Modernizing the Classification System

Annual Report 2004-05

Canada

Our Vision for Classification

Today's program to modernize the classification system is based on our vision for a system that will simplify the process of getting the right people into the right jobs at the right time. A faster, smarter system will create clear pathways for the development of our future public service leaders and contribute directly to the operation of a well-structured, well-managed organization.

We believe that a modern job classification system lies at the heart of seamless, integrated, and progressive human resources management. It is a system with direct linkages to performance management, competency development practices, and compensation– a system that evaluates work in the public service effectively, reflects labour market realities, and treats men and women equitably.

Today, we are building a classification system to meet the business requirements of government, the needs of managers and the expectations of employees; a system that is an important part of the management modernization equation.

The paper version was signed by
Rick Burton

Rick Burton
Vice-President, Human Resources Management Modernization

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The Report at a Glance

Introduction

This is the third annual report to chart the progress of the classification modernization program launched by the Treasury Board of Canada Secretariat in 2002. In the following pages, we describe the advances made during fiscal year 2004–05 to meet the key objectives of our program to modernize classification standards and create a well-functioning classification system.

In past years, we focussed our efforts on designing the conceptual framework and strategies that now form a foundation for the program; taking steps to develop the methodologies, policies, training and on-line tools needed to put the program into operation; and starting the job of modernizing classification standards for selected occupational groups. During 2004–05, we built on those achievements by continuing to modernize classification standards; developing and harmonizing flexible human resources policies; and strengthening classification capacity across the public service.

Progress Highlights

Effective, consistent standards are a key element in a modern classification system. In collaboration with departments and bargaining agents, we pursued the standards modernization activities already underway for the Economics and Social Science Services (EC) Group and the Program and Administrative Services (PA) Group. We also undertook feasibility studies and design initiatives for the Border Services (FB), Historical Research (HR), Applied Science and Engineering (AP), Radio Operations (RO), Firefighters (FR) in Operational Services (SV), Law (LA), and the three Ship Repair (SR) groups. In addition, we implemented the new Foreign Service (FS) Group classification standard for the FS employees at Foreign Affairs Canada, International Trade Canada, and Citizenship and Immigration Canada.

The range and depth of the analysis and feasibility work undertaken with our partners this year has contributed significantly to our mutual understanding of the challenges associated with standards modernization and the integrated approaches that are required for successful future management of our classification program.

With managers shouldering greater accountability for human resources decisions and human resources professionals playing a more complex advisory role, it is essential to provide classification policies that are easy to understand, can be used with a minimum of guidance, and are aligned with other human resources policies. To this end, attention was focussed on

developing, updating, and simplifying classification policies. In particular, we implemented the new Treasury Board *Classification System and Delegation of Authority Policy*, and issued policy guidelines on subjects such as work description writing and occupational group allocation.

One of the aims of the classification modernization program is to build an attractive, professional classification community. In 2004–05, we developed an on-line Community of Practice, designed new training programs and offered targeted learning events. We also hosted a successful national symposium and, for our home Agency employees, an informative Classification Open House. To more broadly recognize the achievement of classification advisors in government, we developed a new Awards and Recognition program.

In 2004–05, we undertook a wide range of monitoring activities to ensure the continued integrity of the classification system. In support of the government's commitment to increased transparency and accountability, we also implemented a Web-based system that captures reclassification information and makes it available to the general public.

Looking Ahead

Modernization of the classification system is a long-term program that includes modernizing occupational group standards, providing classification policy leadership, rebuilding system capacity, and monitoring to ensure the integrity of the classification system.

Next year, in addition to the above, our priorities will focus on support for increased recruitment and retention of classification advisors and research on new technologies that support shared services initiatives.

Throughout all of our classification activities in 2005–06, we will approach our work on a whole-of-government basis, addressing the linkages between classification, compensation and labour relations; and, wherever possible, we will anticipate opportunities for co-development initiatives with bargaining agents. In this way, we will ensure that our classification activities advance modernization of the classification system, and at the same time support the government's broader agenda for change and modernization of human resources management, throughout the public service.

The Management Modernization Equation

The modernization of the classification system underway is part of the broader government agenda to strengthen and modernize public-sector management. By modernizing classification, the government is improving the way it organizes and values the work of public service employees.

In a very real sense, classification now sits at the core of the government's plan to attract, retain, motivate, and renew a public service workforce that delivers quality services to Canadians.

The modernization program is organized around our objectives to modernize classification standards and create a well-functioning classification system. In the following sections of this report, we describe the progress made during 2004–05 to meet these objectives. The report also shows how classification fits into the equation for improving public-sector management.

The Agenda for Change

The Government of Canada is pursuing a broad agenda to change and modernize the way it provides services and programs to its citizens. Nowhere has the intent of this agenda been expressed more clearly than in a supplementary paper to Budget 2005 entitled *Strengthening and Modernizing Public Sector Management*.

That paper provides an overview of the government's vision to transform itself. In part the paper says:

> *... a core challenge of the public service is to be responsive to the needs of people and deliver the services they require efficiently, effectively and professionally. But too often public servants do not have the proper tools or systems in place to meet those crucial objectives. They are hobbled by outdated structures and systems that fail them and the citizens they serve. That is why modernizing government... is at the core of the process to transform government.*

As the paper makes clear, good government is about people. It is about recognizing the complexity of government, the challenges that individuals face, and the skills they need to fulfill the roles they must play.

Human Resources Modernization

The modernization of human resources is a key element of the overall plan to transform government. That reality is reflected in the *Public Service Modernization Act*, which passed into law in 2003. Once in full force, the *Public Service Modernization Act* will change the way government hires, manages and supports its public service employees.

The Act is also intended to foster more harmonious labour relations and promote learning and development.

The *Public Service Modernization Act* encompasses several other major pieces of legislation, including amendments to the *Canadian Centre for Management Development Act*, amendments to the *Financial Administration Act,* the new *Public Service Labour Relations Act,* and the new *Public Service Employment Act*.

The vision of a modern public service has also been translated into a set of expectations that managers can use as a guide to decision making. The Management Accountability Framework lists 10 elements of sound management, as well as indicators and associated measures designed to help managers improve the functioning of their organizations. The *People Component of the Management Accountability Framework* further outlines the actions that managers can take to foster an effective workforce within an equally effective workplace.

> Added together, these initiatives, including the Classification initiatives, create an equation that will produce, in sum, a public service that works smarter and faster, is better prepared to meet the evolving needs of Canadians, and reacts more quickly to change.

Classification Modernization

The Public Service Human Resources Management Agency of Canada (the Agency) was created in December 2003 to ensure that the government's agenda for renewal of human resources management is carried out. As part of its mandate, the Agency is also responsible for leading the program to modernize the classification system.

This organizational alignment is deliberate and reflects the role that the program for modernizing classification can now play as part of the government's broader agenda for change, supporting: employment and staffing system reform; a collaborative, labour relations environment; a new learning culture; and wise stewardship of public resources.

Modernizing the Classification System Supports Employment Reform

To transform the way government hires, manages and supports public service employees, the *Public Service Employment Act* has been rewritten. The new Act is aimed at making the system more flexible and responsive to the needs of individual organizations within government. When it comes into force in December 2005, the Act will make it easier and faster for managers to hire the right people for the right jobs, while still respecting the values of fairness, transparency, and access.

The classification system supports the aims of the *Public Service Employment Act* through the development of updated qualification and classification standards. These standards reflect the work done in government, providing a consistent basis for staffing decisions. In addition, the Act provides a policy framework that clarifies the roles and accountability of managers with

delegated responsibilities, setting out responsibilities for those charged with managing classification.

The classification system also supports the aims of the *Public Service Employment Act* by modelling a new leadership approach that encourages consultation and collaboration; and by managing an active monitoring program that ensures the integrity of the classification system.

Modernizing the Classification System Supports the New Approach to Labour Relations

The new *Public Service Labour Relations Act*, which came into force in April 2005, sets the tone for a more constructive labour management climate within government. This Act is aimed at bringing both sides closer together in a spirit of partnership and co-development. As a result of this Act and amendments to the *Financial Administration Act*, managers will have more authority to deal with performance issues. Just as financial responsibility has been delegated downwards in departments and agencies, human resources decision making is, in many regards, following suit.

Classification modernization will contribute to more harmonious labour relations by mandating gender-neutral approaches to the production of work descriptions and job procedures and by encouraging bargaining agents and public service employees to work together on matters of mutual interest.

Classification modernization will also contribute to more harmonious labour relations by putting training and tools in place that provide managers with the right conditions to competently accept accountability for and delegation of classification responsibilities.

Modernizing the Classification System Supports a Learning Culture

Through the Canada School of Public Service, the government will provide an integrated approach to learning for employees at all levels. Once again, classification will support this new approach to learning, which will prepare employees to assume new and increased responsibilities for human resources management and functions.

Specifically, rebuilding the classification system will contribute to a culture of continuous learning through the provision of training programs aimed at ensuring a consistently trained and qualified community of classification professionals. And the development of new on-line shared services and working tools will shift the classification role, so that classification advisors may use the skills and knowledge they have acquired to offer more strategic services to managers.

Modernizing the Classification System Supports Wise Stewardship of Resources

In addition to the above, a modern classification system ensures transparency and promises to improve stewardship of public resources. A system that organizes and values work properly ensures good value for money.

> The program to modernize the classification system is clearly an important link in the government's management modernization equation.

A Focus on Fundamentals

The plan for modernizing classification is centred on four key elements: establishing modernized classification standards for selected occupational groups; developing enabling policies and guidelines to support a successful classification modernization program across the whole of government; rebuilding system capacity with community support initiatives, training programs, and working tools; and applying an active monitoring program to ensure the integrity of the classification system.

An important focus of our plan to date has been to develop the core methodologies and procedures required to modernize classification standards.
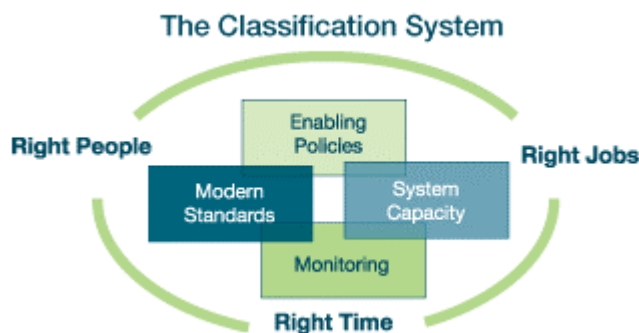
The Classification Standard Development Process

A classification standard describes the value placed on a job, depending on the scope of responsibility and the complexity of its various tasks. A new classification standard is produced in three phases.

In the first phase, we conduct a feasibility study in which we analyze the business case for standard modernization. In the second phase, we undertake the design and testing of the standard. When approved by Treasury Board ministers, we move to the third stage, in which we implement the standard.
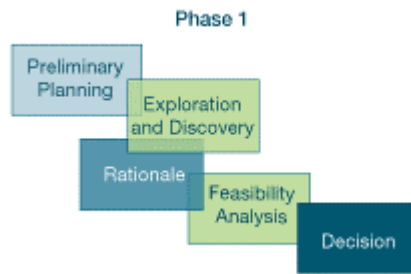
Phase 1

Developing the Business Case

In this phase, the Agency reviews and validates departmental classification problems, scopes the issue and drafts a work plan. The Agency gathers, verifies and analyzes all relevant data, prepares a model, and sets out the business reasons for and against possible solutions. Options are developed, assessed and proposed to clients. Throughout the process, the Agency consults with major stakeholders, such as departments, the Treasury Board of Canada Secretariat and bargaining agents.
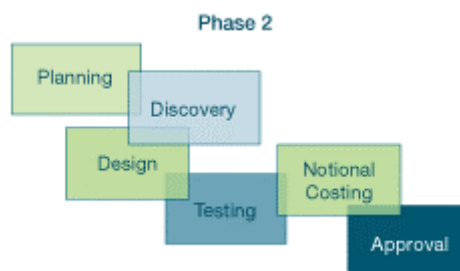
Phase 2

Designing the Standard

During this phase the new standard is drafted. A standards design team is assembled that includes classification advisors from within the Agency and user departments, as well as departmental line managers who are familiar with the work to be covered by the new standard. An advisory committee is established to help throughout the process. Job characteristics are identified and described, and then linked to level structure, which is the basis for compensation. The standard is tested for language clarity, gender neutrality and the ability to produce meaningful results. Notional costs related to the conversion are identified. Treasury Board ministers are then asked to approve the new standard. Once again, the Agency consults with its partners, including the respective bargaining agents.
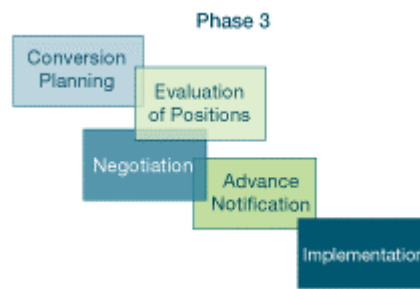
Implementing the Standard

In this final phase, the Agency monitors the overall implementation of a new standard across departments. Implementation plans and guidelines are drafted. Trained evaluators rate actual positions against the new standard. A new collective agreement is negotiated, which is then approved by Treasury Board ministers, and ratified by employees. Changes are made to the pay and position classification information systems. Finally, the collective agreement is implemented, employees receive official personal notification, and pay conversions are made.

Classification Standards Modernization Activity 2004–05

During 2004–05, we found that the core methodologies we developed and tested last year provided an effective blueprint for the standards modernization initiatives undertaken this year. Working in collaboration with our partners in departments, functional communities and bargaining agents, we pursued the standards modernization activities already underway for the Economics and Social Science Services (EC) Group and the Program and Administrative Services (PA) Group. We also undertook feasibility studies and design initiatives for the Border Services (FB), Historical Research (HR), Applied Science and Engineering (AP), Radio Operations (RO), Firefighters (FR) in Operational Services (SV), Law (LA), and the three Ship Repair (SR) groups. In addition, we implemented the new Foreign Service (FS) Group classification standard for the FS employees at Foreign Affairs Canada, International Trade Canada, and Citizenship and Immigration Canada.

Foreign Service (FS) Group

This year, we co-ordinated the implementation of the new FS standard for employees at Foreign Affairs Canada, International Trade Canada, and Citizenship and Immigration Canada. The standard is based on a four-level structure and allows for full recognition of the varying types and range of work carried out at all levels of the FS Group.

The salary structure for the new classification standard was negotiated with the Bargaining Agent, the Professional Association of Foreign Service Officers (PAFSO), and in collaboration with the three departments. Conversion to the new structure is effective July 1, 2005.

Economics and Social Science Services (EC) Group

A new standard for the work of economists, statisticians and social science support was first drafted in 2003–04. The standard was based on the results of an in-depth study of the application of the classification standards for the Economics, Sociology and Statistics (ES) Group and the Social Science Support (SI) Group. We sought to describe the types of work and level structure, in specific terms, and to map the diversity of the work.

This year, we established an interdepartmental consulting committee to provide feedback and advice on how best to develop and implement the new standard. We also produced a second draft of the EC standard, which was then used to test work descriptions provided by departments that had participated in the initial discovery exercise. The Bargaining Agent, the Canadian Association of Professional Employees (CAPE), is a member of the committee and provided us with feedback concerning the standard and testing.

During 2005–06, we will continue to work closely with all affected departments to test and implement the standard. We will also prepare managers, employees, and HR systems for the conversion. The next round of negotiation is scheduled for June 2006.

Program and Administrative Services (PA) Group

The PA Group is the largest single occupational group in the public service. It represents more than 45 per cent of public service employees, and affects all departments and functions of government. During 2004–05, we held preliminary consultations with the Bargaining Agent, the Public Service Alliance of Canada (PSAC), and continued our analysis of the many issues affecting this group.

It is recognized that the creation of a new standard for the PA Group may be only a partial solution to the organization and classification issues within this group structure. In 2005–06, we intend to work in collaboration with PSAC and departments to continue our review and analysis. Using an integrated compensation approach, we will determine how to organize the work in this occupational group structure to best capture its relative value.

Border Services (FB)

When the Canada Border Services Agency (CBSA) was created in 2003, employees were moved from Citizenship and Immigration Canada and from two separate employers, the Canada Customs and Revenue Agency and the Canadian Food Inspection Agency.

During 2004–05, priority was given to reviewing the classification issues applicable to the new border services mandate. Working in close co-operation with CBSA and the Bargaining Agent,

the Public Service Alliance of Canada (PSAC), we developed a new occupational group definition and classification standard for front-line border (FB) services employees at CBSA. We will continue to work with CBSA to prepare for conversion and implementation of the new standard.

Historical Research (HR) Group

In 2003–04, in response to concerns of Library and Archives Canada (LAC), we conducted a feasibility study of the HR classification standard to address a broad range of management issues. The results of the study, which were shared with LAC, indicated that the standard need not be replaced, but could be updated to reflect a strengthened managerial role. LAC is evaluating the results and considering options to proceed.

Radio Operations (RO) Group

In 2003–04, at the request of Fisheries and Oceans Canada, we undertook a feasibility study to identify classification-related issues and possible solutions associated with the Marine Communications and Traffic Services (MTC) duties and functions carried out by the Radio Operations (RO) Group. This year, we submitted the results of our business case analysis to the Department and to the Bargaining Agent, the Canadian Auto Workers (CAW) for consideration.

Applied Science and Engineering (AP) Group

Currently, the AP Group consists of 11 occupations, each with its own classification standard, dispersed over numerous departments with different business lines.

This year, following a joint labour-management study undertaken to examine options for the AP Group, both management and the Bargaining Agent, the Professional Institute of the Public Service of Canada (PIPSC), agreed to divide the occupations into two new groups: Architecture, Engineering and Land Survey; and Applied Science and Patent Examination. The latter group will consist of two sub-groups: Applied Science and Patent Examination.

The proposed restructuring of the AP Group has been approved. PIPSC will now seek certification before the Public Service Labour Relations Board as the Bargaining Agent for both occupational groups.

Law (LA) Group

At the end of 2004–05, in response to a request from the Deputy Minister of the Department of Justice Canada, we initiated a project to develop a classification standard for the LA Group. We started the discovery process by reviewing classification systems used in the provinces and

territories, the United States, the United Kingdom, and Australia. In co-operation with the Department, we began a review of their business and organizational design requirements.

In 2005–06, we will consult with other federal departments and stakeholders, design a standard for the Law Group, and begin the testing phase.

Computer Systems (CS) Group

After consultation with the Bargaining Agent, PIPSC, and the community, we agreed to begin the discovery and planning stages for the design of the new CS classification standard. We plan to complete this work in 2005–06. We will use the work on the development of CS generic work descriptions to assist us in this phase.

Firefighters (FR) in the Operational Services (SV) Group

In 2003–04, we undertook a feasibility study of the FR Group classification standard, in conjunction with National Defence, the main user of the group. This year, we continued our assessment of the various options. Indications are that the problem is one of compensation rather than classification. Any subsequent review of the FR Group classification standard will be done in conjunction with the review of the SV Group.

Summary of Standards Modernization Activity 2004–05
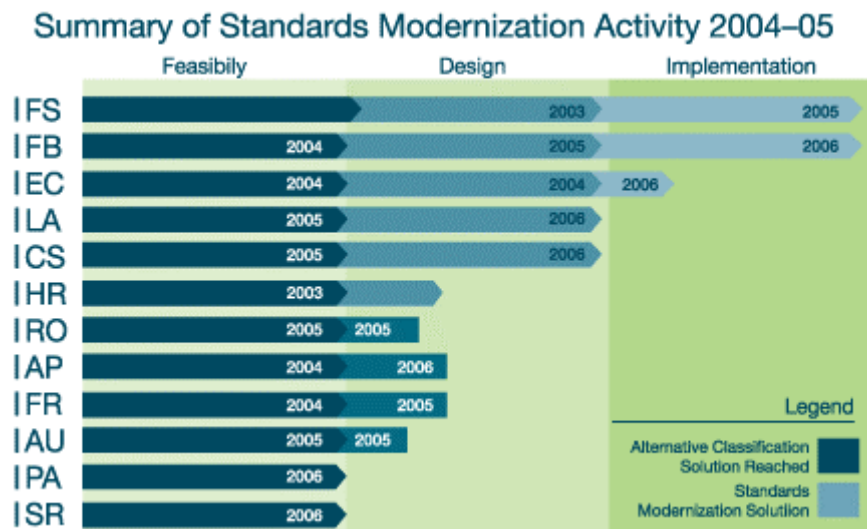
Ship Repair (SR) Groups

This year, in consultation with National Defence and the three bargaining agents involved, we conducted an analysis and completed an overview assessment of classification issues and possible solutions for the three SR Groups. In 2005–06, we will conduct further feasibility studies. Based on input from National Defence and the three bargaining agents, we will move forward to address these issues.

Audit Commerce and Purchasing (AV) Group

During 2004–05, we reviewed and amended the AU standard to remove restrictions on the use of the AU-06 level, which, since 1995, had been reserved for Revenue Canada audit positions engaged in large business audits. As a result of this amendment, departments with positions allocated to the Audit, Commerce and Purchasing (AV) Group that are evaluated using the AU classification standard, now have access to all six levels of the standard.

Looking Ahead

In 2005–06, we will continue the work identified above, including the standards modernization work for the Economics and Social Science Services (EC) Group, the Program and Administrative Services (PA) Group, the Law (LA) Group, and the Computer Systems (CS) Group. In addition, we will continue to co-ordinate and finalize the implementation of the new standard for the Foreign Service (FS) Group, and undertake a new feasibility study for the Health Services (SH) Group.

The Policy Formula

As we move forward with our partners to modernize human resources management in the public service, our classification system policies need to keep in step. They need to acknowledge the greater accountability and flexibility required by managers who use the classification system, and the increasingly complex role of the human resources professionals who advise them.

Classification Policy

In 2004–05, we worked in consultation with departmental representatives to implement the Treasury Board *Classification System and Delegation of Authority Policy*, which came into effect on July 23, 2004. In addition, we issued the following policy guidelines: *Work Description Writing*; *Evaluation Process*; *Guidelines on Reclassification*; and *the Guide to Allocating Positions Using the 1999 Occupational Group Definitions*.

We also worked towards integrating classification policies with employment policies and at creating and supporting the linkages between EX and non-EX classification and other aspects of human resources management.

We continued consultations with our partners within the Agency, with the Treasury Board of Canada Secretariat, client departments, oversight agencies, and bargaining agents to gain an understanding of their goals and objectives and their ongoing needs in classification policy. In addition we began work to identify and streamline central agency human resources policies under the Treasury Board of Canada Secretariat Policy Suite Renewal project. The goal of this

major policy modernization project is to provide departmental managers and human resources professionals with refined and integrated policies covering the full spectrum of human resources management issues.

In 2004–05, we continued to provide support and policy advice to our colleagues at the Treasury Board of Canada Secretariat on pay equity and gender neutrality issues. In this context, we undertook an in-depth review of the Bilson report *Pay Equity: A New Approach to a Fundamental Right*. The report, which was published in 2004, surveyed and analyzed pay equity legislation in Canadian and international jurisdictions, examined administrative best practices and models for the implementation of pay equity legislation and, in addition, assessed job evaluation and wage adjustment methodologies.

The Grievance Policy

The Agency is represented at all grievance hearings in departments and agencies for which the Treasury Board is the employer. We make sure that the policy and procedures governing the resolution of classification grievances are properly applied and that classification standards are used as intended.

In recent years, a number of adjudication and court decisions have indicated that the existing policy and procedures, which date from 1994, may need to be reviewed and updated. In 2004–05, therefore, we began our review of the *Classification Grievances Policy* and the *Classification Grievance Procedure*, in the context of the new *Public Service Modernization Act* and the current body of jurisprudence that impacts classification grievances. We expect to complete our work on this policy in 2005–06.

In addition, in 2004–05, we updated the *Grievance Tracking System* to take into consideration the new structure of the Foreign Service (FS) Group. Further updates are planned as classification modernization moves forward and new groups are created or old ones reconfigured. In 2005–06, we will put in place an ongoing maintenance agreement for this system to save on the time and development costs needed to make necessary upgrades.

Qualification Standards

While classification standards describe the relative value of work characteristics within an occupational group and determine the levels of jobs in the hierarchy of the group, qualification standards set out the minimum qualifications that deputy heads and managers must respect when appointing an employee to a position.

When the *Public Service Employment Act* comes into force, accountability for qualification standards will be transferred from the Public Service Commission to the Public Service Human Resources Management Agency of Canada.

Throughout 2004–05, in conjunction with the implementation of the *Public Service Employment Act* and in consultation with the Public Service Commission, we began preparations for the transfer of this accountability.

This year, we also worked with the Public Service Commission, and the Leadership Network to develop prototype qualification standards for the EX Group. This work will continue through the transfer of accountability for these qualification standards to the Agency.

Looking Ahead

In 2005–06, we plan to publish four new guidelines: *Classification Monitoring; Departmental Delegation of Classification Authority; Departmental Consultation with Public Service Human Resources Management Agency of Canada;* and *Departmental and Interdepartmental Classification Dispute Resolution.*

We will continue to consult with our departmental and central agency colleagues to identify emerging issues and work in partnership with them to find solutions. We will participate in multi-department committees and task forces focussed on the future of human resources management in the public service; and, as part of the implementation of the *Public Service Modernization Act*, we will work towards a greater integration of classification policy with other areas of human resources management policy.

In 2005–06, we will officially take on full responsibility for qualification standards. This is an important first step in creating coherence between the requirements of work as measured by classification standards and the characteristics of the individuals hired to do that work, so that we can get the right person in the right job—faster.

As we evolve our policies, we will continue to consult with managers to better understand their needs and ensure that our products support their greater accountability for human resources decisions.

The People Factor

The Budget 2005 document, *Strengthening and Modernizing Public Sector Management*, sets out a plan to enhance the capacity and professionalism of key functional communities in the public service. Although human resources professionals in general were among those mentioned,

we in the classification community have been in the vanguard of this initiative for the last few years.

In 2004–05, we delivered programs and services to increase classification capacity throughout the public service. We actively sought opportunities to build and support a networked community of classification professionals, designed training programs to support the development of classification specialists and developed on-line services and working tools to support the people who make classification work.

Community Development

One of the aims of our modernization program is to build a specialist classification community that provides professional advisory services to departments and agencies throughout government. In 2004–05, we expanded and reinforced previous initiatives designed to enhance the attractiveness and professionalism of the classification community. These initiatives were also intended to address some of the recruiting and retention problems that were identified in a baseline survey we undertook in 2002–03, and that we confirmed in our earlier analysis this year.

Initiatives undertaken to support the classification community included developing an on-line Community of Practice; hosting our second national classification symposium and a first-ever Classification Open House; designing a new Awards and Recognition program; and actively engaging classification advisors from departments and agencies in information sharing activities through joint Chiefs of Classification meetings.

To connect the classification community, we have created and are testing a prototype of the on-line Community of Practice. This new Web-based network is designed to promote collaboration between classification advisors; foster ongoing dialogue and information exchange, and encourage the sharing of best practices around classification subjects of common interest. The on-line Community of Practice will be fully implemented in 2005–06, once final design modifications and testing are complete.

To expand our network of relationships and to share our vision for classification modernization, we hosted the second annual national symposium, *Classification 2004: People, Partnership, Perspective*.

The event took place May 25–28, 2004, in Saint-Sauveur, Quebec. It attracted more than 200 participants from both the National Capital Region and across the country, including members of the classification community, other human resources professionals, bargaining agents and managers.

The symposium program provided participants with a comprehensive overview and perspective on the government's plans to modernize human resources management and on the central role and contribution that classification modernization can now make to this broader government agenda for change within the public service.

In 2004–05, to further profile and recognize the contribution of the classification community, we initiated the development of an Awards and Recognition program. The program is designed to recognize the achievements of classification advisors, inspire others to perform to the same high standard and encourage potential recruitment and retention.

Last year, Carol Woltman, a member of the Organization and Classification team within the Human Resources Management Modernization branch received a Best Employee award for her work in organizing a Classification Open House event for employees in the Public Service Human Resources Management Agency of Canada.

Based on a theme of simplicity, fun, and learning for all, the Classification Open House provided a wonderful opportunity for over 150 participants to gain an understanding of the links between classification and other human resources disciplines. It also provided participants with a greater appreciation of the interesting scope, complexity, and challenges that are a part of the classification function.

Back row, left to right: Sylvie Boileau, Rachelle Demers, Noreen Towns, Guy Bonneville, Tania Magloire.

Front row, left to right: Kathy McTavish, Line Renaud-Villeneuve (mascot), Rachel Grottoli, Denyse Blais, Carol Woltman.

Building an effective functional community comes from engagement and attachment to a common vision and goals. It requires meaningful agreement to shared priorities and planning activities. To support this understanding and agreement, the Agency hosts regular meetings each year with the classification community.

In March 2005, we hosted the semi-annual Chiefs of Classification meeting in Ottawa. It provided the opportunity for classification professionals from across the public service to come together as a community to learn about the Agency's priorities for the year and how they link to the broader public service modernization agenda. At this event, we showcased the new Description Plus software system developed by the public service classification community. This innovative Web-based application will assist departments to write work descriptions according to new guidelines.

Perhaps most importantly, the meeting afforded participants the opportunity to learn first-hand how departments and the Agency can work together this year to implement the current classification modernization program.

Training and Development

In an increasingly knowledge-based economy, the most important investment a country can make is in its people. Certainly, within the public service, there is a view that modern management requires a skilled, well-trained, and professional workforce. In Budget 2005, the government highlighted the importance it attaches to building capacity through core learning and made a commitment to invest in sustained professional development for human resources specialists.

In 2004–05, within this strategic framework, we continued to deliver and update our training programs. The development of a new training and learning curriculum is serving to enhance management and functional specialist capacity across the whole of government; and our core-learning curriculum is enabling the community to develop the knowledge and skills they need to meet and deliver on modern management performance expectations.

Curriculum Development

Last year, we evaluated learning requirements and developed an interim training program for classification advisors. It consists of four courses: *Introduction to Organization and Classification* (10 days); *Organization Analysis and Design* (5 days); *Writing a Classification Rationale* (2 days); and *Specialized Topics* (2 days).

At the same time, we initiated activity to develop the *New Training/Learning Curriculum for OC Advisors*. The program consists of three modules that cover the development of those competencies required by classification advisors, as identified in the *Training/Learning Competency Profile for Organisation and Classification Advisers* completed in February 2004.

This year, we worked with the Canada School of Public Service to produce 11 components of this new curriculum. In addition, as part of our *Short Learning Event* program, we designed and delivered 29 separate learning events in various regions across the country. These learning events covered topics such as the classification system monitoring framework, client service, classification policies, and Financial Management (FI) Group standards.

We expect to complete and offer Module I of the curriculum in 2005–06. Module II is scheduled to be available in 2006–07, and Module III in 2007–08. As well, we intend to enhance our Short Learning Event program with the addition of new short learning event topics offered in an increasing number of locations, based on market demand.

On-line Tools

During 2004–05, in addition to our efforts to build and support a network of classification professionals and to design effective training programs for classification advisors, we also developed and offered greater access to modern working tools and on-line services.

With these new tools, classification advisors and managers can now make more informed classification decisions. In addition, departments can analyze classification data and generate reports. The common application of these tools by departments increases the capacity of the classification function, ensures the delivery of consistent information, inspires confidence in the data, and preserves the integrity of the information.

This year, departments and agencies were given direct access to several integrated classification tools and applications, notably enhancements to the *Position and Classification Information System* (PCIS) *Query Tool,* the *National Occupational Classification* (NOC) *Summary and Detailed Reports,* and the *Position Reclassification Data Capture Application*.

The Web-based PCIS Query Tool allows authorized users to access departmental position data on the PCIS database in order to compare and ensure uniform application of classification standards and of NOC codes.

The National Occupation Classification Summary and Detailed Reports application was developed to support the smooth integration of the NOC into the classification process. It provides additional tools to help departments ensure a consistent application of classification standards. As a result, classification advisors can now perform relativity comparisons among departments to ensure consistency in the types of work performed; analyze data on specific occupations; produce generic work descriptions; and achieve greater consistency in position titles.

The *Position Reclassification Data Capture Application* is an important system that enables departments to input reclassification data and update it on a regular basis. This supports the implementation of the government's new disclosure requirements aimed at promoting greater transparency and accountability.

In 2004–05, we worked with the Personnel Administration (PE) and Computer Systems (CS) community leaders to seek horizontal initiative funding to develop government-wide, pre-classified generic work descriptions within an organizational model, and for related database development support. When completed, this project will enable these communities to access human resources tools and more efficiently carry out classification transactions.

Looking Ahead

Our plans are to continue to focus on effective ways to rebuild classification capacity by strengthening and supporting the evolution of a strong classification community, throughout the public service. In 2005–06, we plan to conduct a comprehensive survey that will enable us to develop a more in-depth understanding of recruitment and retention problems. We will use the results to identify underlying issues that must be addressed if we are to successfully achieve our capacity goals, surface options for consideration, and direct the development of potential recommendations for future implementation.

This work is related to the broader initiative led by the *Interdepartmental Human Resources Capacity Building Working Group*. This group is in the process of distributing a more general

capacity-building related questionnaire to all heads of human resources. The results of this work, in conjunction with a comprehensive demographics analysis of human resources professionals in the public service, and the work that is being undertaken by the classification community will inform future decisions regarding capacity building needs.

As highlighted earlier, Budget 2005 articulates the government's goal to upgrade management skills through a modern curriculum that strengthens core competencies. One of the ways to ensure that skills are current and responsive to the business needs of clients is to implement a certification program. Over the next year, we will continue to work with the Canada School of Public Service to define the competencies that classification advisors need, provide the necessary training, and develop programs for accreditation and certification.

In 2005–06, we will continue to design and deliver new innovative on-line services and tools to support the classification community. We will also develop a repository for generic work descriptions and competency profiles, and launch a Web-based tool for ease of access. Both these projects support important conceptual and application components of shared services models for the classification community and are expected to increase classification system capacity throughout the public service.

The Monitoring Component

Good governance and accountability are essential to sound management of a modern classification system. Our monitoring role, and the active monitoring programs put in place by departments this year will strengthen governance and accountability and play an important role in ensuring both the integrity and effectiveness of the classification system.

Classification Monitoring Framework

This year, we developed and introduced the new Classification Monitoring Framework. The Framework provides deputy heads with an excellent tool to support the development of their own departmental classification monitoring programs and ensure that these programs are aligned with the government's active monitoring approach.

In 2005–06, departments will be able to report to the Agency on their classification performance using the revised Framework.

In addition, as part of our monitoring function, in 2004–05, we began to assess the classification program in small organizations. We developed a monitoring methodology and a risk assessment tool. The tool was then validated by the Status of Women Canada, the Commission for Public Complaints against the Royal Canadian Mounted Police, the Canadian Dairy Commission, and

the Hazardous Materials Information Review Commission Canada. This monitoring initiative, which will extend over a three-year period, will be expanded in the future to include all departments.

Disclosure

As part of its goal to promote greater transparency and strengthen accountability, the government has made mandatory the disclosure of information concerning the reclassification of positions in the public service. To meet this new requirement, the Agency developed a streamlined, Web-based application that captures position reclassification data and ensures regular updates by departments. The new government-wide, single-window Web site, developed and implemented this year, also makes it easy for the general public to access this information.

Looking Ahead

By the end of 2005–06, departments will provide us with their first classification program monitoring reports. We will use these reports to evaluate the health of departmental classification programs and the overall public service classification system.

Calculating the Costs

Effective accountability and performance management are cornerstones of the classification modernization program. As we work to modernize the standards and rebuild the capacity of our classification system, we are committed to openness and transparency, while at the same time ensuring sound stewardship of public resources.

In keeping with the government's agenda to create a modern and accountable public service, we have established a program to disclose, monitor, and track classification modernization program costs.

Classification Costs 2004–05

The following table shows costs incurred to implement standards modernization. It identifies the salary costs and the Operations and Maintenance (O&M) costs allocated to each project for both the Agency and the specific departments involved. System support costs associated with classification modernization initiatives are also included.

Classification Modernization Costs 2004–05

PROJECTS	The Agency HRMM			Departments		Total Costs
	Salary	O&M		Salary	O&M	
FB	$178,598	$103,000	CBSA	$499,300	$10,000	$790,898
EC	$183,101	$52,900	STC	$5,500		$241,501
FS	$42,410	$16,800	CIC/DFAIT	$234,600	$81,200	$375,010
LA	$38,818	$25,000	JUS	$20,020		$83,838
Systems Changes		$12,000	PWGSC		$1,100,000	$1,112,000
Other projects	$226,699	$48,600			$233,500	$508,799
Total	$669,626	$258,300		$759,420	$1,424,700	$3,112,046

Looking Ahead

To ensure management accountability and transparency, we will continue our work in 2005–06 to develop a cost-tracking system that enables us to clearly capture and report on key aspects of costs associated with classification standards modernization.

Modelling the Future

Classification is part of the modernization program that is changing the way the Government of Canada works, the way it accounts to Canadians and the way it serves them. In our annual report last year, we laid out a blueprint to modernize classification standards, build the capacity of the classification community to bring about the management and culture changes associated with the *Public Service Modernization Act*, and monitor the system to ensure accountability and transparency across the public service.

In 2004–05, much of the standards research and feasibility work done, based on this blueprint, provided clear direction for the future management of the classification program. For example, feasibility studies revealed that some of the challenges identified by departments are linked more directly to compensation than classification. This finding further underscores the need for an integrated management approach, one that addresses the linkages between classification, compensation, and labour relations.

Over the next year, we will work closely with the Treasury Board of Canada Secretariat to ensure these linkages continue to be addressed. In addition, we will examine the possibilities of new approaches to organizing current and evolving work in the public service. We will work together with our partners in departments and agencies and with bargaining agents to ensure that

the wide-ranging changes brought about by the *Public Service Modernization Act* become a permanent part of the human resources management culture across the public service.

In response to our earlier research on classification capacity, we have made significant progress in rebuilding the classification community in the public service. We have introduced targeted approaches to attract and retain qualified workers and developed a new training program to support the people that make the classification system work. This work is critical to the future success of the overall classification system and to the broader government agenda to attract, retain, motivate and renew the public service workforce that is needed to serve Canadians.

Over the next year, we will continue to research best practice approaches to classification and begin to test models that could potentially simplify the classification process. The conceptual model is to create a foundation source of job information that could be linked into a series of modules designed for a wide range of human resources functions. This will support the creation of a modern shared services system that will deliver human resources management services on a transactional basis. Such services will include generic work descriptions, organizational design frameworks and templates, competency profiles, and qualification standards. These services will address the limited classification capacity that exists in many departments and will help managers to design more effective organizations, plan for succession, and better manage employee performance.

As part of our ongoing emphasis on transparency and accountability across the classification system, our monitoring program will continue to operate as a priority. With the program now in place, we can begin to generate information about the integrity of the system, including information about costs and trends underway in classification.

This information will be used to ensure that classification activities address current and emerging needs in direct support of the government's broader agenda for change and modernization of human resources management.