



Review of the Implementation of the New Direction in Staffing



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1.0 Objective, scope, and methodology

1. This report provides the results of the Review of the Implementation of the NDS. The objective was to assess the effectiveness of the actions taken by the Public Service Commission of Canada (PSC) to implement the New Direction in Staffing (NDS) since April 1, 2016. The 4 areas of focus were: governance, the Appointment Policy, support provided to departments and agencies to facilitate implementation and oversight.

2. The Internal Audit and Evaluation Directorate conducted this internal review with support from the Oversight and Investigations Sector and the Policy and Communications Sector. The review covers the period from April 1, 2016, to December 31, 2020, and was carried out in accordance with the Treasury Board of Canada's Policy on Results.

3. The work focused on PSC actions to support implementation across the federal public service. The methodology is described below and included multiple lines of evidence based on the logic model (Annex 1) and review matrix (Annex 2).

4. **Document review:** We reviewed departmental documents such as the Appointment Delegation and Accountability Instrument, the 2016 Appointment Policy, the Departmental Results Framework and PSC annual reports. We also reviewed the Policy and Communications Sector's 2018 NDS review, quarterly NDS updates, implementation update reports and related action plans. As well, we reviewed Staffing Support Division inquiry and outreach reports, results from the 2018 Staffing and Non-Partisanship Survey and Staffing Support Division satisfaction questionnaires and outreach questionnaires. We also reviewed reports such as those produced following exchange events and other internal documents.

5. **Review of administrative and performance data:** We obtained administrative and performance data from a variety of sources, in partnership with the Data Services and Analysis Directorate, Oversight and Investigations Sector.

6. **Interviews:** We interviewed 32 internal stakeholders to obtain their insights. Interviewees included key stakeholders from all PSC sectors at the national headquarters and in regional offices. The interview guide contained open-ended questions that were administered in a semi-structured format. In some cases, interviewees provided additional documentation for our review.

7. **Literature review:** We also reviewed publications and articles that provided insights and perspectives on the NDS and the federal public service staffing regime.

2.0 Background

8. staffing framework that supports hiring qualified individuals into and within the federal public service and reflects Canada's diversity is a pillar for building a workforce that delivers, in a non-partisan manner, on the Government of Canada's policy and service priorities.

9. Federal public service staffing has been the subject of many studies, reviews and reforms. Several reports recognize a longstanding dissatisfaction across the federal public service toward the staffing regime despite changes and reforms undertaken over time.¹ As well, many reports highlight that staffing framework change efforts have often been slow and complex.²

10. The 2003 *Public Service Modernization Act* brought about transformative change in human resources management and the federal public service staffing system.³ After more than 10 years operating under the Act, Public Service Commission (PSC) officials conducted a diagnostic of the federal public service staffing system. The results identified 4 areas where the PSC could change its approach:⁴

- policy, oversight and service provision to achieve greater integration and more consistent and predictable direction and responses
- policy and delegation direction to simplify and reinforce deputy head accountability
- oversight to be more active and nimble, with a focus on continuous improvement and an associated reduction in department and agency reporting burden; and,
- streamlined guidance to simplify staffing practices and processes

¹ Cartwright, Susan M.W. (2011). [Report of the Review of the Public Service Modernization Act, 2003](#). Accessed April 7, 2020.

Government of Canada. (2010). [PSMAC Sub-Committee on People Resourcing](#). Accessed December 30, 2020

² Zimmerman, Darlene (2019). *Rules, Practices and Narratives: Institutional Change and Canadian Federal Staffing 1908 to 2018* (Doctoral thesis). University of Ottawa. p. 1

³ Cartwright, Susan M.W. (2011). [Report of the Review of the Public Service Modernization Act, 2003](#). Accessed April 7, 2020.

⁴ Public Service Commission. (2018). *New Direction in Staffing Review - A review of implementation*. Internal document

An ambitious change to the staffing system

The Clerk of the Privy Council's 2017 Report on the Public Service highlighted the desired change in the staffing regime and included improving staffing processes in the list of 8 public service renewal actions. In this report, the Clerk referred to the New Direction in Staffing as "the most ambitious change in the staffing system since the *Public Service Employment Act*."

11. In response, a task force conducted a horizontal review of the appointment policy and oversight framework. This led to the official launch of the New Direction in Staffing (NDS) on April 1, 2016.

12. The NDS includes the 2016 Appointment Policy and the revised oversight framework. In the spirit of the *Public Service Employment Act*, the changes were designed to streamline staffing system requirements, simplify staffing, and ensure consistent and predictable oversight.⁵ The changes represented a shift in focus from rules to values and outcomes.

13. One objective was to provide greater flexibility to departments and agencies to customize staffing approaches to their organizational context and evolving needs. Another intention was to allow hiring managers the opportunity to exercise judgment when addressing staffing needs, in accordance with simplified policy requirements, and adapted to their organizational context.⁶

14. The transformation decreased the staffing-related administrative burden by condensing 12 staffing policies into one single appointment policy,⁷ and by replacing the annual Staffing Management Accountability Framework / Departmental Staffing Accountability Report with a cyclical assessment to be conducted at least every 5 years. To support these changes, the PSC provides advice and guidance for aspects that require clarification, and develops tools and training to enable implementation across the federal public service.

⁵ Public Service Commission. (2018). New Direction in Staffing Review - A review of implementation. Internal document.

⁶ Public Service Commission (2017). [Public Service Commission of Canada 2016-17 Annual Report](#). Accessed February 29, 2020.

⁷ Public Service Commission (2017). [Public Service Commission of Canada 2016-17 Annual Report](#). Accessed February 29, 2020.

3.0 Roles and responsibilities

15. Policy and Communications and Oversight and Investigations are the 2 main sectors leading implementation. All sectors and areas of the Public Service Commission are involved – either in a supporting role or through program and service delivery. Annex 3 provides an overview of each sector’s role, as well as the governance framework to support implementation.

4.0 Review results

16. This section presents the review team’s observations and recommendations. The 4 areas of focus were: governance, appointment policy, support provided to facilitate implementation and oversight.

4.1 Governance

17. This section focuses on governance, collaboration and integrated intelligence that support implementation.

Governance effectiveness

18. The review found that governance structures and processes support New Direction in Staffing (NDS) implementation, with some areas for improvement identified. The practices in place provide opportunities for discussing implementation and identifying guidance products and other interventions that could support progress across the federal public service.

19. The Meetings of the Commission provide effective governance and timely feedback on important items. Meeting of the Commission activities during the pandemic response from March 2020 to date were highlighted as being of vital importance to the PSC’s effectiveness in implementing the 2016 Appointment Policy to support critical hiring during the federal government’s pandemic response.

20. The Deputy Minister Recruitment Innovation Cluster was viewed positively, as it provides a forum for the President to obtain feedback from deputy heads and provide them with more information to advance innovative practices and experimentation, in line with the spirit of the 2016 Appointment Policy.

21. While governance practices support implementation, a few opportunities for improvement were identified. These were aligned with the findings of the Public Service

Commission (PSC) Governance Review that was approved in May 2020⁸. The opportunities for improvement as they relate to NDS are highlighted below.

22. **Director General Advisory Committee.** There was a lack of common understanding among several interviewees as to the role of this committee in supporting the implementation of the 2016 Appointment Policy, and more broadly how it contributes to overall governance.

23. We were informed that this committee has a decision-making role related to NDS as per the cyclical assessment business process developed in 2018.⁹ The role, as documented, is to review and endorse analysis and propose considerations when applicable. In addition, the committee may also recommend whether action should be taken to further support organizations to improve their staffing systems and to protect the integrity of the staffing system when necessary. In this form, the committee is comprised of 3 directors general (Audit Directorate; Staffing Support, Priorities and Political Activities Directorate; and Policy and Strategic Directions). This decision-making authority rests outside of the formal governance structure, and the role of this committee is being considered by the Corporate Secretariat to strengthen overall governance.

24. **Integration Committee.** A number of interviewees mentioned that this committee's deliberations may not fully support the Executive Management Committee and Meetings of the Commission with regard to 2016 Appointment Policy implementation, especially in terms of examining matters thoroughly and providing strategic advice and recommendations to support informed decision-making.

25. As well, a number of interviewees stated that the membership should be reviewed to ensure that the committee includes appropriate officials (the right members from across the organization at the appropriate level). There was a perception that Director General Advisory Committee meetings may be to get feedback from officials who are not members of the Integration Committee. Interviewees suggested that it may be a good idea to have an in-camera agenda item for members only to discuss any sensitive information that may need to be addressed.

26. **Executive Management Committee.** A number of interviewees highlighted that quarterly NDS Implementation Update Reports are provided to the Executive

⁸ Public Service Commission (2020). Public Service Commission Governance Review. Draft for presentation to the Internal Audit Committee in 2020. Internal document.

⁹ Public Service Commission (2018). Cyclical Assessment-Business Process. Developed by the Audit, PDD and SSD working group in 2018. Internal document.

Management Committee and Meetings of the Commission, and that while this report seems to be appreciated by members, few changes or concerns are typically raised. Interviewees were unsure whether reports and presentations were still relevant to support senior management decision-making. Interviewees also highlighted that it may be a good time for the Executive Management Committee to consider whether these reports continue to meet their decision-making needs.

Coordination

27. A corporate risk was identified in the 2020–21 Integrated Business Plan: that inadequate alignment and coordination may hinder the organization's ability to advance key priorities. This has been an area identified for improvement for a number of years, and progress has been made over time to mitigate this risk.

28. It is important to note that while the Staffing Support Division is the first point of contact for federal departments and agencies regarding inquiries, policy advice and guidance, there are other PSC areas that have interactions with federal public service and external stakeholders. These include the Personnel Psychology Centre; the Policy and Strategic Directions Directorate; the Staffing Support, Priorities and Political Activities Directorate; the Audit Directorate; and the National Recruitment Directorate. This makes coordination and collaboration essential to the overall success of NDS implementation, as well as to the achievement of most organizational priorities.

29. Many interviewees mentioned that some efforts to support NDS implementation may not have been as well coordinated as they could have been across the organization. The review team heard from many internal stakeholders that in some cases coordination challenges may have led to inconsistent messaging for internal and external stakeholders. Several added that there have also been instances when internal communications may not have been consistent and clearly understood by all recipients. Interviews indicated that this means that external stakeholders have sometimes been provided different answers and interpretations to the same inquiry, depending on which officials they asked.

30. Interviewees attributed these inconsistencies to the following factors. First, different areas may sometimes work in silos and it may not always be clear how and when different internal groups collaborate and coordinate. Second, misalignment may occur when individuals try to respond too quickly without taking time to consult with other areas to obtain their perspective and input. Considering external stakeholders have many entry points into the PSC when making requests, many believe that a mechanism

should be established to ensure that communications with external stakeholders are consistent and based on consultations from across the organization.

Integrated intelligence

31. Integration of intelligence was another issue raised in interviews in relation to improving internal collaboration. The PSC collects a lot of data and information on NDS implementation, from several sources. While much progress has been made since our [integrated intelligence evaluation report in 2018](#), several interviewees mentioned there is an opportunity to contribute to informed decision-making by capitalizing on what the Staffing Support Division, the Policy Division, regions and service providers across the country are hearing about staffing in general.

32. It should be noted that since 2018, in response to our evaluation of integrated intelligence report, the Policy and Communications Sector has been collecting and analyzing data on specific topics of interest and disseminating this intelligence to directors general on their distribution list. These internal reports have been viewed positively by those who receive them.

33. As well, in May 2020, an integration function at the director level was established to help produce staffing guidance products for hiring managers and the human resources community. The goal is to coordinate internal efforts that support staffing culture change across the federal public service. Moreover, as part of its integrated guidance work, a Guidance Strategy was developed that includes a plan to provide bi-annual status updates on activities and achievements through governance. The first mid-year report was presented to the Integration Committee on December 10, 2020. This is a good practice that brings together the various elements of the PSC to support enhanced coordination and use of intelligence gathered from across the organization.

4.2 Appointment Policy

34. This section focuses on the implementation of the policy framework established as part of the NDS.

What is in place?

35. The [2016 Appointment Policy](#) applies to all appointments to and within the federal public service made in accordance with the [Public Service Employment Act](#). It was developed by streamlining 12 policies into one single policy with fewer requirements for departments to follow. This represented a shift from a rules-based staffing system to one focused on values and results.

36. Key changes include:

- increased discretion for hiring managers throughout the staffing process; clarification of expectations on priority entitlements
- removing restrictions to assessment methods for executive appointments
- deputy head approvals for exceptions to national areas of selection for external advertised processes
- streamlined guidance that clarified core legislative, regulatory and policy requirements

37. The 2016 Appointment Policy expected results were identified as follows:

- a non-partisan and representative workforce of individuals drawn from across the country, benefitting from the diversity, linguistic duality and range of backgrounds and skills of Canadians
- appointment processes designed so as not to discriminate or create systemic barriers
- appointment processes conducted in a fair and transparent manner and in good faith
- appointments of highly competent people who meet the needs of the organization
- timely correction of errors and omissions

38. The Appointment Delegation and Accountability Instrument identifies delegated authorities of deputy heads, the conditions of the delegation and accountability. This instrument focuses on core terms and conditions of delegation, as well as monitoring and reporting obligations.

39. Deputy heads are responsible for providing direction on the staffing decision framework within their organization. To ensure compliance with the 2016 Appointment Policy, deputy heads are required to develop Organizational Staffing Frameworks. These must encompass a policy on area of selection for internal appointment processes, and direction through policy, planning or other means on using advertised and non-advertised appointment processes. Organizational Staffing Frameworks must also include requirements for those with sub-delegated authority to articulate selection decisions in writing, and to ensure the employer or bargaining agents have been consulted on organizational staffing policies upon request.

40. The changes made in 2016 demonstrated and strengthened the shared staffing accountabilities through the delegated model between the PSC and deputy heads.

What we heard

41. Prior to the introduction of the 2016 Appointment Policy, the federal staffing process was rules-based, slow and complex, which often presented challenges for departments and agencies to staff in a timely fashion. As a result, hiring managers often relied on PSC expertise for advice to help them with staffing practices. Interviewees mentioned that the 2016 Appointment Policy allowed hiring managers the ability to hire more quickly, but that it required them to have a strong understanding of the staffing process and Appointment Framework.

42. The streamlining of the Appointment Framework, the focus on values and results and the decreased emphasis on rules, all represented a significant culture change for the PSC. Before the NDS, the focus had been on applying rules, with an emphasis on ensuring all organizations underwent an organizational staffing audit by the PSC. The NDS was a major internal change initiative that was designed to transform federal public service staffing. The impact of these 2 simultaneous change initiatives (NDS and the shift from rules to values) must not be underestimated.

43. The following represents the most significant observations based on our document review and the information gathered in over 30 interviews.

Measuring policy change

44. The NDS was a major transformation that had wide-ranging public sector staffing objectives. The review was informed that a team was established to develop key performance indicators when the NDS was being developed. As the team's work progressed, a draft set of measures were identified and not completed. As such, an approved formal set of strategic and tactical key performance indicators was not developed to allow for effective, real-time monitoring of implementation and progress made toward the 2016 Appointment Policy expected outcomes. Interviewees noted that having key measures to monitor from the outset was a key consideration when the NDS was in development. These measures would have been important, given the profound nature of the change and the scope of the intent — to change the staffing culture across the federal public service.

45. As well, several interviewees noted that there were few timely key performance indicators developed to obtain information on how well hiring managers understood the 2016 Appointment Policy. While the biennial Survey of Staffing and Non-

Partisanship provides an opportunity for the PSC to acquire this type of data, there is a time lag in obtaining data; this does not allow for the collection of timely and relevant information to determine where changes need to be made quickly to support a better understanding of the policy and support staffing culture change. It also impacts the timeliness of information gathered to report on Departmental Results Framework indicators.

46. Interviewees acknowledged that a lot of work was undertaken to facilitate NDS implementation over the past 5 years. Several mentioned that these actions may not have always been well coordinated and that the lack of key performance indicators may not have allowed for real-time interventions to enhance implementation, which was seen as being particularly important for organizations that were not early adopters. Over time this was partially addressed through relevant measures included in the Departmental Results Framework and Performance Information Profiles. These indicators are tracked in accordance with established quarterly status updates on departmental results frameworks through governance. An opportunity was identified to better align departmental results framework quarterly reports with NDS implementation quarterly updates.

47. Federal government program management policies emphasize that effective performance measurement practices support ongoing program monitoring, which may lead to interventions to address emerging issues. Effective performance management also fosters transparency and helps enhance the understanding of how allocated resources are contributing to results. As well, without measuring performance, one cannot know whether actions are working, or whether resource expenditures are helping or hindering the changes leading to expected outcomes and results.

48. **Recommendation 1.** It is recommended that the Policy and Communications Sector review NDS related performance measures in the Departmental Results Framework and Performance Information Profiles to ensure that the right data and information is being captured and reported to support timely, informed decisions on progress on Appointment Framework outcomes. This should be done in preparation for the next in-depth review of the Departmental Results Framework and Performance Information Profiles.



Time to staff

49. Time to staff is a priority for the Treasury Board and PSC presidents, who are expected to work together to reduce time to staff by 50%.¹⁰ This issue has been analyzed in government reports. It was also raised by interviewees. In fact, many stated that the NDS had the dual goals of streamlining and simplifying staffing, which could be interpreted as having an intended outcome of making staffing more efficient, and hence lead to decreases in time to staff. The document review reveals that the median time to staff for organizations subject to the *Public Service Employment Act* has not decreased since implementation and has actually increased since 2013–14 (see Table 1). As well, the lowest median time to staff recorded since 2012–13 was in the fiscal year before the NDS launch.

Table 1: Annual breakdown of median time to staff, in days

Fiscal year	External median time to staff, in days
2012–13	204
2013–14	158
2014–15	161
2015–16	154
2016–17	188
2017–18	194
2018–19	186
2019–20	203

¹⁰ Prime Minister of Canada (2019). [President of the Treasury Board Mandate Letter](#). Accessed January 14 2021.

50. It should be mentioned that the PSC has been working to better understand the various components of time to staff and to identify improvements to decrease time to staff across the federal public service.

Simplification, flexibility and culture change

51. As discussed, the federal staffing system experienced fundamental changes with the introduction of the NDS. Research concludes that leading up to the NDS, there was a strong desire for change, though only a limited understanding of how to implement such change¹¹. For this reason, it is important that the PSC has support elements in place to guide human resources advisors and hiring managers in successfully implementing the 2016 Appointment Policy.

52. This is important to consider, as many interviewees believe that while the NDS focused on changing staffing practices, the ultimate goal was to change the federal public service staffing culture in a shift from a system based on rules to one based on values and results. We learned that there may be a need to enhance communications with hiring managers and human resource professionals to help them understand their roles and responsibilities in order to promote and achieve staffing culture change.

53. Our internal document review highlighted that hiring managers often feel that staffing advisors are “holding them back” while staffing advisors feel that “managers are not taking risks.” As well, in the 2019 report of the [Standing Committee on Government Operations and Estimates](#), the President of the PSC underscored that the “human resources culture within the public service is risk-averse, focused on short-term needs, and places too much emphasis on internal staffing rather than recruiting the best talent from wherever it may be.” This is the staffing culture that the NDS sought to change with the introduction of the 2016 Appointment Policy.

54. Interviewees highlighted that, based on lessons learned from NDS implementation, the PSC could explore opportunities to support carrying out future policy change initiatives. For example, consideration could be given to a phased approach to implementation, rather than rolling out large-scale policy changes across the federal public service. Phased approaches to implementation allow for ongoing learning to occur, as challenges are identified and subsequently mitigated before the next phases of implementation. [Theory of change](#) could also be instrumental in facilitating the

¹¹ Zimmerman, Darlene (2019). *Rules, Practices and Narratives: Institutional Change and Canadian Federal Staffing 1908 to 2018* (Doctoral thesis). University of Ottawa.

necessary behavioural changes in staffing, as it helps explain how specific activities are intended to produce expected results. In addition, Theory of change also provides a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context.

55. Information reviewed by the team revealed that innovation and experimentation in staffing are taking place in some departments and agencies and supported by the PSC. The review identified a number of innovative initiatives that are underway and contributing to changing staffing culture across the federal public service. They include referral programs, a free agent program, and conditional on-the-spot offers at job fairs as well as creative job advertisements. Another example is the PSC's efforts to modernize its recruitment programs by transforming the GC Jobs recruitment platform. In addition, the PSC partnered with Employment and Social Development Canada to explore how artificial intelligence could be leveraged to shorten the pre-selection stage in staffing processes.

The importance of a well-communicated vision

"Efforts should be devoted to developing a clear vision of the end-state for the *Public Service Modernization Act* and frequent and consistent communication to employees. The vision must be modelled by leaders. Once managers and human resources staff are equipped to play their new or different roles, the assessment of their performance must reinforce the vision.... Wiring changes alone cannot be a substitute for, nor should they be mistaken for, real change to behaviour and culture."

Source: 2011 Review of the *Public Service Modernization Act*

56. Several interviewees believed that to continue facilitating the required culture change in staffing, consideration could be given to developing and communicating a vision for the second phase of NDS implementation. This could help explain to human resources professionals and hiring managers how the 2016 Appointment Policy could be used to effectively implement federal government staffing priorities related to hiring 5 000 new persons with disabilities, enhancing diversity and inclusion across the federal public service, hiring veterans and eligible Canadian Armed Forces members, and hiring graduates to contribute to public service renewal.

57. The NDS has led to changes and important innovations in staffing across the federal public service. As well, the current staffing climate, which encompasses a renewed focus on diversity and inclusion, decreasing time to staff and adopting a new business model due to the pandemic, makes this a good time for the PSC to rethink and communicate

how the 2016 Appointment Policy can help departments and agencies achieve their staffing objectives and broader federal public service staffing goals.

Potential unintended consequence: significant increase in non-advertised appointments

58. It is important to note that non-advertised appointments are not a new staffing practice, and are based on a statutory provision in the *Public Service Employment Act*. What is new, according to interviewees, is that the NDS encourages hiring managers to exercise flexibility in staffing through a simplified appointment process by leveraging available tools, such as non-advertised appointments. It is also important to note that the PSC does not have a position on the use of non-advertised versus advertised appointments. This was delegated to deputy heads, who must address this in their organizational staffing frameworks.

59. One subject that came up often in interviews was the increasing use of non-advertised appointments across the federal public service. This was identified in the context of the lack of a key performance indicator that could monitor use of this type of staffing process and serve as a basis for timely, informed decisions.

60. While some interviewees indicated that the increase in non-advertised appointments reflects departments exercising their flexibility and embracing change, others noted that if hiring managers do not have a strong understanding of staffing, they may rely solely on non-advertised appointments to exercise flexibility. Interviewees also stated that hiring managers may not fully understand the implications of relying solely on non-advertised appointments. Some of the unintended consequences could affect transparency, faith in the staffing system and employee satisfaction in their workplaces.

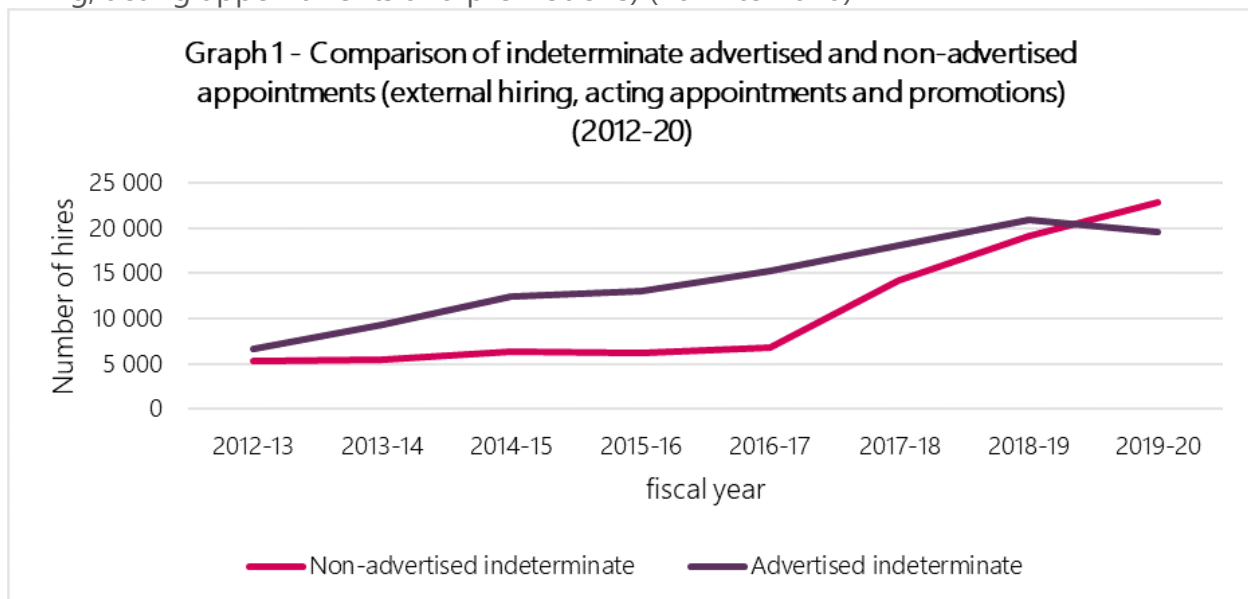
61. An interviewee illustrated what this could mean in practice. They noted, “We know that something may be wrong with the system if 100% of hiring is being done through non-advertised appointments. However, there are no indicators in place to determine at what point we should be concerned about the growing number of non-advertised appointments and when action should be considered. Essentially, at what point (or percentage) do we become concerned with the amount of non-advertised appointments being made across the system?”

62. Analysis of data on indeterminate appointments demonstrates that non-advertised appointments remained relatively stable during the 4 fiscal years (2012–13 to 2015–16) before NDS implementation (Graph 1). We observed that non-advertised appointments increased significantly in the 4 fiscal-years (2016–17 to 2019–20) following

implementation. Non-advertised appointments increased from approximately 23 306 between 2012–13 and 2015-16 to 62 977 between 2016–17 and 2019–20 (Graph 1). Similarly, advertised appointments increased from 41 493 between 2012–13 to 2015–16 to 73 835 between 2016–17 and 2019–20. It is interesting to note that the use of advertised appointments decreased between 2018–19 and 2019–20.

63. Overall, non-advertised appointments increased by 170% in the 4 fiscal years following the implementation of the 2016 Appointment Policy compared to the previous 4-year period.

Comparison of indeterminate advertised and non-advertised appointments (external hiring, acting appointments and promotions) (2012 to 2020)



Text version

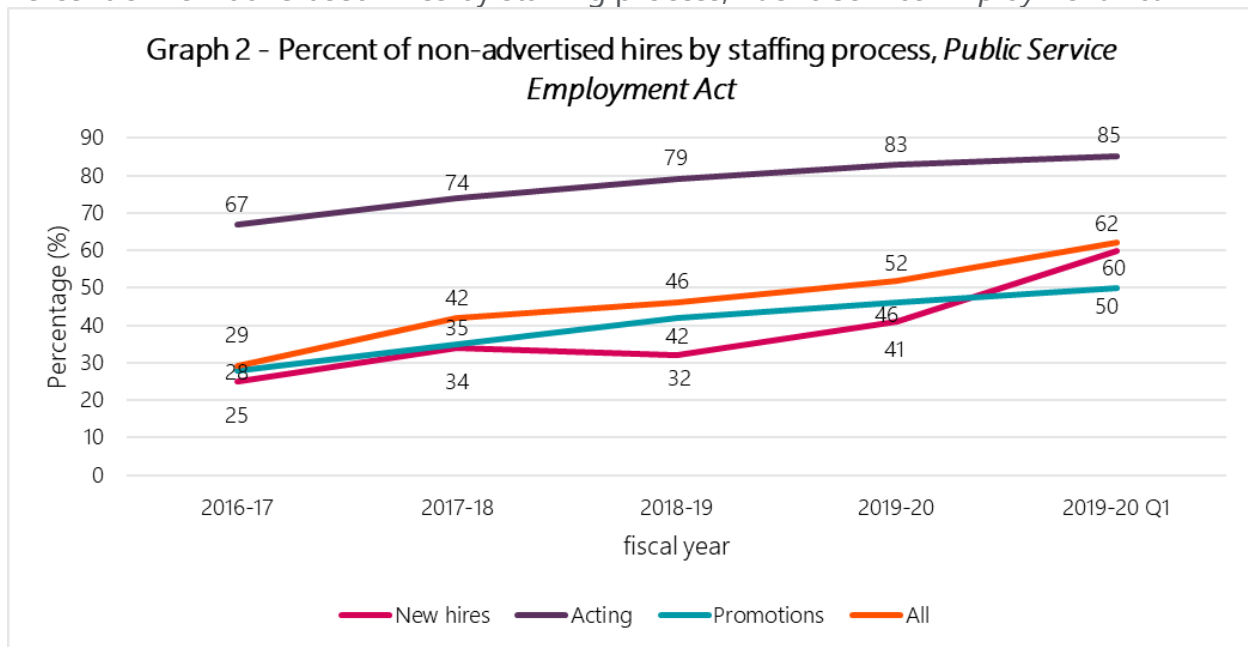
Comparison of indeterminate advertised and non-advertised appointments (external hiring, acting appointments and promotions) (2012 to 2020)

Year	Non-advertised indeterminate	Advertised indeterminate
2012 to 2013	5 260	6 629
2013 to 2014	5 422	9 374

Year	Non-advertised indeterminate	Advertised indeterminate
2014 to 2015	6 356	12 472
2015 to 2016	6 268	13 018
2016 to 2017	6 775	15 236
2017 to 2018	14 213	18 058
2018 to 2019	19 073	20 928
2019 to 2020	22 916	19 613

64. Data demonstrates the extent to which non-advertised appointments have been increasing for new hires, acting appointments, and promotions. Graph 2 shows the trend since the launch of the NDS. The use of non-advertised appointments has risen steadily since 2016–17, and a significant increase was observed during the first 3 months of the pandemic response in 2020–21.



Percent of non-advertised hires by staffing process, *Public Service Employment Act*

Text version

Percent of non-advertised hires by staffing process, *Public Service Employment Act*

Appointment type	2016 to 2017	2017 to 2018	2018 to 2019	2019 to 2020	2019 to 2020 Q1
New hires	25%	34%	32%	41%	60%
Acting	67%	74%	79%	83%	85%
Promotions	28%	35%	42%	46%	50%
All	29%	42%	46%	52%	62%

65. The increasing use of non-advertised appointments has also been raised by external stakeholders. The [Standing Committee on Government Operations and Estimates June 2019 report on federal public service hiring](#) noted that “positions are often not advertised externally and are, therefore, often limited to existing public service employees, which limits the federal government’s ability to attract new talent.”

66. An analysis of the results from the [2018 Staffing and Non-Partisanship Survey](#) demonstrates concerns about the perception of merit and transparency in federal public service staffing. The survey results showed that less than half of employees (46.4%) believed staffing activities in their work units were conducted fairly. Meanwhile less than half of employees (44.3%) believed that staffing activities are conducted in a transparent way.

67. [One recent article](#) highlighted that the 2016 Appointment Policy may have resulted in “a greater number of non-advertised hiring compared to formal publicly advertised hiring process.” The same article reported that “greater use of non-advertised staffing raises the risk of the ‘who you know’ factor playing a role in hiring.”

68. The review team was informed that during the summer of 2020, there were internal discussions on the increasing use of non-advertised appointments, and options were explored to find out more about this trend. Presentations were made at the Integration Committee and Executive Management Committee to assess how the organization could learn more about the factors contributing to the increase. It was decided that a review would be conducted to inform decision-making.

69. While many interviewees raised concerns about the perception of merit and transparency related to non-advertised appointments, the review team was unable to elaborate on whether this should be viewed as a negative or positive consequence of the 2016 Appointment Policy. There is limited data and related information to determine whether non-advertised appointments are a risk to the health and integrity of the staffing system.

70. **Recommendation 2.** It is recommended that the Policy and Communications Sector collaborate with the Oversight and Investigations Sector to review non-advertised appointments to understand the reasons for the increase and to inform any measures that may need to be taken based on the results.

4.3 Support to departments and agencies

71. This section focuses on the support provided to organizations to facilitate NDS implementation.

What is in place?

72. The PSC has a number of services and support mechanisms to facilitate implementation across the federal public service. These are detailed below.

73. **Creation of the staffing support advisor role.** The staffing support advisor role¹² within the Staffing Support Division was established to help departments and agencies implement the 2016 Appointment Framework.¹³ Their mandate includes sharing policy direction and guidance developed by Policy and Strategic Directions with department and agency officials, encouraging experimentation and providing staffing support solutions that reflect the intent of the NDS. The Staffing Support Division also provides authoritative interpretations on statutory and regulatory requirements. Their mandate includes outreach, facilitating information sessions on staffing issues, and providing guidance in support of NDS culture change efforts. Advisors also share related tools and templates¹⁴ on the [NDS GCpedia page](#) (available only on the Government of Canada network).

74. Advisors act as the primary liaison with client departments and agencies, provide proactive and strategic staffing support, and help organizations develop and implement their customized staffing system. To support NDS implementation, staffing support advisors offer ongoing customized support to organizations based on their needs. They also collaborate with stakeholders including communities of practice, interdepartmental committees, human resources councils / committees, and bargaining agent representatives to share information on experimentation, innovation and PSC initiatives.

75. Staffing support advisors also work with other sectors to prepare the President for discussions with newly appointed deputy heads on the Appointment Delegation and Accountability Instrument. These discussions allow the President to provide an overview of staffing practices within the department or agency, provide data on key elements of the staffing system, and support discussions on areas for improvement and potential collaboration.

76. The National Recruitment Directorate, Services and Business Development Sector, is responsible for promoting PSC recruitment and assessment programs and services at interdepartmental human resources and manager committees across the country. This directorate also supports clarification of PSC roles and responsibilities related to

¹² Public Service Commission, Staffing Support Division (2020). Roles and Responsibilities of Staffing Support Advisors. Internal document

¹³ Public Service Commission, Staffing Support Division (2017). Questionnaire results - Satisfaction with Public Service Commission Staffing Support Services. Internal document

¹⁴ Public Service Commission, Staffing Support Division. (2019). NDS Implementation Update Report. Internal document.

guidance and external relations by facilitating communications and presentations at regional committees, such as regional federal councils.

77. Guidance products. A guidance product provides information to influence behaviours in support of culture change, and to build a common understanding to enable coherent application of requirements. It should be noted that when the NDS was launched, limited guidance documents were produced over the first couple of years of implementation to allow departments and agencies to develop their staffing frameworks in accordance with the Appointment Delegation and Accountability Instrument. Over time, as implementation evolved, guidance documents had to be developed to support departments and agencies. The Policy Division has developed and implemented a guidance strategy that covers the [following topics](#) (available only on the Government of Canada network):

- monitoring and reporting, in particular, cyclical assessment
- areas of discretion in assessment
- applying official languages provisions
- student bridging
- modernizing job advertisements

78. Exchange forum. One way that the PSC supports the NDS implementation is through the Exchange forum, an event that includes heads of human resources, hiring managers and other related stakeholders. It focuses on how the NDS is being implemented and shares the latest results achieved through experimentation, innovation, as well as updates on the state of staffing.

79. Partnership with the Canada School of Public Service. The PSC partners with the Canada School of Public Service to develop and update its staffing curriculum, which combines online content and in-class workshops for deputy heads, sub-delegated managers and human resources professionals. This work is done in addition to learning events that are held by staffing support advisors.

What we heard

80. The PSC has taken actions and measures to support federal departments in implementing the changes identified in the NDS. Most interviewees highlighted that the PSC provided support to organizations through workshops, responses to departmental inquiries on policy, regulations and interpretations of legislation. This support has also helped departments understand the new staffing policy requirements and their new role in the delegated staffing model.

81. Key informants reported that many guidance materials and tools have been developed to help human resources advisors and other stakeholders involved in NDS implementation. They indicated that these guidance materials include new topics, such as employment equity, official languages, cyclical assessments and hiring from pools. These guidance materials are updated periodically to remain as accurate and current as possible.

82. The review team examined new guidance documents developed since 2016 that have been placed on the GCpedia page. We compared them with the policy documents that were archived in 2016 when the NDS was launched. The analysis demonstrated that while the PSC has developed guidance documents for new topics, the archived guidance materials continue to be used to support department and agency officials in their understanding of staffing requirements. Interviewees confirmed that they still use archived policy and guidance documents to support responses to clients related to interpretation of the 2016 Appointment Policy requirements.

83. The review team learned through our document review¹⁵ and interviews that federal departments and agencies appreciate the work of staffing support advisors. Advisors proactively interact with and update deputy heads, human resources advisors, hiring managers and communities of practices to support NDS implementation, and to raise awareness and knowledge of this policy, its flexibilities and the availability of tools.

84. This satisfaction is corroborated by the results from the 4th annual client service satisfaction questionnaire released in June 2020 by the Staffing Support Division. The intent of this survey was to request anonymous feedback from federal organizations on staffing support advisor services and identify areas for improvement.

85. Most respondents were satisfied with the services offered by staffing support advisors with regard to the staffing framework (96%), interpretations of legislation and policy requirements (98%) and Staffing Support Division outreach events (97%)¹⁶. Survey respondents also identified the following services as being valuable:

- updates, guidance and flexibilities on second language evaluation during the pandemic
- additional support on emergency staffing requests related to COVID-19
- reviews and advice on monitoring frameworks

¹⁵ Public Service Commission. (2018). New Direction in Staffing Review - A review of implementation., p. 5. Internal document.

¹⁶ Public Service Commission of Canada. (2020). Staffing Support Division Annual Questionnaire Results. Presentation to the Executive Management Committee, November 12, 2020. Internal document.

- brainstorming sessions for complex cases
- ongoing communication, advice and guidance on human resources issues

86. Interviewees identified potential areas for improvement related to how support is provided to departments and agencies to facilitate NDS implementation. These are outlined below.

87. **Be more proactive.** Interviewees highlighted that the PSC could be more proactive, listen to, and anticipate federal organizations' needs regarding NDS implementation. They mentioned that in the early days of NDS implementation, federal organizations were looking for guidance and support on specific topics, such as the definition of advertised and non-advertised process, and the design and conduct of oversight activities. Interviewees reported that it took the PSC a long time to act on the needs of departments and to start developing required guidance materials.

88. **Better communication on department and agency oversight and monitoring responsibilities.** Interviewees also indicated that the PSC could improve its communications on how federal departments and agencies can operate in the new oversight framework, particularly as it relates to their internal roles and responsibilities.

89. **Customized sessions and additional guidance materials.** In the 2020 Staffing Support Division Annual Questionnaire, organizations expressed the need for more:¹⁷

- customized sessions for employees, management, regions and unions
- updated scenarios and streamlined website content
- modernized tools and innovative approaches for recruitment, staffing and assessment
- virtual platform dedicated to interdepartmental collaboration, connection and exchange

90. Overall, the work of staffing support advisors since 2016 has been helpful in supporting the actions of departments to implement the 2016 Appointment Framework. Our document review revealed that feedback from departments and agencies has been positive. The relationships that have been established and maintained across the federal public service by providing services have contributed to the results achieved to date.

¹⁷ Public Service Commission of Canada. (2020). Staffing Support Division Annual Questionnaire Results. Presentation to the Executive Management Committee, November 12, 2020. Internal document.

4.4 Oversight

91. This section focuses on the oversight framework that helps ensure the health of staffing across the federal public service.

What is in place?

Changes to PSC oversight model

92. The NDS included the following changes to the [oversight model](#):

- reporting requirements were reduced; specifically, the Departmental Staffing Accountability Report was no longer required
- the focus shifted from departmental audits to system-wide monitoring, specifically through a renewed survey of staffing and non-partisanship, as well as system-wide staffing audits
- deputy heads assumed responsibility for ongoing monitoring of their staffing systems, based on their organization's unique context
- departments and agencies had a new requirement to conduct an organizational cyclical assessment of adherence to requirements once every 5 years

93. These changes marked a significant change for oversight, from an organizational to a system-wide perspective. For the PSC, this meant that external auditors that had been trained and focused primarily on compliance issues and work had to transform how they planned for and conducted engagements to assess federal public-service-wide risks, and adopt a whole-of-federal-public-service-staffing audit framework. This type of culture change within an audit function can take time to be fully implemented.

The oversight model

94. The oversight model was updated in 2016 as part of NDS implementation and was designed to help the PSC provide assurance to Parliament on the health of staffing across the federal public service. The model was communicated in a placemat to deputy heads, which identified the following oversight areas:

- government-wide compliance audit every 2 years
- renewed Survey of Staffing alternating yearly with government-wide audit
- system-wide effectiveness and efficiency reviews to support continuous improvement
- targeted PSC audits as a result of identified system-wide or organizational risks or at deputy head request

- investigations when there is reason to believe there was political influence, fraud or improper conduct in an appointment process

95. The model envisioned in 2016 has been implemented to varying degrees. Early on, work began on planning a pilot system-wide staffing audit. Work was also undertaken to develop the Staffing and Non-Partisanship Survey while staffing assessments and efficiency and effectiveness reviews were being conducted. These products were presented at Executive Management Committee meetings and Meetings of the Commission at each step of the process and included in quarterly NDS updates. For example, updates on the Staffing and Non-Partisanship Survey and the System-Wide Staffing Audit were presented at an April 2017 Executive Management Committee meeting. At the time, this survey and audit were viewed as setting the baseline upon which future audits and surveys could be analyzed. Table 2 outlines the methods, tools and activities that have been used to examine the health of staffing across the federal public service over the past 5 years.



Table 2: Breakdown of oversight tools employed over the last 5 years¹⁸

Oversight tools ¹⁹	Objectives	Focus		
		Compliance on core requirements	Intended outcomes ²⁰	Public service environment
System-wide				
System-wide staffing audits	To gauge the integrity of staffing at a system-wide level (appointments).	<ul style="list-style-type: none"> • Checked 		<ul style="list-style-type: none"> • Checked
Horizontal risk-based audits	To examine systemic risks across government organizations.	<ul style="list-style-type: none"> • Checked 	<ul style="list-style-type: none"> • Checked 	<ul style="list-style-type: none"> • Checked
Horizontal performance-based audits	To examine factors related to <i>Public Service Employment Act</i> intended outcomes.		<ul style="list-style-type: none"> • Checked 	
Staffing and Non-Partisanship Survey	To gather perceptions on the state of the public service staffing system and non-partisanship.		<ul style="list-style-type: none"> • Checked 	<ul style="list-style-type: none"> • Checked

¹⁸ Public Service Commission, Oversight and Investigations Sector. (January 2020). GENERAL PSC Oversight Approach ENG.pptx. Internal document.

¹⁹ Oversight model developed based on the *Public Service Employment Act*, the *Public Service Employment Regulations*, the Appointment Delegation and Accountability Instrument

²⁰ Intended outcomes developed from the *Public Service Employment Act*

Oversight tools ¹⁹	Objectives	Focus		
		Compliance on core requirements	Intended outcomes ²⁰	Public service environment
Research & studies (Census/labour market/PSC data)	To provide intelligence on <i>Public Service Employment Act</i> intended outcomes.		<ul style="list-style-type: none"> • Checked 	<ul style="list-style-type: none"> • Checked
Organization-specific				
Collaborative audits	To partner with organizations to meet mutual staffing oversight objectives.	<ul style="list-style-type: none"> • Checked 		
Staffing assessments	To provide an informal assessment of each organization's staffing system and key steps in appointment processes.	<ul style="list-style-type: none"> • Checked 	<ul style="list-style-type: none"> • Checked 	
Cyclical assessments	Departmental self-assessments, as per the Appointment Delegation and Accountability Instrument, of their adherence to the requirements of the staffing system. As per the ADAI, Organizations can request PSC support on these reviews	<ul style="list-style-type: none"> • Checked 	<ul style="list-style-type: none"> • Checked 	<ul style="list-style-type: none"> • Checked



Oversight tools ¹⁹	Objectives	Focus		
		Compliance on core requirements	Intended outcomes ²⁰	Public service environment
	or to conduct them on behalf of departments and agencies.			
Investigations	To investigate specific appointment process, as well as allegations of improper political activities.	<ul style="list-style-type: none"> • Checked 		<ul style="list-style-type: none"> • Checked



96. The oversight activities highlight 3 key areas: compliance, progress toward the achievement of intended outcomes of the staffing system, and data analysis and information on the public service staffing environment. Compliance is assessed against the *Public Service Employment Act*, the Appointment Policy and the Appointment Delegation and Accountability Instrument, as well as other staffing regulations.

97. Focus has also been placed on the intended outcomes of the staffing system, stemming from the preamble of the *Public Service Employment Act*, including the values of diversity, linguistic duality, and non-partisanship. Effectiveness and efficiency have been examined through system-wide targeted reviews of elements of the staffing process, and through performance audits. The team was informed of studies on merit criteria and inclusive recruitment, and collective staffing. These reviews contributed to guidance that was provided on these subjects. There were also a number of data studies and new methodologies (for example, macro simulations) developed by the Data Services and Analysis Division. Oversight data analytics assess the overall public service environment and performance of the staffing system. The use of data analytics helps departments and agencies understand factors that may impact compliance or issues preventing them from achieving intended staffing outcomes.

Oversight activities

98. The PSC conducts oversight activities that include system-wide staffing audits, as well as audits and research projects on specific subjects as required. The system-wide staffing audit reports that have been published since 2016 include:

- Results of the System-Wide Staffing Audit – final report (2018)
- Results of the System-Wide Staffing Audit – Organizational Staffing Systems (2018)
- Results of the System-Wide Staffing Audit – Audit Questionnaire (2018)

99. External audit and research projects that have been published since the introduction of the NDS include:

- Anonymized Recruitment Pilot Project Study (2018)
- Employment Equity Promotion Rate Study (2019)
- Results of the Horizontal Audit on Credential Validation (2019)
- Audit of Employment Equity Representation in Recruitment (2021)

100. The final report of the System-Wide Staffing Audit represented the first and most recent comprehensive review of system-wide staffing compliance since the introduction

of the NDS. The results showed that a high level of compliance was demonstrated across the federal public service. The report also identified some opportunities for improvement to strengthen certain staffing process elements.

101. As well as conducting audits, the Oversight and Investigations Sector leads the biennial Survey of Staffing and Non-Partisanship. The goal of the survey is to collect data from across the federal public service from hiring managers and human resources professionals on their perceptions of the state of staffing practices and processes. The survey results help the PSC determine what is working well and opportunities for improvement across the system. The results provide vital feedback that informs further policy actions and interventions, and topics that could be included in future system-wide staffing audits or subject-specific audits. Since 2016, the following have been published:

- Staffing and Non-Partisanship Survey: Report on the Results for the Federal Public Service (2018)
- Staffing and Non-Partisanship Survey: Perceptions of federal public service employees who identified as a member of an employment equity group (2020)

102. Finally, the Data Services and Analysis Directorate has completed many studies since the NDS came into effect, including published reports, as well as internal studies and data services provided to client departments. Data sets have also been made available on open government and through other tools. Such tools include the official language interactive tool, macro simulations, an application forecasting tool and data visualization interfaces.

What we heard

103. The following section provides an overview of current oversight practices and identifies ongoing work to strengthen the function.

Providing assurance

104. System-wide staffing audits and the Staffing and Non-Partisanship Survey provide important data and information that helps the PSC ensure compliance with staffing requirements and report on the health of the public service staffing system.

105. Before the launch of NDS, some officials worried that the change from departmental to system-wide audits could make it more difficult to fully assess

compliance with the 2016 Appointment Policy²¹. Interviewees stated that the transition to more departmental responsibility for monitoring and oversight of compliance with staffing requirements, and the fact that so few organizations have conducted and submitted their cyclical assessments to date, presents challenges for the PSC. These include obtaining complete, accurate and timely data and information to provide assurance on the health of the federal staffing system and compliance with the Public Service Employment Act and related policies and regulations.

106. Despite these concerns, the review found that moving to a system-wide approach means that the PSC has a greater opportunity to make system-wide changes that will impact all federal departments and agencies. Several interviewees mentioned that because system-wide audits are not organization-specific, departments and agencies may be more willing to support audits and implement their recommendations.

107. Another risk identified by internal stakeholders interviewed and supported by an [external report](#) is the perception that some smaller departments and agencies may not have the capacity to conduct internal oversight reviews. As well, given capacity and other limitations, the quality of these reports may not be as robust as those of larger departments and agencies and may limit the ability of the PSC to have a systemic view of staffing practices. The Audit Directorate set aside other audit projects and has agreed to complete a pilot project to develop a framework and then to conduct the cyclical assessments for 12 small organizations. Once the pilot project is completed, the Audit Directorate will produce a summary report of lessons learned and identify areas where the PSC can improve the administration of cyclical assessments.

108. Several interviewees highlighted that the 2 key sources of oversight information, the System-Wide Staffing Audits and Survey of Staffing and Non-Partisanship, have not reported new data since 2018. According to the oversight model, these tools were to be employed every 2 years. The review team was informed that the global pandemic affected the release of the 2020 Survey of Staffing and Non-Partisanship, which also impacted the beginning of the next System-Wide Staffing Audit. Several interviewees expressed concern that the oversight model, as envisioned in 2016, may not have been completely implemented as originally intended, and that this has affected the PSC's ability to report on NDS performance measures identified in the Departmental Results Framework and Performance Information Profiles.

²¹ Public Service Commission (2015). EIPO – Phase 3 – Outreach – Update on New Direction in Staffing – September 2015. Internal document.

109. The PSC has made progress in implementing many other elements in the new oversight model. The Data Services and Analysis Directorate has completed several key data studies introduced novel methodologies. These include: studies on the effects of citizenship and non-advertised appointments for employment equity groups, data on hiring students as casual employees, and analysis of Statement of Merit Conditions.

110. The work done by the Data Services and Analysis Directorate to support the PSC in forecasting and analyzing key staffing trends was also mentioned to the review team. Macro simulations were seen to be instrumental in changing the way that the federal public service assesses its staffing needs with regard to hiring 5 000 persons with disabilities. The review team was also informed that work had also been completed on statement of merit reviews for legibility and accuracy in both official languages, as well as on a number of open data sets to support the availability of information on staffing.

111. While fewer system-wide staffing audits and staffing and non-partisanship surveys were conducted than planned, one of the key benefits of the new model was recently demonstrated. The Audit of Employment Equity Representation in Recruitment report released in January 2021 looked at this important issue through a system-wide lens and found that some barriers still exist that need to be addressed. This system-wide audit provided valuable information to assess one of the 2016 Appointment Policy outcomes related to designing appointment processes that are free of discrimination and systemic barriers. This audit found that work remains to achieve this objective of the 2016 Appointment Policy.

112. Over the past year and a half, the Audit Directorate has continued to evolve and learn from experience. For example, actions have been taken in response to findings in the informal review of the implementation of the NDS conducted by the Policy and Communications Sector in 2018. The team has put in place an enhanced status update briefing to governance bodies. As well, they are strengthening planning and professional practices functions and finalizing the first risk- and priority-based audit plan, due to be approved early in 2021–22. Based on the results of this review, it would be important for the Audit Directorate to obtain approval of this plan in 2021–22 to define areas of primary audit focus and resource priorities in the coming years.

Cyclical assessments

113. Section 3 of the Appointment Delegation and Accountability Instrument sets out that deputy heads must conduct cyclical assessments to monitor adherence of their staffing systems to their departmental Appointment Delegation and Accountability

Instrument, the Appointment Policy, the *Public Service Employment Act*, and organizational staffing policies.

114. Almost 5 full years into implementation, the PSC has received 14 cyclical assessments from departments and agencies (see Table 3 for more information). This data was accurate as of February 2, 2021. It should be noted that due to the pandemic, departments were given until October 2021 to submit their cyclical assessment.

Table 3: Cyclical assessments²²

Cyclical assessments	
Number of organizations that have submitted at least one cyclical assessment	14
Number of organizations that have never submitted a cyclical assessment	62
Number of reporting organizations	76
Number of organizations that do not report	5

115. As mentioned earlier, the Oversight and Investigations Sector is running a pilot project to support small departments and agencies in conducting their organizational cyclical assessments²³. The objective is for the PSC to conduct 12 cyclical assessments for small and micro organizations, given the internal capacity of those organizations to fulfil this requirement.

116. The review team heard that, by design, the transition to the revised oversight framework was not initially supported by guidance for departments and agencies, particularly as it related to cyclical assessments and reporting on organizational staffing requirements. During the first couple of years of NDS implementation, departments and agencies were provided the opportunity to define their organizational requirements based on the 2016 Appointment Framework. Over time, many departments and organizations identified a need for additional support and guidance on how to conduct

²² Data was provided by the Staffing Support, Priority and Political Activities Directorate on December 2, 2020.

²³ Public Service Commission (2019). Presentation by the Public Service Commission to Heads of Federal Agencies in 2019. Internal document.

ongoing oversight activities and cyclical assessments. This occurred several years into implementation, after a few cycles of internal staffing framework monitoring.

117. In response to inquiries by departments and agencies, over the past year and a half the PSC has developed guidance on ongoing monitoring and cyclical assessments. In early 2020, the PSC shared a Staffing Oversight Reference Tool outlining key staffing requirements, which will make it easier to identify staffing requirements that could be included in the scope of cyclical assessment reviews.

118. As required, guidance has been provided to departments and agencies by staffing support advisors to help them perform ongoing monitoring and cyclical assessments. For example, PSC internal and external audit officials have given presentations to federal chief audit executives, and staffing support advisors have continued to provide service to hiring managers and human resources professionals on Appointment Policy requirements. The PSC also hosted an information session in December 2020 to outline support for clients involved in planning, conducting and reporting aspects of cyclical assessments in order to help federal departments and agencies develop their own approach to cyclical assessments²⁴.

119. While guidance suggests key staffing elements to include in the scope of assessments, the PSC has not mandated the aspects of staffing requirements that departments and agencies should include in their cyclical assessments. For this reason, it may be difficult to consolidate the information received from departments and agencies at the end of the 5-year reporting cycle.

Internal roles and responsibilities for cyclical assessment administration

120. Several interviewees indicated that roles and responsibilities for administering cyclical assessments may not be clearly defined and understood. There is an opportunity to better inform internal stakeholders from across the PSC on what cyclical assessments are intended to achieve and how to use department and agency results.

121. Currently, completed cyclical assessment reports are submitted to staffing support advisors. Advisors review and analyze the documentation, call Director General Advisory Committee meetings to share results, and provide feedback to departments and

²⁴ Public Service Commission (2020). Integrated Workshop on cyclical assessment. PowerPoint Presentation. Internal document.

agencies on their reports. PSC officials spend a lot of time analyzing and reviewing the documents and it was difficult to determine the value added of this work.

122. The review team was informed that staffing support advisors may be well positioned to provide feedback on cyclical assessment reports, given their role in communicating staffing policy and regulation interpretations to departments and agencies. Other interviewees mentioned that staffing support advisors may not be best positioned to receive cyclical assessment reports because they provide advice on conducting assessments, and there may be a conflict of interest in having the area that provides guidance also receive reports that may include comments on the advice provided by the PSC.

123. Several interviewees mentioned that if changes are proposed to the administration of cyclical assessments, the Audit Directorate may be better suited to receive cyclical assessment reports. This would help manage the potential conflict of interest issue, and at the same time provide valuable monitoring information that would support the Oversight and Investigations Sector in planning system-wide staffing audits, research projects and subject-specific audits. Essentially, by reviewing the administration of cyclical assessments, the PSC could determine the value that these reports have in the staffing monitoring spectrum, clarify internal roles and responsibilities, and streamline business processes.

124. **Recommendation 3.** It is recommended that the Policy and Communications Sector and the Oversight and Investigations Sector review leadership of cyclical assessments and develop more streamlined business practices.

5.0 Conclusion

125. The release of this report coincides with the fifth anniversary of the launch of the New Direction in Staffing (NDS). The results shed light on how the Public Service Commission (PSC) has administered the various components. The report recognizes that the federal public service staffing environment has experienced change since 2016 as a result of measures to implement the Appointment Framework and actions to support staffing to support federal government's COVID-19 pandemic response.

126. The streamlining of the Appointment Framework, the focus on values and results, and the decreased focus on rules represented a significant culture change for the PSC. Before the NDS, the focus had been on applying rules, with an emphasis on departmental audits of staffing compliance performed by the PSC. The NDS was a major

internal change initiative designed to transform staffing across the federal public service. The impact of these 2 simultaneous change initiatives (NDS and the shift from rules to values) must not be underestimated.

127. The internal and external governance structures and processes that support NDS implementation are adequate, with some areas for improvement identified. There has been an increase in collaboration and information sharing internally and externally. While there were opportunities for improvement identified in this area, work is already underway to address recommendations identified in the 2020 Review of PSC Governance.

128. One item that was consistently raised was a potential unintended consequence related to a significant increase in the use of non-advertised appointments. There is limited data and related information available to determine why non-advertised appointments have increased. There is a need for the PSC to review the use of non-advertised appointments to understand the reasons for the increase over the past 5 years and to inform any measures that may need to be taken.

129. The PSC has taken actions and measures to support federal departments and agencies in implementing the changes identified in the NDS, including through workshops, responses to departmental inquiries on policy, and regulatory and legislative interpretations. This support has helped departments understand policy requirements as well as their new role in the delegated staffing model. The work of staffing support advisors since 2016 has been helpful in supporting NDS implementation.

130. The oversight model shifted the focus from assessing departmental compliance to a system-wide approach using various methods beyond audits. These include research products, improved use and analysis of data, and staffing and non-partisanship surveys. External audit activities are now focused on horizontal, system-wide risks and issues. The model developed in 2016 is evolving and building on the experience gained through the first system-wide staffing audit and other subject-specific audits. As the model evolves, there is an opportunity for the PSC to review the leadership of cyclical assessments and develop more streamlined business practices.

131. Over the course of the past few years, the PSC's role in supporting the culture change envisioned in the NDS has continued to progress to include providing guidance to departments and explaining how staffing system changes can be implemented. A review of performance measures included in the Departmental Results Framework and Performance Information Profiles would help the PSC determine whether the right indicators are in place to support informed decision-making.

6.0 Recommendations and management response and action plan

Recommendation	Action plan	Office of Primary Interest and milestone
<p>1. It is recommended that the Policy and Communications Sector review NDS-related performance measures in the Departmental Results Framework and Performance Information Profiles to ensure that the right data and information is being captured and reported to support timely, informed decisions on progress in achieving the Appointment Framework outcomes. This should be done in preparation for the next in-depth review of the Departmental Results Framework and Performance Information Profiles.</p>	<p>Management agrees with this recommendation.</p> <p>The Policy and Communications Sector, in collaboration with all sectors, will work with the results and delivery team to review performance indicators in the Departmental Results Framework and Performance Information Profiles as part of the regular review process.</p> <p>Based on any changes identified, the Policy and Communications Sector will review the current updates that are provided on the New Direction in Staffing to ensure that they support decision-making.</p>	<p>Policy and Communications Sector</p> <p>September 30, 2021 (to be confirmed with the results and delivery team)</p>
<p>2. It is recommended that Policy and Communications Sector collaborate with the Oversight and Investigations Sector to review non-advertised appointments to understand the reasons for</p>	<p>Management agrees with this recommendation.</p> <p>The Policy and Communications Sector will collect information from a select number of</p>	<p>Policy and Communications Sector</p> <p>September 30, 2021</p>



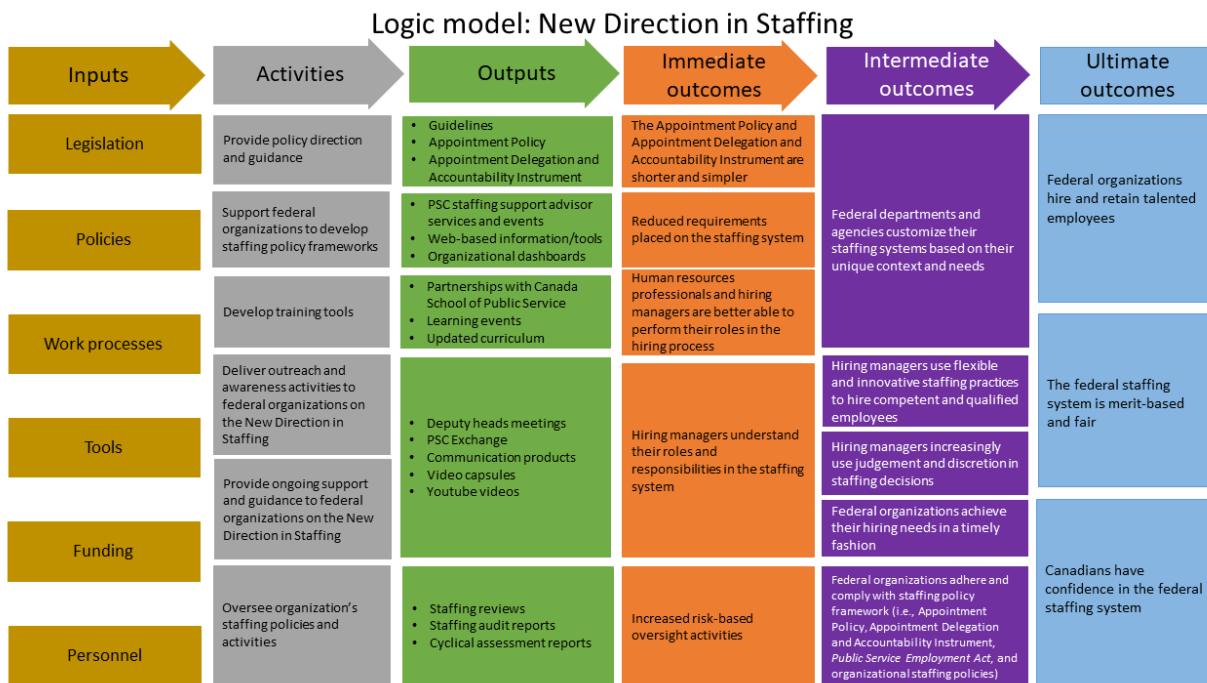
Recommendation	Action plan	Office of Primary Interest and milestone
the increase and to inform measures to be taken based on the results.	<p>departments to better understand the use of non-advertised appointments.</p> <p>The Oversight and Investigations Sector will include a sample of non-advertised appointments in its next system-wide staffing audit. The scope of the audit work on non-advertised appointments will be informed by the results of the Policy and Communications Sector review.</p>	This action plan item will not be included in follow-up activities as the actions that may be taken will be based on the level of risk identified when the next System-Wide Staffing Audit scoping exercise begins.
3. It is recommended that the Policy and Communications Sector and the Oversight and Investigations Sector review leadership of cyclical assessments and develop more streamlined business practices.	<p>Management agrees with this recommendation.</p> <p>The Policy and Communications Sector will work with the Oversight and Investigations Sector to review and simplify business practices.</p> <p>The Policy and Communications Sector and the Oversight and Investigations Sector will consider their roles and identify any proposed changes to responsibilities for</p>	<p>Policy and Communications Sector and Oversight and Investigations Sector</p> <p>July 31, 2021</p> <p>March 31, 2022</p>



Recommendation	Action plan	Office of Primary Interest and milestone
	reviewing and conducting cyclical assessments.	

Annex 1: New Direction in Staffing Logic Model

Annex 1: New Direction in Staffing Logic Model



Text version

Logic model

The inputs of the New Direction in Staffing are:

- Legislation
- Policies
- Work processes
- Tools
- Funding

- Personnel

The activities and outputs of the New Direction in Staffing are:

Activities		Outputs
Provide policy direction and guidance	which leads to	<ul style="list-style-type: none"> • Guidelines • Appointment Policy • Appointment Delegation and Accountability Instrument
Support federal organizations to develop staffing policy frameworks	which leads to	<ul style="list-style-type: none"> • PSC staffing support advisor services and events • Web-based information/tools • Organizational dashboards
Develop training tools	which leads to	<ul style="list-style-type: none"> • Partnerships with Canada School of Public Service • Learning events • Updated curriculum
Deliver outreach and awareness activities to federal organizations on the New Direction in Staffing	which leads to	<ul style="list-style-type: none"> • Deputy heads meetings • PSC Exchange • Communication products • Video capsules • YouTube videos
Provide ongoing support and guidance to federal organizations on the New Direction in Staffing		
Oversee organization's staffing policies and activities	which leads to	<ul style="list-style-type: none"> • Staffing reviews • Staffing audit reports

Activities		Outputs
		<ul style="list-style-type: none"> • Cyclical assessment reports

Outputs are linked to immediate outcomes in the following manner

Outputs		Immediate outcomes
<ul style="list-style-type: none"> • Guidelines • Appointment Policy • Appointment Delegation and Accountability Instrument 	which contributes to	The Appointment Policy and Appointment Delegation and Accountability Instrument are shorter and simpler
<ul style="list-style-type: none"> • PSC staffing support advisor services and events • Web-based information/tools • Organizational dashboards 	which contributes to	Reduced requirements placed on the staffing system
<ul style="list-style-type: none"> • Partnerships with Canada School of Public Service • Learning events • Updated curriculum 	which contributes to	Human resources professionals and hiring managers are better able to perform their roles in the hiring process
<ul style="list-style-type: none"> • Deputy heads meetings • PSC Exchange • Communication products • Video capsules • YouTube videos 	which contributes to	Hiring managers understand their roles and responsibilities in the staffing system



Outputs		Immediate outcomes
<ul style="list-style-type: none"> • Staffing reviews • Staffing audit reports • Cyclical assessment reports 	which contributes to	Increased risk-based oversight activities

Collectively, the immediate outcomes lead to the following 5 intermediate outcomes:

- federal departments and agencies customize their staffing systems based on their unique context and needs
- hiring managers use flexible and innovative staffing practices to hire competent and qualified employees
- hiring managers increasingly use judgement and discretion in staffing decisions
- federal organizations achieve their hiring needs in a timely fashion
- federal organizations adhere and comply with staffing policy frameworks (Appointment Policy, Appointment Delegation and Accountability Instrument, *Public Service Employment Act*, and organizational staffing policies)

Collectively, the intermediate outcomes lead to the following 3 ultimate outcomes:

- federal organizations hire and retain talented employees
- the federal staffing system is merit-based and fair
- Canadians have confidence in the federal staffing system

Annex 2: Review matrix

Review questions	Indicators	Methods
Effectiveness		
1.1 To what extent have the measures and actions taken by the Public Service Commission (PSC) enabled the implementation of the New Direction in Staffing (NDS)	1.1.1 Evidence that PSC measures and actions taken by the PSC have enabled NDS implementation across the federal public service	<ul style="list-style-type: none"> • Document review • Interviews or focus groups

Review questions	Indicators	Methods
across the federal public service?		<ul style="list-style-type: none"> • Review of administrative and performance data
1.2 To what extent has the PSC provided support to departments and agencies to facilitate the implementation of the changes identified in the NDS?	1.2.1 The extent to which the PSC has provided support to departments and agencies to facilitate the implementation of the changes identified in the NDS	<ul style="list-style-type: none"> • Document review • Interviews or focus groups • Literature review
1.3 To what extent has the PSC oversight model developed to support NDS implementation been effective in supporting the provision of assurance to Parliament on the health of staffing across the federal public service?	1.3.1 The extent to which the PSC oversight model developed to support NDS implementation has been effective in supporting the provision of assurance to Parliament on the health of staffing across the federal public service	<ul style="list-style-type: none"> • Document review • Review of administrative and performance data • Interviews or focus groups • Literature review
1.4 To what extent has NDS implementation had an impact on staffing across the federal public service?	1.4.1 Evidence of impact NDS implementation has had on staffing across the federal public service	<ul style="list-style-type: none"> • Document review • Review of administrative and performance data • Interviews or focus groups
Efficiency		
2.1 Are the appropriate governance structures and	2.1.1 Degree of appropriateness of governance structures and	<ul style="list-style-type: none"> • Document review



Review questions	Indicators	Methods
processes in place to support NDS implementation?	processes in place to support NDS implementation	<ul style="list-style-type: none"> • Interviews and / or focus groups • Literature review
2.2 To what extent have the PSC policy direction and guidance been aligned with NDS expectations?	2.2.1 The extent to which the PSC policy direction and guidance have been aligned with NDS expectations	<ul style="list-style-type: none"> • Document review • Interviews or focus groups
2.3 To what extent are roles and responsibilities related to the various NDS components clear to internal stakeholders?	2.3.1 The extent to which internal stakeholders consider that their roles and responsibilities regarding the various NDS components are clear	<ul style="list-style-type: none"> • Document review • Interviews or focus groups • Literature review
2.4 Are there implementation challenges related to the various NDS components (Appointment Framework; Oversight Framework; and PSC's support)?	2.4.1 Evidence of implementation challenges related to the various NDS components (Appointment Framework; Oversight Framework; and PSC's support)	<ul style="list-style-type: none"> • Document review • Interviews or focus groups
2.5 Are there any good practices, lessons learned, or other information that would support enhanced NDS implementation or support future similar initiatives?	2.5.1 Evidence of good practices, lessons learned, or other information that would support enhanced NDS implementation or support future similar initiatives	<ul style="list-style-type: none"> • Document review • Interviews or focus groups • Literature review



Annex 3: Roles, responsibilities and governance

Policy and Communications Sector

The Policy Sector continues to monitor overall implementation and develop guidance and tools to support departments and agencies in adapting to the 2016 Appointment Framework.

Staffing support advisors in the Staffing Support Division help departments and agencies by providing regular updates to deputy heads, human resources officials, hiring managers, and communities of practice. This is done to raise general awareness and knowledge of the new staffing policy framework and the tools and templates available to support appointment processes. The advisors also answer questions from departments and agencies and help them to efficiently hire a diverse, professional and competent workforce.

Tables 2-1 and 2-2 provide expenditures for the Staffing Support Division and Policy Division over the last 4 fiscal years.

Table 2-1: Staffing Support Division expenditures (April 1, 2016, to March 31, 2020)

Category	2016–17	2017–18	2018–19	2019–20
Salaries (\$)	1,171,075	1,121,373	1,202,840	1,234,976
Travel expenses (\$)	31,507	33,709	23,074	25,079
Translation expenses (\$)	5,344	5,827	10,373	11,218

Table 2-2: Policy Division expenditures 2016–17 to 2019–20

Category	2016-17	2017-18	2018-19	2019-20
Salaries (\$)	2,379,698	1,939,356	2,153,720	2,517,787
Travel & hospitality (\$)	2,639	10,015	3,802	2,250
Training and translation (\$)	23,427	24,907	9,180	20,191

Most of this sector's expenditures are for staffing expert salaries that support implementation of the staffing policy framework across the federal public service. Non-salary expenditures are generally related to hosting events with human resources professionals and hiring managers to provide and receive information on the overall health of the staffing system and emerging risks and priorities.

Oversight and Investigations Sector

The Public Service Commission (PSC)'s approach to oversight is based on established principles and outcomes²⁵. These are described below.

Principles. The principles include preserving the integrity and non-partisanship of the federal public service staffing system. This encompasses a focus on shared and complementary accountabilities for compliance with core requirements, intended outcomes, and helping to implement system-wide improvements through timely interventions.

Outcomes. The key outcome is to provide assurance to Parliament on the integrity of the staffing regime and non-partisanship of the federal public service. This assurance focuses on compliance with core requirements established by the *Public Service Employment Act*, and those included in the policy framework and Appointment Delegation and Accountability Instrument. The intended outcomes are achieved by focusing on prevention through early risk identification, timely interventions, and an overall approach to accountability that supports deputy head delegation and accountability.

²⁵ Public Service Commission, Oversight and Investigations Sector. (January 2020). GENERAL PSC Oversight Approach ENG.pptx. Internal document.

The Audit Directorate is the lead for conducting oversight activities. The following table provides a breakdown of its expenditures from fiscal year 2016–17 to 2019–20.

Table 2-3: Audit Directorate expenditures by fiscal year (2016 to 2020)

Category	2016-17	2017-18	2018-19	2019-20
Actual full-time equivalents	29.5	24	26	24
Actual salary expenditures (\$)	\$3,343,831	\$2,606,446	\$2,772,811	\$2,409,856

It should also be noted that the Data Services and Analysis Directorate supports oversight by providing and analyzing data, as well as research reports that deliver insights on the risks observed throughout the staffing system. As well, the Investigations Directorate conducts investigations on issues that arise in the course of appointment processes across the federal public service; the results are considered by the Audit Directorate when developing their work plan. For example, a number of investigations were conducted on student hiring over the past few years. As a result, the Audit Directorate conducted an audit of hiring under the Federal Student Work Experience Program to determine whether there are systemic issues that need to be addressed in this area.

Services and Business Development Sector

The Services and Business Development Sector also supports New Direction in Staffing (NDS) implementation through the services that it provides centrally in the National Capital Region and at 5 regional offices located across Canada. National Recruitment Directorate staff conduct outreach with federal public service departments and agencies and with students and job applicants in their areas of operation. The Personnel Psychology Centre provides assessment and second language testing services that support hiring managers in measuring job applicant merit. Finally, the Business Development Services Directorate operates the GC Jobs recruitment platform, a key enabling tool for hiring managers, human resources professionals and job seekers. Transformation projects are underway to modernize the recruitment platform and second language assessments in light of the new operating realities associated with the COVID-19 pandemic response. The National Recruitment Directorate works with both internal and external stakeholders to develop and manage a pool of volunteers to support the federal government's pandemic response.

Corporate Affairs Sector

The Corporate Affairs Sector provides administrative support to all sectors and is a key enabler to support the development of policies and guidance, and their implementation. This sector establishes the departmental results framework and leads business planning and reporting, which facilitates the provision of information to Canadians on the implementation of the NDS and the results achieved to date through departmental planning and reporting documents. As well, the Information Technology and Services Directorate has an important role in supporting ongoing maintenance of the information technology systems to support staffing, and in contributing to departmental transformation initiatives to enhance support to the federal public service staffing system.

Governance

The governance structures and mechanisms that support implementation have both an internal and external focus and include formal and informal processes.

The internal governance structures in place enable horizontal consultation to support the development and provision of tactical and strategic advice and recommendations to the Executive Management Committee and Meetings of the Commission on NDS implementation. The structure and processes allow for providing constructive feedback to officials on achieving organizational priorities and objectives in delivering on organizational priorities — both as a department and central agency. The internal governance structure that supports implementation includes the following:

Meetings of the Commission. This decision-making body allows the Commission (the President and the Commissioners) to fulfill its obligations under the *Public Service Employment Act*, and the *Employment Equity Act* vis-à-vis the federal public service.

Executive Management Committee. This is the main decision-making body that establishes strategic priorities and provides direction on managing the organization. It also monitors progress made in the delivery of the organization's mandate and priorities.

Integration Committee. This horizontal consultative committee provides a forum for executives and senior managers to give advice and recommendations to the Executive Management Committee on matters falling under its mandate. This committee is chaired by a vice-president and includes membership from across the organization. The committee is open to all staff to attend as observers, allowing them to participate in organizational governance.

Sector Management Committees. These committees, chaired by sector vice-presidents, allow each sector the opportunity to review documents proceeding through governance to generate advice to the vice-presidents who participate in Executive Management Committee meetings and Meetings of the Commission. This allows for timely feedback on the items being presented by colleagues at governance committees from across the organization, reflecting both their sector's perspective and the PSC's best interests.

Director General Advisory Committee. This informal committee is comprised of most, but not all, directors general from across the organization. Meetings are scheduled as requested by members, and it serves as a sounding board for ideas, a body to present draft documents to receive feedback, and to finalize important departmental documents.

The external governance that supports implementation consists of the following:

Deputy Ministers Recruitment Innovation Cluster. This integrated forum is chaired by the President and includes deputy head representatives from across the federal public service. The committee aims to advance innovation and experimentation and make meaningful progress to improve federal public service staffing and recruitment. Considering that the recruitment and staffing process is a shared responsibility across the federal public service, this committee enhances collaboration, participation, and modernization efforts related to the timely and effective recruitment of a qualified, diverse workforce in the spirit of NDS implementation.

Human resources communities. PSC officials provide updates on NDS implementation to human resources communities, the Human Resources Council, the National Joint Council and the deputy heads forum.

