



Internal Audit of GC Jobs Transformation:

Transformation: Phase 0 (2019-2020)



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Introduction

Background

1. The Public Service Commission (PSC) promotes and safeguards a non-partisan, merit-based and representative public service, and facilitates the recruitment of Canadians from across the country on behalf of departments and agencies. The mandate to appoint, or provide for the appointment of persons, to or from the public service is derived from the *Public Service Employment Act* (PSEA). The PSC offers enabling services to federal public service departments and agencies as per section 11 of the Act.

2. Government of Canada Jobs (GC Jobs) is the current information technology system application used to manage recruitment and related staffing activities for over 100 departments and agencies. It is an on-line web-based system designed to provide human resources professionals and hiring managers with information and tools to assist them in filling advertised appointment processes using electronic recruitment. The system facilitates the process of recruiting for advertised positions to the public service.

3. The system allows applicants to search for and apply to jobs, and it allows organizations to advertise job opportunities and screen, search and refer applications. Data contained in GC Jobs is used to fulfil reporting obligations to Parliament, including the collection and reporting of public service workforce information.

4. In 2016, as part of New Direction in Staffing implementation, a renewed Appointment Policy and oversight framework was put in place with the aim of making staffing across the public service more efficient. In essence, the New Direction in Staffing is designed to provide departments and agencies with greater ability to customize staffing approaches based on their unique operating environments. The GC Jobs Transformation project is a key pillar in supporting the implementation of the main elements of the New Direction in Staffing.

GC Jobs Transformation

5. GC Jobs was originally built by the PSC as a prototype and interim solution in 2005 to facilitate applicant screening. Its aging technology no longer reflects industry best practices (e.g. for user experience, candidate management, skills matching, etc.) and cannot support interoperability and scalability for recruitment in this digital age.

6. Between April 1, 2016 and July 30, 2018, the PSC led a project titled the New Direction in Staffing Interface. The project focused on reviewing the current recruitment platform through extensive consultations with all system users and related key stakeholders. The
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project team held over 100 outreach and engagement sessions with key stakeholders resulting in over 1,400 pieces of feedback from over 50 organizations. The project concluded with the development of a prototype that formed the launching point for the GC Jobs Transformation project.

7. Through the GC Jobs Transformation project, the PSC is seeking to leverage modern recruiting and applicant tracking system capabilities to better serve all user needs. PSC officials plan to thoroughly test and pilot the eventual new recruitment solution to ensure it is effective and reliable before it is implemented across the Government of Canada.

8. A decision was made by the Executive Management Committee in February 2019 to extend the discovery phase of the GC Jobs Transformation project, the pre-project and project activities consist of 3 phases as described below.

Phase 0 – Pre-Project (2018-2021)

9. During the discovery phase, the project team is collecting information from job seekers, managers and human resources professionals on their recruitment needs. The team is also engaging with internal stakeholders, including the priority administration team and the teams responsible for national recruitment campaigns, as well as collaborating with other government-wide human resource initiatives to ensure alignment. The project team is conducting a review of recruitment capabilities offered by modern recruitment solutions.

A Request for Information was sent out to private sector companies in the recruitment industry, inviting them to demonstrate recruitment solutions. The results of the demos were used to refine the requirements for the new platform. An option analysis was conducted to determine the best way forward. Based on the preliminary analysis, the PSC is exploring the use of cloud software. Proof-of-concept testing with select departments and agencies will be undertaken to assess the feasibility of commercially available solutions.

Phase 1 – Pilot Deployment (2021-2022)¹

10. Live pilots will be conducted with selected departments and agencies to gather user feedback on the proposed solution, validate assumptions and make improvements before the new platform is rolled out across the public service, provided that the solution is deemed viable at this stage. If it is, this phase will require starting integration

¹ Calendar Years

work between the SaaS solution and various Government of Canada systems. How this will be phased is still to be determined.

Phase 2 – Implementation (2022 and beyond)

11. The public service-wide implementation will begin, including final improvements based on findings from pilot evaluations. The project will then transition to service management, soliciting feedback on the new recruitment solution to contribute to continuously improve the user experience.

Audit Objective and Scope

12. The audit objective was to provide reasonable assurance that sound management practices are in place to establish a solid foundation for subsequent project phases. Specifically, the audit assessed the following aspects:

- An adequate control environment, as well as appropriate processes, procedures and control activities, are in place to enable effective phase 0 administration and support subsequent phases.
- An adequate risk management framework is in place to support phase 0 and subsequent phases risk mitigation measures.
- Mechanisms are in place to ensure that reliable and relevant data and information is generated and documented to support evidence-based decision-making and monitoring.

13. The audit scope covers the time period from March 1, 2019 to March 31, 2020. It covered all activities in the second year of phase 0 of the project. The audit focused on the application of the management control framework, as well as the processes and procedures in place to enable effective completion of phase 0 activities, including the development of a well-informed proposed solution, procurement process and draft Treasury Board submission.

Audit Criteria and Methodology

14. Audit criteria were developed based on the following sources: Treasury Board policy instruments; the Public Services and Procurement Canada Project Management Handbook; guidance from the Project Management Institute; and the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework. The audit team also considered the results of the internal audit of Phase 0 of the GC Jobs Transformation project that covered the period from January 1, 2018 to February 28,

2019. In order to conclude on the audit objectives and criteria, the following procedures were performed:

- Interviews with PSC senior management and staff;
- Review of relevant legislation, regulations, policies, and directives;
- Review and analysis of relevant documents;
- Review of key processes, procedures and controls; and
- Analysis of financial and non-financial information.

Statement of Conformance

The audit is in conformance with the Internal Audit Standards for the Government of Canada as supported by the results of the quality assurance and improvement program.

Audit Findings and Recommendations

15. This section presents the audit findings and recommendations under 3 general themes: control environment, processes and control activities; risk management; and, communication and information.

Control Environment, Processes and Control Activities

16. **Criterion:** It was expected that an adequate control environment, as well as appropriate processes, procedures and control activities are in place to enable effective phase 0 administration and support subsequent phases.

17. **Conclusion:** An adequate control environment is in place to enable effective phase 0 administration and to support subsequent phases. Oversight mechanisms, as well as roles and responsibilities of the project team, are properly documented. Essential project management elements are applied to administer phase 0 activities. These include schedule, human resources and financial management processes and procedures. An adequate process for the identification of the project requirements is in place, which includes appropriate design activities, options analysis and proofs of concept to ensure a smooth transition to subsequent phases.

18. There is an opportunity to improve the development of project cost estimates for greater accuracy to avoid any future cost overruns. In addition, there is an opportunity to enhance financial reporting to oversight committees by providing additional explanations supporting the actual, budget and forecasted variance analysis (e.g.

between actual and year-to-date budgeted expenditures, between budget and forecasted expenditures).

19. As the GC Jobs Transformation pilot procurement schedule is very ambitious, and despite changes to the procurement approach that initially posed challenges, it will be important that communication and collaboration between the Business Development System Directorate and the Information Technology Services Directorate continue to facilitate the process. Furthermore, the Business Development System Directorate should review its project schedule for reasonableness and review deadlines in light of the current Government of Canada response to COVID-19 and the projected available resource capacity within the PSC and key stakeholders to support the project. Once the proof-of-concept testing is completed, a thorough fit/gap analysis, risk analysis and review of costing estimates are required to enable a well-informed Treasury Board submission.

Governance and Project Team

20. There were no changes to the project governance structure in 2019-20. The governance structure includes several corporate committees. These include the Meeting of the Commission, the Executive Management Committee, the Information Management / Information Technology Committee, and the Information Management / Information Technology Project Review Committee. In addition, 3 dedicated committees support the GC Jobs Transformation project, namely the Public Service Recruitment System Interdepartmental Steering Committee, GC Jobs Transformation Steering Committee and the GC Jobs Transformation Core Management Committee.

21. Three independent oversight mechanisms continue to play an important role with respect to project governance and administration. The first is the GC Enterprise Architecture Review Board. This board reviews all Government of Canada information technology projects over a specified dollar value at specific points in time to provide feedback and endorsement to continue. The second is the PSC Internal Audit Committee, which is briefed on a quarterly basis by the Project Sponsor and Project Director on the project. The third is the independent third party contracted to support the project team.

22. Six recommendations were proposed last year by the independent third party to strengthen the foundation that will lead the project into subsequent phases. The action plans to address the recommendations were fully implemented in 2019-2020. The independent third party provided support to the project team by conducting a benchmark review of options analysis and a benchmark review of procurement and pilot

strategies; completing vendor case studies; and defining criteria and a framework for evaluating potential vendor solutions.

23. A whole of PSC approach continues to be applied to ensure that the project has the required support from all sectors. As such, the project team includes staff from the Services and Business Development Sector; the Information Technology Services Directorate and the Financial and Corporate Planning Division of the Corporate Affairs Sector; as well as the Communications Directorate and the Strategic Directions and Partnership Division from the Policy and Communications Sector. Furthermore, external consultants and independent third-party advisors support the team as needed.

24. The project team completed the Responsible Accountable Consulted and Informed (RACI) matrix that was started in 2018-19. Tasks allocated to team members are segregated into 5 categories: governance and audit; project and risk management; information technology and procurement; design; and business transformation. Roles and responsibilities of the project team are well defined in the RACI matrix. A new position will be included in the revised version of the RACI that is presently being developed for inclusion in the project charter. The initial draft of the Project Charter is planned to be completed by the end of May 2020. Full completion of the Project Charter is currently planned to be updated based on the results of the proof of concept and approved for submission by May 2021.

25. The core project team generally meets on a weekly basis. Team meeting discussions address progress status, deliverables, supporting activities, results, risks, schedule and human resources. Monthly core team meetings also take place to discuss strategic matters and recent developments. The Project Director meets the Project Lead and Project Manager weekly to receive project management updates and monthly to update the risk management framework. Weekly meetings also take place with key management of both the Business Development System Directorate and the Information Technology Services Directorate.

26. Meeting minutes and record of decisions are not maintained as meetings are viewed primarily as information-sharing opportunities. However, the project team maintains an action log to track progress of key planned activities and deliverables. Trello, a cloud-based collaboration tool is used for communication in conjunction with the action log.

Schedule Management

27. A high-level project plan, divided into 6 sections that identify key activities and associated timeframes, was developed for fiscal year 2019-20. These include governance

and audit; project and risk management; information technology and procurement; design; and business transformation. A master project schedule has been prepared that details tasks to be undertaken to successfully implement the high-level project plan. A Project Planning and Reporting Officer is responsible for preparing, updating and reporting on variances with respect to the master project schedule.

28. According to the 2019-20 high-level project plan, activities to be completed by the end of March 2020 included, amongst others, identifying the business capabilities, mapping the business processes and user journey, conducting the options analysis, proof-of-concept testing and evaluation, developing a high-level project management plan, and drafting the project charter, project brief and Treasury Board submission for authorities to pilot.

29. The timeline for the proof-of-concept testing and evaluation assumed that the GC Jobs Transformation project would be able to leverage the Next Generation Human Resources and Pay System (NextGen HR and Pay) to conduct the proofs of concept this fiscal year with the 3 qualified NextGen HR and Pay Software as a Service (SaaS) vendors. Without a confirmation from Treasury Board that the PSC could leverage their procurement tool to conduct the proofs-of-concept, the PSC decided in December 2019 to initiate its own procurement process for the recruitment pilot solution, including the conduct of the proof-of-concept testing.

30. As a result of this decision, the anticipated completion date of the proof-of-concept testing and evaluation was postponed from March 2020 to the end of January 2021. Thus, the Treasury Board submission for authorities to pilot is now planned for mid-April 2021.

31. A work breakdown structure was completed in September 2019, which details for each project phase the main deliverables to be completed under three streams: 1) business transformation, change and communication management, 2) governance and project management, and 3) solution design and IT architecture. The work breakdown structure will be used to assist with the identification of resources and resulting costing estimates of the GC Jobs Transformation project. A roadmap was created in June 2019 that outlines for each project phase the shareholder engagement, business needs, procurement and Treasury Board related activities.

Human Resources Management

32. The project requires a diverse team with varied experience and knowledge, including recruiting business process expertise, business analysts, user experience designers and

solution architects, to name a few. The Project Director and the Chief Information Officer collaborate to ensure that the project team has the required skills and competencies. This means that Information Technology Services Directorate staff with information, application and technology architecture and other required expertise, as well as external consultants with strategic and business architecture expertise, complement the project team.

33. The human resources strategy developed in 2018-19 continues to be implemented. This includes assessing available human resources on an on-going basis, identifying gaps, recruiting or contracting required positions as needed, and addressing potential risks by putting in place mitigation strategies to manage potential staff turnover. The strategy also comprises the creation of a pool of qualified candidates and the use of an internal federal public service intranet site designed to match Government of Canada staff members seeking assignments with hiring managers.

34. A project resourcing plan, including Business Development System Directorate full-time equivalents and consultants, has been identified as part of the planning process. Work has started with respect to the identification of delivery units, required skills and availability of resources that will be required in subsequent phases to manage elements such as pilot testing and implementation. A document has been developed in December 2019 that presents the core team composition and its alignment to 3 key work streams.

35. As the GC Jobs Transformation project progresses, it will be important that the collaboration between the Business Development System Directorate and the Information Technology Services Directorate continue to ensure that the project team has appropriate capacity and skillsets.

36. Furthermore, a contracting vehicle is in place to ensure that the project has access to professional services as needed (e.g. business architecture, business consultant and analyst, and project management).

37. Training is also available to the project team to improve their skillsets as required.

38. Once the PSC receives project authority from Treasury Board, the project team plans to conduct an assessment using the Treasury Board Secretariat tool to determine what type of methodology is best suited for the GC Jobs Transformation project and update the project RACI to the selected approach to clarify roles and responsibilities. Team training will be explored once the methodology is confirmed.

Financial Management

39. The project team identified a project budget for fiscal year 2019-20 that included estimated costs of the Business Development System Directorate and the Information Technology Services Directorate. Costs of personnel from the Financial and Corporate Planning Division, the Communications Directorate and the Strategic Direction and Partnership Division working on the project are not currently included in the GC Jobs Transformation budget.

40. In the internal audit report of Phase 0 (2018-2019), it was recommended that the Project Sponsor ensure that future original and revised project budgets are supported by a detailed breakdown of salary and non-salary estimated costs of all directorates and divisions that participate in the project. Details of the project estimated non-salary and salary expenditures, such as consultant per diems and rates, names of employees, estimated full time equivalents and salary rates, are available for both the Business Development System Directorate and the Information Technology Services Directorate.

41. The original 2019-20 annual project budget of \$2.3M established at the beginning of April 2019 represented a rough order magnitude amount. Upon a detailed review in May 2019, the original budget was baselined at \$2.5M. Following a subsequent review in September 2019, the baseline budget was reduced to \$2.1M. Due to delays in conducting proof-of-concept testing, the Information Technology Services Directorate forecasted its expenditures to be under budget by approximately \$400K for fiscal year 2019-20. According to the most recent forecasts, project expenditures are expected to amount to \$1.9M for fiscal year 2019-20. The variance is largely explained by delays that were experienced by the project team related to the use of Next Gen HR and Pay contracting vehicles to conduct proofs of concept work. While some work continued on the project during that time, the delay did lead to less expenditure of funds than anticipated in the fiscal year 2019-20.

42. Systems are in place to capture project costs and establish forecasts. The budget is monitored on a monthly basis, with data being summarized in a budget workbook, which in turn is used to prepare a project cost update presented monthly to the Core Management Committee and the Steering Committee.

43. The project cost update presented to the oversight committees includes a graph that presents the GC Jobs Transformation project budget, actual expenditures and annual over the year, as well as some limited variance information. An overall variance between the budget and forecasts, expressed in dollars and percentage, and supporting rationale is provided. Since November 2019, the variance rationale between the budget and the

forecasts is strictly between the current and previous period. Lack of sufficient variance information does not enable complete and adequate budget monitoring.

44. **Recommendation 1:** It is recommended that additional explanations supporting the actual, budget and forecasted variance analysis be provided to oversight committees to strengthen financial reporting and monitoring.

Solution Design Activities and Analysis

45. During the discovery phase, the GC Jobs Transformation project is following an iterative and consultative approach, and work is proceeding on 3 tracks: development of the business architecture, options analysis and proofs of concept.

Development of the Business Architecture

46. The first track focuses on the recruitment process. It involves examining user needs; experimenting with ways to enable the public service recruiting process from end to end; exploring commercially available recruiting applications and their capabilities; and conducting collaborative requirements definition work. The extension of phase 0 design activities allowed for additional internal consultations with various stakeholders in preparation for proof of concept testing. This included consultations with stakeholders from various business areas including, amongst others, Reporting, Information Management, Priority Entitlement Program, System Support, Policy Development and the Personnel Psychology Centre.

47. The consultation sessions with user groups have enhanced the project team's understanding of business requirements. The business capabilities map was completed in February 2019. Approximately 55 business features, segregated under 6 epics were identified; they represent high level requirements for a user-centric, inclusive, modern, seamless and digital recruiting solution. The user journey maps and business process maps were created, and they will be further refined through the pilot and implementation phases as the project team learns more about how the solutions are designed.

48. A conceptual view of GC Jobs Transformation business architecture was developed in November 2019. It provides a model for the desired future state business architecture, and it offers a high-level context in which the project objectives, business capabilities and business processes can be aligned to the solution architecture (information, application, technology). The high-level solution architecture is expected to be completed prior to pilot deployment.

49. As detailed in the business architecture model, the GC Jobs Transformation will fully adopt and align with the Government of Canada B.I.A.T.S.² (Business - Information - Application - Technology - Security) standards for architecture development. A plan was presented to the GC Enterprise Architecture Review Board in July 2019 demonstrating alignment with GC Digital and B.I.A.T.S. standards, and it received endorsement.

50. In 2018-19, the project team identified the necessary requirements to ensure the proposed solution and its implementation will align with Government of Canada legislation, policies, directives, and standards. As further detailed in the business architecture model, a draft GC Jobs Transformation business context diagram was developed in April 2019 that ties in the policy and legal considerations.

51. Based on the results of GC Jobs Transformation Request for Information issued in 2018, as well as NextGen HR and Pay discovery work, the project team expects that there are suppliers available that meet the majority of Treasury Board policy requirements. Potential gaps and related solutions will be further informed by the proof-of-concept evaluations. High-level mandatory criteria will be evaluated as part of the procurement process in Gate 1, and more stringent requirements will be developed for the rated criteria in subsequent gates. Mandatory criteria include aspects such as accessibility, security and languages.

52. GC Jobs currently interfaces with multiple internal PSC and external Government of Canada systems in support of federal public service recruitment and staffing activities. As part of the mandatory and rated criteria that will be evaluated in the procurement process is the vendor demonstration that their proposed solution includes a library of secure bi-directional application programming interfaces connections that are available to external systems and other Government of Canada systems. Systems diagrams that detail the complete set of interactions will be developed as part of the solution architecture.

53. In 2019-20, PSC officials continued their collaboration with Treasury Board Secretariat officials for work being done on the NextGen HR and Pay project. Leadership of this project is now spearheaded by Shared Services Canada. Once a lead is identified at the senior level, management will continue their close collaboration with the organization responsible for the delivery of this key initiative. Discussions are also taking place with relevant stakeholders working on other projects including Talent Cloud

² In July 2019 the architecture standard was still referred to as **B.I.A.T.S.** and have since gone through a rename to **B.I.A.T.S. + P.** (Business - Information - Application - Technology - Security + Privacy), separating Security and Privacy from the previous set of standards.

managed by the Treasury Board Secretariat and a pilot recruitment project undertaken by the Canada Border Services Agency.

54. Given that recruitment is an integral part of the broader human resource management function, the GC Jobs Transformation project is seeking to optimize alignment with the Government of Canada's NextGen HR and Pay initiative where feasible and desirable.

55. The project team has developed a diagram of the proof-of-concept solution integration touchpoints. Technical requirements that will be evaluated as part of the procurement process are expected to address the extent of external integration of the proposed solution with other systems.

56. A horizontal integration function was established in 2019-20 to facilitate working level collaboration with other related initiatives in the GC. This position will be reflected in the revised RACI.

Options Analysis

57. The second track focuses on assessing the information technology service and infrastructure deployment models associated with modern recruiting applications. An initial draft of the option analysis was completed in February 2019. The option analysis was reviewed and validated during the period of April to June 2019 and completed in July 2019 for the purpose of determining the best way forward.

58. The PSC engaged an independent third party to assist in identifying and reviewing options that involve different combinations of models, and to conduct a benchmark review of procurement and pilot strategies. The third party also conducted a market scan of talent acquisition solutions. In their final report, the independent third party recommended the following five key initiatives to increase the likelihood of project success.

59. The approach used to conduct the options analysis was as follows:

- Identify preliminary recruitment solution delivery options;
- Develop the evaluation framework and assess the delivering options against the criteria in close collaboration with Information Technology Services Directorate;
- Review by the independent third party of the delivery options, evaluation framework and scoring as part of benchmarking options analysis support; and
- Present the results to the GC Jobs Transformation Steering Committee to obtain consensus.

60. The identification of the preliminary delivery options and their analysis was undertaken pursuant to guidance in the Government of Canada Cloud Adoption Strategy, which directs departments and agencies to select models that leverage the service performance, security, innovation, agility and elasticity benefits offered by cloud computing.

61. Five distinct options were assessed. The 2 highest scoring options were: 1) align with the NextGen HR and Pay solution, and 2) procure and implement a SaaS solution. The first option requires adopting the NextGen HR and Pay preferred solution, i.e. the final solution selected by the NextGen HR and Pay team. The second option involves leveraging the NextGen HR and Pay procurement process to the extent possible, conducting proofs of concept with the three qualified NextGen HR and Pay SaaS vendors, and selecting the solution that best meets the GC recruitment needs. The other three options included: obtaining a commercial-off-the shelf (COTS) solution and hosting it on-premises through Shared Services Canada; obtaining a COTS solution and hosting it in the Cloud; and building a custom/bespoke solution.

62. The second option, i.e. procuring and implementing a SaaS solution, was the recommended option and was approved by the GC Jobs Transformation Steering Committee. Management will continue to adjust and refine options and plans as additional information becomes available.

Proofs of Concept

63. The third and final track involves conducting the proof-of-concept testing of recruiting applications as part of the GC Jobs Transformation procurement approach. The intent of the proof-of-concept testing is to either substantiate or lead to revisions of the option analysis. Costs, timelines and assessment of qualified suppliers will also be further refined through the proof-of-concept activities.

64. The procurement approach for the recruitment pilot solution was developed in January 2020 and included the publication of a Notice of Planned Procurement, an industry day event and the use of a defined 3-gate process (dates to be revised due to current COVID-19 pandemic impacts):

- **Gate 1:** the publication of an invitation to qualify, the evaluation of mandatory criteria and the publication of vendor selection (expected completion date June 26, 2020)

- **Gate 2:** the publication of an invitation to qualify, the evaluation of rated criteria and the creation of a list of top 3 qualified vendors (expected completion date August 28, 2020)
- **Gate 3:** the publication of a request for proposal, proof-of-concept testing with the top 3 qualified vendors, and evaluation of the proof-of-concept testing vendors (expected completion date January 29, 2021)

65. The industry day was held on March 13, with a turnout of 16 individuals mostly from software developers and SaaS firms. The draft gate 1 invitation to qualify was published on March 20 as an opportunity to engage vendors on evaluation criteria, answer their questions, and get feedback from the industry. Publication of the final gate 1 invitation to qualify will need to be adjusted due to the COVID-19 pandemic. Management is aware that the current environment could impact the industry in its ability to respond to these invitations in a timely manner. Preparation work is already underway for the gate 2 with a view to the launch of gate 3. The project team is actively engaging stakeholders to ensure a fulsome evaluation of vendors, however from an IT perspective work has been paused as resources have been directed to focus on critical tasks related to the COVID-19 crisis. In the event it went ahead after gate 1 with less than 3 vendors, consideration would be given to merging gates 2 and 3.

66. Proof-of-concept testing will cover an end-to-end staffing scenario within the scope of the 4 epics central to staffing: prepare for resourcing, attract job seekers, conduct assessment and undertake selection. The remaining 2 epics, oversight and reporting and system support, sustain the first 4 epics, and play more of a satellite role in the end-to-end staffing process, and they are handled as such within the proof-of-concept testing.

67. Scenarios were developed for each of the 4 epics during the period of July to November 2019. For each epic, the process, stakeholders and scenario are described, along with the expected results for the various business features. This information will be used to examine the functionality of the solutions proposed by the vendors in light of the business features. More specifically, a business reference model was developed to highlight the business functions that will be evaluated as part of gate 1, the business features of interest in gate 1, the business features to be evaluated in future gates, and the non-functional and technical capabilities that will be tested throughout the procurement process.

68. Plans were developed to conduct a usability test as well as an accessibility test plan for the proofs of concept. The usability test will evaluate whether the proofs of concept meet the minimum job finding and recruiting requirements of the users. It will also test

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basic user experience areas, including the visual design and user interaction design. The accessibility test plan will determine whether the accessibility needs of people with disabilities will be met so that they are able to perform their tasks of finding jobs and recruiting people while using different assistive technologies.

69. The PSC also intends to conduct proof of concepts on digital recruitment “reach” solutions, such as professional networking and job matching platforms to assess the value of these services to the Government of Canada, as well as inform the PSC of digital recruitment trends. In this instance, the PSC is planning to issue a Request for Information to explore the benefits of digital recruitment reach solutions to the Government of Canada and the breadth of services offered through such platforms.

70. The PSC is working closely with the Public Services and Procurement Canada team in the procurement of the recruitment pilot solution. PSC has expertise in agile procurement and the application of the phased bid compliance process, which will facilitate the procurement process. PSC is providing good support to the project and, as of April 13, 2020, may have limited capacity to continue providing the same level of service given that organization’s priority in supporting efforts related to the current Government of Canada response to the COVID-19 pandemic.

71. In addition, the services of a third party experienced in designing and analyzing recruiting system procurement strategies for large enterprises has been retained to assist the PSC in defining criteria and framework for evaluating recruiting vendor solutions. For that purpose, the third party organized workshops which were attended by key personnel from both the Business Development System Directorate and the Information Technology Services Directorate. In addition, the project team consulted with stakeholders from various business areas on the proof-of-concept scenarios,

72. Management recognizes the COVID-19 pandemic will impact the project team’s ability to deliver, as well as the industry’s capacity to respond. At this writing, the project was on course with independent procurement, however it is now delayed due to COVID-19. Management is aware however that the situation might warrant changes to the project schedule as the response to the pandemic evolves. Moreover, the Information Technology and Systems Directorate continues to implement its pandemic prioritization plan, which focuses on supporting access to the system by all employees and enabling the implementation of the PSC’s response to support Government operations during the COVID-19 pandemic. With an already ambitious procurement schedule, it may lead to untimely demands or insufficient time provided to personnel from the Business Development System Directorate and the Information Technology Services Directorate

to review, provide feedback, discuss and/or complete other required tasks as needed. Therefore, it will be important that communication and collaboration between the Business Development System Directorate and the Information Technology Services Directorate and within each Directorate continue to facilitate the procurement process. Strong communication and collaboration will help to support a common understanding of the availability of resources to continue supporting the project.

73. Recommendation 2: It is recommended that the Business Development System Directorate and the Information Technology Services Directorate establish mechanisms that will enhance their communication, collaboration and coordination for subsequent phases of the project to continuously review capacity to support the project, including during the COVID-19 period.

74. Recommendation 3: It is recommended that the Business Development System Directorate review its project schedule for reasonableness and review deadlines in light of the current Government of Canada response to COVID-19 and the projected available resource capacity within the PSC and key stakeholders to support the project.

75. A checkpoint readiness document was developed in November 2019 to provide the team with an opportunity to assess whether sufficient progress has been made to support official approval to proceed to the next stage of the project. If the checkpoint criteria are met, the GC Jobs Transformation Project Lead will recommend that the Steering Committee provides their approval to proceed to the next project step. If they are not met, an alternative strategy will be recommended. Six checkpoints were established as follows:

1. Initiate discussion with the three NextGen HR and Pay qualified vendors
2. Readiness to commence internal proofs of concept
3. Readiness to commence external proofs of concept
4. Completion of proof-of-concept testing
5. Treasury Board submission to seek Project Authority and Expenditure Authority to procure and pilot a new recruiting solution
6. Commence pilot testing

76. A readiness assessment of checkpoint 1 was completed to support the "Go/No go" decisions of the Management Team, which resulted in a recommendation to proceed with the contingency approach of independent procurement and associated revised timelines.

77. Criteria that will be examined in checkpoint 4 include the completion of the proof-of-concept testing both internally and with other organizations, a fit/gap analysis of requirements against the completed test results, the completion of a report, as well as the conclusion and recommendations to be approved by the Steering Committee. There is no mention of the completion of a risk analysis as part of the criteria to be examined. A risk assessment is essential to address aspects that are critical to the development of the proposed solution to help ensure project success. Furthermore, there is currently no contingency plan in the event the selected option of implementing a SaaS solution would not work.

Treasury Board Submission and Other Next Steps

78. The cross-departmental review and validation of the Project Complexity and Risk Assessment (PCRA) was completed in July 2019. According to the overall scoring, the GC Jobs Transformation is deemed to be a “transformational project”. As per the Treasury Board *Policy on the Management of Projects*, Treasury Board approval is required for transformational projects undertaken by departments and agencies whose project management capacity is assessed as less than a class 4, which is the case for the PSC. The draft PCRA was presented to the Steering Committee for discussion purposes at the November 4, 2019 meeting. The PCRA and option analysis were shared with Treasury Board as requested during a November 2019 meeting.

79. The project brief and the Treasury board submission to seek Project Authority and Expenditure Authority to procure and pilot a new recruiting solution are underway. Further refinement will be done upon completion of the proofs of concept and additional benchmark analysis. Management is presently developing cost estimates and funding requirements to be included in the Treasury Board submission which is expected to be completed by April 12, 2021. Costing is a complex undertaking that requires a thorough review of assumptions and costs. Without well-supported cost estimates, cost overruns may occur.

80. According to management, the cost estimates will be based on industry benchmarks, as well as some cost estimates generated at the work package level based on the work breakdown structure that was created. Cost estimates will continue to be refined through proofs of concept and further industry benchmark analysis.

81. **Recommendation 4:** It is recommended that costing experts support the project team in the development of project cost estimates for greater accuracy to avoid any future cost overruns.

82. The Privacy Impact Analysis is expected to be completed as part of gate 3 of the procurement process as it is dependent on the identification of the vendor with whom the PSC will conduct the pilot phase.

83. A project management plan will be developed in conjunction with the project brief. The plan will be informed by formalizing the overall procurement approach, the proof-of-concept evaluations and integrating the risk management plan. It will be inclusive of work breakdown structure (cost, schedule and scope control), change control, quality management, document management, financial management, risk and issues management, and management of privacy and security requirements.

84. The project team intends to establish detailed pilot evaluation criteria and comprehensive test plans with which to assess and evaluate the solution's performance, required business process changes, integration with other systems, departmental business readiness and cost of operations. A third party is expected to review the evaluation criteria and test plans.

85. Other documents that will be finalized in the pilot phase include, amongst others, a revised concept case and a Pilot Partnership Framework for establishing Memoranda of Understanding between the PSC and Government of Canada organizations participating in the pilot outline.

86. Pursuant to pilot findings and analysis, as well as the design and costing of an Operational Expense Model, a second Treasury Board submission seeking authorities to implement the solution will be issued. Ongoing support of GC Jobs is currently funded through cost sharing agreements with 37 of the largest Departments. Funds are transferred directly to the PSC through the Annual Reference Level Update process. Source of funds for the ongoing support of the GC Jobs Transformation solution will be identified as part of the Treasury Board submission.

Risk Management

87. **Criterion:** It was expected that an adequate risk management framework is in place to support phase 0 and subsequent phases risk mitigation measures.

88. **Conclusion:** An adequate risk management framework is in place to support phase 0 planning activities and subsequent phases, consisting of logs for tracking risks and issues, risk assessment and mitigation measures.

Risk and Issue Management

89. The project team has maintained a risk management framework and reviewed risks on an on-going basis during the year. The risk management framework includes risk description, category, assessment, date identified, staff assigned to address the risk, status and response details, as well as review notes. According to the February 2020 risk management framework, 5 risks were identified. All of them were appropriately assessed and mitigating measures have been identified. Four of the risks are deemed critical. Those relate to vendor sourcing and onboarding, Government of Canada human resource governance, alignment of the proposed solution with the NextGen HR and Pay where feasible and desirable, as well as procurement timeline.

90. Throughout the year, critical risks were disclosed in status updates presented to oversight committees, including those presented to independent oversight committees, namely the Internal Audit Committee, independent third-party contractors and the GC Enterprise Architecture Review Board.

91. At the end of February 2020, 4 issues remained open in the issue log: 1) proof-of-concept delays impacting stakeholder engagement and confidence; 2) lack of response from Treasury Board that the PSC could leverage their NextGen HR and Pay procurement vehicle, which in turn has delayed Treasury Board project approval and pilot planning; 3) data migration from the legacy system that will not take place as per the working assumption, which will impact management of corporate reporting, as we transition from one system to another; and 4) lack of synchronization with the NextGen HR and Pay communication leading to inconsistent messaging provided to the GC user community and the public. Actions have been identified to address these issues.


92. The project team will be working with its key internal and external stakeholders in the coming months to identify the risks that the current situation related to the COVID-19 pandemic presents and to develop mitigation measures to address these risks. In some cases, the risks may be significant and beyond the PSC's control, which could impact the anticipated project timelines.

Information, Communication and Change Management

93. **Criterion:** It was expected that mechanisms are in place to ensure that reliable and relevant data and information is generated and documented to support evidence-based decision-making and monitoring.

94. **Conclusion:** The project team provides senior management and governance bodies with information on the status of GC Jobs Transformation project to support decision-

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making. There was one opportunity for improvement related to enhancing financial and budget management. In addition, communication and change management plans developed in 2018-19 have been updated as needed and applied in support of the achievement of the phase 0 objectives. The Business Logic model was finalized in August 2019 and included specific outcomes for the GC Jobs Transformation project that will be used to measure, assess, and report on performance post-implementation.

Information

95. The audit found that several presentations on the GC Jobs Transformation project were made to senior management and corporate governance committees in 2019-20. Monthly project status reports were provided to the GC Jobs Transformation Steering Committee and the GC Jobs Transformation Core Management Committee. The reports presented deliverables with their status broken down into four categories—governance and planning, key milestones, discovery and design, and business transformation—as well as key risks and issues, and an overall status assessment of scope, schedule and cost. Since September 2019, a project cost update and budget variances are provided. Meeting minutes of the GC Jobs Transformation Steering Committee and the GC Jobs Transformation Core Management Committee include an action log update.

96. Monthly project reports were submitted to the Information Management / Information Technology Project Review Committee. These reports provide an executive summary of the project, a project cost update, as well as a status update that highlighted completed and upcoming activities, schedule of key deliverables, risks and dependencies.

97. On a quarterly basis, an overall PSC project dashboard, which contains a status update for all information technology projects, is presented to the Information Management / Information Technology Committee and the Executive Management Committee by the Information Technology Services Directorate. The dashboard includes individual project implementation indicators such as cost, scope, and schedule; and is used to assess the health of on-going projects. In addition, the Information Technology Services Directorate provides the Resource Management Committee with a quarterly status report on information management and information technology projects, which includes information on the GC Jobs Transformation project, such as timeline, budget, actual expenditures and status.

98. Since April 2019, the Public Service Resourcing System Interdepartmental Steering Committee has met 3 times to discuss GC Jobs Transformation project progress and gather comments and recommendations. A status update was presented at the

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November 2019 meeting that provided information on deliverables with their status, broken down into 4 categories: governance and planning, key milestones, discovery and design and business transformation.

99. Reports were also presented to independent oversight committees. For example, a presentation was made to the GC Enterprise Architecture Review Board in July 2019 to provide information on the GC Jobs Transformation project and seek the GC Enterprise Architecture Review Board endorsement regarding the approach for the next stage of the project. Another presentation to the Board is planned once the validation of the proofs of concept is completed as committed during the presentation of July 2019. Status updates on the GC Jobs Transformation project were also presented quarterly at Internal Audit Committee meetings; the most recent briefing to the Committee was March 27, 2020.

100. The Project Sponsor completed a management response and action plan to address the 6 initiatives recommended by the independent third party that performed an assessment of the overall readiness of the project to move into the next phase. The action plan is tracked at each Internal Audit Committee meeting as part of regular scheduled project updates.

101. In January 2019, the project team reached out to the Results and Delivery Unit, Corporate Affairs Sector and the Evaluation Division to enhance the draft business logic model for the GC Jobs Transformation project. The logic model was finalized in August 2019, and it included specific immediate, intermediate and strategic outcomes, as well as expected departmental results that will be used to support future performance reporting.

102. In the fall of 2019, the project team started to identify potential performance indicators. To facilitate the development of the GC Jobs Transformation Performance Management Plan, the project team consulted with internal stakeholders and selected 1 to 5 indicators per business logic model outcome in order to sufficiently measure progress toward achievements. The Core Management Committee was provided with an overview of performance measurement in November 2019. The proposed project performance indicators were presented to the Committee in January 2020. Management expects to establish appropriate project performance reporting based on the selected solution and approach in fiscal year 2020-21. As of April 13, 2020, work continues on the refinement of the performance indicators that are being developed for this project.

Communication and change management

103. The 2019-20 communications plan is an evergreen document. It was updated in May 2019 to reflect a few changes to key messages to be promoted under each project phase and some revisions to internal and external communication activities. A communication plan for 2020-21 is currently being finalized. There were no changes to the outreach strategy that was developed in October 2018; the project team plans to completely revise it. The tactical plan was reviewed and updated as needed during the year. A draft long-term engagement strategy was developed in this fiscal year to help ensure marginalized groups are engaged in a respectful and long-term manner.

104. Several internal and external communication activities, including outreach engagements, have taken place. For example, key messages were used in speaking points for committee meetings, presentation, etc. An update of the GC Jobs Transformation project was published on the PSC external website in July 2019. Videos were produced and used in both internal and external presentations. Tweets aimed at informing and engaging target audiences were sent out regularly. According to management, the outreach plan is being assessed regularly. All consultations with key committees are complete, but there will be ongoing engagement with specific groups, such as with the employment equity groups.

105. The change management plan developed in the past fiscal year was updated in April and August 2019 and remains a draft version. The plan addresses the following target audiences: project sponsor, internal committees and the project team. The plan will continue to be refined throughout the project phases.

106. The change management strategy outlines several sub-plans to facilitate the change management process. An environmental scan was recently completed. A revised version of the stakeholder plan that was developed will provide more details. Tools to be developed include the sponsor plan and roadmap, coaching plan, the resistance management plan and the training plan.

107. The PSC looked into the possibility of issuing a Request for Information and/or a Request for Proposal, for a learning package on 'modern recruitment' to support hiring managers and human resources advisors in using modern practices for effective recruitment in a digital age. The Steering Committee recommended that this initiative be taken on by another group at the PSC, such as the Office of Renewal. As of April 13, 2020, the project sponsor had not yet made a decision in that regard. This component is being postponed due to the revised schedule related to PSC independent procurement.

108. A business transformation working group was established close to the start of Phase 0. For most of 2019, the group worked without a formal group structure, but recently moved back to a formal structure, with an agenda and action log. The group meets on a by-weekly basis to discuss various related communication and business transformation aspects. A Gantt chart that illustrates change management, outreach and communication activities and schedule status is maintained by the project team.

Conclusion

109. In conclusion, an adequate control environment is in place to enable effective phase 0 administration and support subsequent phases. Essential project management elements established last year with respect to human resources, schedule, financial and scope management continued to be applied in 2019-20. An adequate process for the identification of the project requirements is in place, which includes appropriate design activities, options analysis and proofs of concept to ensure a smooth transition to subsequent phases. There is an opportunity for costing experts to support the project team in the development of project cost estimates for greater accuracy to avoid any future cost overruns.

110. As the GC Jobs Transformation pilot procurement schedule is very ambitious, it is important that the collaboration between the Business Development System Directorate and the Information Technology Services Directorate continues. Furthermore, the Business Development System Directorate should review its project schedule for reasonableness and review deadlines in light of the current Government of Canada response to COVID-19 and the projected available resource capacity within the PSC and key stakeholders to support the project. Once the proof-of-concept testing is completed, a thorough fit/gap analysis, risk analysis and review of costing estimates are required to enable a well-informed Treasury Board submission.

111. An adequate risk management framework is in place to support phase 0 planning activities and subsequent phases, consisting of logs for tracking risks and issues, risk assessment and mitigation measures. And the Business Development Systems Directorate continues to work with the Information Technology Services Directorate to assess the risks presented in the current operational environment to determine the potential impact that available capacity may have to support the achievement of the project plan for 2020-21.

112. The project team provides senior management and governance bodies with information on the status of the GC Jobs Transformation project to support decision-making. There is an opportunity to enhance financial reporting to oversight committees

by providing additional explanations supporting the actual, budget and forecasted variance analysis (e.g. between actual and year-to-date budgeted expenditures, between budget and forecasted expenditures). In addition, outreach, communication and change management plans developed in 2018-19 have been updated as needed and applied in support of the achievement of the phase 0 objectives.

Appendix A: Management Response and Action Plan

Recommendation 1

It is recommended that additional explanations supporting the actual, budget and forecasted variance analysis be provided to oversight committees to strengthen financial reporting and monitoring.

Management response and action plan

Management agrees with this recommendation.

The Project Sponsor will ensure that:

- the variance explanations are sufficiently detailed in the monthly status updates to the Steering Committee; and
- cumulative, in addition to monthly variance explanations are included in the status updates on budget variances starting in fiscal year 2020-21, so that the annual forecast can be reconciled with the budget at any point in time in the fiscal year.

Office of Primary Interest

GC Jobs Transformation Project Lead

Completion date

June 30, 2020

Recommendation 2

It is recommended that the Business Development System Directorate and the Information Technology Services Directorate establish mechanisms that will enhance

their communication, collaboration and coordination to continuously review capacity to support the project, including during the COVID-19 pandemic period.

Management response and action plan

Management agrees with this recommendation and recognizes the importance of maintaining communication across the entire project team and improving collaboration in support of the subsequent phases of the project.

The Project Sponsor will ensure that:

- a regular review of the project plan is conducted during the weekly touchpoint meetings; and
- team retreats are organized as needed to conduct more fulsome reviews of the project plan and key project deliverables, such as the evaluation criteria for the agile procurement process.

Office of Primary Interest

GC Jobs Transformation Project Director in collaboration with the Chief Information Officer

Completion date

May 2020 and Ongoing

Recommendation 3

It is recommended that the Business Development System Directorate review its project schedule for reasonableness and review deadlines in light of the current Government response to COVID-19 and the projected available resource capacity within the PSC and key stakeholders to support the project.

Management response and action plan

Management agrees with this recommendation.

Activities are underway to review the project schedule in light of the current and evolving government response to COVID-19, including consideration of projected resource capacity and stakeholders, as well as strategic considerations.

The Project Sponsor will ensure that a revised project plan is developed for review and feedback of the Steering Committee. As this plan will be dependent upon our ability to

realign resources to the project, the exercise will be conducted as soon as the critical organizational needs related to COVID-19 response are addressed or stabilized.

Office of Primary Interest

GC Jobs Transformation Project Lead

Completion date

June 30, 2020

Recommendation 4

It is recommended that costing experts support the project team in the development of project cost estimates for greater accuracy to avoid any future cost overruns.

Management response and action plan

Management agrees with this recommendation and recognizes the importance of strong costing estimates with adequate supporting information, both to avoid cost overruns as well as to substantiate our business case to seek project authority.

The project sponsor will ensure that an external costing expert is engaged to support the project costing exercise, in collaboration with Finance.

Office of Primary Interest

GC Jobs Transformation Project Lead

Completion date

June 30, 2020