



Public Service Commission
of Canada

Commission de la fonction publique
du Canada



Audit of Staffing File Documentation

A Report from the Public Service
Commission of Canada

October 2005

Canada

Public Service Commission of Canada
300 Laurier Avenue West
Ottawa, Ontario K1A 0M7
Canada

Information: (613) 992-9562
Facsimile: (613) 992-9352

This Report is also available on our Web site at www.psc-cfp.gc.ca

Cat. No. SC3-111/2005
ISBN 0-662-69282-9

© Her Majesty the Queen in Right of Canada, represented
by the Public Service Commission of Canada, 2005



Audit of Staffing File Documentation

A Report from the Public Service
Commission of Canada

October 2005

All of the audit work in this report was conducted in accordance with the legislative mandate and audit policies of the Public Service Commission of Canada.

Table of Contents

Summary	2
Introduction	3
Background	3
Focus of the Audit	4
Observations	4
Documentation for pre-assessment stage was adequate in most areas	4
The majority of statements of qualifications were adequate	5
Most files indicated that persons with priority status were considered	5
The rationales for without competition processes were inadequate in 15 percent of the files	6
Staffing notices did not make an offer of accommodation in some 20 percent of the files	6
Assessment documentation needs improvement in some areas	7
The screening process was well documented	7
Assessment information for competitive processes was on file	8
Assessment information for without competition processes was inadequate in 38 percent of the files	9
Two-thirds of without competition files did not clearly demonstrate impartiality	10
Security clearance of the appointee was not on file 17 percent of the time	12
The post-assessment stage was well documented	12
Eligibility lists were well administered 90 percent of the time	12
Some letters of offer were missing the references to professional conduct	13
The majority of appeal notifications was on file with an appropriate notice period	14
Improvements noted since 2002 Thematic Review on Staffing Values	14
Noteworthy staffing practices	15
Looking ahead to the new <i>Public Service Employment Act</i>	16
Conclusion	17
About the audit	18
Appendix A – Sample definition and distribution	20
Glossary	21

Summary

1. The staffing file is required to contain specific key documentation, as defined in the Public Service Commission's *Staffing Manual*. The *Staffing Manual* is based on the *Public Service Employment Act (PSEA)*, the *Public Service Employment Regulations*, and other administrative sources. The documentation required on the staffing file is to ensure quality and completeness of the staffing process in the federal public service. The staffing file is one source of information indicating how merit and the associated values of competency, non-partisanship, representativeness, fairness, equity of access and transparency were respected in the selection process.
2. The focus of our audit was to assess the quality and completeness of documentation in staffing files and the extent to which improvements have occurred since the 2002 Thematic Review on Staffing Values: Competency and Fairness.
3. Our audit revealed that documentation on file has improved since the 2002 Thematic Review. However, we noted similar concerns about the quality of information associated with the without competition process during the assessment stage.
4. We reviewed a random sample of staffing files and found that, generally, the required documentation was on file for the pre-assessment and post-assessment stages of the selection process. We found inadequate or missing documentation mostly in the assessment stage.
5. We found that competitive processes were better documented than without competition processes. The rationale for the use of an appointment without competition was inadequate or missing in 15 percent of the files; the assessment was inadequate in 38 percent of the files; and in 66 percent of the without competition files, the signed statement of impartiality was missing. In these cases, we found that the selection board members and/or the manager did not demonstrate respect for the staffing values of fairness, competency and non-partisanship.
6. With the coming into force of the new PSEA, the Public Service Commission (PSC) will be less prescriptive as to the type of documentation kept on file in support of a staffing decision. Departments and agencies will still be required to maintain accurate information about their appointment system as a whole and about individual appointment decisions. They will need to respond to the criteria of investigation, monitoring and audit done internally or by the PSC. This information will also enable departments and agencies to explain decisions to candidates, and if necessary, to the Public Service Staffing Tribunal.

Introduction

Background

7. The public interest of Canadians is served by a staffing system that ensures that appointees are competent to perform the prescribed duties of their job, that they are representative of Canadian society, and that the selection decision has been made in a non-partisan way. Processes that are conducted in a fair, equitable and transparent manner further support the staffing system.
8. One of the central components of the staffing system is the staffing file, which sets out the decision-making process for an appointment to or within the public service. The staffing file is required to contain specific key documentation, as defined in the Public Service Commission's *Staffing Manual*. The *Staffing Manual* is based on the *Public Service Employment Act (PSEA)*, the *Public Service Employment Regulations*, and other administrative sources. The purpose of documentation on file is to support the selection decision and to help monitor staffing activities. The staffing file should contain specific key documentation, as required by the Public Service Commission (PSC), and indicate how merit and the associated values of competency, non-partisanship, representativeness, fairness, equity of access and transparency were respected in the selection process.
9. Having this documentation responds to the requirement to uphold merit and the associated values. The presence and adequacy of the documentation on file can be used as an indicator of the quality and completeness of staffing processes in the public service.
10. Previous studies undertaken by the PSC have reported concerns related to documentation found on staffing files. Specifically, the 2002 Thematic Review on Staffing Values: Competency and Fairness identified numerous key documents that were missing from the staffing files. Overall, 51 percent of the files reviewed had one or more key documents missing. The 2002 Thematic Review concluded that these deficiencies cast doubt on the application of the merit principle. Strengthening the adequacy of staffing documentation would help improve accountability and reporting, ensuring the protection of the merit principle and the associated values.
11. Looking to the future, the new *Public Service Employment Act*, which is expected to come into force in December 2005, and the associated PSC Appointment Framework, will require departments and agencies to document their staffing decisions. While the PSC will be less prescriptive, it will continue to expect departments and agencies to ensure that staffing files contain accurate information, provide a fair and reliable representation of staffing activities and are available for investigation, monitoring and audit purposes.

Focus of the Audit

12. The focus of the audit was to assess the quality and completeness of documentation in staffing files and the extent to which improvements have occurred since 2002.
13. We selected a random sample of 173 staffing files from 33 departments and agencies for the months of May, September and October 2004. The sample included 94 competitive appointment processes and 79 without competition processes, as shown and defined in **Appendix A**.
14. We communicated with the corporate Chief of Staffing or another designated departmental or agency staffing officer. We shared our findings with these officials once the review of their files was complete and, where necessary, we discussed any follow-up information or documentation.
15. Further details are presented in **About the Audit** at the end of this report.

Observations

16. The PSC has developed documentation requirements in its *Staffing Manual* to ensure and promote the selection of individuals based on merit. The selection process may be broken down into three stages, each of which has associated documentation:
 - pre-assessment;
 - assessment; and
 - post-assessment.

Documentation for pre-assessment stage was adequate in most areas

17. Once a need has been identified to staff a position, a number of steps must be completed prior to the selection of an individual. The pre-assessment stage includes the following:
 - preparing the statement of qualifications;
 - considering employees with priority status;
 - when necessary, providing a rationale for a without competition process; and
 - notifying potential candidates of the selection process.

The majority of statements of qualifications were adequate

18. Before staffing a position, the manager must determine the qualifications required for appointment. These qualifications must be based on the work and the context in which it is to be performed. The PSC Standards for Selection and Assessment stipulate minimum requirements, such as the minimum level of education and occupational certification. The statement of qualifications establishes the basis for the assessment, which allows the selection board members to determine if individuals are qualified according to merit.
19. We expected to find a statement of qualifications for each appointment. We also expected the statement of qualifications to clearly outline the position's qualifications and to be consistent with the work to be performed and the PSC Standards for Selection and Assessment.
20. We found 164 or 95 percent of the selected sample of 173 files to have an adequate statement of qualifications. Two files did not contain a statement of qualifications and seven were inadequate. The seven were inadequate with respect to the requirement for education, experience, knowledge, language and/or security. In addition, four of these seven cases were not adequate as a basis for selection as they were not consistent with the work description and/or the PSC Standards for Selection and Assessment.
21. An inaccurate statement of qualifications could result in a non-meritorious appointment. For example, in a promotion without competition for an economist (ES classification) position, the education factor on the statement of qualifications was: "Graduation from a recognized university with a degree in agriculture, science or economics." However, the PSC Standards for Selection and Assessment for ES positions require "graduation with a degree from a recognized university with acceptable specialization in economics, sociology or statistics." The appointee may not be suited or qualified to carry out the responsibilities of the job if the required competencies for the position are not met.

Most files indicated that persons with priority status were considered

22. Persons with priority status are entitled to be considered during certain staffing processes, prior to the positions being offered to other individuals. Priority status is given to employees for a variety of reasons, e.g., those who have been affected by workforce adjustment or are on long-term leave and whose jobs were no longer available. The PSC maintains an inventory of employees with priority status and both the PSC and departments and agencies are responsible for considering priority employees as part of the staffing process. Once the inventory has been reviewed and priority employees considered, the PSC issues a clearance number that allows the department or agency to proceed with its staffing activity.
23. Our sample included 90 appointments where we expected to find a PSC priority clearance number. Almost all (97 percent) had a clearance number issued. This indicates that departments and agencies, according to the documentation on file, were considering priority employees, as required, and were receiving clearance numbers.

24. From a fairness and equity of access perspective, it is important that employees who are affected by priority conditions have the assurance that they will be given due consideration for reappointment. From an affordability and efficiency perspective, priority employees can be appointed immediately and are often trained, qualified and familiar with the government and its services.

The rationales for without competition processes were inadequate in 15 percent of the files

25. When the hiring manager chooses to staff a position without competition, a justification or a rationale for the use of this process is expected to be documented on the file.
26. We found that 12 of the 79 without competition files did not contain an adequate rationale for the use of this process. Six of the 12 files did not have a rationale at all. The other six did not provide enough information to adequately justify the manager's choice to use the without competition option. In particular, having the rationale on file is a good practice when promotions are involved. However, of the nine promotion files we reviewed, four did not have an adequate rationale on file.
27. In our view, the value of equity of access has not been respected in 15 percent of the without competition processes. In these cases, there is little evidence on file that the managers' decisions to use without competition processes were based on a full consideration of the organization's needs or its employees' capacities and career interests.

Staffing notices did not make an offer of accommodation in some 20 percent of the files

28. The staffing notice, or poster, is the mechanism used to inform potential candidates of immediate or anticipated vacancies in open and closed competitions. The notice must provide enough information to enable individuals to decide whether they are eligible and interested in applying for the position. The notice must be posted in both official languages, where and when required.
29. It is also imperative that there are no unnecessary barriers to employment opportunities within the public service for both employees and outside applicants. All notices for jobs open to the public must include a statement that informs candidates that they are entitled to accommodation measures during the assessment stage. This is also true for internal job postings.
30. A lack of appropriate information on the staffing notice can have a significant impact on attracting potential candidates and providing equity of access to employment opportunities in the public service.
31. Our sample included 88 appointments that required a staffing notice and we expected each to provide candidates with the necessary information. All files included such notice. However, two of them did not indicate the tenure of the position, and another two did not clearly state the area of selection.

32. Furthermore, we found that some 20 percent of the notices did not indicate that candidates were entitled to accommodation measures. In our view, this missing information could reduce the potential pool of candidates. Equity of access to employment is an integral part of the merit principle and persons requiring accommodation could feel disadvantaged if they are not made aware that accommodation is available. Barriers to access must be removed to ensure that anyone interested in a career in the public service has equal opportunity to apply and be assessed fairly.
33. In our opinion, the pre-assessment stage was well documented on most files. Managers must be careful in writing appropriate statements of qualifications and must pay particular attention in documenting their reasons for using a without competition process. In the pre-assessment stage, equity of access could be at risk when using a without competition process and when the staffing notice does not inform potential candidates about the availability of accommodation measures.

Assessment documentation needs improvement in some areas

34. The assessment stage of the staffing process involves gathering sufficient information to assess the individual's competencies to perform the duties of a position. It must be accomplished in a fair, equitable and transparent manner. The assessment stage includes the following:
- screening of candidates' applications;
 - assessment of candidates against competencies;
 - impartiality of board members; and
 - confirmation of the conditions of employment and language requirements.

The screening process was well documented

35. Screening means reviewing the candidates' applications to determine which ones possess the required qualifications. It is done by matching the qualification(s) from the statement of qualifications with the information found on the application. Where candidates do not sufficiently demonstrate a qualification or a combination of qualifications, they may be eliminated from further consideration. Inappropriate screening can have an impact on the efficiency, effectiveness and outcome of a selection process.
36. In our sample, 106 or 94 percent of the 113 appointments that required an application had one on file. Overall, the documentation supported the screening process, although it was not clear for three appointments if the applications were received on time.

37. In six cases, the screening documentation by the selection board was not on file. Four of these cases involved very specific job requirements for which the departments or agencies had authority to maintain and appoint from an inventory of candidates from outside the public service. In all four cases, it was not clear how the appointees were drawn from the inventory of candidates or how the screening was carried out.

Assessment information for competitive processes was on file

38. Assessments must be conducted in a fair, equitable and transparent manner to ensure a non-partisan and competent public service. Documentation in the staffing file must clearly demonstrate the results of the assessment process and that individuals are qualified for the job.
39. Assessment information can include interviews, samples of previous work, simulation/situational exercises, written tests, assessment centres, review of past accomplishments and experience.
40. We expected the staffing files to contain sufficient and appropriate assessment information to support the appointment decision.
41. We examined the assessments of 94 open and closed competitive processes. In more than 90 percent, we found that the processes were adequately documented to support appointment decisions.
42. In the remaining assessments, we found that documentation was incomplete, missing, or erroneous. In two closed competition files, as illustrated in **Exhibit 1**, we found that an inadequate assessment could jeopardize the merit principle.

Exhibit 1: Inadequate assessment could jeopardize the merit principle

For two closed competition processes, the documentation on file demonstrated that the hiring manager had a pre-determined passing mark for each ability factor on the statement of qualifications. Each candidate had to achieve the passing mark for each factor in order to be considered fully qualified for the appointment.

In both files, we found that one or more candidates failed one of the ability factors. However, they were rated as fully qualified by the selection board and were placed on the eligibility list for future appointment. Both candidates were subsequently appointed.

In our view, the fact that these departments appointed candidates who did not demonstrate that they met the stated qualifications for the position had an impact on the staffing value of competency.

Both of these cases were referred to the PSC Investigations Branch.

43. After the assessment decisions are made, the results are expected to be communicated to candidates. In most files we reviewed, we noted that candidates were notified of the results of their standing in a competitive process.
44. However, the active offer of feedback to candidates who were disqualified at various points during the assessment process requires improvement. We found that 19 percent of files were missing this information. This is an important step in the process. It provides the opportunity for candidates to obtain feedback on their performance and resolve any questions about the competitive process. This may alleviate concerns and avoid the need for subsequent formal recourse. Post-selection feedback also offers an avenue for constructive dialogue on how a candidate engages in the competitive process as well as areas that need improvement in order to attain a given level or position.

Assessment information for without competition processes was inadequate in 38 percent of the files

45. In without competition processes, managers have to prepare an assessment of the candidates, usually based on their qualifications and performance against the statement of qualifications or standards of competence. Managers have the option of using assessment methods similar to those available for competitive processes; the results become part of the overall assessment. These assessments are expected to be adequately documented on the file.
46. Of the 77 without competition appointments we examined, 48 or 62 percent had adequate assessments of the appointees on file. However, 29 or 38 percent of the appointments did not have adequate assessments, as illustrated in **Exhibit 2**.

Exhibit 2: Adequacy of assessments in without competition selection processes by appointment type

	Others*		Named Referral		Incumbent-based		Promotion		Reclassification		Total* Without Competition	
Adequate assessments	12	75%	7	70%	3	50%	4	44%	22	61%	48	62%
Inadequate assessments	4	25%	3	30%	3	50%	5	56%	14	39%	29	38%
Total	16*	100%	10	100%	6	100%	9	100%	36	100%	77*	100%

* Two appointments without competition did not require an assessment as the processes were for reappointment of an individual previously found to be qualified. See Appendix A.

Source: PSC Audit Branch, Staffing File Review Database

47. Five or 56 percent of the promotions without competition did not have an adequate assessment. In each case, the employees were not fully assessed against the statement of qualifications.
48. Furthermore, half of the incumbent-based appointments did not have any assessment on file. Without an adequate assessment, we were unable to determine if incumbents had been promoted based on their qualifications.
49. We were also concerned about the quality of assessments for the named referral processes. These appointments are of individuals from outside the public service where the hiring manager already knows the appointee. In each of the three files that we found to be inadequate, the documentation on file did not demonstrate that the individual was assessed fully against the statement of qualifications. In one case, a two-line e-mail represented the assessment. Without an adequate assessment on file, in our opinion, the manager is open to allegations of not only biased and unfair staffing, but of personal favouritism.
50. For reclassification processes, we found many assessments that were either not on file or were limited to one line. The PSC's *Staffing Manual* indicates that the candidate must be assessed prior to appointment without competition. In our opinion, the simple statement of "meets" against the statement of qualifications or standard of competence is not adequate to sufficiently support such an appointment decision. Of the 36 reclassification files, 14 or 39 percent did not meet our expectation by indicating how the appointee met the qualifications of the reclassified position.
51. Without competition processes are a valid and effective means for staffing a position. However, assessments must be complete and accurate to clearly demonstrate that the best qualified individual is being appointed to the job. It is critical that the appointee's competencies be adequately documented to show that the merit principle has been upheld.

Two-thirds of without competition files did not clearly demonstrate impartiality

52. Selection board members must attest to their impartiality and ability to participate objectively in a selection process. The PSC *Staffing Manual* requires all persons participating on screening and selection boards to attest to their impartiality by signing the Signed Statement of Persons Present at Boards form. In doing so, board members attest that they:
 - have the necessary competencies to ensure a fair assessment of the candidate's qualifications;
 - have the language proficiency required to permit effective communication in the official language of the candidate's choice;
 - were not in a conflict of interest situation; and
 - were able to carry out their responsibilities in a fair and just manner.

53. The impartiality statement applies to every assessment. This requirement provides an opportunity for board members and/or the manager to carefully consider the impartiality of the appointment decision. This signed statement of impartiality must be on file and is one indicator that the appointment decision is being made objectively, free from personal favouritism.

Personal Favouritism in Staffing

Within the federal public service's staffing and recruitment process, personal favouritism involves an inappropriate action or behaviour by a public servant who, by using knowledge, authority or influence, provides an unfair advantage or preferential treatment to: 1) a current employee or 2) a candidate for employment in the public service, for personal gain (benefit) and contrary to the good of the organization.

54. Our sample included 171 appointment types that required an assessment and, therefore, a signed statement of impartiality. We found 58 appointments that did not have the required signed statement of impartiality on file.
55. Of the 58 cases, 49 or 84 percent were for without competition processes. That is to say, 49, or 64 percent, of the 77 without competition processes did not have a signed statement of impartiality on file. The most notable non-compliances were appointments made by incumbent-based and named referral, as illustrated in **Exhibit 3**.

Exhibit 3: Statement of impartiality for without competition processes

	Others*		Named Referral		Incumbent-based		Promotion		Reclassification		Total* Without Competition	
On file	7	44%	2	20%	1	17%	4	44%	14	39%	28	36%
Not on file	9	56%	8	80%	5	83%	5	56%	22	61%	49	64%
Total	16*	100%	10	100%	6	100%	9	100%	36	100%	77*	100%

* Two appointments without competition did not require an impartiality statement as the assessment was already done because the processes were for reappointment of an individual previously found to be qualified. See Appendix A.

Source: PSC Audit Branch, Staffing File Review Database

56. When the impartiality statement is not on file, managers are leaving themselves open to allegations of potentially unfair and biased selection decisions. Without competition processes have been signalled as high-risk areas in other PSC audits, such as in the cases of the 2004 audit of the Military Police Complaints Commission and the 2005 audit of the Commission for Public Complaints Against the RCMP. In our opinion, the need for a statement to attest to the impartiality of the decision being made by the selection board members is one critical element to support an objective selection process.

Security clearance of the appointee was not on file 17 percent of the time

57. Conditions of employment are qualifications that are not assessed but must be met or demonstrated by the individual prior to appointment. All positions have an associated security level and some may have additional conditions, such as a medical suitability. Also, every position has associated with it a language profile; appointees must meet or, in some cases, demonstrate the ability to meet this language requirement upon appointment.
58. Persons to be appointed must satisfy the conditions of employment and the language requirements associated with the position. Persons who do not meet these conditions and language requirements cannot be appointed, no matter how well qualified they are otherwise.
59. We expected to find confirmation on file that the appointee met all the conditions of employment and the language requirements associated with the position.
60. We found 29 files or 17 percent out of a total of 173 that did not demonstrate that the appointee met the security condition of employment. Of the sample, we found six files that did not demonstrate that the appointee met the language requirement of the position.
61. In our opinion, documentation on file for the assessment stage, more specifically for the without competition processes, needs improvement. Each assessment must be adequately documented in order to ensure that merit and the associated values are upheld.

The post-assessment stage was well documented

62. Once the assessment is complete and the qualified person has been selected, there are a number of steps to confirm the appointment. Documentation in the post-assessment stage includes the following:
 - establishing an eligibility list, when necessary;
 - preparing a letter of offer or instrument of appointment; and
 - posting a notice of right to appeal, when necessary.

Eligibility lists were well administered 90 percent of the time

63. An eligibility list is a document that lists, in order of merit, the names of qualified candidates resulting from a competitive process. The list serves as the basis for appointment.
64. Of 94 appointments that required an eligibility list, we found 10 to be inadequate. There were three reasons for their inadequacy: the list was missing from the file; candidates were put on the list but did not qualify; and non-Canadian candidates were placed ahead of Canadians.

65. In competitive processes open to the public, the correct order of merit for qualified candidates on an eligibility list is war veterans, war veterans not in receipt of a pension or survivors of war veterans, Canadian citizens, followed by non-Canadians. In one case we reviewed, a non-Canadian was placed on an eligibility list ahead of Canadian citizens. All candidates on this eligibility list were subsequently offered positions, so the actual error of placement did not have any impact. However, if the department had made offers to the non-Canadian while Canadians were still on the list, the results would have contravened the current *Public Service Employment Act* and could have been referred to the PSC Investigations Branch, and the appointments may have been revoked.

Some letters of offer were missing the references to professional conduct

66. The letter of offer is the official appointment document. It contains standardized and specific requirements that refer to various conditions that apply to the appointment. Three of the most important references in relation to professional conduct are the *Values and Ethics Code for the Public Service*; the submission of a Confidential Report of all outside activities, assets and direct and contingent liabilities that might give rise to a conflict of interest with respect to the appointee's official duties; and, for new appointees to the public service, the requirement to take the Oath or Solemn Affirmation. We expected to find a signed letter of offer for each appointment containing the conditions and requirements that apply to that appointment.
67. The entire sample of 173 appointments required and had a letter of offer on file, 16 of which were not appropriately signed. While we found the majority of letters of offer to be complete and adequate, three of the most commonly missing requirements were the references to the *Values and Ethics Code for the Public Service*, Confidential Report and Oath or Solemn Affirmation.
68. We found 10 letters of offer without reference to the Code. In our view, this could affect the requirement for the appointee to fully recognize and be guided by the Code. It plays an integral role in the federal government, and it is essential to the values of the public service that all new and existing employees have access to and have read the Code.
69. The reference to the Confidential Report and the associated requirement to complete it within 60 days from appointment was missing from 24 percent of the letters of offer. In our view, this omission in the letter of offer does not commit the appointee to identifying situations that may put them in a conflict of interest.
70. Finally, the reference to the Oath or Solemn Affirmation was missing from 40 of the 62, or 65 percent, new appointments to the public service.
71. The letters of offer should make references to the *Values and Ethics Code for the Public Service*, Confidential Report and Oath or Solemn Affirmation. These are important elements of the professional conduct that is required for all public servants.

The majority of appeal notifications was on file with an appropriate notice period

72. The appeal process is a means for ensuring that staffing decisions in the public service are taken in a fair, equitable and transparent manner, free from personal favouritism, and contribute to the selection of competent individuals in a manner that is consistent with the various legislative requirements. It gives candidates the opportunity to be heard, the manager and/or selection board members the opportunity to explain decisions and the means for corrective action to take place, if required. We expected to find on file a notice of right to appeal with a valid notice period for appointments made from within the public service.
73. We found that in the majority of appointments a notice was given with an appropriate notice period. Of the 102 appointments requiring a notice, three percent were not adequate. One case did not have an appropriate notice period and two had no notice on file. The notice of right to appeal is central to the functioning of the appointment process. According to the documentation on file, departments and agencies were providing adequate notice within appropriate timelines.
74. We found the post-assessment stage to be well documented, although we did find some letters of offer without references to professional conduct.

Improvements noted since 2002 Thematic Review on Staffing Values

75. Part of our audit objective was to assess improvement since the 2002 Thematic Review on Staffing Values: Competency and Fairness. The Thematic Review examined the content of staffing files as part of an overall review of the two staffing values of competency and fairness. The results were based on a staffing file review, an employee survey and interviews with union representatives, managers and human resources specialists.
76. The methodology for the current audit was based solely on a file review, including follow-up with departmental and agency representatives, and assessed the quality or adequacy of the required documentation.
77. The 2002 Thematic Review identified required documents that were missing from staffing files, such as the statement of qualifications, candidate's application, assessment and Signed Statement of Persons Present at Boards. We compared our findings with the 2002 Review's key results as illustrated in **Exhibit 4**.

Exhibit 4: Comparison between the 2002 Thematic Review's key results and our current audit

	Documentation on file as per the 2002 Thematic Review	Documentation on file as per our audit	
			improvement
Statement of qualifications	92%	99%	+ 7%
Candidate's application	75%	94%	+ 19%
Assessment	78%	97%	+ 19%
Signed statement of impartiality	80%	66%	- 14%
Notice of the right to appeal	93%	98%	+ 5%

78. We noted significant improvements in the documentation of staffing files since the 2002 Thematic Review. Human resources officials have ensured that the required candidate's application and the assessment are on file. We found, however, that human resources officials and managers paid less attention to the signed statement of impartiality being on file, in particular for without competition processes.
79. In our view, the improvement in required documents on file indicates that human resources officials and managers have paid more attention to the importance of maintaining documentation to support a staffing decision.

Noteworthy staffing practices

80. A number of departments and agencies have adopted administrative techniques that improve the accuracy and quality of the required documentation as well as the staffing processes.
81. For example, a number of departments and agencies had on file a well developed and implemented checklist. A checklist offers human resources officials, managers and auditors a quick reference point to clearly identify which documents were required for which appointment type.
82. One department had on file a summary of activities undertaken during the competitive process up to the point of the final selection board report. This document provided background to the process, as well as the details that would be important to monitoring activity. While creating such a document might take some time, it does add value to the staffing file.

83. Another department had made proactive use of technology to keep employees informed of results of competitions, as well as the stage the process had reached. This technology provides open and transparent access to staffing activities and the decision-making process.
84. One department took the opportunity to provide prompt feedback to candidates who had been disqualified. The letters sent by the department indicated on which dates the manager would be available for discussion. This practice encourages candidates to seek such feedback so that it is a positive learning experience.

Looking ahead to the new *Public Service Employment Act*

85. In December 2005, the new *Public Service Employment Act* is expected to come into force, along with the associated PSC Appointment Framework. Compared with the current legislation and framework, the new ones are less prescriptive with respect to procedures and documentation requirements.
86. In exercising the staffing authority delegated by the PSC, deputy heads must adhere to the new *Act* and to the policies established by the PSC. They must maintain sufficient and appropriate documentation about their staffing system as a whole and about individual staffing actions, to demonstrate that the statutory requirements are met and the underlying staffing values are respected. For example, departments must obtain a priority clearance number to indicate that persons with a priority status have been duly considered before others.
87. Under the new *Act*, departments and agencies will be required to establish the essential qualifications to fill a position. We would expect the essential qualifications specified to be on file. In addition, departments and agencies may propose additional qualifications that are an asset for their current or future needs. It is expected that, in most cases, departments and agencies will use human resources planning based on business planning to enable them to identify their current and future human resources needs. In such cases, we would expect any additional qualifications to also be on a staffing file, along with a reference to the human resources plan that identified such needs.
88. Departments and agencies will identify their own documentation requirements to meet their particular needs. Deputy heads may request additional documentation for their own monitoring purposes to satisfy themselves and others that they are fulfilling their delegated staffing responsibilities. Managers will want to maintain documentation to enable them to explain to employees, applicants, PSC auditors and investigators, as well as to the Public Service Staffing Tribunal, how their appointment decisions are in accordance with the statutory and the PSC requirements.

89. At a minimum, the PSC has specified the following documents to be maintained by departments and agencies:
- instruments of sub-delegation;
 - a rationale for each non-advertised process;
 - reasons for appointment decisions and offers of appointment;
 - notifications of persons being considered or proposed for appointment, or appointed; and
 - the reasons for a revocation, its effective date and other relevant information.
90. Departments and agencies must maintain these documents, which provide evidence of respect for the staffing values, for a period of five years. This will enable them to provide assurance that the integrity of the staffing system is being upheld.

Conclusion

91. Our audit revealed that the required documentation is generally on file and this represents an improvement since 2002. We noted some weaknesses in the quality or adequacy of the documentation, mostly during the assessment stage of the without competition processes.
92. The rationale for using a without competition process is essential to ensuring that managers have considered all potential candidates within a given area of selection so that no person's opportunity has been negatively impacted by that process. Likewise, an adequate assessment of candidates is critical to ensuring that they meet the requirements set out in the statement of qualifications or standards of competence. Without an adequate assessment on the file, the selection board members or the manager have not demonstrated that the candidate is fully qualified or competent to fulfil the expectations of the position. Finally, the absence of the impartiality statement on over half of the without competition processes represented a gap in the overall adequacy of these appointments. This statement provides a means for managers and board members to clearly demonstrate their non-partisanship and impartiality in making the staffing decisions.
93. The new *Public Service Employment Act* is less prescriptive in its requirements for substantiating staffing processes and decisions. Managers will nonetheless be required to explain their staffing decisions. Departments and agencies will also need to decide what documents they require to meet their own internal monitoring responsibilities.

About the audit

Objective

The focus of the audit was to assess the quality and completeness of documentation in staffing files and the extent to which improvements have occurred since 2002.

Scope and approach

We selected a random sample of 173 staffing files from the months of May, September and October 2004. The sample included 94 appointments with competition and 79 without competition, as shown and defined in **Appendix A**.

Our selected files came from 33 departments and agencies, covering internal and external, specified-period (term) and indeterminate (permanent), competitive and without competition processes. We excluded from our sample appointment types currently being audited by the PSC, namely casual, student and acting executive group appointments.

We communicated with the corporate Chief of Staffing or another designated departmental or agency staffing officer. We engaged in discussion with the departmental and agency contacts once the review of their files was complete, and allowed them to bring forward missing information or documentation.

Criteria

We adopted our criteria from the PSC Staffing Manual, Chapter 8. We expected the staffing file to contain the required documentation. More precisely, we expected:

- a statement of qualifications for each appointment to clearly outline the position's qualifications and to be consistent with the work to be performed and the PSC Standards for Selection and Assessment;
- where required, to find a PSC priority clearance number;
- for without competition selection processes, to find a rationale on file for the use of this selection process;
- the staffing notice to provide candidates with the required information;
- where required, to find the candidate's application, and, in addition, for competitive processes, to find information to support the screening decisions;

- for competitive and without competition processes, sufficient and appropriate assessment information to support the appointment decision;
- a signed statement of impartiality (referred to as a Signed Statement of Persons Present at Boards) for each appointment type that required an assessment;
- a confirmation to indicate that the appointee met the conditions of employment and the language requirements associated with the position;
- for competitive processes, an eligibility list;
- a letter of offer for each appointment to contain the terms and conditions that applied to the appointment; and
- a valid notice of appeal, with an appropriate notice period for appointments made from within the public service.

Audit Team

Acting Vice-Presidents, Audit Branch:
Daphne Dolan, Kathryn Elliott

Director General, Audit Operations:
Michael Corber

Audit Manager:
Denise Coudry-Batalla

Auditors:
Lauren Jeffs, Kris Trottier

Appendix A – Sample definition and distribution

Definition and distribution of the random sample by appointment type		
Appointment types		Total in sample
With Competition: appointments made by a competitive process		94 (54.3%)
Closed competition	A competition open only to persons employed in the public service.	42
Open Competition	A competition in which persons not employed in the public service are eligible to be considered for appointment. Persons already employed in the public service may also apply.	52
Without Competition: appointments made without holding a competition, and based either on individual or relative merit		79 (45.7%)
Promotion without competition	Promotion of a candidate without holding a competition.	9
Reclassification	Appointment of an employee to their reclassified position.	36
Incumbent-based	Promotion of an employee within an occupational group in which positions are classified according to the qualifications of the incumbent.	6
Other	Includes appointments of persons with priority status (7) and appointments made under set programs (9).	16
Named referral	Appointment of a candidate from outside the public service, made without competition and under certain circumstances.	10
Reappointment	Includes two types: term reappointment (extension) (1) and reappointment made through the Management Trainee Program (1) (previously assessed at outset of initial appointment).	2
Total in sample		173 (100.0%)

Source: PSC Audit Branch, Staffing File Review Database

Glossary

Staffing values

Results values

Competency: Attributes which ensure that public servants are qualified to carry out their public service duty.

Non-partisanship: Employees are appointed and promoted objectively, free from political or bureaucratic patronage.

Representativeness: The composition of the public service reflects that of the labour market.

Process values

Fairness: Decisions are made objectively, free from political or bureaucratic patronage; practices reflect the just treatment of employees and applicants.

Equity of access: Equal access to external and internal employment opportunities; practices are barrier-free and inclusive.

Transparency: Open communication with employees and applicants about resourcing practices and decisions.

Individual merit

In an individual merit process, a person is assessed against a standard of competence, rather than the competence of other persons.

Relative merit

In a relative merit process, a person is assessed along with other candidates, found qualified for a position, and ranked in order of merit.