



Directive on Classification Oversight

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Directive on Classification Oversight

1. Effective date

- 1.1 This directive takes effect on July 1st 2015.
- 1.2 This directive replaces the following:
 - Classification Monitoring Framework (2003).

2. Application

- 2.1 This directive applies to the core public administration as defined in section 11 of the *Financial Administration Act*, unless excluded through specific acts, regulations or orders-in-council.
- 2.2 This directive does not apply to positions within the Executive (EX) group.
- 2.3 This directive does not apply to members of the Royal Canadian Mounted Police.
- 2.4 The provisions in sections 7.1.1, 7.1.2, 7.2.1, 7.2.3, 8.1, 8.2 and 8.3 relating to the role of the Treasury Board Secretariat in monitoring compliance and directing measures to be taken in response to non-compliance do not apply with respect to the Office of the Information Commissioner of Canada and the Office of the Privacy Commissioner of Canada, the Office of the Chief Electoral Officer, the Office of the Commissioner of Lobbying, the Office of the Commissioner of Official Languages and the Office of the Public Sector Integrity Commissioner. The deputy heads of these organizations are solely responsible for monitoring and ensuring compliance with this policy within their organizations, as well as for responding to cases of non-compliance in accordance with any Treasury Board instruments providing principles and guidance on the management of compliance.

3. Context

- 3.1 This directive is issued pursuant to sections 7 and 11.1 of the Financial Administration Act.
- 3.2 This directive formalizes the requirements for compliance with the *Policy on Classification* and related instruments and provides deputy heads with direction and tools for assessing the health of their classification programs through oversight.
- 3.3 A classification decision has financial implications. It establishes the occupational group, sub-group (if applicable) and level of the job and therefore the compensation. Deputy heads and their sub-delegates are expected to make classification decisions with the same care, attention and knowledge given to other financial transactions because, ultimately, it is in the public interest to ensure that government funds are expended wisely.
- 3.4 The Office of the Chief Human Resources Officer is responsible for the oversight of the Classification Program. The Office of the Chief Human Resources Officer provides quality assurance of the Classification Program across the CPA and ensures that its integrity is safeguarded. It supports the sound management of the wage bill through appropriate classification decisions and classification relativity across the CPA. It ensures that public funds are managed in accordance with principles of affordability and value for money outlined in the *Policy Framework for the Management of Compensation* and *Policy Framework for Financial Management*.
- 3.5 The Classification Oversight Model is the tool that defines the strategic and desired outcomes for the Classification Program. The three main components of the oversight model, monitoring, audit and reporting, categorize the various indicators of classification oversight and are found in the Classification Oversight Model for Organizations (Appendix A) and the Classification Oversight Model for the Office of the Chief Human Resources Officer (Appendix B).
- 3.6 Additional mandatory requirements are set out in the following documents:
 - · Directive on Classification;
 - Directive on Classification Grievances;
 - Guide to Allocating Positions Using the 1999 Occupational Group Definitions;
 - Job Evaluations Standards (Classification Standards);
 - Occupational Group Definitions;
 - Policy on Classification; and
 - Table of Concordance.

4. Definitions

Definitions to be used in the interpretation of this directive can be found in Appendix A of the Policy on Classification.

5. Directive statement

5.1 Objective

This directive:

5.1.1 This directive establishes clear guidance for organizations regarding the classification oversight function.

5.2 Expected results

- 5.2.1 Sound and effective classification oversight activities and reporting cycle are implemented in organizations across the CPA.
- 5.2.2 The requisite components of the oversight model are in place to support the Classification Program in CPA organizations; and

5.2.3 Biennial reporting is performed and corrective actions are applied within prescribed timelines; they form part of a continuous improvement cycle.

6. Directive requirements

Requirements specific to the Classification Oversight Model for Organizations and Classification Oversight Model for the Office of the Chief Human Resources Officer are set out in Appendices A and B of this directive.

6.1 The departmental lead for classification oversight is responsible for

- 6.1.1 Performing classification monitoring, audit and/or reporting activities;
- 6.1.2 Developing, implementing and maintaining quality assurance activities in order to fulfill oversight requirements.

6.2 Heads of Human Resources are responsible for

- 6.2.1 Ensuring the development, implementation and maintenance of oversight in accordance with the Classification Oversight Model for Organizations found in Appendix A of this directive;
- 6.2.2 Ensuring that the data required for monitoring, audit and reporting is available, complete and accurate;
- 6.2.3 Developing and implementing a corrective action plan, incorporating and responding to feedback and recommendations received from the Office of the Chief Human Resources Officer and/or internal audit;
- 6.2.4 Implementing improvements based on the results of organizational monitoring; the Office of the Chief Human Resources Officer recommendations; audits and other feedback; and
- 6.2.5 Ensuring that ongoing monitoring activities outside of biennial reporting requirements are undertaken in the organization.

6.3 The Office of the Chief Human Resources Officer is responsible for

- 6.3.1 Developing, implementing and maintaining the classification oversight function and related tools;
- 6.3.2 Reviewing and assessing departmental monitoring and audit reports; providing feedback, directing organizations to take corrective actions and imposing consequences in cases of non-compliance as required; and
- 6.3.3 Initiating and implementing a biennial reporting cycle for CPA organizations.

7. Monitoring and reporting requirements

7.1 By organizations

Organizations are responsible for

- 7.1.1 Providing, within prescribed timelines, the Office of the Chief Human Resources Officer with biennial monitoring reports containing, but not limited to:
 - Organizational context and challenges;
 - Findings from oversight activities (supporting evidence may be requested by the Office of the Chief Human Resources Officer on a case by case basis);
 - Classification decisions that have been identified as "not to be used for internal and external relativity",
 - Classification decisions that have been directed and/or authorized directly by the deputy head;
 - · Classification risks;
 - Performance indicators analysis (from Appendix A);
 - · Actions taken to address key findings; and
 - Planned activities for ongoing improvement.
- 7.1.2 Providing the Office of the Chief Human Resources Officer with copies of audit and any other reports involving classification upon completion.

7.2 Government-wide

The Office of the Chief Human Resources Officer is responsible for

- 7.2.1 Monitoring compliance with all aspects of this directive, the *Policy on Classification* and related instruments, including but not limited to assessments; audits, examination of organizational biennial monitoring reports, thematic studies and trend analysis;
- 7.2.2 Assessing and responding to compliance issues with the Policy on Classification and related instruments;
- 7.2.3 Reporting to the Chief Human Resources Officer when significant issues arise and recommending corrective measures deemed appropriate to the level of non-compliance; and
- 7.2.4 Reviewing this directive and its effectiveness at the five-year mark of its implementation.

8. Consequences

- 8.1 In cases of non-compliance with the *Policy on Classification* and related instruments, the Chief Human Resources Officer may direct deputy heads to take appropriate corrective actions to address issues or may impose any other measures deemed appropriate.
- 8.2 These measures may include recommendations by the Chief Human Resources Officer to the Treasury Board to add conditions

to, modify or revoke the classification authority of deputy heads.

8.3 In accordance with the Framework for the Management of Compliance, consequences can include, but are not limited to:

- · Informal follow-ups and requests for additional information;
- Training;
- · More frequent monitoring exercises and reporting obligations;
- · Requests for targeted audits or reviews;
- · An Office of the Chief Human Resources Officer audit;
- Formal direction on corrective measures: and
- · Partial or total removal of classification authority.

9. References

9.1 Related policy Instruments and publications

- Organization and Classification Learning Curriculum;
- Directive on Internal Auditing in the Government of Canada;
- Framework for the Management of Compliance;
- Foundation Framework for Treasury Board Policies;
- · Internal Audit Policy;
- Policy Framework for Financial Management;
- · Policy Framework for the Management of Compensation; and
- Policy Framework for People Management.

10. Enquiries

Please direct enquiries about this directive to your departmental corporate human resources office. For advice about the application of this directive, departmental corporate human resources representatives should contact:

Workforce Organization & Classification Compensation and Labour Relations Sector Office of the Chief Human Resources Officer Treasury Board Secretariat

related

active

instruments. An

Appendix A

Classification Oversight Model for Organizations APPENDIX A

Strategic Outcome The Classification Program ensures the relative value of work in the core public administration, that jobs are classified at the appropriate group and level; in which employees are paid fairly, equitably and appropriately for the work they perform while ensuring the sound management of the wage bill.

Desired Outcome Deputy heads have in place a Classification Program that includes an oversight function to ensure the effective sub-delegation of classification authority. There is sufficient evidence indicating the appropriate infrastructure, classification capacity and training for human resources advisors and managers, risk assessment, monitoring and audit activities, reports and actions are taken to improve classification management and performance

	classification management and performance.								
	-1-	-2-				-6-	- 7-		
	Classification Governance and	Organizational Readiness	-3- Risk	-4-	-5-	Audit	Taking Action Actions are		
	Infrastructure	Organizational	Management	Monitoring	Reporting	Objective and	taken within the		
Components	Instruments and system architecture in place to support desired outcomes.	capacity, expertise, training, and structures in place to deliver expected results.	Assessment of classification decisions, anomalies, risks and impacts.	Assessment of the effectiveness of risk management, control and governance processes.	Formal and informal reports.	systematic examination of departmental classification activities.			
		4. Resource Planning and Capacity:							
	1. Accountability:	Capacity in classification is assessed on an	9. Classification Decisions:						
	A classification program is established and maintained in accordance with the Policy on Classification and	managers and accredited HR	Classification decisions are actively monitored to ensure compliance with the <i>Policy on</i>						

advisors to deliver Classification and

related

instruments;

classification

activities and

organizational classification oversight function exists, which includes a risk assessment and corrective action plans.

2. Subdelegation of Classification **Authority and** Responsibilities:

Sub-delegation from the Deputy Head is clear and control place to ensure that sub-delegated responsibilities classification authority and responsibilities are the Office of the exercised in accordance with the Policy on Classification and related instruments.

3. Infrastructure (Management Policies, and Systems):

Indicators

Positions are classified according to the Policy on Classification, occupational group definitions, appropriate job evaluation standards, application guidelines and other documents developed and issued by the Office of the Chief **Human Resources** Officer.

Accurate and documentation are entered promptly, into classification files organizational human resources information management systems, and the Office of the Chief **Human Resources** Officer's information management systems, including the Position and Classification information t System and the Classification Grievance Tracking System. Quality control

decisions. Managers have access to the Policy on Classification and decisions and related accredited HR advisors for advice.

instruments and to principles of relativity, affordability and value for money.

Training:

Employees who exercise delegated organization and classification mechanisms are in authority and carry implemented and out are trained in accordance with Chief Human Resources Officer's Organization and requirements. Classification Learning

6. Organizational Impasse: Structure:

The structures of the organization support its mandate and business requirements and the organization is assessments are efficient and cost effective. Organizational charts are current and accurate.

Curriculum.

7. Standardized .lob **Descriptions:**

Standardized job descriptions are implemented wherever complete data and possible; ensuring that they are applied appropriately, within the intended Organizations organizational context.

8. Positions and .loh **Descriptions:**

Job descriptions reflect the work assigned and performed by employees, have a reasonable and evidence-based effective date, are identify, review applied appropriately within the organizational structure and are mechanisms are in reviewed within a

5. Expertise and 10. Classification Mechanisms & Practices:

delegated

grievance

requirements;

compensation

authority; statutory

Classification mechanisms and practices are developed. maintained to support sound classification decision making in accordance with the Office of the Chief Human Resources Officer

11. Key Organizational Risks/Anomalies/ biennial monitoring activities

activities:

Organizations conduct

based on the indicators set

accordance with the Policy

instruments and following the

principles of efficiency,

in the organization.

and integrity.

effectiveness, affordability

by the Office of the Chief

Key organizational Human Resources in risks are identified. prioritized and assessed through monitoring. Early warning conducted frequently to inform outside of biennial reporting management of potential risks.

Control mechanisms, are in place to identify and resolve problems. anomalies and impasses (i.e., a dispute resolution process).

12. CPA-wide impact:

consult the Office of the Chief **Human Resources** Officer on all classification decisions that have a significant impact on CPA interdepartmental relativity or result in a significant increase in salary expenditures. Organizations and report on deputy head classification directed decisions and those that

14. Report to the Office of the Chief Human Resources Office:

Organizations

submit a

biennial classification monitoring 13. Monitoring/Assessment report. It must include up-todate information about classification decisions that have been identified as on Classification and related "not to be used for internal and external relativity", including any Ongoing monitoring activities deputy head directed requirements are undertaken decisions

> Copies of audit and any other reports involving classification are submitted to the Office of the Chief Human Resources Officer upon completion.

16. Corrective Action Plan:

Organizations take action by appropriately addressing the recommendations and findings from the oversight activities (monitoring, reporting and audit). Prompt action is taken to ensure their early and effective implementation.

15. Audits:

Organizations or the Office of the Chief Human Resources Officer conduct targeted, riskbased audit activities of the classification program in accordance with the Policy feedback. The Classification and related instruments.

17. Ongoing Improvement:

Organizations continuously enhance the integrity of classification decisions by acting on the results of their onaoina monitoring as well as the mandatory monitoring. reviews, audits and other results of corrective actions taken and ongoing improvements will form the basis of a follow up report to the Office of the Chief Human Resources Officer.

18. Senior Management:

Human resources leaders bring issues to the attention of senior management for discussion, follow-up and action as required.

place to ensure the reasonable time integrity of data and/or information.

ICVICVVCU WIUIIII a frame (5 year cycles) or as work internal and changes significantly. Unique job descriptions are used on an exceptional basis.

identified as "not to be used for external relativity".

Appendix B

Classification Oversight Model for the Office of the Chief Human Resources Officer APPENDIX B

Strategic Outcome The Classification Program promotes good governance to enable efficient and effective human resources management within the core public administration and service to Canadians.

Desired Outcome

The classification oversight function ensures the integrity of the Classification Program across the core public administration. The Office of the Chief Human Resources Officer assists deputy heads in effectively overseeing classification in their organization through the provision of advice, feedback and recommendations, the development and maintenance of related instruments and tools, program support and the development of clear performance expectations.

	-1-	-2-	-3-			-6-	-7-
Components	Classification Governance and Infrastructure	Organizational Readiness	Risk	-4-	-5-	Audit	Taking Action
		Organizational	Management Assessment of classification decisions, anomalies, risks and impacts.	Monitoring	Reporting	and systematic examination of departmental classification of	Actions are taken within the prescribed timelines to implement corrective and/or ongoing measures for improvement).
	Instruments and system architecture are in place to support desired outcomes.	•		Assessment of the effectiveness of risk management, control and governance processes.	Formal and informal reports.		

1. Accountability: The Classification

Program fosters compliance with delegated classification authorities; the improvement of classification expertise within organizations and sound management of the wage bill. The Office of the Chief Human Resources Learning Officer provides quality assurance of the classification training program across the CPA to safeguard its integrity and effectiveness.

2. Classification Legal Framework:

Treasury Board Instruments are issued under the authority of the **Financial** Administration Act & Represent and are compliant Employer: with the Canadian Human Rights Act The Office of the and Equal Wage Guidelines.

3. Directive on Classification

9. Classification **Decisions:**

managed **Curriculum:** consistently the Office of the Chief Human support principles of Organization & Classification relativity, which sets out with Treasury requirements for Board HR advisors and managers is statutory implemented and maintained across the CPA and will improve decisions. the classification expertise within Court decisions organizations.

6. Support to the **Organizations**

5. Organization

Learning

Resources

Curriculum

developed,

Officer

Chief Human Resources Officer supports

& Classification Classification decisions are effectively and across the CPA; compensation gender neutrality, affordability and value for money in accordance Instruments and requirements. Classification decisions comply with grievance

> 10. Data collection and analysis:

that involve

implemented

effectively.

classification are

consistently and

CPA trend analysis, thematic studies 13. Report to **Organizations** and Treasury Board:

The Office of the Chief Human Resources Officer reports organizations on the effectiveness and performance of their classification initiated, programs with respect to the manner in which they are implemented and comply with the Policy on Classification and related instruments; provide feedback and

14. Audit

activities:

activities are

conducted

maintained

across CPA

organization

request of the

deputy head.

Resources

intended to

hased

Officer audits

are evidence-

or at the

Audit

and

direction on the The Office of results of their the Chief 12. Monitoring/Assessment monitoring and Human audits as well as audits

activities: A biennial monitoring cycle is initiated, implemented and maintained conducted by across CPA organizations to the Office of organizations by and classification enable an assessment of the the Chief

15. Corrective Action:

The Office of the Chief Human Resources Officer ensures that corrective actions and follow-through are appropriate and have been implemented by organizations.

16. Consequences:

The Directive on Classification Oversight sets out the range of consequences in the event of noncompliance with the Policy on Classification and organizations related instruments based on the (Reference section 8 risk profile of of this Directive).

> The Chief Human Resources Officer may direct deputy heads to take corrective actions in cases of misclassification or non-compliance with the Policy on Classification and related instruments. This may include

Indicators Overeight

Oversigni:

The Directive on Classification Oversight establishes clear quidance for deputy heads and their representatives regarding the classification oversight function. The Office of the Chief Human Resources Officer descriptions and classification assesses classification performance in organizations across the CPA, against requirements. through effective monitoring, audit and reporting.

4. Infrastructure: Measures:

The occupational group structure, policies and related instruments, job evaluation standards, tools, as well as central classification information management systems are developed, reviewed and maintained across the CPA.

implementing and improving the classification maintained. the provision of advice, ongoing program support Program and its and consultations.

7. Standardized analyzed. .loh **Descriptions:**

Standardized job CPA other related requirements are anomalies are established, validated and applied across the CPA and the including all job description format is defined.

Performance indicators are developed. implemented and reviewed to oversee the effective management of the classification program across the CPA.

dashboards are overall health of the developed and Classification Program.

program through Areas of strength Organizational monitoring and weakness of reports and activities are the Classification reviewed and assessed. administration are identified and

11. CPA-wide impact:

risks and identified. prioritized and assessed classification decisions that have a significant impact on CPA 8. Performance interdepartmental relativity or result in a significant increase in salary expenditures, as well as deputy head classification directed decisions and those that have been identified as "not to be used for internal and external relativity".

Human Resources Officer.

The Office of the Chief Human Resources Officer reports to the Treasury Board on the health of the Classification Program and its effectiveness and ongoing improvement measures.

risk

within

and bring

decision-

making.

greater

The Office of Classification the Chief audit reports Human and activities Resources are reviewed Officer reports and to the Chief assessed. Human Resources Officer when significant issues arise and recommends corrective measures deemed appropriate to the level of noncompliance.

directing assess and organizations to take improve the specific actions to effectiveness avoid or correct classification classification anomalies. management, control and governance may also processes

The Chief Human Resources Officer recommend that the Treasury Board add organizations conditions, modify or revoke the classification accountability authority delegated to deputy heads. classification

17. Ongoing Improvement:

The Office of the Chief Human Resources Officer ensures the Policy on Classification and related instruments are reviewed and assessed every 5 years.

18. Best Practices:

The Office of the Chief Human Resources Officer shares tools and practices with organizations to facilitate improvements.