. With HR Integration, they became Programs and Planning Managers (in the NCR, Senior Programs and Planning Managers). The reporting relationship also changed. They would henceforth report to ADM(HR-Civ) while remaining co-located within organizations.

At the operational level, there is a single point of contact in the HR service centre (an HR generalist), who assesses and triages requests from hiring managers to the appropriate specialist. Staffing requests, for example, are forwarded to a staffing specialist/member of the resourcing team. Programs and Planning Managers are also implicated at this level, providing ongoing information to HR generalists and staffing specialists for their interactions with hiring managers. Programs and Planning Managers support staffing at the operational level by providing information on trends and client needs from a consolidated L1 or Level 2 perspective.

HR Integration was planned as a two-year transition, with service-level agreements negotiated for each Programs and Planning Manager for the duration of the two-year period.⁶³ As a result of the fact that these service-level agreements were negotiated in organizations that managed civilian HR differently, there is a lack of consistency for the role of Programs and Planning Managers in the service delivery model. This contributes to misunderstandings, delays and potential duplication in the staffing process. Qualitative evidence indicates that there is also a lack of understanding of what the entire staffing model would consist after the end of the HR Integration period (in March 2016).

Qualitative evidence also indicates a lack of understanding among hiring managers about the basic functioning of the service delivery model (front office generalist and back office staffing specialist), contributing to the perception that staffing requests change hands needlessly. Furthermore, there is a lack of understanding among HR staff (within service centres and at the corporate level) of the structure of the service delivery model. Differences between regions, which may be warranted, are not consistently explained or understood.

⁶³ The service-level agreements were negotiated between a director in ADM(HR-Civ) and a senior management representative from each of the commands and organizations (normally at the chief-of-staff level).

Key Finding 11: Hiring managers are frustrated by inconsistencies and delays that arise in the provision of staffing services.

Key Finding 12: There is an appetite among hiring managers for more information and more training and tools to enable them to carry out their staffing responsibilities.

An important component of staffing for civilian employees is the provision of staffing services (e.g., advice, guidance, support) by HR service providers to enable hiring managers to carry out their responsibilities. As clients of HR staffing services, managers were asked to provide their perspectives on the extent to which their needs were being met with respect to staffing civilian employees. Chiefs of staff were also engaged on their needs with respect to planning advice (e.g., functional planning guidance issued by ADM(HR-Civ)), a complement of the HR provision of staffing services.

Hiring managers provided their perspectives on the staffing process through several mechanisms. These are an electronic survey (administered for the evaluation and which received 920 responses), regional focus groups (also administered for the evaluation and held in the six regions with a total of 49 participants) and the Survey on Staffing that PSC conducted in 2014. Survey and focus group results reveal that a majority of hiring managers are relatively satisfied with staffing services. They described their primary point of contact within the HR organization to be helpful and the relationship with said individual to be positive. Hiring managers expressed satisfaction in particular with the ability of HR service providers to identify options and explore flexibilities in order to address the hiring managers' staffing needs. Hiring managers frequently attributed success in the staffing process to personalities rather than aspects of the process. When asked to rate their satisfaction with their most recently completed staffing process within National Defence, 67 percent of hiring managers were either somewhat or highly satisfied with the services provided by HR (43 percent and 24 percent, respectively). This proportion is higher in comparison to their overall satisfaction (59 percent), suggesting that there has been some improvement over time.

There appear to be several factors that determine the satisfaction of managers. The effort required by managers to complete the different steps of the process, the time associated with the different steps in staffing processes, and the hiring managers' visibility into the process.

As illustrated in Figure 3, satisfaction with HR staffing services was highest for the types of processes that allow hiring managers to hire non-temporary employees the fastest. These are deployments (75 percent somewhat and highly satisfied) and internal non-advertised (73 percent somewhat and highly satisfied). Results obtained from the DND survey of managers indicate that external non-advertised processes are typically faster to complete than both deployments and internal non-advertised staffing processes (see Table 2).⁶⁴ Despite being faster, hiring managers' relatively lower levels of satisfaction with external non-advertised processes (67 percent somewhat/highly satisfied) may be explained by the fact that they are required to provide extensive justification for this type of process (i.e., more effort required on their part).

⁶⁴ ADM(HR-Civ) documentation on staffing processes does not specify process times for deployments.

Satisfaction with HR service provision was lowest for priority appointments (62 percent somewhat/highly satisfied). The low satisfaction with services received for priority appointments may reflect more on the priority clearance process than on the HR practitioner's advice.

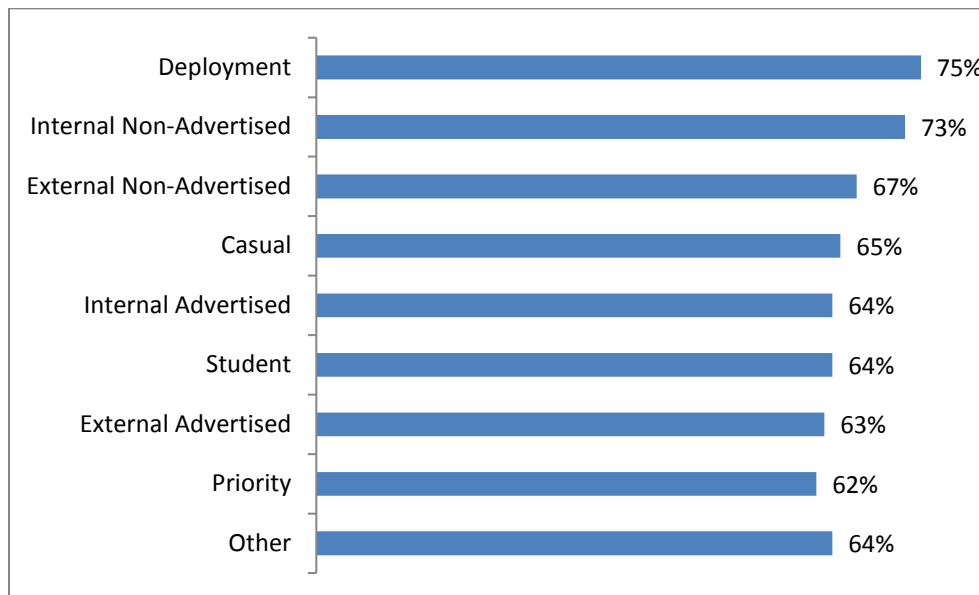


Figure 3. Satisfaction with Most Recent Staffing Process by Type of Staffing Process Most Recently Used. This figure displays percent levels of satisfaction of survey respondents with the most recent staffing actions undertaken by type of staffing process.

A more nuanced view of satisfaction was obtained through the survey question asking hiring managers to rate the different steps in the staffing process. The results, illustrated in Figure 4, suggest that satisfaction is highest for the steps in which an HR service provider is involved. The areas with the lowest satisfaction are undertaken by service providers outside of ADM(HR-Civ). For example, security clearances are managed by VCDS, and priority clearance and second language evaluations are managed by the PSC.

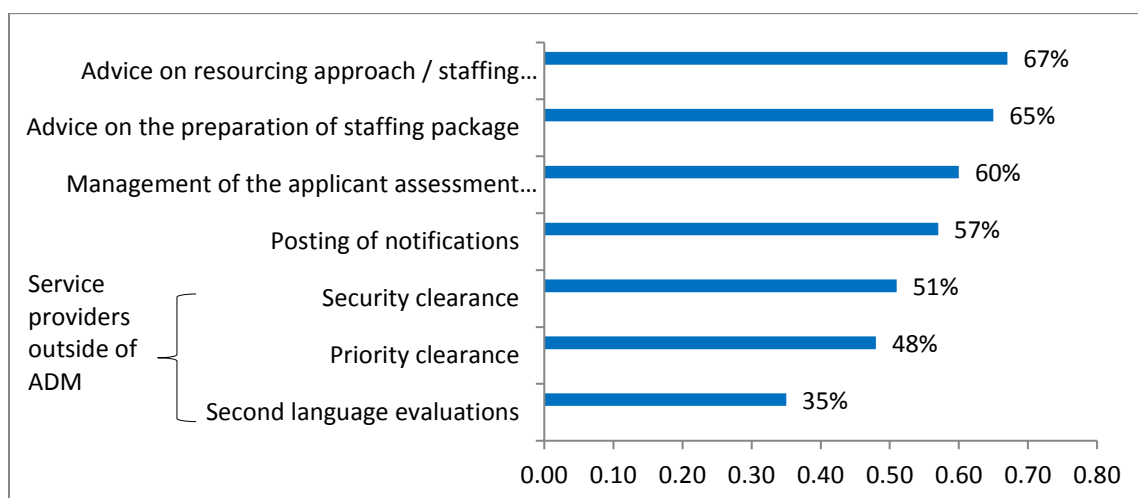


Figure 4. Satisfaction with Aspects of the Staffing Process. This figure displays percent levels of survey respondents' satisfaction with different aspects of the staffing process.

Focus group participants were interested in options that accelerate and facilitate staffing. E-Staffing was recognized as a program with potential, especially once electronic signatures are integrated (reducing the paperwork burden), and if the types of E-Staffing actions available are to be expanded beyond the current selection.⁶⁵ Hiring managers were open to the increased use of collective staffing processes but expressed concern that they might not be able to provide input on the development of criteria or the selection of candidates.

Hiring managers remarked on the constant mobility of HR staff. This perception may be due in part to the structure of service delivery (i.e., requests are received, assessed and triaged by an HR generalist and are dealt with by one or more specialists). The fact that a single request is touched by at least two HR service providers explains part of the perception of mobility. The perception is only somewhat founded, however, as the annual average employee mobility in ADM(HR-Civ) is 24 percent. Mobility levels have not changed significantly since 2008 (see Section 2.5 – Efficiency and Economy) for a more detailed discussion of HR staff mobility.

Hiring managers described receiving inconsistent advice and policy interpretations from their HR service providers, as well as variations in the level of knowledge of the HR service providers, and they mentioned that the decisions of one HR service provider were sometimes overturned by another. These scenarios may be the result of both the structure of HR service delivery (that is, involvement of multiple actors) and the mobility of HR service providers. HR service centre directors reported that filling HR vacancies (arising from promotions, planned or unplanned leave, etc.) with qualified and experienced HR service providers was a constant challenge, particularly in more remote locations.

Although not completely aware of the HR Transformation context, hiring managers across the regions did demonstrate an awareness of the fact that their responsibilities with respect to staffing were evolving. Hiring managers (military managers of civilians in particular) expressed concern that they did not have adequate training to fulfill their responsibilities. They were not confident that the planned sub-delegation training (which includes an online portion and a one-day course) would be sufficient.

Changes to the responsibilities of managers were made following the PSC 2013 Audit of the Department of National Defence, which found that roles, responsibilities and accountabilities were not always understood. It also found a lack of understanding of accountabilities for staffing-related activities and a lack of effective control mechanisms for the sub-delegation process. At that time, DND was operating with two types of sub-delegation: the first granted staffing authorities to sub-delegated managers; and the second shared sub-delegation between certified HR officers and partially sub-delegated managers. With divided sub-delegation, HR officers had the authority to sign the letter of offer, assuming responsibility for the staffing decision.⁶⁶

⁶⁵ The types of staffing actions that can be processed through E-Staffing include: casual, term extension, acting (less than four months), acting extension, student re-hires, secondment, assignment and non-advertised deployment. <http://hrciv-rhciv.mil.ca/en/w-initiatives-fast-track-staffing-faq.page>. Last consulted on June 30, 2016.

⁶⁶ PSC Audit of the Department of National Defence, 2013. <http://www.psc-cfp.gc.ca/adt-vrf/rprt/2013/ar-rv/13-dnd-mdn/index-eng.htm>. Last consulted on June 30, 2016.

In response to the audit, ADM(HR-Civ) amended the instrument of sub-delegation, taking the opportunity to establish a single model of sub-delegation. As of April 2016, staffing authorities are held by sub-delegated managers only,⁶⁷ contingent on training. Training for newly sub-delegated managers was being administered across the country until March 2016.

Hiring managers voiced two concerns in relation to this shift. First, they (military managers in particular) expressed concern that they did not have adequate training to fulfill their responsibilities. They were not confident that sub-delegation training would be sufficient. Second, the shift toward increased authority for managers has not been accompanied by an increased access to tools and information to allow hiring managers to navigate the process with a degree of confidence. Many hiring managers feel that they do not have access to the information and data they need in order to plan for and conduct staffing. This includes the following:

- information on existing staffing processes, such as the existence and status of collective staffing processes within the Department or the public service;
- banks of information from previous staffing processes for similar positions, such as screening criteria, candidate interview guides or exam questions; and
- HR records for hiring managers' own staff, which are requested in staffing processes, such as employee identification numbers, language and security profiles and work descriptions.

The evaluation found evidence of “shadow HR units” (i.e., units with a parallel or duplicate function) operating in an HR service provider capacity to provide advice and service to hiring managers who required it. The existence of these units implied that a gap or need existed that was not being met by the existing conditions. Exacerbating the issue, when HR Integration was initiated in 2014 and HRBMs were integrated into the ADM(HR-Civ) organization, the inexperience of hiring managers residing within L1s was revealed after the loss of their “shadow HR unit.”

ADM(RS) Recommendation

4. ADM(HR-Civ) should clarify and communicate to hiring managers and HR service providers the structure of the HR service delivery model, including roles and responsibilities, as they are determined. ADM(HR-Civ) should also ensure that both hiring managers and HR service providers are properly trained to fulfill their roles. Lastly, ADM(HR-Civ) should improve transparency regarding the post-Integration plans.

OPI: ADM(HR-Civ)

⁶⁷ In 2015/16, it was both HR and sub-delegated managers; as of 2016, it is managers only.

2.4.6 Qualified, Engaged and Excellence-oriented Employees in the Right Place at the Right Time

An expected intermediate outcome of staffing activities undertaken is that DND will have employees that are qualified, engaged and excellence oriented, in the right place at the right time. The evaluation found evidence that DND's employees are qualified, engaged and excellence oriented. However, it appears that the Department is not achieving the timeliness component of the expected outcome.

As the logic model shows (see [Annex C](#)), this intermediate outcome is supported by other activity areas of Civilian HR Management, such as learning and professional development, workplace management and classification. Stakeholders consulted for the evaluation felt that effective staffing (the components of which are explained in the evaluation of immediate outcomes) contributes to the existence and maintenance of a quality workforce. Results from a recent survey⁶⁸ support the notion that DND has a quality workforce. In total, 59 percent of DND respondents agreed that their units hire people who can do the job.

However, there are a multitude of factors within Civilian HR Management and within staffing, as well as external factors that influence the extent to which this outcome is achieved. Although effective HR staffing service delivery contributes to the outcome of a strong DND workforce, consideration should be given to the fact that many other factors influence this outcome as well (such as labour market conditions).

2.4.7 Sustainment (Attraction and Retention) of an Affordable, High-performing and Principled Workforce that Supports DND

An expected ultimate outcome of staffing activities undertaken is that DND will sustain (attract and retain) an affordable, high-performing and principled workforce that supports the Defence organization. The attraction and retention of high-quality and high-performing employees is critical to the Department's ability to deliver on these mandates. Ultimately, the objective of staffing is to recruit high-quality candidates who are equipped to perform in support of the Department's strategic outcomes, which are as follows:

- Defence remains continually prepared to deliver national defence and defence services in alignment with Canadian interests and values.
- Defence operations and services improve stability and security and promote Canadian interests and values.

As with the intermediate expected outcomes, there are a multitude of factors within Civilian HR Management, as well as external factors, that determine whether DND does in fact sustain (attract and retain) an affordable, high-performing and principled workforce. Certainly, the overall effect of challenges with respect to staffing is the creation of capability gaps. For example, each month that a staffing process is delayed is a month in which work is not being

⁶⁸ TBS. PSES, 2014. <http://www.tbs-sct.gc.ca/psm-fpfm/modernizing-modernisation/ps-es-saff/index-eng.asp>. Last consulted on June 30, 2016.

completed by the person in the corresponding position. Another example is that high-quality candidates might be inclined to accept job offers elsewhere if the delay in the DND staffing process is too long.

2.5 Performance—Demonstration of Efficiency and Economy

Under the 2009 TB Policy on Evaluation, efficiency is defined as maximizing the outputs produced with a fixed level of inputs or minimizing the inputs used to produce a fixed level of outputs. Economy is defined as “minimizing the use of resources [...] to achieve expected outcomes.”⁶⁹ For the purposes of the Policy on Evaluation, elements of performance are demonstrated in the following circumstances:

- outputs are produced at minimum cost (efficiency); and
- outcomes are produced at minimum cost (economy).

The evaluation assessed the extent to which resources are utilized efficiently to produce the outputs and outcomes of civilian HR, staffing particularly. The following indicators were developed to make this determination:

Effort and Workload

- total spending and total civilian HR management FTEs;
- staffing activity volume, per capita and compared to other federal departments;
- spending on staffing; and
- staffing as a percentage of departmental spending.

Efficiency

- HR costs per civilian employee; HR O&M costs per HR service provider;
- ratio of clients served by HR staff compared to other federal departments;
- average staffing actions by HR employee, compared to other federal departments; and
- forecasting opportunities.

The findings in this section are based on a review of administrative and financial data provided by ADM(HR-Civ), as well as departmental reports. An effort was made to compare/benchmark outputs to other federal organizations, but the data obtained was limited. To compensate, the evaluation team reviewed information compiled by the Conference Board of Canada and HR Metrics Service (including information on federal and provincial departments, as well as private companies) in order to assess DND information against benchmarks. From an efficiency and economy perspective, the aim of the staffing function should be to process the largest number of staffing requests utilizing the fewest number of staffing FTEs in the least amount of time, while ensuring the quality and integrity of the staffing.

⁶⁹ TBS. Policy on Evaluation, April 1, 2009. <http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15024§ion=text>. Last consulted on June 30, 2016.

As will be discussed in the following sections, DND management currently is not adequately assessing or analyzing the level of resources required to produce HR services and products (i.e., staffing processes). In terms of service delivery, it appears that HR service providers are not performing to the extent that they have been or could be. However, there is no conclusive evidence to explain why. The following is a discussion of these findings in relation to the indicators mentioned previously.

2.5.1 Effort and Workload

To demonstrate the resources dedicated to HR/staffing within ADM(HR-Civ), the evaluation consulted financial information pertaining to the following:

- total spending and total civilian HR management FTEs;
- staffing activity volume, per capita and compared to other federal departments; and
- spending on staffing and staffing as a percentage of departmental spending.

Total Spending and Total Civilian HR Management FTEs

The management of civilian HR (and staffing) for civilian employees is a vast undertaking, involving management at various levels and within every DND organization. From information extracted from HRMS, it has been estimated that approximately 8,067 military and civilian managers have civilian direct reports. These could be interpreted as being managers of civilians (that is 2.7 civilian employees to every manager, across the Department). The level of effort of these managers with respect to staffing activities (or HR generally) is not tracked within the Department, making it difficult to estimate the total costs of Defence civilian staffing (or HR). A survey conducted by the evaluation team found that approximately half of these managers are involved in staffing each year, and that the amount of effort involved fluctuates widely, with a range of 1 to 10 percent of their time involved in staffing. This aligns with estimates of effort to staff, which roughly gauge staffing to involve the work of 140 FTE per year (4,000 managers X 3.5 percent of their time).⁷⁰

Spending in the ADM(HR-Civ) organization averaged approximately \$75 million⁷¹ between FYs 2008/09 and 2014/15. The change in annual spending was \$9 million over the period, with maximum spending of approximately \$79 million in FY 2009/10 and a low of \$70 million in FY 2013/14, as shown in Figure 5. This change is a reflection of the DRAP, which reduced the number of employees in the organization.

⁷⁰ Nine thousand staffing actions per year X 24 hours of effort per average staffing action.

⁷¹ Excluding Fund C105 (Corporate Salary and Wages) since this fund is used to record non-discretionary civilian pay allowances that are funded separately from the normal civilian SWE, such as maternity allowances, severance pay, foreign service allowances, educational leave and survivor benefits. These non-discretionary employee benefits are associated with all civilian personnel employed at DND and do not correspond to activities carried out by ADM(HR-Civ).

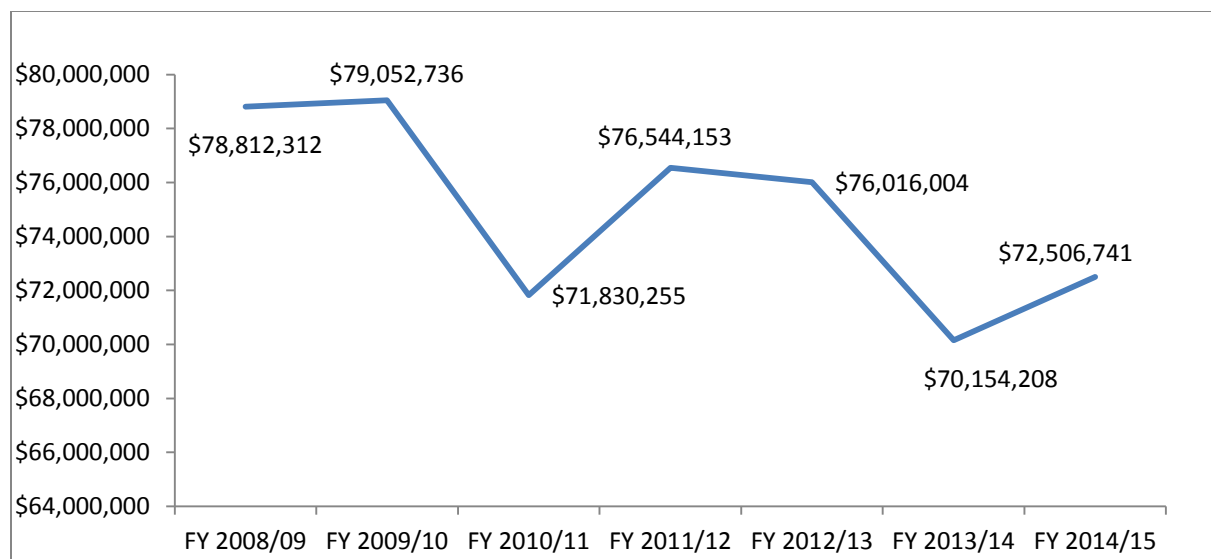


Figure 5. ADM(HR-Civ) Spending by Year. This figure displays ADM(HR-Civ) spending by year for FYs 2008/09 to 2014/15.

As illustrated in Figure 6, the total number of civilian HR management FTEs was 849 in FY 2014/15. This represents both FTEs within ADM(HR-Civ) and those within the L1 organizations prior to integration. It does not include compensation personnel. Overall, the number of FTEs has been reduced by 122 (or 15 percent) from the peak in FY 2011/12 as part of Integration and the DRAP.

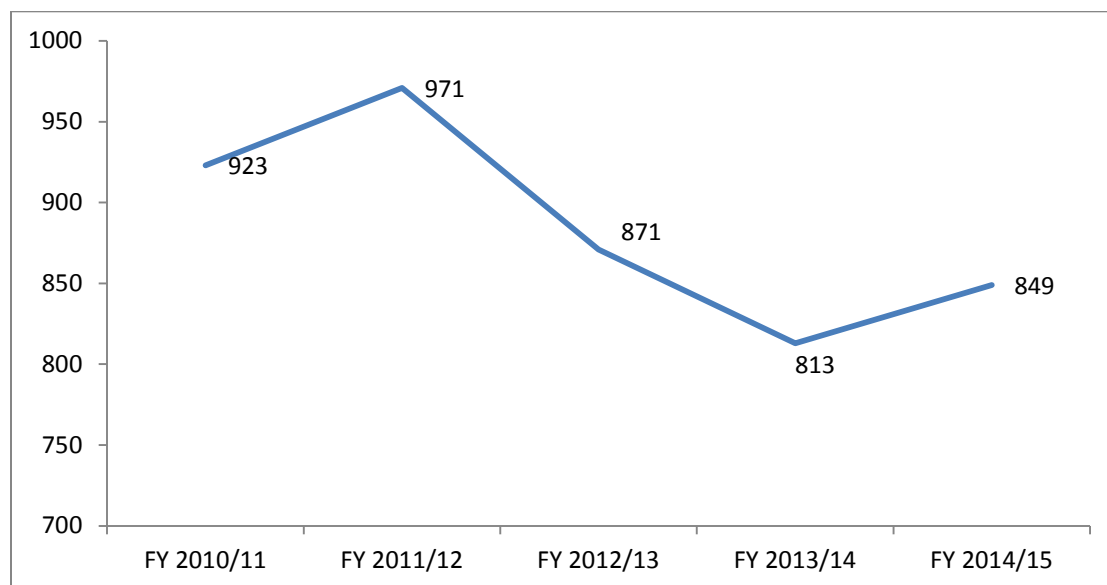


Figure 6. Total Civilian HR Management FTEs by Fiscal Year. This figure displays the total number of civilian HR management FTEs for FYs 2010/11 to 2014/15.

Staffing Activity Volume, Per Capita and Compared to Other Federal Departments

While DND has the highest amount of staffing activity⁷² among federal departments, as a per capita measure, the amount of staffing activity is very close to the government average, with the number of annual staffing actions as a percentage of the FTE population being 21percent, as illustrated in Table 3. (Note that a breakdown of staffing activities by type (appointments, promotions, lateral and downward movements and acting appointments) is presented in [Annex E](#)).

Department	FY 2010/11			FY 2011/12			FY 2012/13		Percent Ratios	
	Total Employees ⁷³	Total Staffing Activities ⁷⁴	Percent Ratio	Total Employees	Total Staffing Activities	Percent Ratio	Total Employees	Total Staffing Activities	Percent Ratio	Average Percent Ratio over 3 Years
DND	27,291	7,422	27%	27,394	6,162	22%	27,177	2,955	11%	20%
ESDC ⁷⁵	26,012	8,261	32%	24,661	5,830	24%	22,756	3,971	17%	24%
PSPC ⁷⁶	13,739	5,886	43%	14,385	4,009	28%	13,678	2,555	19%	30%
TBS	2,097	1,218	58%	2,177	828	38%	2,073	462	22%	39%
Public Safety	1,127	447	40%	1,127	394	35%	1,113	279	25%	33%
DFO ⁷⁷	11,159	4,202	38%	11,004	4,025	37%	10,923	3,556	33%	36%
Total Public Service	282,980	73,859	26%	282,352	63,478	22%	278,092	41,005	15%	21%

Table 3. Total Civilian HR Management FTEs. This table displays the total number of civilian HR management FTEs across different federal government departments for FYs 2010/11 to 2012/13.

⁷² Including appointments, promotions, lateral and downward movements and acting appointments.

⁷³ Population information obtained from TBS. Population of the Federal Public Service by Department (as of June 30, 2016). <http://www.tbs-sct.gc.ca/psm-fpfm/modernizing-modernisation/stats/ssa-pop-eng.asp>. Last consulted on June 30, 2016.

⁷⁴ Staffing action information obtained from PSC 2010/11 Annual Report. Staffing activities by type and organization, including appointments to the public service, promotions, lateral and downward movements and acting appointments.

⁷⁵ ESDC = Employment and Social Development Canada.

⁷⁶ PSPC = Public Services and Procurement Canada (formerly Public Works and Government Services Canada).

⁷⁷ DFO = Department of Fisheries and Oceans.

Spending on Staffing and Staffing as a Percentage of Departmental Spending

Figure 7 illustrates the total expenditures on staffing-related activities (including employee integration and compensation) undertaken by the organization in FY 2014/15 were \$33,883,226 (including SWEs, and O&M expenses). This represents approximately 47 percent of ADM(HR-Civ) expenditures.⁷⁸ It represents 0.18 percent of total departmental expenditures in FY 2014/15,⁷⁹ which has only increased from 0.17 percent in FY 2009/10 and has remained stable in subsequent years.

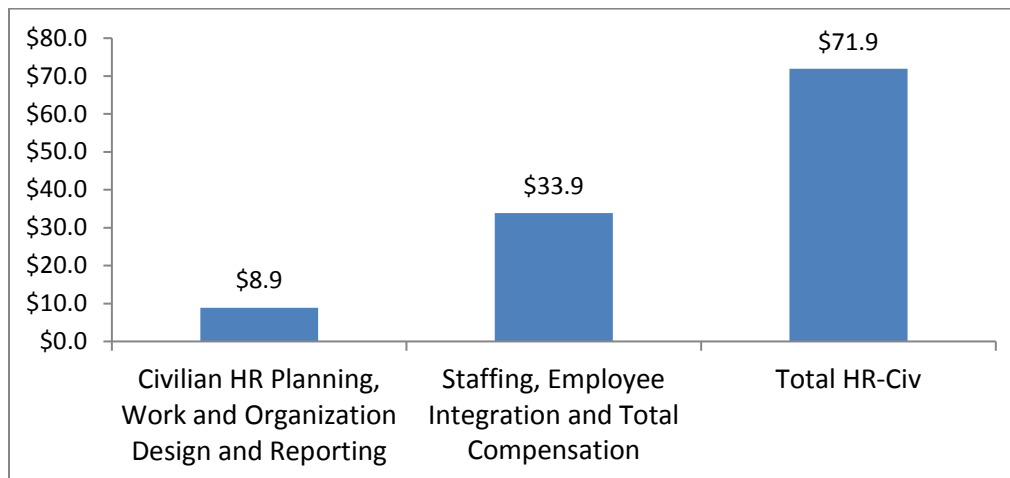


Figure 7. ADM(HR-Civ) Spending on HR/Staffing Activities. This figure presents ADM(HR-Civ) spending on HR and staffing activities.

2.5.2 Efficiency

To demonstrate the extent to which Defence Civilian HR/staffing outcomes are being achieved in the most economical manner, the evaluation consulted financial information pertaining to the following:

- HR costs per civilian employee and HR O&M costs per HR service provider;
- ratio of clients served by HR staff compared to other federal departments;
- average staffing actions by HR employee, compared to other federal departments; and
- forecasting opportunities.

HR Costs per Civilian Employee and HR O&M Costs per HR Service Provider

DND spends, on average \$3,500 per civilian DND employee on HR services.⁸⁰ Although DND did not compare favourably to other large organizations (with more than 10,000 employees)

⁷⁸ In total \$71,922,807 for SWE and O&M.

⁷⁹ In total \$18,453,938,461, excluding capital expenditures and grants and contributions (DPR 2014/15). Note that the total ADM(HR-Civ) amount represents SWE and O&M only, which explains why it is slightly lower than the \$72,506,741 amount illustrated in the previous figure.

⁸⁰ DND. DPR FY 2014/15. <http://www.forces.gc.ca/en/about-reports-pubs-departmental-performance/2014-2015/index.page>. Last consulted on June 30, 2016.

reported by HR Metrics, none of these organizations were federal public sector organizations, and therefore a direct assessment cannot be made. DND spends less than 1 percent (0.59 percent) of its operating costs on HR services.

Ratio of Clients Served by HR Staff Compared to Other Federal Departments

Key Finding 13: DND is similar to other departments in terms of clients served,⁸¹ and it has a slightly lower number of staffing actions per HR staff.

The HR service provider-employee ratio is among the most widely benchmarked metric. It is typically calculated by dividing the number of HR service providers by the total number of employees in an organization. The ratio to determine the number of employees served by FTEs in the HR function was derived by accounting for the number of civilian staff and the number of military managers within the organization (since they are also served by staffing FTEs).⁸² With this calculation, in 2014/15 each HR FTE served on average 27 civilian employees. Based on a Conference Board of Canada study,⁸³ the average for all government sectors (federal, provincial and municipal) is 41 civilian employees.

The evaluation performed a similar calculation based on TBS information on the population of federal departments, an estimate of departmental HR staff volume and PSC staffing action information by department. Based on this calculation, the ratio of DND dedicated HR service providers compared to the number of civilian employees is similar to other federal departments, including decentralized departments, although it has a slightly lower number of staffing actions per HR staff member.

Table 4 shows the total population of six federal departments (including DND/CAF), the number of HR FTEs and the number of staffing actions undertaken by each.

⁸¹ This statement is made in consideration of the fact that not all HR staff members “serve” clients. At this time, it is not possible to differentiate HR staff dedicated to staffing activities versus other HR activities, such as labour relations and performance management.

⁸² HRMS identified 8,065 managers, of whom 3,906 are military managers (and 4,159 civilian managers). The actual number of FTEs as per the DPR 2014/15 was 22,011. Adding 3,906 military managers of civilians, the total number of employees served by ADM(HR-Civ) HR FTEs (n = 875) is 25,917. This number was used to derive the ratio.

⁸³ Martin, Heidi and Alicia Cameron, Conference Board of Canada. *Human Resources Trends and Metrics: HR Function Benchmarking*, Third Edition. May 9, 2014. <http://www.conferenceboard.ca/e-library/abstract.aspx?did=6235>. Last consulted on June 30, 2016.

Department	Total Population (2011) ⁸⁴	Total Population (2015) ⁸⁵	Total HR Staff (2015) ⁸⁶	Ratio HR Staff to Population (2015)	Total Staffing Actions (FY 14/15) ⁸⁷	Staffing Actions per HR Staff ⁸⁸	Total Employees Served per HR Staff ⁸⁹
Natural Resources Canada	4,937	4,149	210	5.1	702	3	20
Agriculture and Agri-Food Canada	6,958	5,194	174	3.4	851	5	30
Department of Fisheries and Oceans	11,004	9,858	295	3.0	3,501	12	33
Public Service and Procurement Canada	14,385	12,092	484	4.0	3,473	7	25
Employment and Social Development Canada	24,661	21,707	980	4.5	7,077	7	22
Department of National Defence	27,394	26,517 ⁹⁰	972	3.7	4,053	4	27

Table 4. Total Population, HR FTEs and Staffing Actions by Federal Department. This table displays information on the total population, HR FTEs and staffing actions by different federal departments.

⁸⁴ Information obtained from TBS. Population of the Federal Public Service by Department (as of June 30, 2016). <http://www.tbs-sct.gc.ca/psm-fpdm/modernizing-modernisation/stats/ssa-pop-eng.asp>. Last consulted on September 30, 2016.

⁸⁵ *ibid.*

⁸⁶ Information obtained from government department HR organizations.

⁸⁷ Information obtained from PSC 2014/15 Annual Report. Staffing activities by type and organization include appointments to the public service, promotions, lateral and downward movements and acting appointments.

⁸⁸ Calculated from total staffing actions for FY 2012/13 and total HR staff 2015 (note that HR staff data was only provided by other government departments for 2015).

⁸⁹ Calculated from 2015 total population and 2015 HR staff.

⁹⁰ Military managers of civilian employees (n = 3,906) were added to the total population for DND as they are also “served” by HR staff. (source: HRMS).

Key Finding 14: In the context of DRAP, staffing FTEs were undertaking fewer staffing-related activities (reflected in fewer staffing actions) but had additional tasks, such as WFA-related tasks.

As illustrated in Figure 8, the number of staffing actions⁹¹ undertaken by the organization has steadily decreased over the years. However, as mentioned previously, documentation supporting a Defence Management Committee suggests that the total number of staffing actions for FY 2014/15 were expected to increase. The figure of 2,258 for the first quarter of FY 2015/16 projected approximately 9,000 in total.

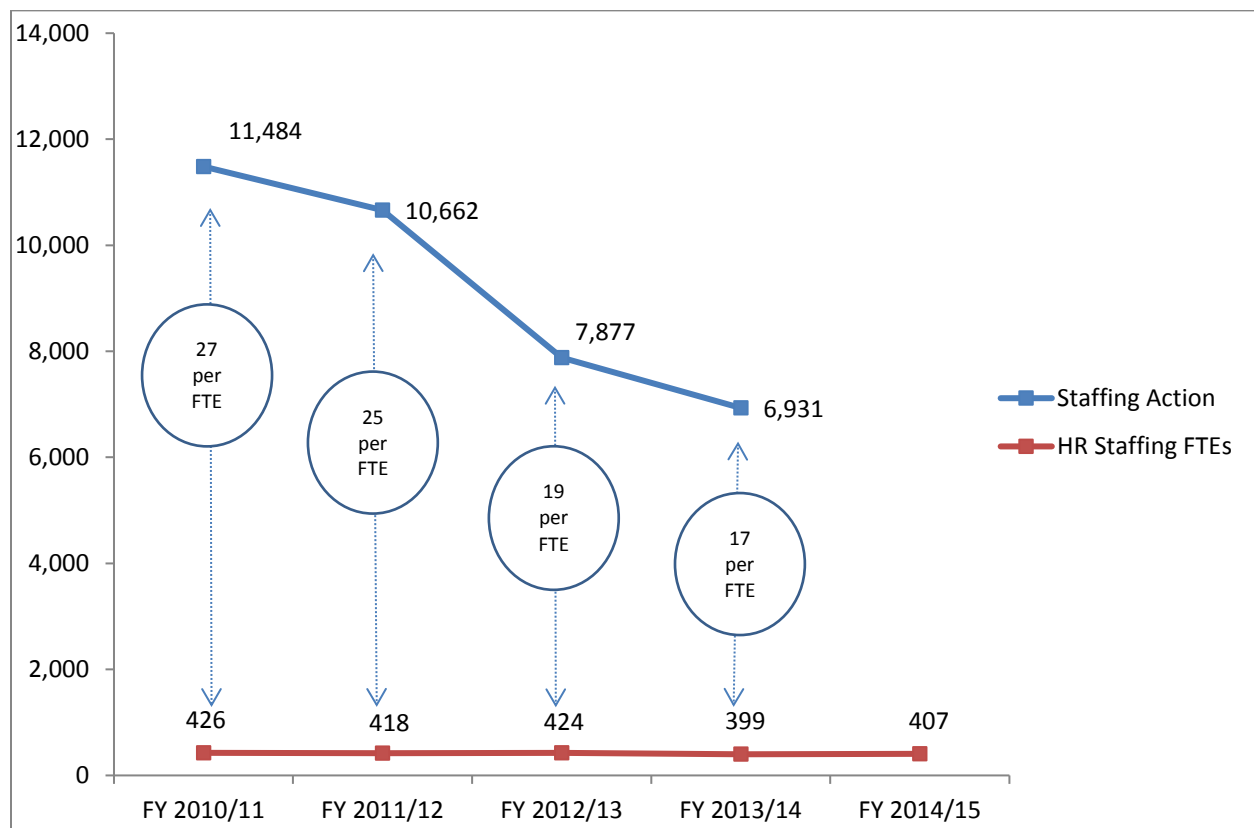


Figure 8. Total Staffing Actions by Year, Staffing FTEs by Year and Average Number of Actions by FTE. This figure presents the total number of staffing actions undertaken by the DND/CAF by year, the total number of staffing FTEs by year and the average number of staffing actions undertaken by FTEs by year.

⁹¹ Source: Staffing Activity Report (FY 2013/14), data extracted from HRMS. Includes: acting, deployment, external advertised, external non-advertised, internal advertised, internal non-advertised, priority, incumbent based, exclusion order-other, and casual. Note that the totals include all process types – collective or otherwise, and that many appointments may result from a collective process.

The reductions in staffing output have not seen a corresponding reduction in staffing FTEs (service providers). This is apparent when observing the number of staffing actions per staffing FTE⁹² year over year. ADM(HR-Civ) FTEs involved in staffing activities undertook on average 17 staffing actions each in FY 2013/14. As illustrated in Figure 8, the average has declined since FY 2010/11, and it is likely due to an overall reduction in the number of staffing actions during the period of DRAP.

Differences are observed across regions, in the different service centres, suggesting there are differences in productivity between the service centres, as illustrated in Figure 9. For instance, in FY 2013/14 in Ontario, the ratio was 29 staffing actions per staffing FTE, in comparison to 14 staffing actions for the Atlantic region, 11 for the Eastern region and 6 for the Pacific region. A 14 percent difference is noted in the staffing action-staffing FTE ratio between the NCR and Pacific region for FY 2013/14.

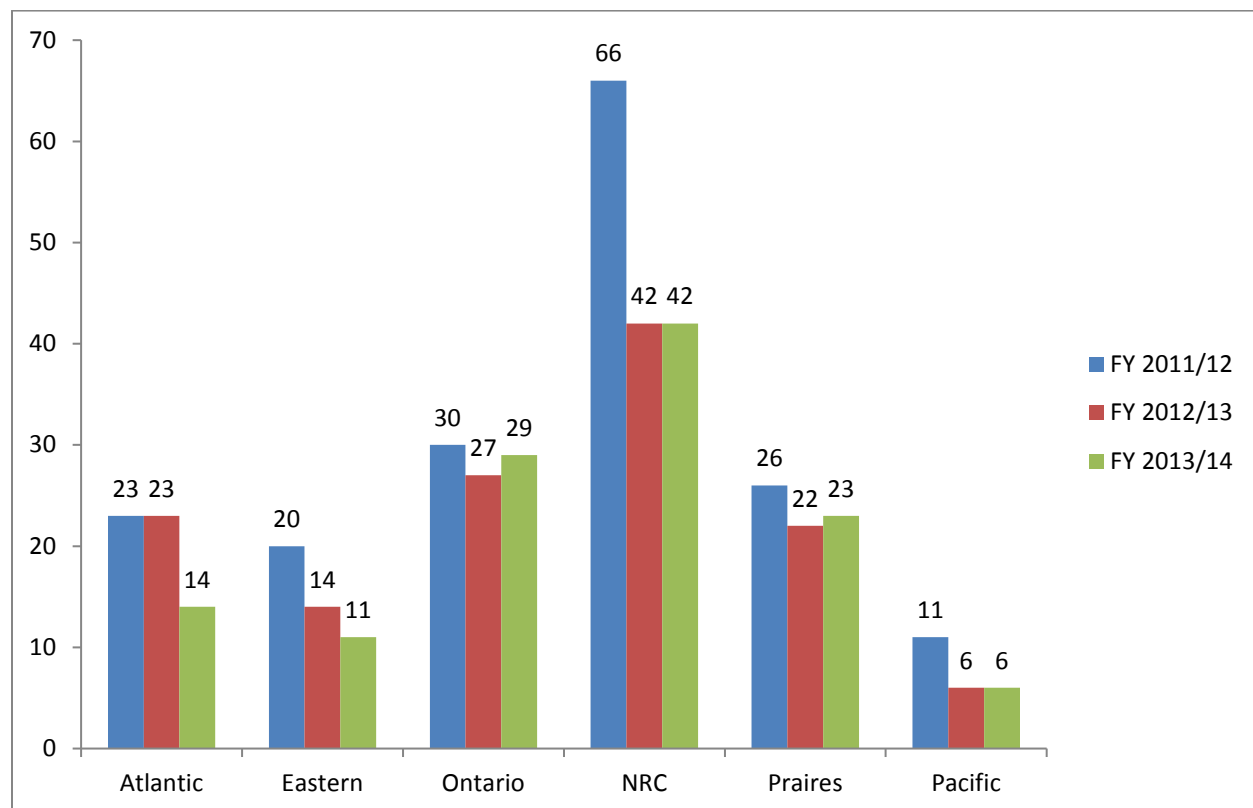


Figure 9. Staffing Action per Staffing FTE Ratios by Fiscal Year and Region. This figure presents the number of staffing actions undertaken per staffing FTE by fiscal year and by region.

It is important to note that staffing activities alone do not capture the workload of ADM(HR-Civ) FTEs, who were undertaking WFA activities in addition to their other duties. As illustrated in Figure 10, there was a peak in WFA activity throughout the DRAP period. However, WFA activities were mainly undertaken by the organization in FYs 2012/13 and 2013/14, which does

⁹² Note that the calculation of FTEs includes staffing, compensation and employee integration.

not explain why there has been a reduction in WFA in other years (such as FY 2014/15) and no corresponding decrease in staffing activity.

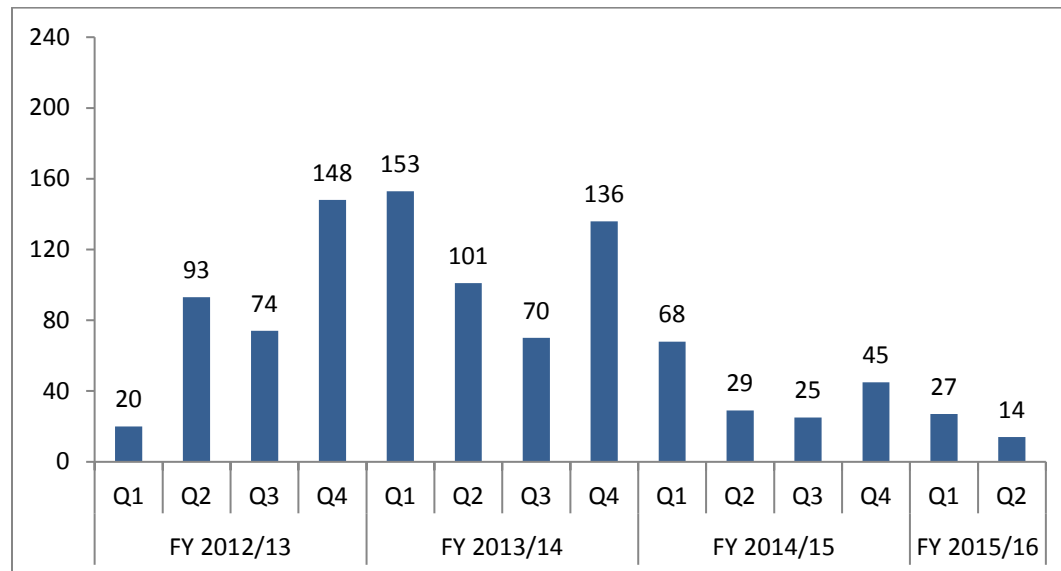


Figure 10. Number of WFA Activities by Fiscal Year. This figure presents the number of WFA activities by fiscal year.

The evaluation considered the impact of changes in the type of staffing actions that staffing FTEs undertook over the evaluation period. If the types of staffing actions undertaken were more intensive or time-consuming, it would be expected that this would impact the workload capacity of ADM(HR-Civ) FTEs in terms of the number of actions they were able to undertake. However, as detailed in Table 5, the proportion of staffing action types that have increased most over this period were those that required less effort (i.e., casuals – see section 2.4.4 for time by staffing type). Furthermore, the introduction of E-Staffing⁹³ would have led to further efficiency gains.

⁹³ Currently known as Fast Track Staffing, E-Staffing is a streamlined (and efficient) way of processing selected civilian staffing actions such as short-term acting, casual, assignment, secondment and non-advertised deployment.

Staffing Activity Type	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14
Acting	7%	7%	7%	6%	9%	8%
Deployment	9%	9%	10%	9%	10%	10%
External Advertised	22%	17%	13%	9%	2%	4%
External Non-advertised	4%	4%	3%	2%	1%	1%
Internal Advertised	8%	8	8%	9%	2%	4%
Internal Non-advertised	10%	10%	11%	7%	6%	5%
Priority	2%	2%	2%	3%	1%	2%
Exclusion Order-other	1%	1%	2%	2%	3%	3%
Students	10%	12%	11%	15%	13%	13%
Incumbent Based	0%	1%	0%	1%	0%	1%
Casual	27%	30%	32%	37%	53%	50%

Table 5. Proportions of Staffing Activity Types per Year. This table displays information on proportions of staffing activity types by fiscal year.

Key Finding 15: ADM(HR-Civ) currently does not sufficiently track staffing demand and staffing capacity/throughput in order to forecast the ability of HR service providers to meet changing demand.

In order to achieve savings identified by the DRAP (explained in Section 1.1 – Context), reductions in the number of civilian FTEs working in the Department were effected. In order to meet staffing level targets, a requirement to submit intentions for staffing was instilled for senior-level review through the CWMB.⁹⁴ The 2013/14 Department Staffing Accountability Report states that ADM(HR-Civ) was on target to meet staffing reduction targets, and that some parts of the organization had their authority for external hiring reinstated. However, the Report also states that other organizations within the Department continued to be required to seek approval from the CWMB.

As illustrated in Figure 11, in FY 2014/15, DND surpassed the TB approved cuts by approximately 2,400 FTEs (the difference between the 24,336 TB ceiling and the actual of 22,011 for FY 2014/15). In a Defence Management Committee meeting, a reference was made to a “staffing backlog,” resulting from this staffing freeze.

⁹⁴ The CWMB, which reports to the DM, was established in order to approve, defer or deny the creation of new civilian positions and indeterminate hiring activity from outside DND. The CWMB has ceased to exist and a new committee headed by the Senior Associate Deputy Minister is currently being established.

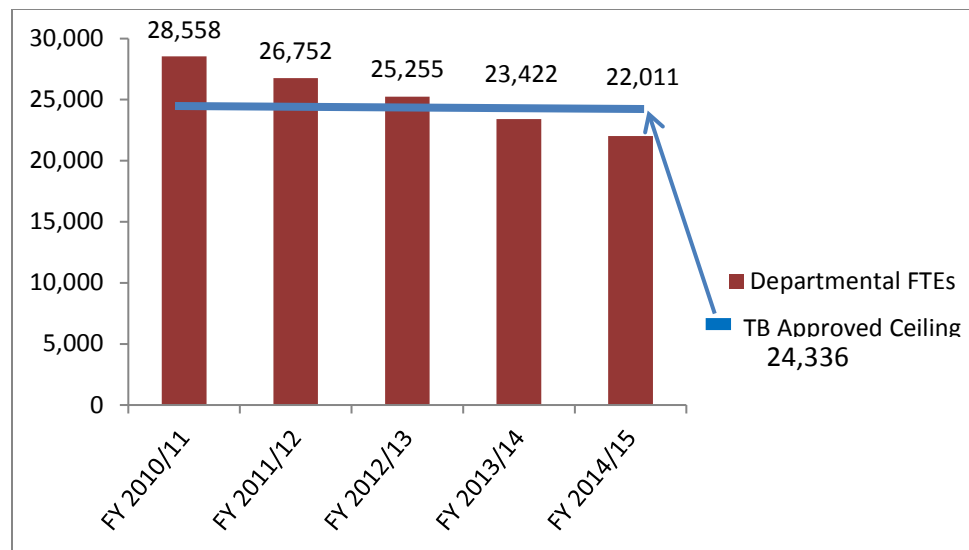


Figure 11. Departmental FTEs and TB Approved Ceiling by Year. This figure presents the total number of departmental FTEs by fiscal year and indicates the TB approved ceiling.

In order to determine the capacity of ADM(HR-Civ) to meet anticipated staffing demand, the number of staffing FTEs required to process a predetermined number of staffing actions was assessed. In FY 2010/11, 426 staffing FTEs were processing 11,484 staffing actions (a ratio of 27 staffing actions per FTE). Assuming this ratio continued, in FY 2014/15, there were 407 staffing FTE, presumably capable of processing at least 11,000 staffing actions. If the Department anticipated approximately 9,000 staffing actions in FY 2015/16, that year's number of ADM(HR-Civ) staffing FTEs should have been adequate.

Forecasting Opportunities

In order to be able to accurately forecast, DND organizations can rely on a staffing monitoring framework to track demand. The Functional Assessment provides a unique opportunity to survey and document anticipated staffing demands captured in the Integrated Business Plans for each L1 organization. This would enable a global/departmental representation of staffing demand.⁹⁵

Currently, business plans only provide a window on those staffing demands that are forecasted during the business planning process. Further, not all of those demands will remain throughout the year. Although the L1 Business Plans provide indications of anticipated staffing demand, unanticipated demand also occurs during the fiscal year and is more challenging to track. There are useful indicators that would help forecast unanticipated demand. For example, the Chief of Military Personnel organization uses CAF attrition numbers to assist in the development of a Strategic Intake Plan that drives recruitment activities. Some practices or guidelines from the Strategic Intake Plan could be useful to ADM(HR-Civ).

Since attrition does not always track staffing activity (not every position that is vacated is backfilled), this metric could be augmented by observing the relationship between anticipated

⁹⁵ Note that this would need to be broken down on a regional basis in order to enable accurate planning for Regional Service Centres.

staffing demand (from Business Plans) in conjunction with attrition rates in comparison to staffing activities year over year. This information is available to L1s through the HR planning reports that are provided semi-annually. With the implementation of the tools to track service standards, synthesizing the information will allow L1 organizations to establish trend lines that would enable forecasting of staffing demands based on those extrapolations from the trends.

With more effective forecasting of demands in place, what remains to be modeled is staffing capacity; that is, the total number of staffing activities per staffing FTE. Historical trends would help to establish targets for productivity in this regard. Based on the capacity/output metric and the overall size of the staffing compliment, the total number of staffing actions that the staffing workforce can complete in a given fiscal year can be determined. Comparing this to demand, an objective determination of whether the workforce has the capacity to deliver on the anticipated demand could be established.

Tracking demand and supply/capacity is not a totally useful exercise unless there are plans in place to respond to discrepancies between demand and supply. The development of response action plans would address this issue.

Annex A—Management Action Plan

Through consultation with our L1 clients and the DM, as well as through internal discussions, it has been made increasingly clear that for ADM(HR-Civ) to succeed and meet the changing demands of the Department, its evolution is critical. To meet this challenge, ADM(HR-Civ) is repositioning itself as a strategic partner and enabler for the Defence Team, realigning its services and activities to optimize services to clients. Much progress has been made to date, and realignment initiatives continue to ensure ADM(HR-Civ) is positioned to be more strategic, to focus on what needs to be done and to enhance its role within the Defence Team.

Initial focus over the last several months has been on the establishment of the requisite governance structure and informational management / information technology tools that enable our business. We have established service standards and consistent, national processes for classification and staffing, developed a number of informational management / information technology tools that are enabling and improving how we manage resourcing and classification activities, integrated business and HR planning to better align financial and HR management and have reinvigorated a Civilian Human Resources Committee, led by senior leaders, in both DND and the CAF, to focus on programmatic management of HR.

With governance and technology now in place, we are able to make operational and organizational changes to better serve our clients and position ourselves as a strategic business partner and valuable member of the Defence Team. As a first step and in line with contemporary models, we are redistributing resources to create centres of expertise with clear functional mandates that will provide ADM(HR-Civ) the capability to address the changing role of HR as a business partner and to strategically meet the changing needs of our clients. This includes the division of the DGCHRMO into two distinct divisions. The first division, Director General Strategic Business Partner, will serve as the primary conduit, integrator, facilitator and enabler between clients and the functional experts in ADM(HR-Civ). The goal is that the business partner construct will provide not only an individual client view, but enable DND-wide solutions. The second division, Director General Human Resource Operations, will focus on national operational delivery of staffing and classification outcomes.

The realignment of ADM(HR-Civ) will result in a modern organization that is strategically positioned to meet the emerging policy direction, demographic challenges and global challenges faced by the Defence Team.

Ability to Provide Support to Business Planning and HR Planning Process

ADM(RS) Recommendation

- 1a) ADM(HR-Civ) should provide stronger support to the integration of business planning with HR demands. While some work has recently begun in this area through the new integrated service delivery model, there is opportunity through planning mechanisms to improve the strategic assessment of departmental staffing demand, identify priority areas for staffing and align HR service delivery resources accordingly.
- b) L1 organizations should improve their integrated business planning and dissemination of information to managers, HR staff and business planners in order to fully inform the planning process.

Management Action

Activity	Timeframe	OPI
Establish governance body with focus on providing high-level strategic direction in relation to HR strategies, policies and risks.	Complete December 2015	DGHRSD
Develop and implement a planning tool to manage and prioritize L1 resource requests.	Complete June 2016	DGCHRMO
Streamline Functional Planning Guidance to align human and financial resource management and business planning processes, and to improve integrated planning for the Department.	Complete June 2015	DGHRSD
ADM(HR-Civ) to work in collaboration with Chief of Programme to perform analysis on all L1/Command personnel submissions to the Investment and Resource Management Committee, identifying HR considerations and risks and make recommendations accordingly.	Complete January 2016	DGHRSD

Fairness, Accessibility, Representativeness and Transparency

ADM(RS) Recommendation

2. By exercising its functional authority role, ADM(HR-Civ) should provide stronger and more consistent guidance and direction. ADM(HR-Civ) should educate managers and HR staff regarding staffing flexibilities and the appropriate management of corresponding risks to support the use of all staffing approaches, while still upholding PSC values.

Management Action

Activity	Timeframe	OPI
Implement PSC's new direction in staffing to promote innovative, outcome-based, flexible and risk-managed staffing.	Complete April 2016	DGWD
Continue to offer staffing delegation training to ensure that managers have the training required to effectively carry out their staffing responsibilities.	Complete April 2015	DGWD
Through streamlined Functional Planning Guidance, ADM(HR-Civ) will provide stronger and more consistent guidance to streamline performance measures and improve HR planning.	Complete June 2015	DGHRSD

Timeliness

ADM(RS) Recommendation

3a) ADM(HR-Civ) should develop user-friendly, standardized systems and tools to help clarify and track responsibilities and deliverables (for hiring managers and HR service providers).

b) ADM(HR-Civ) should pursue potential improvements to tools and systems to modernize staffing approaches.

c) ADM(HR-Civ) should pursue a more strategic use of staffing options, such as collective staffing processes, which would benefit hiring managers and other stakeholders.

Management Action

Activity		Timeframe	OPI
Develop, test and implement standardized tools for the following:	Classification	Complete April 2015	DGCHRMO
	E-Staffing	Complete July 2016	DGCHRMO
	Complex Staffing	September 2016	DGCHRMO
Develop, test and implement reporting mechanisms to ensure departmental leadership has both visibility and real-time information on how effectively and efficiently transactions are processed through the various stages.		Complete June 2016	DGHRSD
Review processes for collective staffing pools to ensure managers have better visibility into the selection criteria and pool candidates.		September 2016	DGWD

Satisfaction with the Service Delivery Model

ADM(RS) Recommendation

4. ADM(HR-Civ) should clarify and communicate to hiring managers and HR service providers the structure of the HR service delivery model, including roles and responsibilities, as they are determined. ADM(HR-Civ) should also ensure that both hiring managers and HR service providers are properly trained to fulfill their roles. Lastly, ADM(HR-Civ) should improve transparency regarding the post-Integration plans.

Management Action

Activity	Timeframe	OPI
Align HR activities to OCHRO's seven CHRBPs to facilitate better reporting, clear roles and responsibilities and enhanced service delivery.	Complete June 2015	DGHRSD
Establish an HR business partner function, including defining responsibilities, within a broader service delivery model.	March 2017	DGCHRMO
Develop service standards for staffing and classification and establish reporting mechanism to measure performance standards.	Complete April 2016	DGHRSD
Communicate and implement service standards for staffing and classification.	Complete April 2016	DGCHRMO DGWM

Annex B—Evaluation Methodology and Limitations

1.0 Methodology

The evaluation examined issues related to relevance and performance. The issues and questions addressed in the evaluation are as follows (see Annex D for the complete evaluation matrix, which also includes specific indicators and methodologies for each evaluation question):

RELEVANCE

- To what extent are Defence civilian HR activities and objectives relevant to current organizational needs?
- Do Defence civilian HR activities and objectives align with federal government priorities and departmental strategic outcomes?
- How do the activities and objectives of Defence civilian HR align with federal government roles and responsibilities?

PERFORMANCE (Staffing)

Immediate Outcomes

- To what extent does ADM(HR-Civ) provide support to business planning and HR planning processes?
- Are positions staffed in accordance with the PSEA staffing values (fair, accessible, representative and transparent)?
- To what extent are positions staffed by high-quality candidates?
- To what extent are position staffed in a timely manner?
- To what extent are stakeholders satisfied with the service delivery model?

Intermediate Outcome

- To what extent does DND have qualified, engaged and excellence-oriented employees in the right place at the right time?

Ultimate Outcome

- To what extent does DND sustain (attract and retain) an affordable, high-performing and principled workforce that supports the Defence organization?

Efficiency and Economy

- How much is spent on CHRBP activity/staffing areas?
- To what extent are cost-effective means being utilised in the production of Defence civilian HR (staffing) outputs?

- Are Defence civilian HR expected outcomes being achieved in the most economical manner?
- Are there alternative ways to achieve Defence civilian HR expected outcomes?

1.1 Overview of Data Collection Methods

The evaluation included the use of multiple lines of evidence and complementary research methods as a means to help ensure the reliability of information and data collected. The following data collection methods were used to gather qualitative and quantitative data for the evaluation:

- document review and comparative analysis;
- key informant interviews and focus groups;
- administrative and financial data review; and
- questionnaire (online survey).

Where appropriate, the data obtained from the lines of evidence were analyzed using a customized template organized according to evaluation questions and corresponding indicators. Each of these methods is described in more detail in the following sections.

1.2 Details on Data Collection Methods

1.2.1 Document Review and Comparative Analysis

A comprehensive document review was conducted to assess the relevance of staffing within DND. Documents reviewed included foundational program documents and federal/departmental accountability documents.

Program documentation, such as functional assessments, staffing activity reports, service-level agreements (i.e., for L1s) and annual reports were reviewed to gain a general understanding of staffing service provision and to assess performance. Information on the performance of staffing (i.e., outcomes) was also drawn from surveys and previous performance information conducted by DND and the PSC, as well as from ADM(RS) audits and evaluations.

Performance on staffing services and the staffing function was compared to benchmarks where possible. Information from DND was assessed and compared to that of other government departments, as well as to information reflecting other public and private sector organizations as a whole.

1.2.2 Key Informant Interviews and Focus Groups

Key informant interviews served as an important source of information by providing qualitative input from those directly or indirectly involved in staffing provision in DND, including ADM(HR-Civ) staff and service centre directors (in regions across Canada).

Table B-1 details the number of interviews conducted by stakeholder group.

Stakeholder Group	Number of Interviews
Regional Service Centre Directors	5
Senior HR Managers (former HRBMs)	7
ADM(HR-Civ) Directors	9
Level 1 Chiefs of Staff	16
TOTAL	37

Table B-1. Number of Interviews by Stakeholder Group. This table displays the number of interviews undertaken by stakeholder group.

In total, six focus groups were conducted with 49 participants in HR service centres across Canada. The intention of these focus groups was to provide more detail, perspectives, context and depth to survey results and other data. The focus groups are described in Table B-2.

Service Center Locations	Number of Participants per Group
Esquimalt (Pacific)	6
Winnipeg (Prairies)	8
Kingston (Ontario)	9
Ottawa (NCR)	12
Montreal (Eastern)	5
Halifax (Atlantic)	9
TOTAL	49

Table B-2. Number of Participants per Group by Service Centre Location. This table displays the number of participants per focus group for each of the six service centre locations.

With the exception of the Ottawa (NCR) focus group, which was composed of HR service providers, focus groups were composed of military and civilian managers of civilians (47 percent military, 53 percent civilian) and were recruited from a list extracted from HRMS, on the basis of criteria defining “manager;” that is, individuals who have direct reports. When contacted, they were screened according to a set of criteria: confirming that they were managers of civilians; and determining whether they had completed staffing processes. During focus groups at specific service centres, ADM(RS) evaluators conducted on-site interviews with service centre directors.

1.2.3 Administrative and Financial Data Review

An analysis was conducted to assess resource utilization (per activity area/output) under PAA 6.4 – Human Resources Management. In order to determine the costs across the ADM(HR-Civ) CHRBP areas, consultations were held with financial comptrollers and ADM(HR-Civ) staff members. The data obtained were compiled in an Excel spreadsheet and analyzed by year.

1.2.4 Questionnaire

An online survey questionnaire was administered to managers of civilian employees across DND. These were determined by extracting a list from HRMS, on the basis of criteria defining “manager;” that is, individuals who have direct reports. To confirm this status, survey respondents were asked if they were a manager or supervisor of civilian employees at the beginning of the survey. Those who were not were screened out.

The objective of the survey was to gather information that could not be obtained elsewhere, such as feedback on the time managers spent on staffing activities, how well they understood their staffing responsibilities within DND, and how satisfied they were with the staffing services received from their HR practitioner. The survey was designed to take an average of 15 minutes to complete and was pre-tested with a random sample of survey respondents. Some modifications were made to the survey following the pre-test.

The survey was administered electronically by sending email invitations with a link to the online survey (in both French and English) to 3,187⁹⁶ potential respondents. There were 920 survey completions, which represents an overall response rate of 29 percent.

2.0 Limitations

The evaluation methodology was designed to provide multiple lines of evidence in support of evaluation findings. The data and information were collected to respond to the evaluation questions and issues. As in all evaluations, there are limitations and considerations that should be noted. Table B-3 shows the limitations related to the sources and the mitigation strategies applied to them.

⁹⁶ Not counting duplicates, out-of-office messages and email bounce-backs.

Limitation	Mitigation Strategy
DND civilian HR activities, and staffing in particular, are shared responsibilities between many stakeholders.	The evaluation obtained the perspectives of all the different stakeholders involved: military and civilian managers of civilians, all service centres, Programs and Planning Managers (former HRBMs), L1 representatives (chiefs of staff), ADM(HR-Civ) corporate organizations (including policy side – Director Civilian Employment Policies, operations side – DGCHRMO, planning, etc.)
Key performance data, such as the number of hiring managers in the organization undertaking staffing activities and the time it takes to staff civilian positions, is not known or collected on a systematic basis.	Information contained in HRMS was extracted to build a list of managers of civilian employees by identifying those with direct reports. Where limitations were apparent, for instance in attempting to cost staffing for DND, this was clearly stated in the report.
Attribution of activities and outputs of the program to ultimate outcomes was difficult due to the high level of influence of other CHRBP activity areas (i.e., workplace management, workforce development, etc.), external factors and lack of data.	More focus was placed on measuring the immediate outcomes, and from these findings deductions were made to assess the achievement of the ultimate outcomes.
There were many changes to the civilian HR context over the evaluation period: to the structure of ADM(HR-Civ), responsibilities (e.g. compensation moved out of ADM(HR-Civ)), and the HR service delivery model in service centres. As a result, it was difficult to make comparisons over time for data and resources.	The evaluation acknowledged the changes to the context and made references to the changes where relevant. References to year over year were made where appropriate. When comparisons over time were not possible, a snapshot of data or resources was provided.
In many instances a risk of overlapping with previous and concurrent reviews of civilian HR management and staffing activities in DND was identified.	Awareness of the findings and recommendations of past reviews and tracking ADM(HR-Civ) progress on actions plans were used to mitigate the risk of duplication or overlap. Awareness of the scope of concurrent reviews was also used as a mitigation strategy (e.g., Defence Renewal 6.3).

Table B-3. Limitations and Mitigation Strategies. This table displays the list of the limitations of the evaluation and the corresponding mitigation strategies.

Annex C—Logic Model

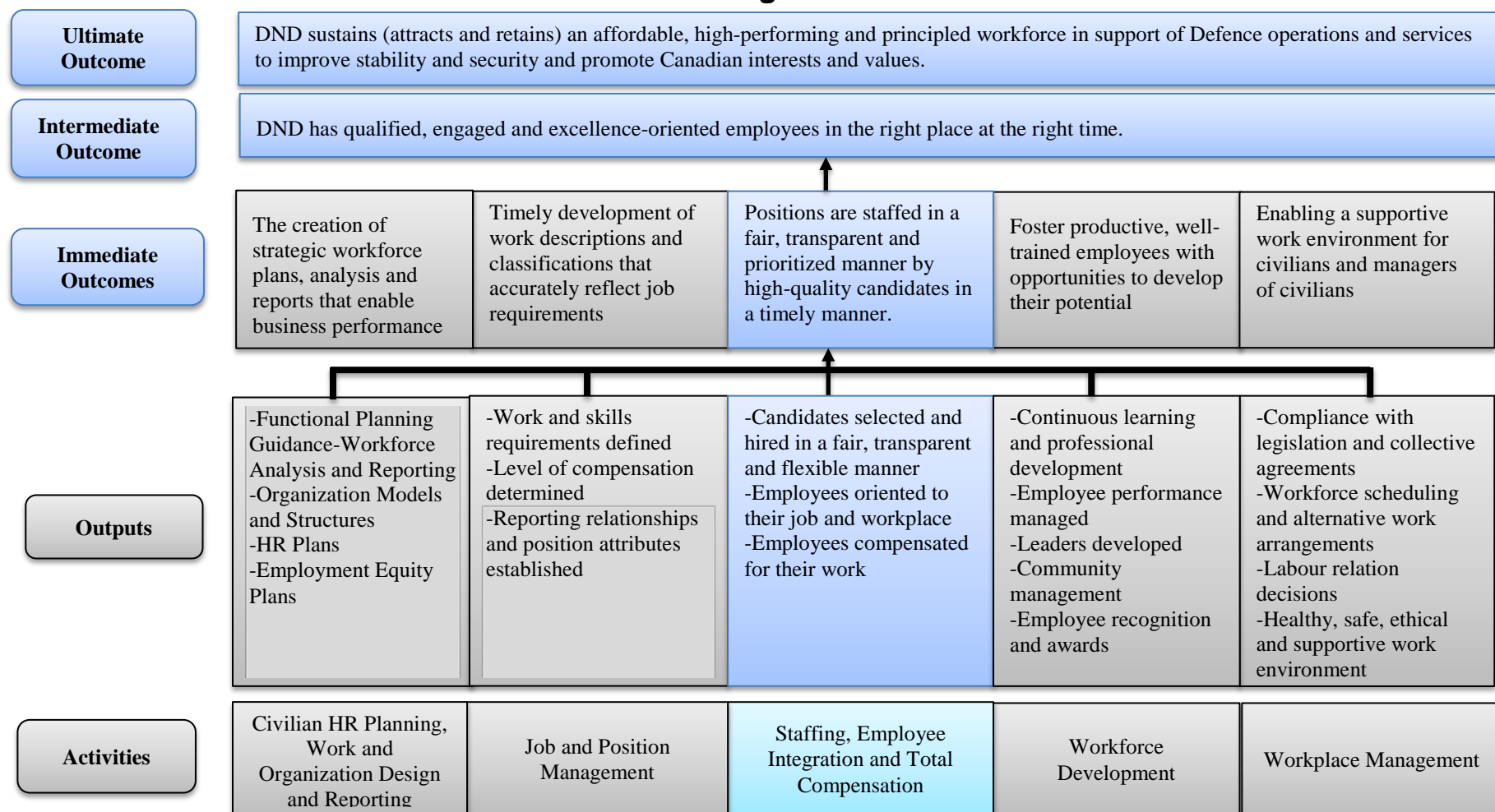


Figure C-1. Logic Model for the Evaluation of Defence Civilian Human Resources Management.⁹⁷ This flowchart shows the relationship between the program's main activities, outputs and expected outcomes.

⁹⁷ Note that the evaluation scope only included the "Staffing, Employee Integration and Total Compensation" stream, highlighted for illustration.

Annex D—Evaluation Matrix

Evaluation Matrix—Relevance				
Evaluation Issues/Questions	Indicators	Program Data	Document Review	Key Informant Interviews
1.1 To what extent are Defence civilian HR activities and objectives relevant to current organizational needs?	Alignment of Defence civilian HR services (objectives) with identified needs of users	No	Yes	Yes ADM(HR-Civ) directors
	Gaps in service delivery (activities)	No	Yes	Yes ADM(HR-Civ) directors
1.2 Do Defence civilian HR activities and objectives align with federal government priorities and departmental strategic outcomes?	Degree of alignment with federal priorities and policies	No	Yes	No
	Degree of alignment with DND/CF priorities	No	Yes	No
1.3 How do the activities and objectives of Defence civilian HR align with federal government roles and responsibilities?	Consistency with federal roles and responsibilities	No	No	No

Table D-1. Evaluation Matrix—Relevance. This table indicates the data collection methods used to assess the evaluation issues/questions for determining the Defence Civilian HR management's relevance.

Evaluation Matrix—Performance: Achievement of Expected Outcomes (Effectiveness)					
Evaluation Issues/ Questions	Indicators	Program Data	Document Review	Questionnaire	Key Informant Interviews / Focus Groups
Immediate Outcomes					
2.1 To what extent does ADM(HR-Civ) provide support to business planning and HR planning processes?	Evidence of ADM(HR-Civ) / Level 0 strategic guidance	No	Yes	Yes	Yes <ul style="list-style-type: none"> • L1 chiefs of staff • Regional Service Centre directors • Hiring managers
2.2 Are positions staffed in accordance with the PSEA staffing values (fair, accessible, representative and transparent)?	Fair: Frequency of founded/upheld merit-related complaints/grievances / all staffing actions (year over year, compared to other departments) Comparison between DND and other departments on PSES question 27	Yes	No	Yes	Yes <ul style="list-style-type: none"> • ADM(HR-Civ) directors • Hiring managers
	Accessible: Number of advertised job postings (compared to other departments) vs. number of non-advertised job postings)	Yes	No	No	No
	Representative: Representation of each designated employment equity group	Yes	No	Yes	No

	Transparent: Number of cases where information about staffing is not communicated in an open and timely manner / all staffing actions	No	No	Yes	Yes <ul style="list-style-type: none"> • L1 chiefs of staff • Hiring managers
	Priority: A composite measure of the average number of days that vacant positions with intent to staff remain vacant Evidence that ADM(HR-Civ) actions staffing requests in a prioritized manner (e.g., controls and/or process in place)	Yes	No	No	Yes <ul style="list-style-type: none"> • L1 chiefs of staff • Hiring managers
2.3 To what extent are positions staffed by high-quality candidates?	Comparison between DND and other departments on PSES questions 7 and 26	Yes	No	No	No
2.4 To what extent are position staffed in a timely manner?	Time to process staffing actions for internal advertised, external advertised, etc. (year over year)	No	No	Yes	Yes <ul style="list-style-type: none"> • Hiring managers
2.5 To what extent are stakeholders satisfied with the service delivery model?	Extent to which guidance and advice meet client needs	No	No	No	Yes <ul style="list-style-type: none"> • L1 chiefs of staff • Regional Service Centre directors • Hiring managers

Intermediate and Ultimate Outcomes					
3.1 To what extent does DND have qualified, engaged and excellence-oriented employees in the right place at the right time?	Comparison between DND and other departments on PSES Questions - 7, 26 (Qualified) - 6, 11, 15, 19, 58, 59, 60 (Engagement) - 14, 17 (Excellence oriented)	Yes	No	No	No
	Assessment of extent to which employees are qualified, engaged and excellence oriented	No	No	No	Yes <ul style="list-style-type: none"> • L1 chiefs of staff • Regional Service Centre directors • ADM(HR-Civ) directors • Hiring managers
4.1 To what extent does DND sustain (attract and retain) an affordable, high-performing and principled workforce that supports the Defence organization?	Comparison between DND and other departments for PSES questions 59, 60, 61, 62	Yes	No	No	Yes <ul style="list-style-type: none"> • Hiring managers
	Perceptions on the extent to which the DND workforce is principled	No	No	No	Yes <ul style="list-style-type: none"> • Hiring managers

Table D-2. Evaluation Matrix—Performance (Effectiveness). This table indicates the data collection methods used to assess the evaluation issues/questions for determining the Defence Civilian HR management's performance in terms of achievement of outcomes (effectiveness).

Evaluation Matrix—Performance: Demonstration of Efficiency and Economy				
Evaluation Issues/ Questions	Indicators	Program Administrative and Finance Data	Document Review / Benchmarking	Key Informant Interviews
5.1 Are Defence civilian HR expected outcomes being achieved in the most economical manner?	Total spending and total civilian HR management FTEs	Yes	Yes	No
	Staffing activity volume, per capita and compared to other federal departments	Yes	Yes	No
	Spending on staffing	Yes	No	Yes <ul style="list-style-type: none"> • ADM(HR-Civ) directors • Hiring managers
	Staffing as a percentage of departmental spending	Yes	No	No
5.2 Are there alternative ways to achieve Defence civilian HR expected outcomes?	HR costs per civilian employee HR O&M costs per HR service provider	Yes	Yes	No
	Ratio of clients served by HR staff compared to other federal departments	Yes	Yes	No
	Average staffing actions by HR employee compared to other federal departments	Yes	Yes	No
	Forecasting opportunities	Yes	No	Yes <ul style="list-style-type: none"> • ADM(HR-Civ) directors

Table D-3. Evaluation Matrix—Performance (Efficiency and Economy). This table indicates the data collection methods used to assess the evaluation issues/questions for determining the Defence Civilian HR management's performance in terms of efficiency and economy.

Annex E—Total Civilian HR Management FTEs by Department and by Staffing Activity Type⁹⁸

Department	Staffing Activities 2010/11					Staffing Activities 2011/12					Staffing Activities 2012/13				
	Appoint-ments	Promotions	Lateral and Downward Movements ¹	Acting Appoint-ments ²	Total	Appoint-ments	Promotions	Lateral and Downward Movements	Acting Appoint-ments	Total	Appoint-ments	Promotions	Lateral and Downward Movements	Acting Appoint-ments	Total
DND	29%	32%	30%	10%	7,422	30%	29%	31%	11%	6,162	14%	30%	33%	24%	2,955
ESDC	15%	22%	38%	24%	8,261	13%	21%	39%	28%	5,830	17%	8%	52%	24%	3,971
PSPC	21%	29%	34%	16%	5,886	13%	30%	37%	20%	4,009	14%	21%	44%	21%	2,555
TBS	15%	36%	35%	14%	1,218	14%	40%	37%	9%	828	8%	29%	50%	13%	462
Public Safety	17%	31%	41%	11%	447	12%	27%	43%	18%	394	12%	17%	48%	23%	279
DFO	29%	26%	26%	20%	4,202	27%	21%	34%	18%	4,025	24%	15%	42%	19%	3,556
Total Public Service	22%	27%	34%	17%	73,859	21%	25%	36%	18%	63,478	17%	18%	44%	22	41,005

Table E-1. Total Civilian HR Management FTEs by Department and by Staffing Activity Type. This table indicates the total human resource management FTEs by department and by type of staffing activity.

Notes:

¹ Lateral and downward movements include deployments. As the appointment process is not captured by the pay system, it is not possible to differentiate between lateral and downward appointments and deployments.

² Acting appointments exclude those of less than four months.

⁹⁸ PSC Annual Reports 2008-2014. <http://www.psc-cfp.gc.ca/arp-rpa/index-eng.htm>. Last consulted on June 30, 2016.