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**CLASSIFICATION MONITORING FRAMEWORK –  
A Conceptual Model for the  
Classification Monitoring Program**

**Treasury Board Secretariat  
Organization and Classification Sector**

**We gratefully acknowledge the partnership and support of our colleagues in the Public Service Commission in the development of the Treasury Board Secretariat's *'Classification Monitoring Framework – A Conceptual Model for the Classification Monitoring Program.'* The TBS model has benefited significantly from the years of conceptualizing, consultation, testing and implementation that have resulted in the PSC's family of documents entitled *'The Values-Based Merit Framework,'* and specifically the document entitled *'Staffing Accountability Framework.'***

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## INTRODUCTION

The objective of the classification system of the federal public service is to establish the relative value of all work in the public service in an equitable, consistent and effective manner and to provide a basis for the compensation of public service employees.

Classification standards determine the relative value of work. The Treasury Board Secretariat develops and issues guidelines with respect to the management and monitoring of the classification system and the implementation of this policy.

Deputy Heads are authorized to classify positions in their respective departments in accordance with Treasury Board policy, the appropriate classification standards and any guidelines issued by the Treasury Board Secretariat.

Deputy Heads are required to make classification decisions that are consistent with this policy, the classification standard that applies to a particular group, and the guidelines developed and issued by the Treasury Board Secretariat.

Please refer to (See *Appendix A*) for a list of terms and their definitions that will be useful to you in reading this document.

### Objective of this Document

- ~~///~~ To introduce the new classification monitoring framework.

### Background

- ~~///~~ In March 2000, the President of the Treasury Board issued *Results for Canadians: A Management Framework for the Government of Canada*.
- ~~///~~ In this document, the government makes four management commitments: citizen focus, values, results and responsible spending.
- ~~///~~ To enhance performance, departments and agencies must, among other things, integrate modern comptrollership into their management practices.
- ~~///~~ In April 2001, in response to a commitment made in *Results for Canadians*, the *Integrated Risk Management Framework* articulated a whole-of-government view grounded in rational priority setting and principles of responsible spending.
- ~~///~~ Risk management is a systematic approach to setting the best course of action by identifying, assessing, understanding, acting on and communicating risk issues. It is a:
  - o corporate and strategic approach to understand and manage risks;
  - o means to address high risks linked to corporate objectives;
  - o tool to strengthen priority-setting, resource allocation and decision-making;
  - o contributor to better results management and innovation; and an
  - o essential element of modern management and well-performing organizations.

- /// As part of the implementation of *Results for Canadians*, on June 1, 2001, a TB Policy on Active Monitoring came into effect.
- /// This new policy requires that the “right systems be in place to provide appropriate monitoring and control. To this end, using a risk management approach, departments are expected to actively monitor the state of their management practices and controls and TBS is expected to actively monitor the overall situation in this area across government.”
- /// The expected results of active monitoring include:
  - better information sharing and improved understanding of the effectiveness of management practices and controls, both within departments and across government;
  - timely assessments and preventative or remedial actions in areas where control deficiencies or failures have been identified;
  - improved assessments of the effectiveness of TB policies; and
  - earlier identification of the need for adjustments to existing TB policies or for new policies.

This risk management framework and TBS approach to Active Monitoring will inform all monitoring initiatives/programs.

### **Management Board Role**

In June 1997, the Prime Minister designated the Treasury Board and its Secretariat as the government’s management board.

Its mandate is to work with and support departments and agencies as they improve their management practices.

Designation as the management board did not supplant the traditional roles of the Treasury Board and its Secretariat, such as:

- /// acting as the employer of the Public Service;
- /// establishing financial, administrative and other corporate policies;
- /// performing resource management functions; and
- /// approving the design, delivery and resource components of departmental reporting initiatives.

These important traditional roles were overlaid with additional responsibilities, such as leading and providing expertise in the development of an agenda to improve management practices in federal departments and agencies.

### **Management Board Approach in New Classification Policy**

The new policy follows the management board approach in the following features:

- /// The Treasury Board sets the principles in the policy for the delegation of classification authority to Deputy Heads.
- /// Deputy Heads must follow these principles in managing classification in their departments

- /// The policy will officially provide Deputy Heads with authority to classify all groups and levels except those described in another policy (EX, CAP, MTP).
- /// Deputy Heads will have flexibility to sub-delegate classification authority to:
  - o managers within their respective departments, and/or
  - o human resources advisors who are employees in their respective departments or in another department.
- /// Departments will decide how to establish their own accountability frameworks.
- /// Departments will be able to choose management practices and appropriate measures to meet their needs within the parameters of the framework prescribed in the policy and the information provided in the guidelines.
- /// The Treasury Board Secretariat will monitor and assess the manner in which a Deputy Head exercises classification authority.

### **Enabling Policy**

Policy must enable the leadership approach. A key theme of the Human Resources Modernization agenda is to improve service to Canadians by clarifying roles and strengthening the accountability of the institutions and individuals responsible for managing the Public Service. In support of this theme, a new *Classification System and Delegation of Authority Policy* (See *Appendix B*) and its guidelines will be issued during the 2003-04 fiscal year. The policy will strike an appropriate balance between TBS leadership and oversight and the needs of departments to meet their classification accountability. The new approach will:

- /// simplify the directive and prescriptive “command and control” approach of the existing policy by replacing it with principles that are consistent with modern comptrollership;
- /// delegate greater flexibility to Deputy Heads in managing classification in their respective departments. The new policy eliminates restrictions on their delegated authority for the classification of particular groups and levels and on their sub-delegation of classification authority to managers;
- /// reduce the lengthy procedures and reporting requirements that departments were expected to follow; and
- /// provide an active monitoring framework, which gives departments flexibility to meet their monitoring needs.

## CLASSIFICATION ACCOUNTABILITY

### The Three-Tier Continuum

The classification accountability continuum has three tiers:

Tier 1: Treasury Board Ministers

Tier 2: Departmental Deputy Head accountable to the Treasury Board Ministers through the Treasury Board Secretariat/Secretary of the Treasury Board accountable to the Treasury Board Ministers

Tier 3: Departmental managers and/or HR advisors accountable to departmental Deputy Head

There are three levels of reporting within each tier: processes, outputs and outcomes. See *Appendix A* for a definition of the terms.

Recent discussions on accountability, including the *Report from the Task Force on Public Service Values and Ethics*, distinguish between the interrelated concepts of Responsibility, Accountability, and Answerability.

**Responsibility:** identifies the field within which a public office holder (whether elected or un-elected) can act; defined by the specific authority given to the office holder (by law or by delegation).

**Accountability:** the means of enforcing or explaining responsibility; it involves:

- ~~///~~ rendering an account of how responsibilities have been carried out and problems corrected, and
- ~~///~~ accepting personal consequences for problems the office holder caused or problems that could have been avoided or corrected if the office holder had acted appropriately.

**Answerability:** a duty to inform and explain.

- ~~///~~ It is a part of accountability but does not include the personal consequences associated with it.
- ~~///~~ Public servants are answerable before parliamentary bodies but not accountable to them..." (*A Strong Foundation - Report on the Task Force on Public Service Values and Ethics - A Summary*, page 3).



The following table shows the Responsibility, Accountability Mechanism and Answerability continuum for classification authority.

	<b>Responsibility</b>	<b>Accountability Mechanism</b>	<b>Answerability</b>
<b>Tier 1</b>	Treasury Board Ministers	<i>FAA 11, 2c "...the Treasury Board may... provide for the classification of positions and employees in the public service.."</i>	Secretary of the Treasury Board/ Departmental DH
<b>Tier 2</b>	Secretary of the Treasury Board  Departmental DH	Accountable to the Treasury Board Ministers through their assignment of duties and functions as specified in the classification policy  Accountable to the Treasury Board Ministers through delegation as specified in the classification policy	Associate Secretary of the Treasury Board/Assistant Secretary, Organization and Classification Sector  Departmental Head of Human Resources and HR Advisors/Departmental managers
<b>Tier 3</b>	Departmental manager and/or HR advisor	Accountable to DH through a departmental delegation framework	Departmental manager and HR advisor

### **Public Service-Wide Classification Values**

In the accountability framework, Deputy Heads are accountable for using their classification authorities in a way that respects a series of values. Some of these classification values originated with the *Report from the Task Force on Public Service Values and Ethics* and others with *Results for Canadians* (See Appendix A for definitions). Performance indicators reflecting outcomes, outputs and process measures can measure adherence to these classification values.

## Accountability Indicators and Measurements

The following chart links accountability indicators with the values they support and identifies potential methodologies for measurement.

Values	Indicators	Suggested measurements/methodology
<p><b>Result values</b></p> <p><i>///</i> <b>Efficiency, effectiveness, affordability</b></p> <p><i>///</i> <b>Integrity/probity</b></p>	<p><i>///</i> classification practices and strategies which satisfy the organization's operational needs (output)</p> <p><i>///</i> departmental client's satisfaction (outcome)</p> <p><i>///</i> productivity level (outcome)</p> <p><i>///</i> results of classification data input / grievance / dispute resolution analysis (process)</p> <p><i>///</i> classification practices and strategies which result in consistent and appropriate classification decisions (output)</p> <p><i>///</i> results of classification data input / grievance / dispute resolution analysis (process)</p>	<p><i>///</i> departmental reports on the linkage of business plan with classification strategy</p> <p><i>///</i> departmental review of classification practices (with sound explanations for deviations)</p> <p><i>///</i> manager/employee/client surveys and/or consultations</p> <p><i>///</i> departmental review of number and type of client complaints</p> <p><i>///</i> departmental study of ways/mechanisms in place to ensure departmental service/quality standards are met</p> <p><i>///</i> review of classification data input, grievances, dispute resolution</p> <p><i>///</i> review of environmental scanning reports (complaints)</p> <p><i>///</i> departmental review of and reports on classification practices (with sound explanations for deviations)</p> <p><i>///</i> review of classification data input, grievances, dispute resolution</p> <p><i>///</i> review of environmental scanning reports (complaints)</p> <p><i>///</i> observations from other departments and bargaining agents</p>

Values	Indicators	Suggested measurements/methodology
<p><b>Process values</b></p> <p><del>///</del> <b>Fairness, objectivity and impartiality in advice, transparency</b></p>	<p><del>///</del> management and employee satisfaction (output)</p> <p><del>///</del> departmental classification policy which operationalizes these values (output)</p> <p><del>///</del> results of classification data input / grievance / dispute resolution analysis (process)</p>	<p><del>///</del> conducting employee and manager surveys</p> <p><del>///</del> departmental review of classification practices (with sound explanations for deviations)</p> <p><del>///</del> review of classification data input, grievances, dispute resolution</p> <p><del>///</del> review of environmental scanning reports (complaints)</p> <p><del>///</del> observations from other departments and bargaining agents</p>

Departments should use the Classification Values as the basis for their monitoring and reporting. The Secretariat is prepared to assist departments in determining the type of measurements and how to measure the various indicators. The Secretariat will monitor departments' progress in their capacity to measure their performance in delivering the classification program.

### Incentives

The report commissioned by the President of the Treasury Board, *Modernization of Comptrollership in the Government of Canada*, outlines the conditions that must be met to modernize comptrollership:

- ~~///~~ leadership in departments and at the centre,
- ~~///~~ clear and understood responsibilities,
- ~~///~~ competency and capacity commensurate with needs, and
- ~~///~~ incentives.

The Comptrollership Report emphasizes the need for incentives to create an effective environment (often referred to as sanctions, rewards and corrective action). The report suggests that Deputy Heads who provide good information and effective control should be subject to less scrutiny and direction from the centre. At the same time, where this condition is not satisfactorily fulfilled, the system should have the flexibility to respond with a greater measure of scrutiny and oversight and, if necessary, intervention.

Activities that serve to contribute to an incentive system for good classification in departments are indicated in the following chart.

<b>Encouraging Best Practices</b>	<b>Discouraging Poor Practices</b>
<ul style="list-style-type: none"> <li><del>///</del> Positive input in DH performance assessment (TBS)</li> <li><del>///</del> Public reporting of good practices (TBS)</li> <li><del>///</del> Incentives and awards for good practices (DH)</li> </ul>	<ul style="list-style-type: none"> <li><del>///</del> Total removal of delegation (TB)</li> <li><del>///</del> Negative input in DH performance assessment (TBS)</li> <li><del>///</del> Partial removal of delegation (TB)</li> <li><del>///</del> Public reporting of irregularities (TBS)</li> <li><del>///</del> Note to DH of concerns regarding their departmental classification system (TBS)</li> <li><del>///</del> Departmental disciplinary action (DH)</li> </ul>

### **Other Initiatives**

Other initiatives that can be taken to ensure the effective management of the classification system are:

- ~~///~~ investigation of irregularities (TBS/DH)
- ~~///~~ audits (TBS/DH)
- ~~///~~ thematic reviews, such as reviews of work descriptions, evaluation committees, a specific occupational group (TBS/DH)
- ~~///~~ advice and consultation in classification matters (TBS/DH)
- ~~///~~ advice/tools/assistance in performance evaluation, audit and risk management (TBS/DH)
- ~~///~~ early warning system (TBS/DH)

## **AN APPROACH TO MONITORING AND RISK ASSESSMENT**

Classification risk assessment models need to include a regular and systemic monitoring program. The Treasury Board Secretariat considers monitoring to be a process of examining classification activities, capacity and outcomes to provide reasonable assurance that classification decisions are conducted with the following goals in mind:

- ~~///~~ to obtain information on the health of classification in departments,
- ~~///~~ to provide timely information to decision makers, and
- ~~///~~ to implement corrective actions if and where needed.

### **Characteristics of a Classification Monitoring System**

All departments are accountable for the classification authority they have been delegated. While the overall objectives are the same for all, departments should adopt monitoring practices that suit the needs of their particular organization. Departmental frameworks should have the following characteristics:

- ~~///~~ clearly identified responsibilities;
- ~~///~~ trends that are examined against values and agreed upon performance indicators;
- ~~///~~ results of the system are brought to the attention of senior management; and
- ~~///~~ corrective actions that are taken on the basis of results.

Departmental monitoring systems also have the characteristics of reliability and scope. A reliable monitoring system is achieved by having the appropriate mechanisms to safeguard the quality and timeliness of the classification information, along with the safety of the actual data. A monitoring system has the proper scope when it examines the values and performance that have been articulated in this framework.

The actual implementation of the monitoring system depends on the departmental context. Sources of information include:

- ~~///~~ statistical data;
- ~~///~~ classification practices; and
- ~~///~~ interviews and/or surveys with human resources managers, clients and employees.

Departments will determine the frequency of their monitoring activities, ranging from a semi-annual basis to yearly basis depending on the departmental needs. In addition, they may be required to participate in monitoring initiatives lead by TBS and to respond to requests for information from TBS.

The specific monitoring activities of each department should be derived from a classification risk assessment. The risk assessment is a systematic process for assessing and integrating professional judgments about probable adverse conditions and/or effects. (See *Appendixes C and D*). By examining the functional and organizational classification risk, a risk assessment serves to:

- ~~///~~ identify, focus and maximize the effectiveness of monitoring activities; and
- ~~///~~ help determine the scope of a given performance assessment.

## EARLY WARNING SYSTEM

The TBS policy on active monitoring states the following:

*To meet the requirements of this policy, departments must actively monitor their management practices and controls using a risk-based approach. This includes having an "early notice" capability in place with the department to detect and communicate unacceptable risks, vulnerabilities or control deficiencies or failures; taking early and effective preventive and remedial action whenever significant potential or actual deficiencies are identified; and providing early notice of significant management concerns to TBS.*

*The Treasury Board Secretariat will use the Early Warning System as a complement to departmental classification performance reports in the context of the accountability framework.*

In the context of classification in the Public Service, risk can be described as:

a classification environment that does not adhere to the requirements of the *Financial Administration Act* and the policies, guidelines and values of the Treasury Board and the Treasury Board Secretariat.

The Early Warning System is a tool used to identify potential risks to the Public Service classification system. The Early Warning System:

- /// identifies risks that are Public Service -wide and in departments;
- /// constitutes a performance assessment tool for the Treasury Board Secretariat and departments; and
- /// contributes to the determination of the health of the Public Service classification system.

The targeted objectives of the Early Warning System are to share the following types of information within the Treasury Board Secretariat and with departments:

- /// a departmental contextual picture versus the overall Public Service trends,
- /// specific departmental trends versus Public Service trends,
- /// departmental potential risk areas versus Public Service potential risk areas.

In addition, the results obtained through the Early Warning System will allow the Treasury Board to identify potential Public Service classification thematic studies and reviews.

The new Early Warning System reflects the new approach to comptrollership, which emphasizes reporting on results supported by appropriate information.

## Components of the Early Warning System

The Early Warning System is based on various types of information including:

- ☞ functional indicators,
- ☞ organizational indicators (at the departmental level only),
- ☞ job evaluation data,
- ☞ grievance data,
- ☞ audit/monitoring/thematic review findings,
- ☞ qualitative inputs from various Treasury Board Secretariat stakeholders (HQ and regions), and
- ☞ trends in classification levels.

The combining of qualitative and quantitative trend information in the Early Warning System can identify potential risks in classification. The type of trends and their potential risks are presented in the following table. It is important to note that a trend does not automatically mean that a problem exists. Rather, it might identify a potential concern, which may cause the Treasury Board Secretariat to request contextual information.

<b>Trend</b>	<b>Potential Risk</b>
<b>Inadequate training of managers</b>	<b>Lack of efficiency, effectiveness, affordability, integrity, probity, fairness, objectivity and impartiality in advice, transparency</b>
<b>Deficiency of accredited classification advisors</b>	<b>Lack of efficiency, effectiveness, integrity, probity, fairness, objectivity and impartiality in advice, transparency</b>
<b>Work descriptions outdated</b>	<b>Lack of effectiveness, integrity, probity, fairness, objectivity and impartiality in advice, transparency</b>
<b>Gender neutrality of work descriptions questionable</b>	<b>Lack of efficiency, effectiveness, integrity, probity, fairness, objectivity and impartiality in advice, transparency</b>
<b>Deviations in relativities</b>	<b>Lack of effectiveness, affordability, integrity, probity, fairness, objectivity and impartiality in advice, transparency</b>
<b>Job evaluation not being done in committee</b>	<b>Lack of effectiveness, integrity, probity, fairness, transparency</b>
<b>Appropriate documentation missing</b>	<b>Lack of effectiveness, integrity, probity, fairness, transparency</b>
<b>Grievances</b>	<b>Lack of integrity, probity, fairness, objectivity and impartiality in advice, transparency</b>



## **Status of the Early Warning System**

An analysis of the Early Warning System for classification will be conducted on a yearly basis, and any revisions subsequently deemed required will be made.

## REPORTING AND ASSESSMENT

### Reporting – A Guideline to Classification Performance Reports for Departments

The TBS recognizes that the new framework requirements will involve a learning process for the departments. We are taking into consideration that it will take some time for departments to develop, with the help of TBS, their ability to render an account regarding outcomes. It is recognized that departmental reports will initially concentrate on descriptions of the processes that are currently in place and contain limited discussion of the outputs. However, over time the departmental reports will have more emphasis on outputs and outcomes.

It is expected that departments will want to include the following information in their Departmental Classification Report, which will be used by Departmental senior management for decision-making purposes:

- ▬ Departments should link their classification strategy with their departmental business plan in the departmental reports.
- ▬ Departmental reports adequately cover the TBS Result Values (Affordability, Effectiveness, Efficiency, Integrity, Probity) and Process Values (Fairness, Objectivity and impartiality in advice, Transparency).
- ▬ Departmental reports should include more than just the positive results that were achieved.
- ▬ Departments are encouraged to report on TBS policies and guidelines with regard to how they facilitate or pose problems for sound management of the classification system.

### About the Reports

The TBS has developed a checklist for a departmental report (*see Appendix E*) and a report template (*see Appendix F*), for departments who wish to utilize or refer to the report. The format and content of the document may vary according to certain factors, such as the volume and complexity of classification in departments.

### Completion of Departmental Classification Reports

The Departments who have completed their Departmental Classification Reports are required to submit a copy to TBS.

### Conclusion

This framework has presented guidelines to help the departments design their reports to the DH.

We encourage Departments to provide TBS with feedback to enable us to play our governance role as effectively as possible and evaluate the health of classification in the Public Service. We also want you to tell us about your successful initiatives. In addition, it is important that we be informed of problems you encounter, as well as of efforts made or measures taken to correct weaknesses you have found.

## **Treasury Board Secretariat Assessment**

The new accountability framework and approach to delegation are based on a relationship of trust between the Treasury Board Secretariat and departments. In accordance with the comptroller's agenda, and to respect due diligence required of the TBS as the employer, it is important that the departmental reports be reliable.

### **Completion of A Departmental Classification Performance Report**

Upon completion of the Departmental Classification Performance Report, the Department provides a copy to TBS, which will attest to its validity.

To do so, the TBS will take into account information related to the:

- ~~the~~ departmental infrastructure in place, which should contribute to good management of the classification activities; and
- ~~the~~ content of the departmental report, which should be in line with the values and performance indicators.

The TBS will maintain a capacity to obtain further assurance about the reliability of the reports where the information related to the infrastructure in place is judged insufficient and where there is a lack of evidence in the content of the reports. The TBS may then conduct on-site reviews to ascertain the relevance of the information.

Upon completion of the attestation of reliability process, the Organization and Classification Sector (OCS) will use the information in the assessment of the performance of the organization and make appropriate suggestions and/or recommendations. These will be communicated to the Deputy Head.

The following section identifies and explains the elements that the OCS will use to proceed to the attestation of Reliability of Department Classification reports.

### **Model of Attestation of the Reliability of Departmental Classification Performance Reports**

The new accountability and reporting regime will result in the TBS being dependent on information provided by departments and agencies. It is important, therefore, that there be provisions for the TBS to receive objective evidence about the reliability of the information coming from these sources. The reports submitted by departments and agencies should be able to meet the test of an audit based on a generally accepted audit standard, used in conjunction with the provision of assurance services by auditing professionals.

The TBS will maintain a capacity to evaluate the reliability of these reports when submitted.

The expression **attestation of reliability** applies to the department's infrastructure in place for generating their performance assessment and to the **content of the report**.

The **elements** used to proceed to an **attestation of reliability** are shown in the following example:

Department's Performance Assessment Infrastructure

Reliability Elements	-				+	Reliability Elements	-				+
<p>1. Coverage of performance assessment plans</p> <ul style="list-style-type: none"> <li>✍ The dept has HR assessment plans within the HR Branch or Audit/Evaluation Branch</li> <li>✍ The assessment plans include consideration of the risk areas in classification</li> </ul>						<p>1. Report Content The content of the departmental report covers adequately the TBS Values/Indicators</p> <ul style="list-style-type: none"> <li>✍ Assessment of extent of coverage (process/output/outcome)</li> <li>✍ Assessment includes HQ and regions if applicable</li> <li>✍ Use of adequate methodology (measurements used by department)</li> </ul>					
<p>2. Competence of assessors</p> <ul style="list-style-type: none"> <li>✍ Classification content expertise (HR specialists are the Assessors)</li> <li>✍ Audit and evaluation expertise (Audit/Evaluation Group are the assessors)</li> <li>✍ Outside consultants with classification expertise are contracted</li> </ul>						<p>2. Risk analysis</p> <ul style="list-style-type: none"> <li>✍ TBS internal consultations conducted on content of report:</li> <li>✍ TBS risk analysis results reviewed for comparison of trends</li> <li>✍ TBS decision makers (Branch Heads, account executives, etc.) will be consulted</li> <li>✍ Results of thematics will be reviewed if applicable</li> </ul>					
<p>3. The department has existing monitoring capabilities within the HR Division</p>						<p>3. TBS outside environmental analysis conducted</p> <ul style="list-style-type: none"> <li>✍ Scanning of media for departmental classification</li> </ul>					

							issues <del>///</del> Scanning of Debates of the House of Commons <del>///</del> Parliamentarians' interventions in the department <del>///</del> Review of the departmental web site				
4. The department has quality HR information systems for classification at HQ + regions (e.g. PeopleSoft)											
5. Other departmental mechanisms in place for generating their performance assessment											

If non conclusive results	If non conclusive results
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TBS conducts potential on-site review of the Activity Reports (if and where needed)

~~///~~ Level varies:

- o Interviews (HR Advisors and sub-delegated managers)
- o Spot checks
- o More in-depth focus in specific areas

<b>Overall Rating</b>	<b>Overall Rating</b>
-	-
+	+

## DEFINITIONS

To ensure consistency in the use of terminology, certain terms used in this document are defined as follows:

### **Classification Definitions**

**Classification committee** - *a group of at least three persons authorized by their respective departments to evaluate work. The committee should have knowledge about the work being evaluated and the organization in which the work occurs. Where practicable, classification committees should be composed of both men and women.*

**Classification standard** – a document that describes the factors, elements, and other criteria used to establish the relative value of work for an occupational group.

**Classification system** – the infrastructure for the effective management and control of the classification of positions in the Public Service, including policies, guidelines, classification standards, occupational groups, work descriptions, job evaluations, active monitoring, and grievance mechanisms. The system ensures the determination of the relative value of work and provides a basis for employee compensation in the Public Service.

**Department** – a department or other portion of the Public Service of Canada listed in Part I of Schedule I to the *Public Service Staff Relations Act*.

**Deputy Head** – the deputy head or the chief executive officer of a department.

**Evaluation** – the process of assessing work against a classification standard; it determines the relative value of work, based on the work requirements.

**Generic work description** – a work description for two or more positions that have the same work requirements (client-service results, key activities, and work characteristics).

**Human resources/classification advisor** – an employee who provides organization and classification advice to managers and, where so authorized, is considered by the Deputy Head to have met all the requirements of the Treasury Board Secretariat to make classification decisions (see sections 6.9 and 6.10).

**Job** – a unique position, **or** a number of positions that are similar or identical and whose work is described by one work description.

**Level** – a numerical indicator of the relevant ranking of a position within its occupational group according to its value as established by its evaluation using the appropriate classification standard.

**Model work description** – a work description that can be used as a model to write another work description. A model work description may apply to a few positions or many in an organization. It can be used as it is, or adapted to reflect the work being described.

**Occupational group** – a series of jobs or occupations related in broad terms by the nature of the functions performed.

**Outcomes** – the consequences of a program (organization or service) that can be plausibly attributed to the program outputs. The outcome of a classification system forms the basis for a motivated public service which is responsive to the business objectives of the government.

**Outputs** – the products and services produced or directly controlled by program activities. The outputs of the classification system are a direct result of processes; for example, appropriately classified positions are the result of effective position description and evaluation.

**Position** – the work requirements assigned by the respective manager that can be performed by one person.

**Processes** – the administrative systems that combine a variety of inputs and result in an output.

**Risk** – the uncertainty that surrounds future events and outcomes. It is the expression of the likelihood and impact of an event with the potential to influence the achievement of an organization's objectives.

**Risk management** – a systematic approach to setting the best course of action under uncertainty by identifying, assessing, understanding, acting on and communicating risk issues.

**Work description** – a document approved by the respective manager that describes the work requirements of a position or a job. A work description contains all the information that the appropriate classification standard requires for its evaluation.

## ***Definitions of Values***

### **Result Values**

#### ***Affordability***

Affordability is linked to the responsible spending of public funds given their limited nature. It is the ability to link the costs of initiatives with results to ensure value for the taxpayer. Existing programs as well as new spending proposals must be systematically assessed and management frameworks must be in place to ensure due diligence and proper stewardship of public funds. Affordability implies that activities critical to the public interest are resourced in a sustainable way over the long term.

#### ***Effectiveness***

Effectiveness is the ability to achieve set objectives. Thus effectiveness is assessed on the basis of the objectives stated in the organization's mission.

Effectiveness can be defined as the relationship between the results achieved by a system (or a person) and the objectives sought. The closer the results match the objectives, the greater the effectiveness of the system (or person).

#### ***Efficiency***

Efficiency is the ability to be productive without waste. Efficiency can be defined as the relationship between the output of a system (or a person) and the cost of production. The lower the ratio of the cost to the output, the greater is the efficiency of the system (or person).

#### ***Integrity***

Integrity is the virtue of consistency and firm adherence to a code of moral values always practiced with a view to doing justice.

The constraints of integrity come from the individual and are personal, relating to the individual's conscience.

#### ***Probity***

Probity is a virtue that consists of adherence to the highest principles and ideals.

Simply stated, probity is the quality of a person who conscientiously acts in accordance with justice by applying its written and unwritten rules.

### **Process Values**

#### ***Fairness***

Fairness is a moral quality that consists of being impartial and honest.

People who are fair are willing to acknowledge the truth and to act in "good faith", without consenting to deceive themselves or others. They are free from self-interest, prejudice or favouritism.



### ***Objectivity and impartiality in advice***

Objectivity and impartiality in advice can be defined as the action of guiding someone and making recommendations in a neutral and equitable manner, without favoritism, bias or prejudice, so that the advice provided follows the path of justice and truth.

### ***Transparency***

Transparency means being free from pretence or deceit. Transparency implies that there is open communication with employees and applicants about classification so that classification practices are readily understood.

**CLASSIFICATION SYSTEM AND DELEGATION OF AUTHORITY POLICY:  
EXCERPT ON MONITORING**

**7. Monitoring**

- 7.1 The Treasury Board Secretariat shall maintain central classification information systems, establish performance indicators, and carry out audit, evaluation as well as other measures to monitor and assess the manner in which a Deputy Head makes classification decisions by:
  - 7.1.1 monitoring the effectiveness of the classification system and the manner in which it is implemented;
  - 7.1.2 ensuring the integrity of the classification system;
  - 7.1.3 identifying areas of strength and weakness in the classification system and its administration including unacceptable risks; and
  - 7.1.4 assisting departments in the improvement of the classification system by ensuring that best practices are shared and that remedies and follow-through are appropriate.
- 7.2 If a Deputy Head does not take timely and appropriate corrective action, the Secretary of the Treasury Board may direct the Deputy Head to correct cases of misclassification.
- 7.3 Deputy Heads shall:
  - 7.3.1 establish management practices to ensure the integrity of the classification system;
  - 7.3.2 provide input for classification standard review and update by the Treasury Board Secretariat;
  - 7.3.3 provide timely input to the classification information system of the Treasury Board Secretariat;
  - 7.3.4 promptly identify conditions that could lead to a failure of the control system and take early and effective remedial action;
  - 7.3.5 provide early notification of significant management concerns in relation to the classification system to the Treasury Board Secretariat;
  - 7.3.6 prepare internal departmental audit reports on the management and administration of the classification system and provide them in a timely manner with electronic copies

in both official languages to the Treasury Board Secretariat;  
and

7.3.7 prepare internal departmental monitoring reports on the management and administration of the classification system and provide them to the Treasury Board Secretariat upon request.

7.4 The Treasury Board Secretariat shall establish an evaluation framework and shall evaluate and review this policy within five years.

Appendix C

Part 1 Risk Assessment Model: Functional Risks

Values: Effectiveness/Affordability/Integrity/Probity/Fairness/Objectivity and Impartiality in Advice/Transparency

Risk Factor	Definition of a low risk	Departmental Risk Level		Information Sources
		Low Risk -	High Risk +	
Quality of work descriptions	<ul style="list-style-type: none"> <li>/// The organization has in place a training, writing and review process that involves employees and management</li> <li>/// Work descriptions are updated when work requirements change</li> <li>/// The writing and review process minimizes gender stereotypes</li> <li>/// Generic and unique work descriptions are developed and used appropriately</li> <li>/// Advice is available from qualified HR advisors and sought by managers before making classification decisions</li> <li>/// Employees accept work description content</li> </ul>			<ul style="list-style-type: none"> <li>/// Training records</li> <li>/// HR advisors and managers</li> <li>/// Departmental managers</li> <li>/// Review of work descriptions</li> <li>/// Monitoring exercises</li> <li>/// Internal audit</li> <li>/// On-site reviews</li> <li>/// Cyclical reviews</li> <li>/// Grievance outcomes (job content)</li> <li>/// Observations from bargaining agents</li> <li>/// Observations from other departments</li> <li>/// Additional information sources to be determined</li> </ul>

Risk Factor	Definition of a low risk	Departmental Risk Level		Information Sources
		Low Risk -	High Risk +	
Quality of work descriptions (cont'd)	<ul style="list-style-type: none"> <li>/// Management approves work descriptions in a timely fashion</li> <li>/// Files are appropriately documented</li> <li>/// Job content complaints are resolved through an informal review process or at the first step of the grievance procedure</li> <li>/// Job content grievances are resolved in favour of the Employer</li> </ul>			
Quality of classification decisions/results	<ul style="list-style-type: none"> <li>///The organization has a training process in place for evaluators</li> <li>///All job evaluation is done by people who have met departmentally established criteria</li> <li>///The organization has accredited classification advisors that play an active role in the classification process</li> <li>///Generic work descriptions and decisions with significant impact are evaluated by committee</li> <li>///Intra - and interdepartmental relativities are considered in the evaluation</li> </ul>			<ul style="list-style-type: none"> <li>///Monitoring reports on intra - and interdepartmental relativities</li> <li>///Observations from other departments, bargaining agents, colleagues, etc.</li> <li>///Outcomes of classification grievances</li> <li>///Outcomes of audits and reviews</li> <li>///Outcomes of monitoring exercises, e.g. cyclical reviews, targeted interventions</li> <li>///Files reviews</li> </ul>

Risk Factor	Definition of a low risk	Departmental Risk Level		Information Sources
		Low Risk -	High Risk +	
Quality of classification decisions/results (cont'd)	<ul style="list-style-type: none"> <li><del>///</del> Decisions are approved in accordance with the departmental delegation framework</li> <li><del>///</del> Decisions are approved as recommended by evaluator(s)</li> <li><del>///</del> Decisions are duly documented</li> <li><del>///</del> Coincidence exists between work described and work performed</li> <li><del>///</del> Corrective action is taken in a timely manner</li> <li><del>///</del> Updates to information in the departmental HR systems and the PCIS are made in accordance with TBS requirements</li> <li><del>///</del> Grievance outcomes rarely result in a change to the group and level</li> </ul>			

Appendix D

Part 2 Risk Assessment Model: Organizational and Systems Risks

Risk Factor	Definition of a low risk	Departmental Risk Level		Information Sources
		Low Risk -	High Risk +	
Volume of classification activities	<p>/// The organization has a sufficient complement of trained resources to meet classification demands, including provision of classification advice as required, and to respect established departmental quality service standards.</p> <p>/// Managers and HR advisors are trained to understand what type of classification activity is required and in what type of circumstance to meet the needs of the organization. <i>(The corollary to this is they also understand what would be considered inappropriate, e.g. three requests for reclass of a position in a short period of time).</i></p>			<p>/// Internal capacity reports</p> <p>/// Data on training of managers/HR practitioners</p> <p>/// Reports on service delivery</p> <p>/// Complaints from managers and employees</p> <p>/// Retention rates for HR practitioners</p> <p>/// Sick leave usage for HR practitioners</p> <p>/// Results from surveys</p> <p>/// Tracking of number of services requested by type and time required to provide service</p> <p>/// Tracking of classification workload costs</p> <p>Additional information sources to be determined</p>

Risk Factor	Definition of a low risk	Departmental Risk Level		Information Sources
		Low Risk -	High Risk +	
Complexity of classification	<p>Classification in the organization shows these characteristics:</p> <ul style="list-style-type: none"> <li>/// Similarity in occupational groups</li> <li>/// Appropriate use of generic work descriptions</li> <li>/// Generic work descriptions cover a significant percentage of positions</li> <li>/// No significant reorganizations underway</li> <li>/// Very little classification of highly specialized positions</li> <li>/// The HR advisors providing advice are knowledgeable about the evaluation tools, the work itself, and the organizational context.</li> </ul>			<ul style="list-style-type: none"> <li>/// PCIS data</li> <li>/// Departmental management reports</li> <li>/// Relativity studies</li> <li>/// Audit, review and monitoring reports</li> <li>/// Demographic studies</li> <li>/// Additional information sources to be determined</li> </ul>



Risk Factor	Definition of a low risk	Departmental Risk Level		Information Sources
		Low Risk -	High Risk +	
Delegation of classification authority within organization	<p>The delegation structure within the organization shows these characteristics:</p> <ul style="list-style-type: none"> <li>/// Delegated classification authority is centralized from a geographic and organizational point of view</li> <li>/// Classification authority is delegated to a small number of HR advisors and/or trained line managers</li> <li>/// There are accredited classification advisors in the organization</li> <li>/// Decisions are made in a transparent fashion by delegated managers acting with advice from accredited/ trained HR advisors</li> </ul>			<ul style="list-style-type: none"> <li>/// Management reports</li> <li>/// etc.</li> </ul>

Risk Factor	Definition of a low risk	Departmental Risk Level		Information Sources
		Low Risk -	High Risk +	
Delegation of classification authority within organization (cont'd)	<ul style="list-style-type: none"> <li>☞ Classification decisions directed or taken by management against HR advice are discouraged and reported upon</li> </ul>			
Electronic support systems	<ul style="list-style-type: none"> <li>☞ Systems are in place that support generation of up-to-date, accurate reports for the organization and meet central agency requirements</li> </ul>			<ul style="list-style-type: none"> <li>☞ Departmental HR systems</li> <li>☞ PCIS data and reports</li> <li>☞ PCIS error reports from TBS</li> </ul>
Environmental analysis	<ul style="list-style-type: none"> <li>☞ Human resources management in the organization has not been the subject of any unfavourable media reports</li> </ul>			<ul style="list-style-type: none"> <li>☞ Organization's Communication Branch</li> <li>☞ press clippings</li> <li>☞ parliamentary intervention</li> <li>☞ observations from other departments</li> <li>☞ third parties</li> </ul>

Risk Factor	Definition of a low risk	Departmental Risk Level		Information Sources
		Low Risk -	High Risk +	
<p>Early warning mechanism</p> <p><i>(identification and addressing of risk areas)</i></p>	<ul style="list-style-type: none"> <li>/// Organization has mechanisms in place to actively monitor management practices and controls within the organization and identify potential high risk flags</li> <li>/// Organization reports to senior management and to TBS in a timely manner on significant management concerns</li> <li>/// Organization takes early and effective remedial action in areas where significant deficiencies are encountered or improvements are needed</li> </ul>			<ul style="list-style-type: none"> <li>/// Monitoring, audit and review reports</li> <li>/// Observations from within the organization</li> <li>/// Observations from third parties</li> <li>/// PCIS shifts and trends data</li> <li>/// Significant deviation from interdepartmental relativities</li> <li>/// Grievance outcomes</li> <li>/// Proposed increase to cost of salary budget/envelope</li> <li>/// Increased spending resulting from classification activity</li> </ul>

## Checklist for A Departmental Report

This document is to help departments and agencies identify information that should be considered for inclusion in the classification performance reports for the Deputy Head.

### General Information

- ☒ The format of a written report may vary
- ☒ Reports should be balanced, reviewing both positive and negative results
- ☒ Reports on the health of the classification program should be submitted to the Deputy Head of the department who is accountable for demonstrating the effectiveness of management practices and controls
- ☒ Reports should be signed by the senior human resources official in the organization
- ☒ Copy of the report must be sent to TBS

### Content of Reports

- ☒ Reports might start with a background summary dealing with issues such as:
  - ☒ Reorganization/amalgamation
  - ☒ Activity Level
  - ☒ Demographic information
  - ☒ Data on shift and trends in departmental classification
  - ☒ Other quantitative and qualitative data
- ☒ Reports must reflect all classification activities
- ☒ The contents of the reports may be used to meet the information needs of departments and central agencies, and add to the total knowledge of Human Resources Management

### Future Prospects

- ☒ Openness to innovations proposed by departments
- ☒ Consideration of potential comments on performance following internal consultation

Template Report

**DEPARTMENTAL CLASSIFICATION PERFORMANCE REPORT**

Submitted to the Deputy Head  
Name of Department

Reporting Period:  
Submission Date:

**TABLE OF CONTENTS**

- Section 1    **BACKGROUND INFORMATION**
- Section 2    **CLASSIFICATION PERFORMANCE RESULTS – REPORTED BY RESULTS AND PROCESS VALUES**
- Section 3    **CONCLUSIONS / OPPORTUNITIES FOR IMPROVED PERFORMANCE**
- Section 4    **SUPPORTING DOCUMENTATION**

**Section 1    BACKGROUND INFORMATION**

**DEPARTMENTAL INFORMATION**

- ?? Context
- ?? Organizational Profile
- ?? Corporate Key Performance Results Expectations

**HUMAN RESOURCES**

- ?? HUMAN RESOURCES KEY PERFORMANCE RESULTS EXPECTATIONS
- ?? THE CLASSIFICATION FUNCTION – ITS CONTRIBUTION AND IMPACTS
- ?? KEY PERFORMANCE ACCOMPLISHMENTS

**Section 2 CLASSIFICATION PERFORMANCE RESULTS – REPORTED BY RESULTS AND PROCESS VALUES**

**RESULT VALUES**

**ACCOMPLISHMENTS/RESULTS, IMPACTS, EFFECTS**

- ?? Overview
- ?? Accomplishments/Results

**REPEAT THIS SEQUENCE FOR EACH ACCOMPLISHMENT/RESULT REPORTED**

- ?? Description of Accomplishment/Result
- ?? Link to Corporate Objectives
- ?? Link to other Values (If applicable)
- ?? Impacts & Effects

**PROCESS VALUES**

**ACCOMPLISHMENTS/RESULTS, IMPACTS, EFFECTS**

- ?? Overview
- ?? Accomplishments/Results

**REPEAT THIS SEQUENCE FOR EACH ACCOMPLISHMENT/RESULT REPORTED**

- ?? Description of Accomplishment/Result
- ?? Link to Corporate Objectives
- ?? Link to other Values (If applicable)
- ?? Impacts & Effects

**Section 3 CONCLUSIONS/OPPORTUNITIES FOR IMPROVED PERFORMANCE**

In this section, this is an opportunity to include any observations, impressions or advice to others; you can provide feedback to TBS regarding problems encountered, need for services, and suggestions for the future.

- ?? CONCLUSIONS
- ?? OPPORTUNITIES FOR IMPROVEMENT
- ?? EXPECTATIONS OF TBS

For additional information you may contact  
(Name, Position Title and telephone)