

SECTION 1:

MAKING THE MOST OF STAFF

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1.1 Ensuring non-discrimination in employment practices

This entry provides an overview of employment equity policy on women, persons with disabilities, Aboriginal peoples, and members of visible minority groups (designated groups). This policy has been designated by the Treasury Board as a key policy for the management of human resources.

Women, persons with disabilities, Aboriginal peoples, and members of visible minority groups (designated groups) must have the opportunity to participate fully in the Public Service. Departments and agencies must run Employment Equity (EE) programmes for these groups to ensure fair employment practices and a representative work force.

The context for change

The Government of Canada is fully committed to employment equity for all Canadians.

The Government recognises that certain segments of the Canadian population still face employment disadvantages such as higher unemployment rates, lower employment/population ratios, limited occupational distribution, and/or limited career progression compared with the rest of the workforce.

The above-mentioned groups experiencing these employment disadvantages have been identified as designated groups. Members of these designated groups (except women) are encouraged to voluntarily self-identify for purposes of this policy.

The Employment Equity (EE) policy has as its principal objectives:

- a workforce in the Public Service in which Aboriginal people, members of visible minority groups, persons with disabilities and women are equitably represented and distributed. Workforce availability and the organisation's operational requirements will be taken into account in determining the equitable representation and distribution of designated groups;
- the identification and removal of barriers in employment systems, policies, procedures, practices, organisational attitudes and established behavioural patterns that have an adverse effect on the employment or career progression of members of designated groups; and

- the implementation of special measures to correct the effects of employment disadvantages and promote the workforce participation of designated groups.

The Public Service Commission (PSC) assists in the application of this policy by:

- administering, on behalf of the Treasury Board, special measure programmes pertaining to designated groups;
- ensuring through its staffing policies and practices, that equitable employment opportunities are provided to the designated groups;
- making available, on behalf of the Treasury Board, human resource and labour market data (e.g. availability data) and analyses;
- producing tabulations for Treasury Board and departments to support the monitoring of employment equity.

Implementing change

Departments and agencies must:

- endeavour to collect and provide to the Treasury Board personal information from the designated groups on the basis of self-identification (except for women) in accordance with the provisions of the Privacy Act;
- establish an environment supportive of the principles of employment equity which would attract and retain designated group members and encourage individuals to self-identify.

There is no substantial material available on how long it would take to establish and implement an employment equity programme. Rather, there is reference to the importance of monitoring the programme and the collection of data on an ongoing basis. For example, departments and agencies must keep the Central Target Group Data Bank up-to-date by ongoing collection of designated group self-identification data.

The Treasury Board will monitor the implementation of this policy and the programme results by reviewing and approving numerical objectives of departments and agencies and conducting periodic reviews of results of audits to ensure compliance with this policy.

A manager can ensure that an organisation is making an effective contribution to the department's EE objectives by looking at performance indicators such as:

- the percentage of designated group members in an occupation compared to labour force availability and the numerical targets to which individual departments have committed themselves;
- the progress by departments toward eliminating barriers to equitable representation;
- the inclusion of EE objectives in human resource management, particularly at the planning stage;
- the review of an organisation's contribution to a department's EE objectives to ensure it is effective (e.g. planning, setting targets, staffing, conducting other personnel management functions, establishing a supportive environment that encourages self-identification).

As well, a review of memoranda of understanding, Multi-Year Human Resource Plans, Annual Management Reports, and other related documents assesses the following:

- the level of integration of EE programme objectives into the broad human resource management issues;
- progress towards numerical targets and equitable representation; and
- the elimination of employment barriers.

Supporting material

- (i) The Manager's Deskbook, Treasury Board of Canada, Third Edition
- (ii) Treasury Board Manual, Human Resources volume, Chapter 1-4, 1-5
- (iii) Canadian Human Rights Act
- (iv) Canadian Multiculturalism Act

1.2 Improving human resource management

This entry provides an overview of performance review policy. This policy has been designated by the Treasury Board as a key policy for the management of human resources.

It is the policy of the Government to inform employees of the results expected of them in the performance of their work; to make them aware, prior to undertaking those tasks, of the standards against which such performance will be judged; to provide them with feedback on a continuing basis and periodic formal feedback; and to act upon the conclusions of employees' performance reports.

The context for change

Employee performance and productivity is best supported through effective communication and organisational goals and combined with the career aspirations of employees. The introduction of this policy in no way requires departments to revamp existing performance review and employee appraisal programmes that already meet the objectives of this policy. It is understood that any provision regarding performance review which is included in a collective agreement takes precedence over the provisions of this policy. This must be taken into consideration when implementing performance reviews. This policy does apply to all employees below the Management Category in those organisations for which the Treasury Board is the employer as defined in the Public Service Staff Relations Act, Part I, Schedule I.

See also the entry on Using Performance Incentives (1.8)

Implementing change

It would be helpful to a manager to ask the following questions when implementing performance reviews:

- What have I done to ensure that my organisation has familiarised itself with the performance review policies of our department or agency?
- Do all supervisors in my organisation know their responsibilities regarding performance review, including the need to communicate objectives to each employee at the beginning of every review period? Have all indeterminate

employees, and those term employees who have been on strength for six months or more, received performance reports?

- Do our employees understand the objectives of performance review? Do we seek their views to ensure we met these objectives?
- Do our performance reports include recommendations and actions taken for job-related training?
- Before completing assessments of my immediate subordinates, have I ensured that they have assessed all of their immediate subordinates? Has this been done right down the line?
- How am I using performance review information to manage my human resources?
- Do I take advantage of informal opportunities to discuss performance with my employees?

Management must communicate to all employees the precise purpose and process of performance review and explain their rights and responsibilities when their performance is being reviewed, when they are completing performance reports or when they are acting as reviewing officers.

Management must undertake regular performance reviews of employee achievements that culminate in formal written performance review reports at least annually for all indeterminate employees and term employees with over six months' service.

Performance reports must record job-related training recommended or received, for incorporation as a factor in the following year's performance review.

A performance report written by a supervisor must first be given to the employee for examination and signature. The employee is entitled to make written comments or rebuttals. Only then shall the report be sent for formal consideration by the review level.

The review level must check for accuracy and quality, ensure consistency of employee treatment, and ensure that the policy statement is implemented.

The classification level of the reviewing officer or the chair of the review committee must be superior to that of the supervisor.

Employees have the right to communicate with their reviewing officer or the chair of their review committee about their performance review report.

When administering performance pay plans, managers must use the global summaries in the Treasury Board Manual, Training Guide.

A particular initiative in improving human resource management: Statistics Canada

The task of collecting, analysing and publishing all of Canada's statistics is led by the 20 most senior managers of Statistics Canada. They participate regularly in senior management meetings and fully share the goals of the Agency. To get the job done, they need the help of some 350 middle and senior managers and some 5,000 employees. The most difficult part of the job of senior management is in organising and motivating these thousands of colleagues so that they can all pull together as one team.

Normally managers and employees do not have too much difficulty in becoming strongly committed to producing the best possible products from their specialised area of the organisation. Not all, however, combine this local dedication with a vision of what is best for Statistics Canada overall.

How is it possible to make employees and managers want to work together to make Statistics Canada the best possible? Although success has been slow, the Statistics Canada team has settled on a small number of guiding principles which seem to help in achieving this "pulling together".

Guiding Principles

Consultations and Interdependence

The natural tendency in an organisation like Statistics Canada is for the development of a series of highly specialised units, some of them having international reputations for their expert knowledge. These types of units tend to focus on what they know best and the products that seem appropriate from their own viewpoint. What is less natural is for these units to consult with each other and with their clients in order to benefit from each others' experience and in order to make the best possible decisions for Statistics Canada as a whole. To accept that one must consult with others means accepting that one does not have all the answers and more significantly it means implicitly that one must relinquish a certain amount of control in one's own area of expertise. How does an organisation encourage this quest for subject matter excellence and at the same time control the arrogance and desire for control which comes as a natural by-product? How does

it develop a sense of interdependence where units naturally consult in order to achieve the best?

Incentives

Employees and managers have difficulty with corporate initiatives which provide little practical benefit to their operations. When the corporation can create a mechanism which clearly links the new programme to benefits which have a direct impact on their local programmes, there is a much different attitude. The best way to establish this practical link is in the use of incentives. A good example of this is provided later in this paper under section 1.8.

Choosing to Allocate Scarce Resources

Employees and managers have many competing demands on their time. In setting their priorities they become adept at detecting what is really important to the organisation as opposed to what is merely stated for political purposes. This is most often done by observing what the organisation as represented by senior management does as opposed to what is said. To have an impact there must be a congruence of stated values and practised activities; the organisation must practice what it preaches.

Employees and managers are persuaded when they see that senior management is setting the example. The most potent way to set this example is when the organisation decides to allocate a portion of its scarce resources to the support of its corporate initiatives. For example, managers will be more persuaded to release their best employees for training when the organisation provides the initial investment to launch the training in the first place.

Delegation of Authority and Participation in Decision-Making

Pronouncements from the top are politely received but by themselves rarely achieve their purpose. Rules and threats are often seen as tests of ingenuity, namely, how can they be circumvented? Rules sometimes produce short-term gains but in the long run they force the real pressures underground and result in a cadre of managers and employees who are not committed to the organisation.

Really successful organisations delegate a large measure of authority and participation to their managers and employees. This helps to promote a sense of ownership in the business of the corporation and a desire to contribute.

The more employees participate in what is going on, the more they develop a personal stake in obtaining effective results. Successful organisations are willing to trade some of their central authority in order to foster this sense of employee ownership. Rather than issuing orders and following up to ensure compliance,

employees are challenged to produce certain results and are left free to determine the best process. The employee is compared to a guided missile rather than to an artillery shell; the employee makes decisions and corrections along the way rather than following a predetermined path.

Team Spirit

Employees today are less accepting of authority and less dedicated to a single employer. In a society with a growing number of single parent and two-worker families, employees are increasingly torn between their careers and their personal responsibilities.

On the other hand employees are fundamentally committed to their work; they *want* to make room within their personal goals and priorities for those of the organisation. Successful organisations find ways to capitalise on this basic "good-will".

Successful organisations, although providing reasonable compensation, benefits and facilities for their employees, want to ensure something more. They want their employees to feel as if they work **with** management and not **for** management. For this change in attitude employees need to feel that they are treated fairly, that their efforts are appreciated, and that they are respected as individuals and not just as contributors to the organisation. In particular they need to feel that their jobs are secure and that when new jobs or training opportunities are available they will have a fair chance at them.

Successful organisations want this "sense of belonging" because they instinctively feel that this is the proper and civilised way to run an organisation. They also want it for utilitarian reasons. Only employees who feel secure and respected will be willing to risk a transfer to a new area of high priority work. By investing a little in their employees, successful organisations can recoup several times their investment. This makes good business sense.

Repetition

Statistics Canada has introduced a number of mechanisms designed to build this sense of "pulling together". Each by itself only has a small effect on the change in behaviour of its 5,000 employees and even less on the eventual change in attitudes. The real impact comes from the cumulative effect of hundreds of such mechanisms which all repeat and reinforce the same basic message: Let's all work together as one cohesive organisation to make Statistics Canada the best possible.

Some of the mechanisms which have been introduced over the years at Statistics Canada and which have had some success in contributing to this sense of "pulling

together" are summarised below. Although none are unique, the list is limited to those which were concocted in-house.

Mechanisms

Internal Cost-Recovery

In the past, managers received internal services such as computing or publication services at no cost to them. As "free goods", decisions were made which were not the most efficient. In order to prevent the abuse of these scarce corporate resources Statistics Canada imposed quotas on their use. This, however, led to unfair penalties on many deserving users and windfall profits for those who were willing to invest the effort needed to "working the system". All this led to more inefficiencies.

The budgets for these central services have now been distributed to each manager; the funds can be used by the managers, either to purchase back these services, to buy equivalent services from outside the department or to forego the services entirely and use the funds for other purposes. Statistics Canada's experience has been that the service units themselves have become more efficient, more price competitive and more client-oriented. Users have also become more knowledgeable about their purchases. They are also more knowledgeable about information processing, more appreciative of planning, more aware of the need for strategic investments and the trade-offs that might be involved.

The Agency initially took a risk in maintaining these service units when there was no guarantee of sufficient cost-recovery. The experiment not only succeeded in covering the costs but also in generating overall efficiencies and economies of scale for Statistics Canada. In some cases this "cost recovery" discipline has led to a total re-engineering of the process, for example, the supply and equipment acquisitions process is now essentially a "one-stop-shopping" operation.

In general managers have more of a corporate perspective regarding the importance of productivity. In this way this market discipline seems to have affected attitudes on a wide scale.

Management Committees

In the past, line managers felt that administrative decisions were taken by administrative specialists with little concern for the impact on operations units. This has been corrected by the establishment of a series of management committees covering such areas as: professional recruitment; training and career development; redeployment; official languages; employment equity; contracts and acquisitions; informatics; publications; marketing and others. Just about every area of corporate

decision-making is represented by a committee composed of about ten senior line managers; all senior managers in turn are members of at least one of these committees and membership is rotated on a regular basis. The administrative specialists are represented on their committees but line managers take the initiatives and approve the decisions.

In this way the Agency has benefited from the wisdom of a broad cross-section of its managers, the managers have developed a sense of ownership and responsibility for their committees' subject area, and administrative specialists have developed a greater responsiveness to their internal clients. Even more remarkable, certain line managers have emerged as natural leaders and "product champions" for products which previously were seen as the responsibility of internal service areas. Some of the Agency's biggest successes are in training and development, official languages, employment equity and professional recruitment.

Corporate Planning

Statistics Canada devotes a great deal of time and effort to its corporate planning process and so far it has been worth every penny. The process is: top down, bottom up and top down again. In early Autumn, broad corporate priorities are identified and communicated to all managers (the first top down phase). Throughout the Autumn, about a dozen teams of managers (i.e. 10 to 12 on each team) meet to identify new proposals for funding, planned efficiency gains (1 per cent of budget is mandated) and their lowest 5 per cent priority programmes (also mandatory). This is the bottom up phase. These results are reviewed by four syndicates of senior managers. The results are discussed in plenary at a three-day conference, each January. This meeting also serves as an "accountability session" regarding the largest projects approved in previous years. Based on the three-day conference final decisions on priorities and on resource allocation are taken by the Senior Executive Committee in February and communicated to all managers (final top down phase).

This process is very costly both in terms of time and also in terms of the involvement of almost all Statistics Canada's middle and senior managers. What does it get in return for this investment?

- **Productivity:** By mandating a quota of efficiency proposals, managers are challenged to be constantly alert for opportunities to improve efficiency. At the same time managers are encouraged to request upfront investments that might be needed, provided that the proposition "pays for itself" over three years and after that provides on-going savings.
- **Innovation:** By requiring that all managers identify their lowest priority programmes, the Agency provides a source of resources for new innovative

ideas and priorities and helps to ensure a continual sense of dynamic renewal of its programmes.

- Sense of cohesion and ownership: By involving all middle and senior managers in the decision-making, they become involved in each other's programmes and in the overall goals of the corporation. In this way the sense of "pulling together" as one team is strengthened.
- Training: This helps to increase the knowledge skills and experience of the Agency's managers.
- Quality of Decisions: The Agency benefits from the combined wisdom and insights of all its best people.

A Comprehensive and Systematic Approach to Human Resource Management

In the past, many administrative decisions had been too centralised. Line managers needed to have more say and at the same time, administrative specialists needed to be more client sensitive; the management committees and cost recovery procedures have helped significantly in this regard.

However, the opposite was the case with respect to programmes in Human Resource Management. Too many decisions regarding new hires, job training and career development had been delegated to hundreds of managers. Efforts were uncoordinated and were not producing the best results for the department overall.

Professional Recruitment: The intake of new professionals (economists, sociologists, demographics, geographers, mathematicians and computer specialists) has been centralised. Instead of waiting each year for some 100 managers to make decisions regarding their needs, a corporate committee anticipates the needs ahead of time and takes the initiative on campuses at a time when Statistics Canada can expect to attract the best. The Agency takes the risk of funding these new professionals if they are not placed with line managers. For the first two years the new professionals are rotated through four six-month assignments, at least two of which are in areas outside their specialisation. Almost all the new professional intake is conducted through this programme and the quality of new entrants has improved immeasurably.

Training: As recently as five years ago, the Agency did not do much in the way of training. What was done was limited and was related to the teaching of courses in statistics, computing and management. While these courses were open to all, the convention was for mathematicians to take statistics, computer specialists to take computing, and middle and senior managers to study management techniques. There was no comprehensive framework for training where the basic knowledge,

skill and experience needs for each major career stream and at each career level could be identified. Planning for training was not part of the Agency's culture. On-the-job training filled most of the training void. While unquestionably an important element in any training programme, a reliance on work experience alone was expensive and inefficient.

Such an approach also ensured that there were serious gaps in what was offered to both new recruits and on-going staff. Moreover, it meant that the Agency had no way to minimise the loss of human capital every time one of the more senior and experienced employees left. In fact, the major survey taking organisation in Canada did not offer a skill-building course in survey-taking techniques to its survey-takers. It did not have a single overview course on integrating frameworks - such as the system of national accounts - and nothing on the census or major household survey programmes. There were no courses to teach support staff the skills that are essential to maintain high standards and ensure the quality of their work. While extolling the virtues of analysis in the effective functioning of a statistical agency, there was not a single course to instruct staff in the basic tools and approaches to data analysis. Finally, while insisting on a drive towards efficiency, the Agency did not have a programme to provide micro-computer skills.

Statistics Canada spent considerable time and resources over the last five years to turn this situation around. It started by setting out what it wanted to accomplish through its investment in training:

- improved staff productivity;
- ability of staff to adapt readily to changes in priorities or technology;
- increased versatility of staff permitting them to be used where they are needed most;
- greater cohesion and symbiosis from staff through networking;
- improved retention rate because of improved career development opportunities.

Based on these goals, Statistics Canada decided to expand its training activities in the most important directions from less than 1 per cent of its budget in 1986-87 to almost three per cent in 1993-94. It is now felt that there is a well-functioning programme which will fill some of the gaps noted earlier.

Training is overseen by a committee of senior managers who have developed an overall strategic plan outlining the knowledge and skill requirements of each area of the Agency and at each career stage. Some of the Agency's best people have

been reassigned to teach these courses in order to get the highest quality training, and also to broaden the experience of senior professionals and help involve them in the overall training vision. Five new training initiatives merit special mention:

- **Survey Skills Development Programme:** This course involves four weeks of class work followed by two weeks on location where the participants design and implement an actual survey. Ten courses (250 participants each) are completed each year. About 500 employees have completed this course so far. It provides technical skills in survey-taking and also provides experience in project management, media relations, and dealing with the public. Some seats are available for outside participants.
- **Survey Support Certificate Programme:** This is a three-week counterpart to the Survey Skills Development Programme for clerical and operational staff. Approximately 200 employees take it each year.
- **Data Analysis and Presentation Course:** This three-week course is targeted at professionals and covers integrating data, basic analytical tools, graphics and writing. The third week involves a case study and report. Approximately 150 employees have completed this programme.
- **University Certificate Programme:** Statistics Canada negotiated agreements with the University of Ottawa and Carleton University to conduct courses in economics and sociology in areas which are particularly relevant to its work. Several of the courses are given by Statistics Canada's senior professionals. Completion of the courses earns a certificate and degree credits. Plans are underway to expand this programme to include courses in statistics and accounting.
- **External Clients:** A number of outside organisations have contracted with Statistics Canada to obtain seats on these courses and in some cases to modify the courses to produce a more tailor-made product for their needs.

Career Development: The goal in the area of career development is to provide an environment where employees can see beyond their current jobs to a series of needs which the organisation will have in the future. At the same time the employees can see clearly the skills, the training and the types of experience required to meet these needs.

By helping employees acquire these broad qualifications Statistics Canada increases their versatility and adaptability; it also creates an understanding of the importance of the horizontal dimension in managing an organisation, that is the importance of learning to consult and even depend on help from colleagues throughout the

Agency. By clearly publishing career development plans for all employees transparent procedures are established so that all employees know where they stand.

Statistics Canada has developed four major programmes of rotational assignments to assist employees with their career development:

- Entry level professionals: Four six-month assignments in various parts of the department;
- Section Chiefs: Selection through a generic competitive process in which most Section Chief vacancies are pooled and the qualifications include a high level of general management knowledge and potential, normally associated with experience in several different subject matter and functional areas. Aspiring Chiefs know early on that they should acquire broad experiences in order to improve their chances of success;
- Assistant Directors: Similar approach to that being developed at the Section Chief level; in addition all new Assistant Directors are appointed to a corporate pool. This means that Assistant Directors are considered to be corporate-wide resources and therefore explicitly available for a variety of assignments. In these cases successful candidates are rotated immediately. There is therefore less tendency for selection board members to select their "favourites sons and daughters";
- Directors and Senior Staff: All personnel moves are reviewed and authorised by the Senior Executive Committee of the department. Directors are considered as corporate-wide resources and emphasis is placed on a variety of career-broadening assignments.

In addition to this framework of assignments and training the Agency provides a number of other programmes to assist in career development:

- Assignments organised through the Corporate Assignments Division (CAD) which plays the role of broker between Divisions seeking temporary assistance and employees interested in diversifying their career. Over the last 10 years, more than 2,000 assignments were brokered;
- Informal assignments organised within divisions;
- Temporary work on committees and task forces;
- Internal sabbaticals where professionals can take a year off their regular work to pursue an area of research of their choice. Their work is subject to review by a committee of peers.

It is felt that these four major efforts (internal cost recovery, management committees, corporate planning and comprehensive approach to training, recruitment and career development) are beginning to pay off in terms of improving the corporate perspective of Statistics Canada's managers.

Client Needs

Having the best trained and motivated staff, the most productive systems and the latest equipment will be of little value to Statistics Canada if it does not maintain an up-to-date and perceptive awareness of client needs. As a service organisation Statistics Canada must have current feedback from its users. As a professional organisation Statistics Canada must be in constant contact with its peers, both domestically and internationally. As an innovative organisation Statistics Canada must maintain an extensive network of consultations with as many diverse sources as possible.

For these reasons Statistics Canada devotes much time sharpening its listening antenna and promoting feedback. Some mechanisms are:

- Advisory committees composed of clients and covering each subject matter area (e.g. statistics in agriculture, transportation, labour, education). The director of the relevant statistical division within Statistics Canada is the secretary for the Committee, and as such obtains immediate and on-going feedback regarding the relevance of his or her division products;
- The National Statistics Council is the counterpart of these Advisory Committees for the whole of Statistics Canada. It provides indispensable advice on priorities and major areas of concern;
- Statistics Canada deliberately devotes substantial time and resources to participating actively in domestic and international associations and in other meetings in order to get views from as many sources as possible;
- Statistics Canada invests in independent and expert programme evaluations;
- Statistics Canada sets the prices for its publications at rates comparable to similar market publications. In this way it gets a true reading on their relevance and use;
- Statistics Canada devotes a unit of specialists to systematically analysing current cabinet documents and government plans. In this way it anticipates emerging statistical needs;

- Statistics Canada has set up a series of bilateral consultation groups with major clients among the federal departments;
- Statistics Canada conducts regular consultations with contacts in the different provincial governments.

Accountability

Along with the transfer of authority to managers the organisation must ensure a corresponding level of accountability.

Managers know ahead of time that they are required to report periodically and in a visible manner for their results. Two new mechanisms are worth mentioning:

- **Programme Presentations:** Once every three or four years, each director is invited to provide a two-hour presentation (including discussions) to a special meeting of all senior staff (i.e. the top 20 executives). This builds up a shared knowledge base about programmes, the particular challenges they face and the potential impact of marginal resource changes. They also provide opportunities for developing presentational skills;
- **Annual Programme Reports (APR):** Each year in June, every director is required to submit to the Chief Statistician a comprehensive written report on his/her programme. Mandatory topics include: particular achievements of the previous year, productivity measures and initiatives for productivity improvement, high and lower priority areas, client satisfaction measures, significant threats, challenges and opportunities, and programmes in areas of corporate interest such as: training, career development, internal staff communications, employment equity, and language of work. What makes this programme work is that the Chief Statistician provides personal in-depth feedback to all such reports.

Internal Communications

Two major changes in internal workings were started a few years back. Both have a profound impact on the ease with which information is passed from the top down through the hierarchy. They also promote the free flow of views from employees and managers to the top.

Skip Level Briefings: The senior executive committee of the department (top seven people) meets each week. Each of these senior managers is required to conduct briefing sessions on discussions which occurred and decisions which were taken. These briefing sessions occur the same week and are open to management two levels down. These managers in turn are responsible for conducting similar

meetings with their staff two levels down. In this way a large number of staff remain up to date weekly with the most senior decisions of the Agency.

Chief Statistician Lunches: The Chief Statistician meets each senior manager (two levels down) twice a year over lunch. This one-on-one occasion is open for discussions which would not normally occur in a more formal meeting. The Chief Statistician also has lunch twice a year with some 60 directors in groups of ten or so. Both of these occasions often provide access to invaluable insights and functional information that might not otherwise be received.

Orientation Course for New Employees: In the past the Chief Statistician and senior managers made an appearance and said a few words. When time came for questions few of the new employees were willing to risk venturing forward.

The course designers introduced a preparatory session where work groups of new employees are formed the day before the Chief Statistician's arrival and are given the task of identifying the key issues. After discussions, members volunteer to pose the questions. This interactive session is then followed by a "coffee and cookies mingling session" in which the new employees can pursue some questions with senior managers and the Chief Statistician.

Noon Hour Presentations: Statistics Canada is fortunate in that ninety per cent of its staff is located in a three-building complex in Ottawa. This means that at any time some 5,000 employees have access to the conference rooms through the corridor links. This means that noon-hour lectures (brown bag lunches) can be organised on a variety of topics and, with a minimum of advertisement, an audience of 50 to 100 is guaranteed. This helps to inform employees about current topics and also bring employees together who would not otherwise meet.

CONTACT: This programme, which is widely advertised, facilitates the communication of an individual employee on a confidential basis directly to the Head of the Human Resources Branch. The Head of Human Resources makes two guarantees: that a prompt answer will be provided, and that the employee's identity will not be revealed to anyone without his or her permission.

Job Security

All its employees understand that Statistics Canada is going through difficult times. Programmes and budgets are being squeezed and lower priority programmes must be moved aside. The standard response of many organisations to employees on the question of job security is that they will do their best to help individuals in the event that they are affected, but that no guarantees can be made. The problem with this approach is that management cannot then approach these same employees and ask them to risk their job security by leaving their secure line position to undertake

a new high priority project which may or may not survive. They cannot expect employees to risk their reputation by innovating new imaginative procedures which could result in efficiencies and the eventual elimination of their jobs, or alternatively could end up not working and threatening their careers.

Statistics Canada pre-empts this situation by making a blanket guarantee up-front that no well-performing permanent employees will be laid-off. The cost implications of this are not inconsequential. The Agency must constantly plan ahead, anticipating changes in budgets and revenues. It must balance its level of temporary employees with productivity gains.

Statistics Canada has succeeded in gradually building a culture over the past decade where people actually believe it when it says: no lay-offs! Statistics Canada can proudly state that it has not had one involuntary lay-off in over 15 years.

Fairness in Selection

Statistics Canada recently conducted an employee opinion survey of all employees in which the results were very encouraging. On matters such as working at Statistics Canada, the quality of their jobs, the quality of their supervisors, the responses were extremely positive. The one area which in comparison was weaker was the perception which employees had of the fairness and transparency with which employees were selected for new jobs, or for training and rotation opportunities.

To get at this difficult area of perception the following measures were implemented:

- **Supervisor/Supervisor Interviews:** Every manager is required to conduct a one-on-one personal counselling session to discuss career development and training opportunities with each of the employees under their responsibility, two levels down. This session must be scheduled and conducted (unless the employee refuses) once every two years. Managers are required to agree with their employees on schedules for training and rotational assignments. Division Directors are required to report in their Annual Programme Report (APR) and provide a summary of the career development plans agreed to in their division.
- **CAD After Four:** All employees in the department are eligible to participate in the Career Assignment Division (CAD) programme where employees can be seconded or moved to new work areas for periods ranging from a few months to a few years. This is an invaluable mechanism to get a chance in a new area where employees could not normally qualify through competitions. Statistics Canada currently has about 450 employees or 10 per cent of its workforce on CAD.

Approval is required, however from the employee's supervisor and many employees felt they were being prevented from gaining valuable new experience when this approval was refused. Statistics Canada has now instituted a new rule whereby employees with more than four years in one job and level are eligible to apply for CAD without the approval of their supervisor. They become "free-agents".

- Monitoring of Merit: The Senior Executive Committee conducts quarterly reviews of all contentious job classification and selection processes. Special attention is focused on long-term acting situations in vacant positions and promotions without competitions. The selection processes must be fair and must be seen to be fair.

Participation in Decision-making

A number of initiatives have started throughout Statistics Canada which are called "Participative Work Design".

In a typical situation, a division identifies a number of areas which need improvement, i.e. re-organisation of the division reporting relationships; need for new computing equipment or office facilities; need for more effective work procedures, and so on. Instead of dealing with these tasks with the senior management of the division the following process is used:

- A plenary session is held with all staff to explain the goals (perhaps off-site);
- A series of sub-committees are established, one for each task area;
- Volunteers are obtained for each sub-committee. Sub-committees can include a mix of managers and other employees not necessarily from the same work unit;
- Sub-committees elect their own chair, not necessarily a senior person;
- Sub-committees report periodically on progress to senior management;
- At the end of a set period a progress report is presented at a second plenary session of all staff (could be off-site);
- Decisions are taken on conclusions and needs for further work design efforts.

Three such formal initiatives are underway. Only preliminary results have been received; so far this process is very promising.

New Directions

Although Statistics Canada has made considerable progress over the past decade, there are still gaps in its management practices and areas which have not yet been as successful as it would like.

Training

Now that Statistics Canada invests some ten million dollars annually in training, it needs to develop methods to evaluate how much value is being received for its investment. Also a number of gaps remain in the training framework and these need to be addressed. For example the Agency will be developing a major training effort in marketing this year.

Career Development

In the past, most decisions regarding promotions, career broadening assignments and training were based on local unit considerations. Statistics Canada has attempted to move somewhat towards a decision-making process which focuses more on its overall needs. Although some progress has been made, much more remains to be done before it will have substantially changed its culture.

Professional Recruitment

Given the current difficult budget situation there is a strong urge to freeze all future professional recruitment until things improve. This would be shortsighted and would result in a gap in the Agency's career progression framework in decades to come. Once an organisation settles on a small number of fundamental human resource priorities (e.g. investment in training, career development through department-wide rotation and regular professional recruitment) it is critical that these programmes develop continuously and not be subject to the volatility of budget fluctuations. Sacrifices will have to be made to maintain the professional intake at a consistent if modest level.

Generic Positions

With some exceptions, the Agency currently uses a system of tailored job descriptions for each position. This means that much valuable time is spent describing and updating individual job descriptions to reflect minor variations which have no significant impact on the organisational structure or on compensation levels. Also it encourages employees to view themselves as isolated units rather than as part of the corporate whole.

As part of a government-wide initiative, the department is currently undergoing a major revision of its job classification structure, and it intends to seize this opportunity to consolidate individual job descriptions into a smaller number of generic descriptions. So far, over 1200 administrative jobs have been consolidated into 20 descriptions and have been computerised. This will save on paperwork, facilitate career development through rotation and increase operational flexibility.

Work Design

Statistics Canada will be monitoring these initiatives closely and, if they are successful, more such efforts will be encouraged.

Supporting material

- (i) The Manager's Deskbook, Treasury Board of Canada, Third Edition
- (ii) Treasury Board Manual, Human Resources volume, Chapter 1-3
- (iii) Treasury Board Manual, Training Guide (Supplementary Volume)

1.3 Enhancing staff training and development (policy)

This entry provides an overview of the training and development policy which has been designated by Treasury Board as a key policy for the management of human resources.

Staff training, an essential function of people management, aims to maintain a Public Service of the highest quality.

The context for change

Training and development are seen as an integral part of effective and efficient human resource management and have the following objectives:

- to ensure that training will provide employees with the knowledge and skills they need to develop and implement current and future government programmes;
- to make it easier for employees to achieve their career plans that are consistent with organisational skills;
- to make it easier to achieve specific people management objectives of the Public Service, such as employment equity;
- to ensure that training is provided when it is appropriate and cost-effective.

There is a connection between training and development and setting criteria for recruitment and selection. Although staff should normally be recruited with the knowledge and skills required to perform their duties, training must be provided to meet current or future job requirements. As well, performance appraisals can be tied to training and development. Finally, managers must provide the training they consider necessary to maintain an effective and efficient workforce and to accommodate specific human resource management objectives such as employment equity.

Implementing change

As employer of the Public Service, Treasury Board is responsible for:

- determining requirements for the training and development of personnel in the Public Service and fixing the terms on which such training may be carried out;
- setting Public Service training policy and monitoring compliance; and
- determining service-wide training needs and priorities.

Managers must determine training needs and authorise participation in training and must base training needs and priorities on operational and human resource requirements. Managers may only approve training where it is demonstrated that training is the most cost-effective way of meeting identified needs. Also, managers must provide the training they consider necessary to maintain an effective and efficient work force and to accommodate specific human resource management objectives such as employment equity. They may assist employees to pursue personal development goals by contributing to the costs of courses taken outside working hours or by granting leave without pay. Where indicated, departments must manage and administer training programmes in accordance with the standards identified in the training guide of the Treasury Board Manual.

Supporting material

- (i) The Manager's Deskbook, Treasury Board of Canada, Third Edition
- (ii) Treasury Board Manual, Human Resources volume
- (iii) Training guide (TBM supplementary volume)

1.4 Enhancing staff training and development (application)

Throughout the Public Service of Canada, staff training and development is given high priority. Despite a long series of cutbacks to operating budgets generally, training and development has in most cases been maintained at the previous levels and in some cases has even been increased. At the same time, there has been close attention to the purposes, co-ordination, and cost-effectiveness of training and development, so its overall effectiveness has probably increased in recent years.

Training and development is provided on a wide variety of subjects:

- Specialist skills and knowledge directly related to one's current or prospective job (e.g. training of air traffic controllers). These continue to be important, as the job content becomes more complex and varied, and as updating is required;
- Generalist skills required for job enrichment and wider participation in the department and in the Public Service. This is increasingly important with the advent of re-engineering and self-managing work teams. In addition, there is an increased emphasis on deployability of staff to different functions. (The classification scheme has been overhauled to facilitate this. The majority of employees are now in one general classification - the "GE" group.);
- Training needed for taking advantage of new technology and working arrangements, e.g. computer skills, networking, and telecommunications;
- Continuous and adaptive learning, including "learning how to learn";
- People-related skills and principles, such as ethics and the management of diversity. This is of increasing importance in view of public expectations and continuing large-scale immigration and social change;
- Service-related skills and approaches, e.g. training in service quality. This is being propelled in part by a major initiative on Service Standards, similar to the Citizen's Charter in the U.K.;
- Language training. This continues to be important, given the bilingual character of Canada and the public service.

On all of these counts, there is an increased requirement for staff training and development.

The context for change

The renewed emphasis on staff training and development stems in large part from Canada's Public Service reform initiative ("Public Service 2000", now simply called "Public Service Renewal"). Among the task forces providing advice and input for the renewal initiative was one on Staff Training and Development.

Recently, there has been an increased emphasis on organisational learning, which complements, reinforces, amplifies, and shares the learning which occurs at the individual level. Isolated individual efforts are not enough. It is important for the organisation as a whole to learn and to benefit from experience; a corporate memory is essential.

Related to this is the co-ordination of individual learning, including through training plans and appraisals.

Implementing change

As a first step, it is essential to identify the needs and objectives for staff training and development. This is done to varying degrees of detail and sophistication by the different departments and suppliers. The most thorough-going approach is the "Systems Approach to Training" (SAT), used by Training and Development Canada.

It is also a matter of policy that the responsibilities and roles be clarified and understood. In the first instance, it is the individual employee who is responsible for his or her own learning, for being a motivated self-starter. It is the responsibility of management to ensure that employees are given the opportunity to learn within the departmental career development framework, and to ensure that such a framework exists.

For public service staff, there has been a widening of choice among providers of training and development. In particular, there has been a trend towards optionality and individual choice. For example, the inter-departmental services provided by Training and Development Canada (a Special Operating Agency within the Public Service Commission) are optional, and the intra-departmental services provided by the Transport Canada Training Institute (a Special Operating Agency within Transport Canada) will become optional after a three-year period. In some cases, an account is established which can be used by the individual at his or her discretion. For example, the Canadian Centre for Management Development has a book purchase account for each faculty member.

At the same time, there has been a widening of markets for the service providers themselves. For example, Training and Development Canada, the Transport Canada Training Institute, and the Canadian Centre for Management Development all have an increasing number of international contracts, and are becoming international centres of expertise on certain subjects.

There has been a greatly increased emphasis on the importance of continuous or ongoing learning. Various estimates indicate that more than 90 per cent of the relevant learning occurs informally and on the job, rather than through formal development and training.

Staff training and development is provided and conducted in a variety of ways, including the following:

- Training is provided on a service-wide basis by Training and Development Canada, which focuses on skills of general application (e.g. writing) and on skills and knowledge which are needed by specialist communities across the government (e.g. financial management courses);
- Departments are providing a substantial amount of their own training, and some of the larger departments have established their own training institutes. Examples would include the Foreign Service Institute and the Transport Canada Training Institute. In fact, 90 per cent of all training of federal public servants is done within their departments;
- In line with a concern for organisational learning, departments are also taking a more systematic approach to internal co-ordination and planning sessions, and are designing these with a significant training component. This approach is used by a number of departments which have Total Quality Management initiatives;
- Public servants are generally reimbursed for at least a share of the costs involved in taking university or college courses on their own time (in some situations 50 per cent or more of the costs). Certain of the more scientific departments also support a number of public servants each year on educational leave who are either fully or partially funded;
- Employees themselves are planning and co-ordinating a significant amount of their own learning. A number of departments have established self-learning centres, often using computer technology. In many cases, the employees have taken the initiative to organise briefings and information sessions, often on their own time.

Supporting material

- (i) Report of the Public Service 2000 Task Force on Staff Training and Development
- (ii) Training and Development Canada: Course Calendar
- (iii) Training and Development Canada: Systems Approach to Training

1.5 Achieving a mission orientation

This entry looks at the Government's philosophy regarding the development of a mission statement.

The Government wants to create a client-oriented Public Service. Departments are asked to develop a mission statement. This statement should be developed in close consultation with employees at all levels, and provide members of each department with a charter to guide their activities.

The context for change

Mission statements are important tools in achieving the highest standards of performance and in guiding all departmental employees toward common goals. They express what a department is all about. They create a vision and a yardstick by which the organisation can structure and manage itself. They help to create an environment within which improvements in service and efficiency are more readily achieved. They are meaningful only if they are translated into concrete action.

Mission statements represent a vision for the future and a blueprint for development, change and improvement.

Each department is encouraged to develop its own mission statement. It should reflect the mission of the Public Service generally, support the importance of an adaptable and consultative management, and incorporate specific service-oriented objectives.

Implementing change

Developing a mission statement is both a top-down and a bottom-up exercise, involving staff at headquarters and in the regions and from all sectors of the organisation. Where they have been carried out, these exercises have fostered collegiality, teamwork and productivity throughout departments. They have helped strengthen individual participation in departmental renewal and ownership of a unified organisational culture based on quality service. The *process* of developing a mission statement is much more important to the organisation and its employees than the resulting words themselves. By permeating all levels of an organisation, the process of renewal will endure and become irreversible.

- At Agriculture Canada, for example, over 4,500 employees participated directly in the development of the department's mission statement. The Deputy Minister of Agriculture conducted a cross-Canada tour to consult and promote the mission statement to all employees. Over 100 initiatives are currently under way across the department to promote mission values.
- At Correctional Service Canada, the mission statement exercise led to over 3,500 concrete proposals from staff; almost all have been acted upon. This process is described in Jim Vantour ed. *Our Story: Organisational Renewal in Federal Corrections*, especially chapters Three-Five.

Supporting material

- (i) Managing Change in the Public Service - A Guide for the Perplexed. The Task Force on Workforce Adaptiveness, Public Service 2000, 1991
- (ii) Public Service 2000. A Report on Progress, Paul M. Tellier, Clerk of the Privy Council and Secretary to the Cabinet, 1992
- (iii) Jim Vantour, ed. *Our Story: Organisational Renewal in Federal Corrections* (Ottawa: Canadian Centre for Management Development, 1991)

1.6 Staffing the Public Service - the Public Service Commission

In Canada, the Public Service Commission (PSC) is responsible for staffing the Public Service. All other personnel matters such as job classification, staff relations and compensation are the responsibility of the Employer, the Treasury Board of Canada.

The policies of the PSC flow from the legislation that governs employment in the Public Service, which is the *Public Service Employment Act* (PSEA), whereby the PSC must ensure that Public Service employees are appointed on the basis of merit - the best qualified person.

In 1992, Parliament passed the *Public Service Reform Act* amending the PSEA to improve the PSC's ability to realise its mission. This legislation was the first major set of amendments to staffing legislation since 1967 and was a consequence of Public Service 2000 recommendations to streamline public service practices.

The requirement to select people for appointment on the basis of merit was retained as the basis for appointment in the revised legislation. Merit, as interpreted by our courts, means that the best qualified person must be appointed. In theory, this would mean that each appointment would require an exhaustive search across Canada to find the best possible person for the job. Clearly, for most jobs, this is neither practical nor in the public interest. Thus, for practical reasons, the PSEA provides for some limitations on this requirement. For example, competitions may be restricted to persons in certain geographic areas; preference may be given to hiring locally; and competitions may be restricted to employees only. These limitations not only save time and money, but also recognise the contribution and value of employees and the importance of providing them with career opportunities.

With regards to the application and protection of the merit principle, the PSC is responsible for the development and management of legislation, regulations, policies, standards of selection and assessment, instruments of delegation and programmes pertaining to appointments to and within the Public Service. The PSC recruits and refers candidates from outside the Public Service, and co-ordinates and manages post-secondary recruitment programmes. Although most of its powers have been delegated to departments, the PSC is responsible for those staffing issues that have not been delegated to departments, and monitors and audits staffing activities and issues, and manages appointment-related information. The PSC develops assessment instruments and operates assessment centres to evaluate a variety of skills and abilities. It is also responsible for certain programmes and services on behalf of the Treasury Board such as workforce adjustment,

employment equity programmes, and labour market and public service workforce analysis.

One of the PSC's authorities that has not been delegated to departments is the recruitment, selection assessment and career counselling of members of the Executive Group. It also administers the Treasury Board's development programmes for executives and feeder groups. These programmes include the Career Assignment Programme, the Interchange Canada Programme, the International Assignments Programme, the International Exchange Programme, the Business/Government Executive Exchange Programme and the Employment Equity Initiatives Programme.

In developing staffing policies related to appointments, the PSC ensures that they reflect the values underlying selection according to merit, namely fairness, equity and transparency:

- Fairness requires that staffing decisions be made objectively and free from political or personal patronage and nepotism. It requires that qualifications be fairly set and pertinent to the job being staffed, and that employees and applicants be treated justly and assessed on the sole basis of their qualifications for the job.
- Equity means equal access to employment opportunities. It requires that staffing practices be free from systemic and attitudinal barriers and that appointments be made without regard to such factors as a person's race, national or ethnic origin, colour, sex, age or disability.
- Transparency dictates that staffing decisions be communicated openly and on a timely basis to employees who could be contenders or otherwise interested in the matter. Transparency also requires that individuals have recourse when selection processes affect them.

The context for change

In order to put an end to patronage appointments of public servants that resulted in questionable quality and a complete turnover after the election of each new government, Parliament adopted the *Civil Service Acts* of 1908 and 1918 to ensure that public servants would be appointed on their merit - the best qualified - and therefore maintaining a non-partisan Public Service. According to this principle, appointments to and promotions from within the Public Service had to be based on the assessment of the personal and professional qualifications of candidates, without regard to their affiliation with a given political party, or their political allegiance. An independent commission reporting directly to Parliament and not to the

government of the day was therefore established in 1908 to ensure the competence and impartiality of public servants.

A major change under the *Public Service Reform Act* was the implementation of a new system of deployments, subject to Treasury Board direction, which enables managers to move employees more easily to a position at the same level, either to meet operational requirements or to give employees the opportunity to acquire new skills. It was also recognised that flexible staffing arrangements are required to allow managers to provide the best possible service to the public. The amended legislation allows departments to respond quickly to urgent or short-term operational needs by hiring people on a short-term basis without applying the normal merit process.

Since its very beginning, the PSC has paid close attention to the concerns of employees and has always sought to ensure just and equitable treatment for all in matters related to employment. Avenues of redress were legally instituted in 1961. The PSEA provides a right of appeal with respect to appointment and recourse mechanisms on deployment. It also gives the PSC the power to conduct investigations regarding staffing matters and harassment.

Implementing change

The thrust of Canadian policy has been to assign personnel management responsibilities to line authorities and to hold them accountable for how they perform. There have been similar efforts to simplify the financial and administrative regimes and to shift the emphasis from central control to decentralisation.

The delegation by the PSC to deputy heads typically includes such staffing authorities as selecting an appropriate method of staffing, establishing qualifications, choosing an area of competition, carrying out the assessment of candidates, and making the appointment to positions within most occupational groups and levels. The delegation agreement established between the PSC and each deputy head defines lines of accountability through a clear expression of expectations and performance indicators. In addition, the agreement outlines the manner in which the deputy head can then sub-delegate this authority to selected line managers - or personnel officers - thereby providing the necessary authority and flexibility to manage human resources effectively.

In making the decision to staff a position, managers have to consider their operational needs. They have to define the type of work to be done. Do their needs require someone to work for a short-term or on a permanent (indeterminate) basis? Are their needs full-time or part-time, continuous, intermittent, seasonal, or

cyclical? Once they have determined the resources required, the kind of work to be done, and whether it is ongoing, of short but fixed duration, or seasonal, managers are faced with choosing options and making decisions in several staffing areas. In each area, the PSC has a fundamental governing policy. The policies are as follows:

- qualifications specified for a position must be based on the duties and responsibilities of the position and the context in which these are to be performed;
- individuals who are entitled to a priority for appointment (Sections 29, 30 and 39 of the PSEA) shall be appointed, in priority to others, to positions for which they are qualified or for which they may be retrained pursuant to the workforce adjustment policies;
- consideration shall first be given to filling a vacancy through an internal selection process; promotions normally occur as a result of a competitive process;
- recruitment from outside the Public Service may be initiated when it is considered to be in the best interests of the Public Service and should normally occur through a competitive process;
- an area of competition should ensure consideration of a broad pool of candidates to allow a meritorious selection;
- assessment methods must cover all qualifications and allow for the selection and appointment of candidates according to merit;
- appointments shall be made without regard to such factors as a person's race, national or ethnic origin, colour, sex, age or disability, thereby fostering the equitable representation of all segments of Canadian society in the Public Service labour force;
- unsuccessful candidates or persons adversely affected by a staffing decision shall be provided with appropriate recourse; and
- for the benefit of both the employee and manager, a probationary period following appointment from outside the Public Service is normally to be provided.

Merit has been the basis of staffing for over 85 years in Canada. In 1992, Parliament reaffirmed the importance of having a non-partisan, highly qualified Public Service when it passed the *Public Service Reform Act* which amended the

PSEA but did not change the fundamental principle of appointment according to merit. Although the values underlying selection according to merit will evolve, time has proven the success of the merit system.

Supporting material

- (i) Public Service Employment Act
- (ii) Public Service Employment Regulations
- (iii) Staffing Policies and Guidelines
- (iv) Selection Standards
- (v) Staffing Support Information
- (vi) Profile of Public Service Leaders and Managers

1.7 Strengthening anti-corruption measures

This entry provides an overview of conflict of interest and post-employment requirements as set out in the Conflict of Interest and Post Employment Code for the Public Service (the Code). This policy has been designated by the Treasury Board as a key policy for the management of human resources.

It is Government policy to minimise the possibility of conflicts between the private interests and the Public Service duties of employees and to resolve any such conflicts in the public interest.

The context for change

The objective is to enhance public confidence in the integrity of the Public Service and its employees.

Various government bodies have responsibilities under this policy.

The Treasury Board as the designated authority will:

- review and rule on:
 - requests to supplement the compliance measures in the Code;
 - recommendations to designate positions below the executive level as subject to the post-employment compliance measures or to exclude positions from such measures; and
 - applications from employees or former employees to reduce the post-employment limitation period specified in the Code;
 - convene panels, as necessary, to advise on the application of the post-employment compliance measures in particular cases.

The Assistant Deputy Registrar General will:

- provide advice on the most appropriate arrangements required for divestment of assets;
- serve as trustee of a frozen or retention trust, if requested; and

- assess whether proposals for departmental reimbursement of costs incurred by employees in establishing trusts are appropriate.

The Public Service Commission is responsible for:

- establishing procedures to ensure that before or upon any appointment, appointees sign a document certifying that they have read and understood the Code and that, as a condition of employment they will observe it; and
- applying policies and establishing procedures and mechanisms to ensure compliance with the Code regarding Business/Government Executive Exchange and Interchange Canada assignments.

Implementing change

The current Conflict of Interest and Post Employment Code took effect on 1 January 1986. All employees are required to review their obligations under the Code at least once a year.

Employees must take measures to prevent real, potential, or apparent conflicts in accordance with the principles of conduct and measures in the Conflict of Interest and Post-Employment Code for the Public Service.

The deputy-head as designated official must:

- ensure that employees are informed of the requirements of the Code and that they comply with all its requirements;
- determine whether real or potential conflicts of interest exist and what action, if any, specific employees have to take;
- seek Treasury Board approval for any compliance measures that may be required, beyond those the Code specifies, to reflect the department's particular responsibilities or the statutes governing its operations;
- establish procedures for employees to report official dealings with former public office holders who are or may be governed by the Code's post-employment measures;
- conduct exit interviews with employees subject to the post-employment compliance measures before they leave the Public Service or review with employees their responsibility in this regard;

- ensure that bargaining agents are consulted at departmental level about the administration of the Code, including the implementation of any supplemental compliance measures and the extension of the post-employment requirements to positions other than those in the Management Category.

The deputy-head must request Treasury Board approval on the minister's recommendation to:

- designate any positions below the level of senior manager as subject to post-employment compliance measures; and
- exclude positions from the application of sections 41 and 42 of the post-employment compliance measures.

Supporting material

- (i) The Manager's Deskbook, Treasury Board of Canada, Third Edition
- (ii) Treasury Board Manual, Human Resources Volume, Chapter 3-1
- (iii) Public Service Staff Relations Act
- (iv) Treasury Board Manual, Contracting volume

1.8 Using performance incentives

This entry provides an overview of the Government's incentive award plan.

It is government policy to recognise Public Service employees for outstanding performance of their duties, for other meritorious contributions related to their duties, for practical suggestions for improvements and for long service.

The context for change

This is done in order to honour and reward those Public Service employees who have shown a willingness to make that extra effort in carrying out their duties, who have reached career milestones, or who have distinguished themselves in serving the public.

The process of performance review is related to the incentive award plan, through the ongoing monitoring of employees' accomplishments.

Implementing change

Organisations are encouraged to focus on such questions as:

- What is being done to recognise and reward employees for jobs well done, for contributions to more efficient or effective operations and for better service to the public?
- Is innovation promoted through suggestions?
- How aware are employees of the organisation's award programmes and procedures?

The idea for using performance incentives was put forward in December 1990, as part of Public Service 2000. The Government proposed to phase out performance pay and replace it with performance rewards, to be given at the discretion of Deputies. The difference is that only a portion of the reward or bonus is built into the salary base. Rewards are given through departmental and corporate awards.

Departmental awards

Long Service awards

Long Service awards, which recognise the faithful service of employees of the Government of Canada are presented to employees after 25 and 35 years of service, and to employees who are retiring after a minimum of 10 years of service in the Public Service. Some federal organisations recognise other milestones such as 20 or 40 years of service.

Merit awards

Merit awards are awards to employees who have significantly exceeded what has been expected of them in their jobs. Individuals and groups are eligible. In addition to a certificate, an individual employee may receive a cash award of up to \$5,000, and groups up to \$10,000. Employees who are part of a performance pay plan are not eligible for cash awards but may receive a non-monetary award worth up to \$200 including income tax.

Special awards

Departments and agencies may also develop their own special award programmes, such as Exemplary Service and Instant Recognition awards, to recognise important contributions by employees and managers. These must be non-monetary and have a maximum value of \$200 including income tax.

Suggestion awards

The Suggestion Award encourages Public Service managers and employees to look for new and better ways to do things. Departments bestow these awards to those employees whose ideas have improved the efficiency and effectiveness of government operations and service to the public. Award winners receive a certificate and may be eligible for up to \$15,000 in cash. The Executive Group is not eligible for cash awards.

Corporate Awards

Awards of Excellence

Every year, the Incentive Award Board selects the best and most exemplary departmental Suggestion and Merit awards from across the Public Service and recommends them to the President of the Treasury Board for additional recognition through Award of Excellence plaques.

Outstanding Achievement awards

Outstanding Achievement awards are presented to no more than five senior officials every year. Members of the Executive Group, deputy ministers and other

Governor-in-Council appointees are eligible. The award recognises outstanding career accomplishments, distinguished service of national or international significance, and sustained commitment to quality service to the public. In a ceremony that involves the Governor General and the Prime Minister, recipients are presented with a citation, a Canadian work of art and a gold pin.

Senior Officer Retirement certificates

On their retirement, senior officials who have served at the EX-4 or a higher level and equivalents and have a minimum of 10 years of public service may be eligible for Senior Officer Retirement certificates. The Governor General presents these certificates at Rideau Hall every year.

Supporting material

- (i) The Manager's Deskbook, Treasury Board of Canada, Third Edition
- (ii) Treasury Board Manual, Human Resources Volume, Chapter 1-6
- (iii) Public Service 2000: The Renewal of the Public Service of Canada, The Government of Canada, 1990

1.9 Codes of conduct

Individual departments and agencies have developed codes of conduct setting out provisions reflecting the specific nature of their organisations. General principles are set out in the Conflict of Interest and Post-Employment Code, discussed in 1.7 above.

The basic authority to determine rules governing the conduct of employees in the Public Service stems from section 11(2)(f) of the *Financial Administration Act* which states that the Treasury Board may "establish standards of discipline in the public service". The Act (s. 12) enables Treasury Board to authorise the deputy head of a department to exercise its powers and functions in relation to personnel management in the public service.

The context for change

Codes are prepared and distributed to assist employees in being aware of their responsibilities with respect to the standards of conduct expected by the department.

Implementing change

While codes are tailored to the needs of individual departments, general principles are set out through vehicles such as the Conflict of Interest and Post-Employment Code for the Public Service and the policy on Harassment in the Work-Place.

Under the *Public Service Employment Act*, every deputy head and employee, on appointment from outside the Public Service, must swear (or affirm) that they will faithfully and honestly fulfil their employment duties, and will not, without due authority, disclose or make known any matter that comes to their knowledge by reason of their employment.

Supporting material

- (i) The Manager's Deskbook, Treasury Board of Canada, Third Edition
- (ii) Financial Administration Act
- (iii) Public Service Employment Act

- (iv) Treasury Board Manual, Staff Relations Volume (Discipline)
- (v) Treasury Board Manual, Human Resources Volume.

1.10 Using contractual employment

The Canadian Public Service comprises approximately 235,000 employees. Of these, between 2 and 2.5 per cent are part-time employees; specified period or term employment varies between 10 and 15 per cent in individual departments.

As the pace of change of the Public Service has increased in recent years, the largely permanent composition of the Public Service workforce has made organisational change and workforce adjustments difficult. Employee attrition is at an all-time low of about 3 per cent per annum. A more flexible workforce would both facilitate change, increase efficiency and reduce the adverse effects of change on staff.

The context for change

Types of labour used in departments currently include:

Part-time

Part-time employees are those working less than the standard 7.5 hours a day or 37.5 hours a week. At present there are fewer than 5,000 part-timers in the Public Service. Because this employment type can increase resource flexibility, the Treasury Board Secretariat, as Employer, is encouraging departments to increase the use of part-time employment. This is to be done by approving requests of existing full-time employees who voluntarily wish to work part-time hours and by staffing more vacancies on a part-time basis.

Specified period (term) employment

Term appointments are made for a specific period of time to deal with such things as specific projects, workload fluctuations, and programmes which have sunset funding. Term appointments are also used to deal with organisational change or downsizing.

Seasonal employment

Seasonal employment is often used to deal with recurring and periodic workload increases. Seasonal employees may be hired on a term or on a permanent basis. Seasonal employees represent less than 1 per cent of the workforce. The use of seasonal employment is also encouraged by the Employer.

Services contracts

Contracts for services can be entered into for services that cannot or should not be performed within the Public Service as long as employer-employee relationships are

not established. Because persons working under services contracts are not employees, utilising services contracts can be a means of maintaining workforce flexibility without having to hire new permanent staff.

Limitations on the contracting-out of work of public service employees are described in the Work Force Adjustment Directive. Essentially, the directive gives employees whose jobs are to be contracted out 12 months' notice and the guarantee of another position. The department must seek to persuade the contractor to offer employment to affected Public Service employees and to provide lump sum payments on lay-off or resignation.

Temporary help

Unforeseen short-term increases in workload may be addressed by hiring temporary help personnel. While there is usually a 15 to 20 per cent premium, the temporary option helps maintain organisational flexibility and may avoid unnecessary workforce adjustment costs. Before hiring temporary help however, managers are encouraged to determine whether surplus persons should be assigned instead.

Implementing change

Workforce flexibility can be increased by using a variety of alternate employment and contracting strategies. More and more employees are requesting flexibility in their working arrangements to balance better work and family responsibilities. In this regard, a booklet entitled "Flexibility in the Work-Place" was recently issued to all departments. It encourages managers to approve employee requests for a variety of employment and leave arrangements including part-time, compressed work week, telework and self-funded leave.

Organisations must be prepared to determine their own workforce needs and to use a range of employment and contracting tools to meet their unique needs. They are encouraged to employ a planning approach called "vacancy management" which will ensure that each staffing opportunity is carefully considered in the light of medium- and longer-term organisational needs and available resources.

Substantive change is likely to take a number of years to achieve. Effective communication of available tools and strategies and the creation of new tools will be a key to success in this area.

Supporting material

- (i) Flexibility in the Workplace, Treasury Board of Canada, 1993
- (ii) Treasury Board Manual, Human Resources volume, Chapters One and Two

1.11 Workforce size control

This entry describes operating budgets as a means of controlling the size of the workforce. The Canadian Government adopted Operating Budgets on 1 April 1993.

An Operating Budget, which is defined on the basis of total planned expenditures, combines salaries and wages and operating and minor capital expenditures into one aggregate budget. Within this budget, departments are free to choose the most cost-effective mix of resources to achieve planned results.

Under this regime, the Government reports on the size of the Public Service using a measure of labour consumption called "full-time equivalents". This takes account of such factors as term and casual employment and job-sharing.

In addition, the Treasury Board uses the "target executive count" to control the number of executives in each department and agency.

The context for change

The Public Service adopted Operating Budgets in order:

- to improve service by providing managers with more options to deliver programmes and services;
- to increase efficiency by improving decisions on the mix of inputs, by allowing managers to adapt to changes in input costs, and by increasing accountability for the cost-effectiveness of decisions;
- to provide a truer measure of the cost of programme delivery.

Implementing change

A fundamental thrust of Public Service 2000 was to review the way the Government serves Canadians. This review revealed that most Public Service employees believed they could provide better service if significant changes were made to government systems and procedures. Over time, these have become rigid and designed primarily to control. It was evident that changes were needed to improve service to the public.

Departments and their managers will get the maximum benefits from Operating Budgets if the management cultural change set out in the Public Service 2000 White Paper takes place. Empowering managers and their employees and encouraging them to use their creative energies to get the job done in the most cost-effective way is essential.

In deciding to move to an Operating Budget regime, the Government recognised the need for a two-step approach. The first step was to implement pilot projects based on the initial policy direction and administrative arrangements outlined in the White Paper on Public Service 2000. During this phase, the pilots helped to identify and resolve specific issues that might arise during implementation. After gaining experience with and refining the system, the second step was full implementation across government on 1 April 1993.

The key to the successful implementation of Operating Budgets is effective preparation, delegation, role definition, communication and training. As implementation evolves, it will ultimately require and result in a change in management culture.

Operating Budgets will not have the same levels of delegation within departments. Each department should base the appropriate levels of resource delegation on its business activities, structure, size, procedures and capabilities. A department must ensure that its delegation scheme is legal and that its instruments of delegation are appropriate. Departments should reassess their management structures to ensure that the financial, administrative and personnel authorities delegated to the managers responsible for service decisions are consistent. With effective communication, training and management information systems, departments can progressively implement the full flexibility and efficiency that the Operating Budget offers.

To achieve maximum delegation under Operating Budgets will require enhanced management skill and constructive decision-making. Deputy heads and managers alike must ensure that key elements are in place as more authority is delegated.

Communication is essential to the success of Operating Budgets. Success depends on managers and employees. Departments should include unions, employees and managers early in discussions before implementing Operating Budgets. Managers, employees and unions need information and an opportunity to discuss the benefits and effects of the new regime and to confirm or dismiss perceptions.

Effective training in all aspects of Operating Budgets must complement the communication of information. The Treasury Board Secretariat, the Canadian Centre for Management Development, and Training and Development Canada are currently dealing with training requirements. Departments may want to develop

their own training modules to reflect the skills that their personnel, financial, and administrative staff and line managers require.

Operating Budgets will have a significant impact on financial and people management practices and bring about new expectations of the two functions.

While the financial and personnel functions will continue to provide the traditional services, these functions will assume a management dimension by playing a dynamic support role to managerial decision-making by providing advice, analysis and information.

Financial officers can add value to their role by providing advice and assistance to responsibility centre managers on strategic and operational planning, financial legislation, authorities, delegation, policies, costing of inputs, information and reporting, improved access to financial information and financial management information systems.

The financial and personnel functions can no longer work in isolation. Just as managers must know the human resources implications of financial decisions, they must also have good advice on the financial implications of personnel decisions.

Establishing an Operating Budget in itself does not necessarily create legal issues. Nonetheless, managers must be aware that using the flexibility of this budget concept could lead to legal concerns or liabilities for the Government.

Supporting material

- (i) The Manager's Deskbook, Treasury Board of Canada, Third Edition
- (ii) A Manager's Guide to Operating Budgets, Treasury Board of Canada, 1992

1.12 Human resource information systems

This entry looks at human resource information systems. The following definitions help describe the type of system in place in the Canadian Government:

- Human Resource Information is all information pertaining to current and potential Human Resource population of government agencies and departments, including both current and historical information;
- The Human Resource Stakeholders are defined as the community of suppliers and users of Human Resource information. It consists of:
 - Managers
 - Employees
 - Treasury Board Secretariat
 - Public Service Commission
 - Supply and Services Canada (Common Services)
 - Departmental Personnel Branches
 - Government Training Agencies
- Human Resource Management Functions are business functions that occur in the planning, administration and control of Human Resources in the Government;
- Information Management is the planning, directing and controlling of all the organisation's information-based resources to meet corporate goals and to deliver programmes and services;
- The Personnel Information Strategy is intended to establish a framework for the management of Human Resource Information throughout government. This framework will support the government's human resource business objectives and functions. Business requirements expected five years from now will initially be addressed;
- For purposes of reviewing existing and proposed applications as part of the constrained strategy, an application is a computer-based information system, including related procedures and documentation designed to meet a specific set of information requirements. The strategy itself will address all information, whether automated or manual.

Effective Human Resource Management ensures that the Public Service is composed of non-partisan, professional, competent, highly qualified individuals who

are representative of the Canadian population as a whole. At all organisation levels, Human Resource Management seeks to deploy these human resources to carry out government policies and to deliver service to the public. Public Servants are recognised as contributors to be valued and developed.

The Canadian Government's human resource information management has the following eighteen functional areas:

- HR Utilisation and Planning;
- Staff Relations;
- Organisation Analysis and Design;
- Classification;
- Staffing;
- Compensation;
- Performance Assessment;
- Training and Development;
- Organisation Development;
- Leadership and Supervision;
- Incentives and Recognition;
- Management of the Executive Group;
- Occupational Health and Safety;
- Official Languages;
- Employment Equity;
- Leave;
- Workforce Adjustment;
- Separation.

Departments and agencies must support the management of their human resources with practical and effective information. A key consideration is to make sure that as much information as possible is created in one functional area. That is to say that human resource information is shared with or transferred to other functional areas with which it has value, such as finance.

In order to implement or improve a human resource information system a number of steps must be followed:

- It is important to have a thorough understanding of the *business view* that will establish the strategic business context for the necessary changes and improvements to government services;
- There must be an understanding of how the business view *works*;
- It is necessary to know what *information* is required in that work to achieve the business view;

- Computer *applications* should be constructed that support the work processes;
- *Technology* must then be applied to the system. It must deliver the common IT infrastructure services required to support the business, work, information and application views. It is important to develop technology that is compatible with the systems that will be interacting.

Supporting material

Blue Print for Renewing Government Service Using Information Technology,
Treasury Board Secretariat, 1994

1.13 Equal pay for work of equal value

The Canadian Human Rights Act became law in March 1978 and applies to the federal public service, Crown corporations and all private companies that are under the federal jurisdiction such as inter-provincial and international transport, communications and banking.

Section 11 of the Canadian Human Rights Act is worded as follows: "It is a discriminatory practice for an employer to establish and maintain differences in wages between male and female employees employed in the same establishment who are performing work of equal value."

The context for change

Pay equity seeks to eliminate sex-based discrimination from wages paid for jobs traditionally occupied by women.

In virtually all countries, wage differentials exist between men and women, whether they work part-time or full-time. While there are many reasons for this wage differential, the devaluation of jobs performed by women can be traced in part to the systemic discrimination inherent in the traditional remuneration systems based on labour market forces.

The implementation of equal pay for work of equal value will reduce the wage differential as it requires comparing dissimilar jobs performed by men and women using common factors, (e.g. awards points for skill, effort, responsibility, working conditions) to determine the comparable worth of those jobs, and ensure that compensation is commensurate with job value.

Implementing change

Equal Wages Guidelines, approved in 1986, state that wage comparisons under Section 11 will be made on the basis of the predominant composition of the occupation or occupational group according to sex, and define how predominance will be determined.

Therefore, where the work of a predominantly female group is found to be of equal value to the work of a predominantly male group in the same establishment, and where the predominantly female group earns lower wages, the wages earned by the predominantly female group will be adjusted to pay these employees for the

difference attributable to sex-based wage discrimination. In the predominantly female group, the wages of all employees, men and women, will be adjusted.

The Treasury Board of Canada took proactive measures to implement the principle of equal pay for work of equal value.

As a result of a five-year joint union/management study, over 70,000 employees collectively received retroactive lump-sum payments totalling approximately \$317 million. Ongoing equalisation adjustments of roughly \$81 million continue annually.

Based on past record and projected estimates, by March 1994 the Government will have paid out over \$500 million in equal pay adjustments.

The Federal Government is committed to equal pay and will continue to ensure that women are paid fairly in relation to their male colleagues who perform work of equal value. However, the unions believe that the Treasury Board has not met its obligations under Section 11 of the Canadian Human Rights Act. The Canadian Human Rights Commission has referred the matter to a Human Rights Tribunal. The Tribunal will have completed three years of hearings by June 1994. Hearings are expected to continue at least until the end of the year.

Several other individual and group complaints are presently before the Canadian Human Rights Commission. These are currently being investigated and are at different stages of the process.

The Government has undertaken a major reform of the job classification system and has designed and is implementing a Universal Classification Standard, which simplifies the process of evaluating jobs. The Standard is designed to ensure gender neutrality by recognising equally the characteristics of historically-male and historically-female work. It will provide a durable basis for maintaining equal pay for work of equal value.

Supporting material

- (i) Canadian Human Rights Act, Section 11, March 1978
- (ii) Equal Wages Guidelines, 1986, Canadian Human Rights Commission