



Highlights



Audit of Acting EX Appointments

October 2006

The Public Service Commission (PSC) is an independent agency reporting to Parliament, mandated to safeguard the integrity of the public service staffing system and the political neutrality of the public service. In addition, the PSC recruits qualified Canadians from across the country.

Why did the PSC conduct this audit?

Under the *Public Service Employment Act* (PSEA), the PSC delegates staffing authority to deputy heads for acting appointments. An acting appointment means the temporary performance of the duties of another position by an employee, if the performance of those duties would have constituted a promotion had the employee been appointed to the position.

The objectives of our audit were to: determine the extent to which acting executive (EX) appointment decisions respected the merit principle of the previous PSEA, related legislation, regulations and policies, and staffing values, and to assess the effectiveness of departmental staffing management frameworks governing acting appointments. The decision to carry out this audit stemmed from the PSC's concerns about the lack of adequate assurance that these acting appointments were being carried out in accordance with

the conditions of delegated authority. The PSC was also concerned about the results of the 2001 Association of Professional Executives (APEX) study on barriers and prospects in the EX Group that found that 42 percent of respondents felt that employees holding an acting position for an extended period of time gained a definite advantage in the competitive process.

This audit focused on acting appointments made to the EX Group that were subject to the full provisions of the previous PSEA – those made for periods greater than four months to the EX Group and those made for periods greater than six months within the EX Group. Acting appointments made to the EX Group represent about a third of all types of EX appointments. We selected seven departments to audit. These departments accounted for approximately 20 percent of the acting EX appointments that were made across all departments. We examined a random

selection of 89 acting EX appointments representing about 40 percent of the total acting EX appointments from the selected organizations between April 1, 2002 and March 31, 2004.

What did the PSC find?

Our audit found that hiring managers regularly used without competition processes in order to expedite acting EX appointments. Of the 80 without competition files we reviewed, 73 files (or 91 percent) did not contain a rationale or justification for the appointment of the specific individual as was required. As well, none of the 80 without competition files contained sufficient assessment information to indicate that the candidate had been fully assessed against the statement of qualifications. Of the nine staffing files we examined concerning acting EX appointments involving a competition process, we found that two thirds of the files did not contain sufficient evidence to demonstrate compliance with applicable legislation and policy. This is also of concern to us because we know from a recent PSC study that the rate of promotion within the first four months following the end of an acting appointment is estimated to be 38% to and within the EX Group.

Our audit also found deficiencies in departmental staffing management frameworks. Specifically, we noted deficiencies in planning and an absence of clearly defined roles and responsibilities, and a lack of monitoring and reporting mechanisms.

What is being done?

Under the new PSEA, which came into force in December 2005, the PSC delegated staffing authority to deputy heads for all appointments, including acting EX appointments. Deputy heads accepted the findings of this audit and agreed to implement the recommendation that they ensure that acting EX appointments for periods of four months or more:

- respect merit, non-partisanship, and the appointment values;
- adhere to the requirements of the new PSEA, the *Public Service Employment Regulations* and any other statutory instruments as they pertain to the integrity of appointments and the appointment values; and
- adhere to the PSC's appointment policies.

The PSC will be including acting EX appointments of four months or more in its oversight activities and will be adjusting the Staffing Management Accountability Framework (SMAF) to address the acting EX appointments, as it considers appropriate. The SMAF sets out expectations and is used to monitor results, provide feedback and to make recommendations for improvements to departmental staffing activities.