



Office of the
Merit Commissioner

Merit Performance Audit

2017/18

UPHOLDING FAIR HIRING IN THE
BC PUBLIC SERVICE

November 2018



Table of Contents

Executive Summary	1
Audit Overview	3
Scope	3
Sample	3
Methodology	4
Reporting	4
Audit Findings	5
Recruitment and Selection Process	5
Individual Appointed	5
Documentation	5
2017/18 Audit Results	6
Recruitment and Selection Process Results	6
Individual Appointed Results	9
Documentation Results	9
Discussion of 2017/18 Results	10
Recommendations	13
Appendix A	
Organizations Subject to Oversight by the Merit Commissioner	14
Appendix B	
Inventory Process Observations	15
Appendix C	
2017/18 Recruitment and Selection Process Observations	18
Appendix D	
Individual Appointed Observations	35
Appendix E	
Documentation Observations	36
Appendix F	
Response from the Deputy Minister of the BC Public Service Agency (Agency Head)	38



Executive Summary

During the year from April 1, 2017 and March 31, 2018, a total of 6,683 appointments were made to and within the BC Public Service. Of these, the Office of the Merit Commissioner audited 259 randomly-selected appointments. These appointments included 22 which were the result of an inventory process, a recruitment and selection method which showed increased use this year.

In accordance with the *Public Service Act*, the purpose of each audit is to determine:

- whether the recruitment and selection process was both properly designed and applied to result in an appointment based on merit; and
- whether the individual appointed was qualified (i.e., had the qualifications specified as required for the position).

In addition, the audit determines whether there was sufficient and appropriate documentation to support the hiring decisions.

Findings with respect to the qualifications of the individual appointed continue to be very good. In all but four cases, the individuals whose appointments were selected for audit were considered to have had the qualifications specified as required for the position.

Findings with respect to the recruitment and selection process continue to be of concern. The overall process findings, which can be extrapolated to all appointments of a similar type made throughout the BC Public Service in the 2017/18 fiscal year, show that approximately:

- 43 per cent of appointments were free of errors;
- 51 per cent of appointments had one or more significant errors that had either unknown or mitigated impacts on the outcome; and,
- six per cent of appointments had one or more errors that had an adverse impact on the outcome.

Although these findings are similar to those of the last two fiscal years, it is important to note that the number of errors per audit was significantly fewer in 2017/18 than in recent audit years. This is a positive indication that process improvements are occurring. In fact, in examining where the errors were most likely to occur, we saw improvements in almost all stages of the competition process including the interviewing and testing, assessment of past work performance, calculation of years of continuous service, and notification stages. The only stages that saw a rise in errors were approach and short-listing.

We examined the 2017/18 recruitment and selection process results through the lens of the principles which support merit-based hiring: open and transparent processes; assessment relevant to the job; fair and equitable treatment of applicants; and reasonable decisions.



Most competitions were found to be open and transparent, with the hiring panel making reasonable decisions. With respect to relevancy, the established qualifications, assessment methods and tools were found to be well-designed, diverse and generally job-related. However, weaknesses were identified with respect to how hiring managers implement these methods and tools. Improvements are required in how these methods apply to the position being filled and ensuring that all assessments have some form of meaningful marking criteria.

By far, concerns with fairness and consistency presented the greatest risk to merit-based hiring. The most notable in 2017/18 are highlighted as follows.

- The most frequently observed problem occurred at the short-listing stage and involved the decision to lower or waive one or more qualifications that were stated as required in the posting and job profile in order to advance more candidates.
- The most widespread issue that was found at all stages, was simple errors that had adverse implications for a candidate's status and the outcome of the competition.
- The most serious, albeit infrequent, error was when special or preferential treatment was given to an applicant or candidate as it was often found that these individuals were subsequently appointed.

With respect to the state of documentation, there were more well-documented processes than in 2016/17. However, in nearly 30 per cent of the audited appointments, documentation continues to be found "insufficient" usually due to the need to accept verbal evidence where there is inadequate documentary evidence.

Based on our findings, there are five recommendations for deputy ministers and organization heads:

1. Review the minimum qualifications before advertising the position to ensure the appropriate education and experience requirements are accurately captured, stated and applied, and consider where alternative combinations of requirements may be appropriate or acceptable.
2. Give thoughtful consideration to the assessment methods and tools to be used, and design these to assess specific job requirements.
3. Establish reasonable standards and criteria for each form or stage of assessment, including interviews.
4. Review and verify the application of standards and criteria to ensure they have been correctly and consistently applied across applicants and candidates.
5. Ensure hiring decisions are documented sufficiently to demonstrate each applicant's status at each stage of the competition.



Audit Overview

Section 8 of the *Public Service Act* (the *Act*) states that all appointments to and from within the public service must be based on the principle of merit.

The merit principle commonly means that appointments are made on the basis of competence and ability to do the job, and are non-partisan.

In accordance with section 5.1(1)(a) of the *Act* the purpose of conducting random audits of appointments to assess whether:

- (i) the recruitment and selection processes were properly applied to result in appointments based on merit; and,
- (ii) the individuals when appointed possessed the required qualifications for the positions to which they were appointed.

Scope

The merit performance audit focuses on those appointments that form the long-term workforce of the BC Public Service. These are permanent appointments and temporary appointments that exceed seven months in ministries and other organizations (e.g., boards, commissions, and agencies) whose employees are hired in accordance with section 8 of the *Act*. Appendix A lists these ministries and organizations.

A total of 6,683 permanent appointments and temporary appointments exceeding seven months were made from April 1, 2017 through March 31, 2018 in the BC Public Service.

Sample

For the results of the audit to be generalizable to all of these 6,683 appointments, a simple random sample of appointments was selected each quarter based on a pre-determined sample size. In the total sample of 276 appointments, 17 were determined to be out-of-scope, resulting in 259 appointments subject to audit. The “Random Selection for the Merit Performance Audit 2017/18” report posted on the Office of the Merit Commissioner’s (the Office’s) website has more sampling details.



Methodology

In accordance with an established audit program, we examine the design and conduct of each recruitment and selection process in accordance with the *Act*, relevant policy, and provisions of collective agreements. The process is also assessed for fairness, transparency, relevancy, and reasonableness which are integral to merit-based appointments.

Section 8(2) of the *Act* sets out the matters to be considered in determining merit, which must include the applicant's education, experience, skills, knowledge, past work performance, and years of continuous service.

This year, due to the number of appointments which sourced candidates from an inventory, an audit to examine the design and process was conducted for each of the related inventories. Appendix B provides a summary of the audit observations for these inventories.

We also assess whether, at the time of appointment, the individual appointed met the education and experience specified as required for the position, and the minimum criteria established for the other factors assessed during the process. Lastly, each audit considers whether there was sufficient and appropriate documentation on file to support the hiring decisions.

We make findings with respect to the recruitment and selection process and the individual appointed, as well as a determination on the quality of the competition documentation. These findings are reviewed by the Office for accuracy and consistency. Details of the outcome of these audits are included in the "Audit Findings" section.

Each audit results in two findings: whether the recruitment and selection process was based on merit, and whether the individual appointed was qualified.

Reporting

The overall results of these audits are reported to the Legislative Assembly and publicly reported through the Office's website. Deputy ministers and organization heads are provided with their detailed audit reports so that they may take any necessary action to improve hiring practices within their organizations, and share findings with the hiring managers who have been delegated the responsibility to recruit, assess, and select individuals for appointments.

Audit results are also reported to the Deputy Minister of the BC Public Service Agency (Agency Head) who is responsible for staffing policy, support, and training in the BC Public Service.



Audit Findings

With respect to a recruitment and selection process and the individual appointed, the following findings are made. A determination with respect to documentation is also made.

Recruitment and Selection Process

- **Merit** – The recruitment and selection process was both properly designed and applied to result in an appointment based on merit.
- **Merit With Exception (MWE)** – The recruitment and selection process contained one or more errors in design or application; there was no identifiable negative impact on the outcome.
- **Merit Not Applied (MNA)** – The recruitment and selection process contained one or more errors in design or application; the impact on the outcome was found to be negative and as a result, the appointment was not based on merit. This finding is also made if there is insufficient evidence to demonstrate that the design or application of a process was based on merit.

The audit also notes for improvement those aspects that are not of consequence to the overall merit of the process, but have implications related to transparency, or have the potential to introduce an error into the process if not addressed.

Individual Appointed

- **Qualified** – The individual, when appointed, possessed the qualifications specified as required for the position.
- **Not Qualified** – The individual, when appointed, did not possess the qualifications specified as required for the position.
- **Qualifications Not Demonstrated** – There was insufficient evidence provided to demonstrate that the individual, when appointed, possessed the qualifications specified as required for the position.

Documentation

- **Good** – Comprehensively documented with minimal or no follow-up required.
- **Sufficient** – Partially documented: documents initially missing later provided; some pieces missing but key information provided; and/or aspects required clarification.
- **Insufficient** – Required documentation not available. Verbal evidence required to complete audit.

Where the documentary evidence is lacking such that it is not possible to make findings regarding the process and/or appointee, the determination with respect to the documentation would be “insufficient”, the process finding would be “merit not applied”, and/or the finding with respect to the individual appointed would be “qualifications not demonstrated”.



2017/18 Audit Results

The overall results for the 2017/18 Merit Performance Audit include audit findings related to the recruitment and selection process, the qualifications of the individual whose appointment was audited, and the sufficiency and appropriateness of documentation. (Note that values are reported to the nearest whole number in this report.)

Recruitment and Selection Process Results

Of the 259 appointments audited, 111 were found to be the result of a merit-based recruitment and selection process with no errors. Another 132 appointments were found to be in the “merit with exception” category indicating that there were design or application errors in the hiring process but there was no known negative impact on the outcome. In 16 appointments, errors were found that had clear negative impacts on the outcome, resulting in “merit not applied” findings.

Table 1 shows these results extrapolated from the sample of audited appointments (within specified margins of error) to the total population of the same types of appointments (i.e., permanent appointments and temporary appointments of more than seven months) made from April 1, 2017 through March 31, 2018. Further details can be found in the “Random Selection for the Merit Performance Audit 2017/18” report posted separately on the Office’s website.

Table 1 - Overall Results – Recruitment and Selection Process

Overall Findings	Appointments Audited		Extrapolated Results - Estimated Population ¹
Merit	111	43%	2709
Merit with exception	132	51%	3163
Merit not applied	16	6%	397
Total	259	100%	6269²

Notes:

1: Weighted extrapolations and margins of error are included in the “Random Selection for the Merit Performance Audit 2017/18” report.

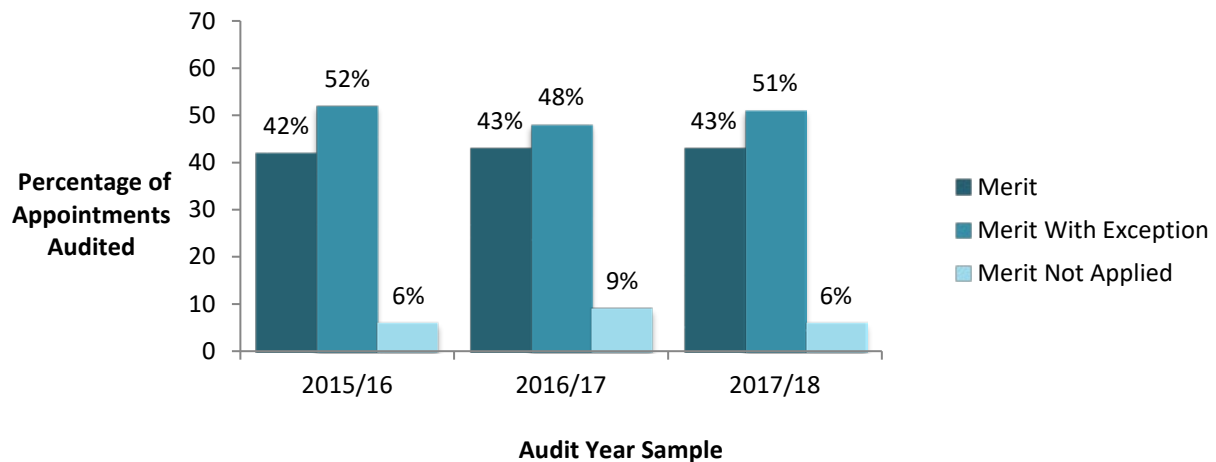
2: Estimated population size adjusted for out-of-scope appointments.

The results show that an estimated 57 per cent of the processes which resulted in those appointments had issues which had an effect on the merit of the hiring.



Chart 1 illustrates the frequency of findings in the samples of appointments audited since 2015/16.

Chart 1 - Frequency of Findings in Audited Appointments – Recruitment and Selection Process



Note: Caution should be applied when comparing results to prior years due to changes in the categorization of findings made in 2016/17 and refinements made in 2017/18 to error identification for inventories – details are described in Appendix B – Inventory Observations.

The proportion of “merit not applied” findings has varied slightly from 6 per cent in 2015/16 to 9 per cent of audited appointments in 2016/17 and back to 6 per cent in 2017/18. For the last three audit cycles the rate of “merit with exception” findings has remained close to 50 per cent.

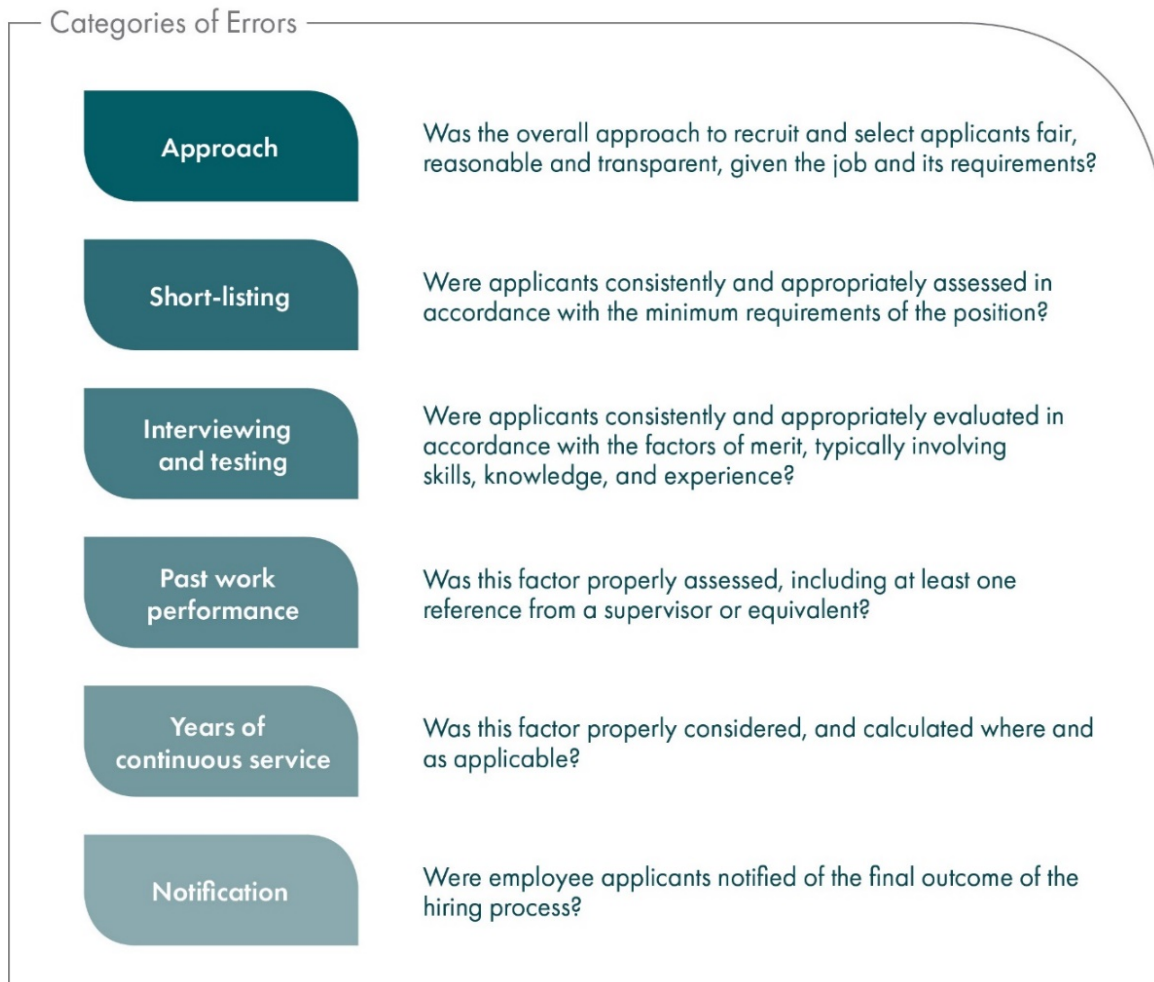
For 2017/18, the relative percentage of findings remains unchanged from previous years. Almost half of the appointments audited had errors which resulted in findings of “merit with exception”.

While each audit resulted in one overall recruitment and selection process finding (“merit”, “merit with exception” or “merit not applied”), more than one error was identified in some of the appointment processes. Of the 148 appointments where the finding was “merit not applied” or “merit with exception”, 75 per cent had a single error, whereas 25 per cent of the appointments had two or more errors, resulting in a total of 201 errors. For 19 of these errors, there was a known negative impact on the outcome, and for the remaining 182 errors, the impact on the outcome was unknown or mitigated.

The rate of multiple errors per appointment has decreased over the last few years. In 2015/16 and 2016/17, there was on average, almost one error per appointment audited. In 2017/18, the rate dropped by almost 25 per cent.



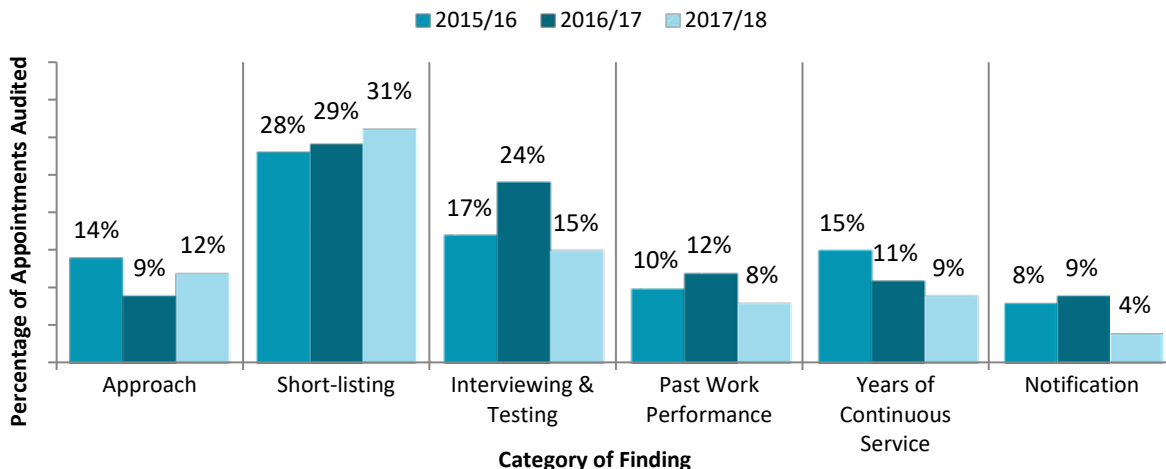
The types of errors found are reported in categories as follows: approach, short-listing, interviewing and testing, past work performance, years of continuous service, and notification, as defined below.



To better illustrate the frequency of these errors in the sample of appointments audited, Chart 2 compares over time the frequency of errors by category, calculated as a percentage of the appointments audited. As multiple errors were found in some appointments, the percentages in Chart 2 do not add up to 100 per cent.



Chart 2 - Types of Errors as a Percentage of All Appointments Audited



Notes:

- Years of continuous service percentage is based on the number of BCGEU and PEA appointments audited, as well as any excluded positions where the appointment included years of continuous service (196 BCGEU and PEA appointments and 3 excluded for 2017/18).
- The results for short-listing, and interviewing and testing for 2015/16 have been modified from what was reported in Merit Performance Audit 2015/16, so that an equivalent comparison for subsequent years can be made.

Short-listing errors continue to be the most frequently identified error, remaining mostly constant from 2015/16 to 2017/18 and, on average, occurring in 29 per cent of the appointments over this three year period. The rate of interviewing and testing errors decreased notably, down nine percentage points from 2016/17. A decrease in rates was observed for past work performance, years of continuous service and notification. Errors in approach increased slightly. Appendix C contains detailed observations of the recruitment and selection process findings.

Individual Appointed Results

For three appointed individuals the finding was “qualifications not demonstrated” and another appointed individual was found “not qualified”. These audit results are fairly consistent with past years and continue to indicate that the vast majority of individuals being appointed meet required qualifications. There was no evidence of patronage in any appointments. Appendix D contains detailed observations of the individual appointed findings.

Documentation Results

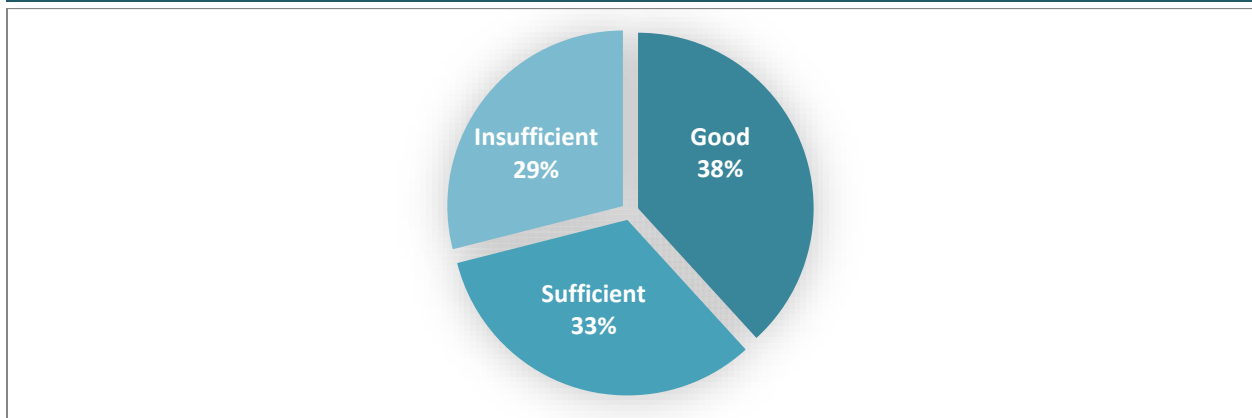
For 99 of the 259 audited appointments, the competition was well documented requiring little or no follow up with the hiring manager to be able to conduct a thorough audit. For 85 appointments, the documentation was found to be “sufficient” which, in the majority of cases, involved a missing portion



of documentation at the onset of the audit. Usually, upon request, the missing documentation was provided. In other cases, the hiring manager was required to provide clarification or additional documentation to substantiate key aspects of the process, such as short-listing decisions or marking criteria.

For the remaining 75 appointments, the documentation was determined to be “insufficient”. Generally in these cases, an essential element was missing and we had to take into consideration verbal evidence in order to conduct the audit. In one of these cases, the documentation was so inadequate that the appointment decision could not be justified and a recruitment and selection process finding of “merit not applied” resulted. Documentation results are illustrated in Chart 3. Appendix E contains detailed observations of the documentation findings.

Chart 3 – Documentation Results



Discussion of 2017/18 Results

An audit provides an opportunity to observe and make comments on the success of and risks to merit-based hiring. The results from the 2017/18 Merit Performance Audit can be viewed from the perspective of the principles which support merit-based hiring: open and transparent processes; assessment relevant to the job; fair and equitable treatment of applicants; and reasonable decisions.

The audit results showing that openness and transparency in hiring is a strength within the BC Public Service. Opportunities continued to be available to a broad pool of candidates: appointments from postings available to external candidates rose in the past three years from 50 per cent to 75 per cent. In recent previous audits, it was noted as a concern that many of the postings did not include the mandatory qualifications. However in 2017/18, many postings once again included the minimum education and experience qualifications; thus, providing potential applicants with an understanding of the requirements prior to applying. Overall, applicants were better tracked and accounted for



throughout the stages of the recruitment and selection process. Also, nearly all employee applicants received final notification of competition outcomes, which is critical to ensuring protection of their rights to a staffing review.

With respect to the principle of assessment relevant to the job, the audit identified that required qualifications were consistently job-related and that the evaluation process was generally appropriate to the role. Self-assessment questionnaires and qualifications grids continued to be used for short-listing in the majority of competitions, but more effectively than has been found in previous audits. Of concern, however, is the reliance on applicant responses to self-assessment questionnaires for decision making without any form of verification of information provided.

The main method of evaluating candidates continued to be interviews, most of which were behavioural-based and used standardized BC Public Service behavioural competency materials (e.g., definitions, interpretative guides, etc.). Usually, this interview method and associated tools were chosen appropriately although it was apparent that, in some instances, these tools were used without giving appropriate consideration to their suitability for the position under consideration. At the interviewing stage, the lack of appropriate criteria by which to mark candidate responses continued to be identified, although there was a noted decrease in the frequency of this type error this year. Benchmarks or standards are cornerstones to ensuring candidate responses are fairly and consistently assessed.

In addition to an interview, nearly 70 per cent of processes used one or more additional forms of assessment. Many of these involved tests such as custom-made practical exercises for technical positions or standardized online skills exams for competitions with large numbers of applicants. Generally, the audit found that relevant, practical tools are being developed and used to aid in assessment.

There was increased use of candidate inventories to fill positions of a similar nature with common requirements. The assessment of applicants to inventories being created for a single position type (e.g., Employment Assistance Worker) were generally well organized and clearly thought through. The assessment of applicants for inventories to fill a range of positions (e.g., clerical positions) proved more challenging given the variation in the different position requirements. In these inventories, errors were made in prequalifying or disqualifying individuals for the various types of jobs resulting in some individual's qualifications being misaligned with the requirements of the specific positions for which they were subsequently considered.

The principle most at risk identified through the audit was fair and equitable treatment of candidates. In particular, errors continued to rise with respect to short-listing. The vast majority of these errors can be attributed to the changing or lowering of the posted minimum qualifications, specifically education and experience, required to be considered in a competition. While it is understandable from a hiring manager's perspective that such an approach would increase the number of candidates in a competitive



process, it is unfair to the other individuals who did not apply to the competition because they did not meet the stated requirements but may have applied had they known that the requirements would be less than those posted. Further, there may have been a disadvantage to the applicants who did meet the stated requirements as they were required to compete against a bigger pool of candidates.

Generally, competitions were conducted in a fair and consistent manner with an appropriate panel and a structured process to assess applicants, and applicants were treated in a similar equitable manner throughout. It was clear that the majority of hiring managers conducted the selection process rigorously and professionally. Regardless, unintentional errors were identified in a number of competitions. Unfortunately, simple mistakes can have a significant effect on competition results and, consequently, on individuals and their careers. Examples of these types of mistakes include: overlooking qualified applicants during short-listing; incorrectly transcribing interview scores onto rating guides; and using the wrong data to calculate points for years of continuous service. There were also several systemic errors made in a few of the inventory processes audited, such as errors observed in sorting candidates and their tracking status that, with better preparation could have been avoided. Further, systems-based technical problems resulted in serious potential and actual outcomes in some inventory processes. Attention to detail is required throughout the hiring process to avoid simple errors.

There were a number of other errors, albeit less common, that affected fairness in some competitions, mostly involving variable or preferential treatment of one or more candidates. These types of errors were found at different stages of the process and included: adding known individuals into a competition who had not originally applied for the position; short-listing candidates who did not meet the qualifications but appeared promising; granting internal candidates courtesy interviews; offering appointments out of rank order; and offering candidates on an eligibility list a very different role than that for which they competed. Preferential treatment of candidates, while not observed frequently, is a significant area of risk to merit-based hiring given that the individuals granted additional or special consideration often go on to become the successful candidate.

With respect to the principle of reasonable decision-making, hiring managers and panel members have the responsibility for selecting which individuals will be offered a position and which are not successful in a competition process. The audit observed that the majority of competitions used a panel to make hiring decisions which is good practice and helps to ensure more reasonable, balanced and informed decisions.

The accountability for decision-making, in particular one as significant as the offer of an appointment in the BC Public Service, means that such a decision and the steps leading up to it, must be documented. This is the second year that the Office has observed on documentation as a separate and distinct element of the hiring process. Although the number of audits with documentation that was considered “good” was more than last year, the fact that nearly one-third of the audited appointments had “insufficient” documentation to support the hiring decisions indicates room for improvement. As



documentation problems were most typically associated with one aspect of the process, rather than the entire competition file, changes to current practice would not need to be extensive in order to resolve this problem.

Overall, the 2017/18 Merit Performance Audit found the large majority of appointments were based on merit. While the frequency of findings is similar to those of the 2016/17 audit, there was a notable decrease in the number of errors per appointment suggesting that there has been an overall improvement in hiring practices.

Prior to being finalized, this report was shared with the Deputy Minister of the BC Public Service Agency and her response is attached as Appendix F.

The following recommendations highlight areas where further improvement could strengthen merit-based hiring.

Recommendations

Based on the findings and most significant issues identified through the 2017/18 Merit Performance Audit, the Merit Commissioner makes the following recommendations which are, for the most part, directed to deputy ministers and organization heads. It is recognized, however, that action and assistance from the BC Public Service Agency may be necessary to support the implementation of these recommendations.

1. Review the minimum qualifications before advertising the position to ensure the appropriate education and experience requirements are accurately captured, stated, and applied, and consider where alternative combinations of requirements may be appropriate or acceptable.
2. Give thoughtful consideration to the assessment methods and tools to be used and design these to assess specific job requirements.
3. Establish reasonable standards and criteria for each form or stage of assessment, including interviews.
4. Review and verify the application of standards and criteria to ensure they have been correctly and consistently applied across applicants and candidates.
5. Ensure hiring decisions are documented sufficiently to demonstrate each applicant's status at each stage of the competition.



Appendix A

Organizations Subject to Oversight by the Merit Commissioner

(As of March 31, 2018)

Ministries

Advanced Education, Skills and Training
Agriculture
Attorney General
Children and Family Development
Citizens' Services
Education
Energy, Mines and Petroleum Resources
Environment and Climate Change Strategy
Finance
Forests, Lands, Natural Resource Operations
and Rural Development
Health
Indigenous Relations and Reconciliation
Jobs, Trade and Technology
Labour
Mental Health and Addictions
Municipal Affairs and Housing
Public Safety and Solicitor General
Social Development and Poverty Reduction
Tourism, Arts and Culture
Transportation and Infrastructure

Independent Offices

Auditor General
Elections BC
Information and Privacy Commissioner
Merit Commissioner
Ombudsperson
Police Complaint Commissioner
Representative for Children and Youth

Courts of British Columbia

BC Court of Appeal
Provincial Court of BC
Supreme Court of BC

Other Public Sector Organizations

Agricultural Land Commission
Auditor General for Local Government
BC Human Rights Tribunal
BC Pension Corporation
BC Public Service Agency
BC Review Board
Community Care and Assisted Living Appeal
Board
Destination BC
Employment and Assistance Appeal Tribunal
Environmental Appeal Board
Financial Institutions Commission
Financial Services Tribunal
Forest Appeals Commission
Forest Practices Board
Health Professions Review Board
Hospital Appeal Board
Independent Investigations Office
Islands Trust
Office of the Premier
Oil and Gas Appeal Tribunal
Property Assessment Appeal Board
Public Guardian and Trustee
Public Sector Employers' Council Secretariat
Royal BC Museum
Safety Standards Appeal Board
Surface Rights Board



Appendix B

Inventory Process Observations

The 2017/2018 Merit Performance Audit reviewed a number of inventory processes. Inventories consist of candidates who have undergone some degree of assessment and are considered pre-qualified for a specific position or a range of positions, normally at the same classification level. With inventories increasingly becoming a basis for hiring in the BC Public Service, the Office of the Merit Commissioner (Office) reviewed and refined its approach to auditing inventories in 2017/18.

Where random sampling of all appointments resulted in one or more appointments selected for audit originating from an inventory, the process used to establish the inventory was audited. The organization which led the inventory establishment was then advised of any weaknesses identified with that process, and of any flaws that could lead to an adverse finding for appointments arising from the inventory.

Subsequently, the inventory-based appointments that were randomly selected underwent a standard audit. Audit reports were prepared for each of these inventory-based appointments and sent to the responsible deputy minister. In addition to identifying issues with the position-specific process, this report also included any errors or areas for improvement that had an impact on the audited appointment which were directly attributable to the creation of the inventory. For example, where an issue was identified with short-listing at the inventory stage that allowed a candidate without the required qualifications to progress to a competition, if that candidate was eventually successful, that would result in “merit not applied” finding for the specific appointment. If, however, the candidate was eliminated during the competition process, the result would be a “merit with exception” finding for the specific appointment.

This approach represents a change from that of the 2016/17 audit when flaws in the establishment of the inventory were considered to impact all subsequent appointments arising from that inventory. Now, mistakes made in the creation of an inventory do not inevitably become issues for all associated audited appointments. Instead, there is only an adverse audit finding when an inventory error has consequences for the specific competition. This refined and focused audit methodology resulted in relatively fewer adverse findings with respect to inventory-based appointments than were found previously.

2017/18 Observations

Inventories were the source of candidates for a number of appointments drawn for audit in 2017/18. Twenty-two appointments were audited from seven different inventories in contrast to 2016/17 when nine appointments were audited from one inventory. Consequently, in 2017/18 it was necessary to audit seven inventories with a combined total of nearly 9,000 applicants.



Through audit, the Office identified two principle types of candidate inventories currently in use, pools and prequalified lists. The characteristics of these processes are:

Pool (Not Ranked) – This is an unranked pool of candidates who, based on information submitted in their application, were identified as meeting the general education and experience pre-requisites for a specific position or for a broad range of positions at a particular classification level. This type of pool assessment usually incorporated online skills tests which were used to partially assess candidates or to further categorize individuals into specialized inventory streams. Subsequent job opportunities were open to the pool or restricted to specific streams within the pool. Candidates who expressed interest in a job opportunity typically underwent subsequent assessment through a competition process to determine their final standing.

Prequalified List (Ranked) – This is a ranked list of pre-qualified candidates created for a particular position. Candidates were evaluated through testing and interviewing and rank-ordered based on these assessments. Candidates on the list were informed when opportunities became available. Those interested in the specific job or location then underwent an assessment of past work performance, and any points warranted for years of continuous service were added to their competition scores to determine final standing.

Of the seven inventories audited, three were found to have no issues, and minor issues related to short-listing were observed in a fourth. These inventories were for specific types of positions, included both pool and prequalified list type inventories, and had good tracking processes.

The other three inventories were established to fill multiples types of positions at the same classification level and, as such, involved more complicated processes. One general weakness identified in all three of these inventories was the reliance on applicants' stated qualifications and their self-assessment questionnaires for short-listing without verification. Another weakness identified in one inventory is described in Case Study B-1.



Case Study B-1 – Design flaw

An approach used by the inventory recruitment team to assess applicants resulted in individuals being included in the inventory who did not meet the qualification specified in the posting or job profile. In order to become part of the prequalified pool, applicants were required to meet one of several acceptable combinations of relevant education and have sector-related experience (e.g., grade 12 and five years' experience, diploma and three years' experience or a degree and two years' experience). A self-assessment questionnaire required applicants to indicate their level of education and the number of years of experience they had in 13 different areas of the sector. In assessing responses, the recruitment team advanced any candidate who indicated they had two years' of experience in any one of the 13 areas without regard to their corresponding level of education. As a result of this approach, candidates who had grade 12 or a related diploma and only two years of related experience could be included in the pool. In fact, the audit identified multiple candidates who were short-listed despite not having the minimum experience qualifications required for their level of education.

Another issue was the inclusion of unqualified individuals in the inventories which arose due to technical data management problems and the interpretation of applicant information by the inventory team. Case study B-2 provides an example of this issue. This resulted in candidates being admitted to the inventory who did not have the education and experience requirements or the equivalencies defined in the job profiles. In one inventory, this error was exacerbated when members were categorized into speciality streams based on test results with no reference to their experience. While there continue to be some challenges with notification regarding candidate status, the use of notification boards to advise inventory members of appointments and opportunities for feedback has improved.

Case Study B-2 – Technical Problem

An excel spreadsheet was used to track and make decisions about applicants' status throughout the inventory process. The spreadsheet contained formulas that connected data between worksheets. In a number of cases, the formulas pulled data from an incorrect source (i.e., the wrong candidate or an empty cell). As a result, some individuals showed as qualified for streams for which they did not have the requisite experience or test scores, while others did not show as qualified for streams for which they were qualified. At least one candidate, who showed as having the requisite customer service experience when she did not, was appointed despite not qualifying for the stream.

With respect to documentation of the inventories audited, those for a single type of position were generally better documented than those for multiple, varied positions at the same classification level. In the latter type of inventory, documentation weaknesses included multiple versions of incomplete or erroneous tracking documents and mistakes made using excel spreadsheets; however, an improvement in the documentation of this type of inventory was noted over the course of the audit year.



Appendix C

2017/18 Recruitment and Selection Process Observations

In accordance with the *Public Service Act (Act)*, each audit undertaken by the Merit Commissioner results in two findings. One of these findings is whether the recruitment and selection process was both properly designed and applied to result in an appointment based on merit.

Recruitment and selection processes typically are conducted in a similar sequential manner: a notice is made available to interested applicants, applications are received and a short-list is made of candidates meeting basic criteria such as education and experience. Then, a selection panel is struck to assess candidates' other qualifications, such as knowledge, technical skills, and competencies, through interviewing and testing. Years of continuous service is considered and past work performance is assessed as the last stages of assessment. In 2017/18, this continued to be the standard approach. It was observed that in all but a very few instances, notices were appropriately posted and decisions were made by a selection panel.

Each audit results in one finding (“merit”, “merit with exception” or “merit not applied”) with respect to the recruitment and selection process; however, for some audits more than one error may be identified. For “merit with exception” findings, the audit report related to the appointment noted whether the impact of the error was unknown or mitigated. Approximately three-quarters of these errors were considered to have an unknown impact largely explained by the fact that many of the errors occurred during the short-listing stage. As making a change in the beginning of a selection process can have so many potential effects on the outcome, the audit can only identify that an error was made, and cannot predict what impact that error may or may not have had on the outcome. By contrast, some errors are mitigated through subsequent events or decisions which result in there being no impact from the error on the outcome of the competition. The audit notes although the impact of these errors had been alleviated, in a different set of circumstances, they may have had a serious negative impact.

With respect to the 2017/18 audit, a total of 201 errors were identified. In order to provide a sense of the types of problems and the frequency with which they occur, the errors are grouped into and reported out by type—the types of errors are categorized as approach, short-listing, interviewing and testing, past work performance, years of continuous service, and notification.



Table C-1 provides a breakdown of the total errors found by category and shows them as a percentage of total errors.

Table C-1 –Errors Identified by Category		
Type of Error	# of errors	% of errors
Approach	31	15%
Short-listing	79	39%
Interviewing & Testing	40	20%
Past Work Performance	22	11%
Years of Continuous Service	18	9%
Notification	11	6%
Total	201	100%

Notes:

- The percentage of audits for years of continuous service is based on the 196 BCGEU and PEA appointments audited, and three excluded positions where this factor was considered (n=199 appointments)

The following outlines observations on the competitions audited in 2017/18 and the types of errors identified with the recruitment and selection processes. Information is presented in the order of a typical competitive process.

Approach

The overall design and conduct of the recruitment and selection process is referred to as the approach. The key elements of a merit-based approach include: some form of notice or posting that provides the prospective applicant pool with the requirements for application and an opportunity to submit their candidacy; an established methodology; and specified standards for assessment. It is imperative that these elements be in place as this is the foundation upon which a fair competitive process is based.

The audit considers whether the opportunity was open to a reasonable applicant pool and all applicants (or candidates) were included or excluded correctly at the various stages. It considers whether the approach taken to a competition was transparent, and included clearly defined qualifications, a methodology with identified tools or stages, and established standards for assessment. It also considers whether all applicants are accounted for as they progress through the process, and that the results are a logical outcome of the approach, with the best qualified candidate(s) offered appointments or placed on an eligibility list in accordance with their standing. Further, appointments made from a competitive process to positions other than the initial appointment, should be to positions that can reasonably be considered similar in their nature and classification.



Case Study C-1 – Good Practice: Overall Approach

In this competition for a managerial position, the hiring panel applied the principle of merit at all stages. The posting described the responsibilities of the position and contained clear statements of the qualifications required. Applicants were appropriately short-listed in accordance with the mandatory education and experience qualifications, and thoroughly evaluated through a review of a work sample, delivery of an oral presentation and participation in a behavioural interview. The panel established specific marking criteria with an associated point-rating scheme which ensured the consistent assessment of candidates in accordance with the same standards and they made detailed panel notes. All applicants were accounted for and decisions made throughout the process were substantiated. Overall, the process was transparent, relevant and fair.

2017/18 Observations

Of the 259 appointments audited in the 2017/18 Merit Performance Audit, over 91 per cent involved permanent positions and over 77 per cent were posted as open to external applicants. Of the 58 appointments restricted to internal applicants, 19 were further restricted to the organization, a specific geographic area, an organizational unit within a ministry, or some other limited group of employees. There were a number of comparatively large selection processes with 33 competitions having more than 100 applicants.

There were also seven large inventory processes with the number of applicants ranging from 229 to 2,199. A number of organizations subsequently canvassed inventory candidates for interest in specific positions. Often, numerous appointments were made from these large hiring processes resulting in multiple appointments from the same competition being randomly selected for audit, or from the same process to establish the inventory.

Appointments with errors in “approach” involving the design or conduct of the hiring process tend to represent a greater risk to merit-based hiring given the broader scope of issues, and result in more “merit not applied” findings than errors in any other category. In 2017/18, one or more approach errors were found in 31 appointments and seven of the errors warranted a finding of “merit not applied”.

Type and Scope

The audit continues to observe the use of innovative and efficient approaches to conducting competitions, the most notable in 2017/18 were the broader use of inventories and the ongoing use of “batched” competitions.

Inventories – The mistakes made during the creation of inventories had implications for some of the subsequent ministry-led competitions. The greatest error was the placement of candidates



into inventory streams for which they did not qualify, and exclusion from other streams for which they did qualify. As a result, a number of unqualified individuals were erroneously short-listed into ministry-led competitions. In most of these cases, the candidates appointed or placed on the eligibility list were qualified. However, in two cases a candidate was appointed or placed on the eligibility list who was not qualified—a known negative impact on the outcome. Other general inventory observations are discussed in Appendix B, Inventory Observations.

Batched processes – There were a number of competitions where the posting was open for several months attracting a large number of applicants who were reviewed in batches according to the date they had applied. In two of these processes, a number of applicants were shifted among the batches, sometimes for no apparent reason. From the evidence available, the audits were unable to account for the status of each applicant.

It was noted that the transparency of these processes could have been improved by clearly outlining in the posting how applicants would be considered in batches (e.g., separate competitions) with applicants only being considered once.

Eligibility lists – Eligibility lists were established in close to 60 per cent of the appointments audited. Twenty-one per cent of the appointments audited were made from an existing eligibility list and in two of these cases, the candidate was appointed to a different position than originally posted. While both positions were within the same ministry and had the same classification, the duties and qualifications varied significantly (e.g., the posted position was an analyst and the subsequent appointment was to a supervisory position). While the posting included a notice that “an eligibility list may be established”, there was no indication that it might be used to fill other types of positions in the branch or ministry. The audit concluded that a different pool of individuals may have applied if separate competitions had been held.

Selection Criteria

In two of the appointments, the job posting erred by referring applicants to the job profile for complete selection criteria, when there was either no or only partial selection criteria in the profile. As selection criteria are the foundation of a merit-based process, it is important that qualifications are accurate and clearly described prior to the start of any competition.

The audit found that the majority of postings were more informative than in previous audits by clearly stating the minimum qualifications, typically education and experience, required to be considered for the position. There were only a few notes for improvement with respect to ensuring the stated requirements and qualifications in the posting are clearly defined.

Added Applicants



Two serious errors were found with respect to adding applicants into a competition. In one situation, a hiring manager requested the addition of an inventory candidate who had not applied for the competition and the error in the other case, is outlined in Case Study C-2. As both candidates were subsequently appointed, the decisions to give these candidates special consideration not afforded to other applicants directly influenced the outcome.

Case Study C-2 – Special Consideration

In this competition there were three late applications: two individuals applied late on the day the posting closed and the third applicant, an employee of the organization, applied a month later. All three applications were accepted and the individuals included in the process. The panel representative advised that the applicant who had applied much later had been encouraged to do so by the panel when the lead candidate opted to withdraw following the interviews. While determining whether to accept late applications is at the panel's discretion, the decision to do so at such an advanced stage of the competition was neither fair nor reasonable as other qualified individuals may have put their candidacy forward had they known the opportunity to be considered was still available. The applicant who was specifically invited to apply at such a late date and was ultimately successful was given an unfair advantage in the competition.

With respect to missing applicants, there was general improvement with respect to tracking and accounting for individual applicants through large competitions with the exception of two of the batched competitions described previously.

Outcome and Results

Two additional serious errors were found with the order in which candidates were ranked or appointed that had a discernable impact on the outcome. One of these cases is described in Case Study C-3, and in the other case, the hiring manager advised that the panel changed the order as they believed a lower-ranked candidate had demonstrated stronger competency.

Case Study C-3 – Appointed Out of Rank Order

One candidate whose score was higher than other candidates on the eligibility list was not appointed in rank order. Instead the individual received an offer several weeks after other candidates with lower scores were made offers. The out of order offer may have disadvantaged this individual with respect to seniority depending on when the other successful candidates started work. Further, another candidate who passed the interview and past work performance assessments did not receive an offer. The ministry had no record of a withdrawal or explanation for this omission.



In several other cases, due to the size and complexity of the competitions as well as the requirement to fill positions quickly, offers were issued over several months as the assessment of candidates' past work performance was completed. This approach may have resulted in lower-ranked candidates receiving earlier appointment dates than those ranked ahead of them, which has advantages with respect to seniority. While it is understood that a myriad of other circumstances beyond the panel's control (e.g., criminal records checks, personal commitments) may impact start dates, the competition should have been designed in a manner such that the merit-based rank of candidates was respected.

There were numerous other competitions with errors or notes for improvement involving candidates with final tied scores which had implications for candidate ranking and potentially for appointment date. Errors were found where the panel ranked candidates with tied scores using criteria that were not merit-based, such as alphabetically by name.

Insufficient Evidence

The paper file for one competition was shredded in error leaving minimal evidence of the interview and past work performance stages. Consequently, without the information to determine that candidates were fairly and consistently assessed, a "merit not applied" finding resulted. See Case Study E-1 in Appendix E, Documentation.

Short-listing

Short-listing is the step in the selection process where the determination is made of which applicants meet the stated mandatory selection criteria, and, in some instances, additional criteria specified as preferred. Short-listed individuals are then considered candidates and further assessed in the selection process. Short-listing criteria generally include education and experience requirements (two factors of merit in the legislation), and other criteria such as professional certifications, licences, or accreditations which are identifiable through a review of applications and do not require a qualitative assessment.

The audit examines whether the criteria used for short-listing, upon which potential applicants would have based their decision to apply, were reasonable and consistent with the qualifications stated as essential. The audit also considers if the criteria were applied consistently across applicants and if short-listing decisions were reasonable, transparent and accurate. The key determination is whether those who met the short-listing criteria were considered for further assessment, while those who did not, were eliminated.

2017/18 Observations

Short-listing was the category where most errors were identified. Of the 259 appointments audited, 79 had one or more errors attributed to short-listing. Two of these errors resulted in "merit not applied" findings for the appointment under audit.



The vast majority of the errors involved the “relaxing” of the stated requirements (e.g., waiving the need for a cover letter as described in Case Study C-4) or qualifications (e.g., eliminating a mandatory experience requirement), or taking into consideration an unstated equivalent qualification (e.g., accepting a related training course in lieu of stated experience). In these cases, the panel typically chose to reduce one or more of the stated requirements or qualifications in an effort to be more inclusive or to have a greater number of candidates advance. While these lesser requirements were usually assessed consistently for those who had applied, there were implications for individuals who may have applied had they known that the stated criteria would not be required, or would be amended.

Case Study C-4 – Waived Application Requirement

The posting stated that a cover letter was required as part of the application process and that the content and format of this document may be evaluated as part of the assessment process. However, according to the documentation on file, the panel waived this requirement as two of the five applicants did not submit a cover letter. This approach may have allowed for a reasonable number of applicants to be given further consideration; however, it was not fair to other qualified individuals who may have applied if this requirement had not been advertised as mandatory nor to those who had taken the time to write and submit a cover letter.

In a few instances, the panel invoked short-listing criteria that were not stated in the posting or job profile and, as such, applicants were not provided a fair opportunity to address these qualifications in their application.

There were also a number of instances where applicants with similar qualifications were treated inconsistently. In these cases, one or more applicants who did not meet the posted requirements were short-listed, while others with similar qualifications were not short-listed; or conversely, one or more applicants who appeared to meet the posted requirements were not considered further while others with similar qualifications were advanced. In some cases, the discrepancy was due to an oversight where applicants were either left out or moved forward by mistake. Case Study C-5 summarizes one such case.

Several other short-listing inconsistencies were attributed to variable or special consideration given to known or promising applicants. In one case, the ultimate result of the panel unfairly using their own knowledge of an individual’s background to short-list was the appointment of the candidate.



Case Study C-5 – Special Consideration

A candidate was short-listed despite the panel’s assessment that the candidate did not possess an experience qualification stated as mandatory in the posting and job profile. The hiring manager advised that the candidate, who worked within the organization, was very experienced and well respected, as well as had related managerial courses. The audit found that the panel based their decision to short-list this particular candidate on their own knowledge, and that as such, the candidate was provided with greater consideration than other applicants. However, as the candidate did not advance following the interview the impact of the decision was mitigated.

Several other appointments had limited evidence of a short-listing process. In these cases, the applicants were short-listed without any rationale to substantiate the decisions, such as what the short-listing criteria were or how applicants were assessed in accordance with any stated criteria. Without this information, it was not possible to determine whether the basis upon which applicants were eliminated or advanced was fair and reasonable.

Some other less frequent errors involved the short-listing design or criteria such as the use of a point-rated approach to short-list. While this approach is not an issue in itself, the point-rated method that was used allowed applicants who did not possess the mandatory qualifications to advance.

Other errors or notes for improvement related to short-listing design included:

- criteria used to short-list that were not clearly described in the posting and job profile;
- self-assessment questionnaire questions or answer options that were unclear; and
- qualifications stated as knowledge or skills that were assessed through experience.

An example of short-listing which met all the required elements is included as Case Study C-6.

Case Study C-6 – Good Practice: Rationale

The posting for this competition advised potential applicants to submit their resumes and responses to a self-assessment questionnaire for consideration at the working level of the position, or at an “under-implemented” level. The mandatory education and experience qualifications to be considered at each level were clearly outlined in the posting, the job profile and the questionnaire. The panel assessed applicants in accordance with the stated qualifications, detailing how applicants met or did not meet each qualification, and recording their final short-listing decisions. This approach to short-listing ensured that applicants were clearly and consistently assessed for required education and experience, and that only those who met the qualifications as stated were short-listed.



Interviewing and Testing

An essential stage of a fair selection process is the assessment of knowledge, skills and abilities which are three factors of merit specified as necessary to perform the job. This assessment can be undertaken using a variety or combination of methods, including interviews, written tests, practical exercises, presentations, and role plays. These factors are often assessed as behavioural competencies in the selection process. Assessment is usually staged so that only candidates who pass one aspect of the assessment process progress to the next stage. Candidates are assessed individually against predetermined criteria and their performance determines their continued status in the competition.

The audit considers whether the assessment methods were suitably designed and relevant, and whether there were sufficient job-specific marking criteria (e.g., behavioural indicators, ideal responses, answer elements, etc.) to allow for objective marking. The audit also examines if candidates were reasonably and consistently assessed in accordance with the marking criteria. Where scores or marks were allocated, they are examined to ensure calculations were correct and accurately recorded, and that the candidates were properly ranked.

2017/18 Observations

It is generally accepted that using multiple assessment methods adds credibility and validity to the decisions resulting from the selection process. Almost all competitions (99 per cent) audited in 2017/18 involved an interview and nearly 70 per cent of these appointments were based on one or more additional methods of assessment such as a written exercise, or presentation. For the remaining 30 per cent of appointments, aside from the mandatory past work performance checks, an interview was the only method of assessing short-listed candidates.

Approximately one third of interviews involved only the assessment of behavioural competencies, and nearly 60 per cent assessed a mixture of knowledge, skills and behavioural competencies. The remaining interviews focussed almost exclusively on the assessment of only knowledge, skills and abilities. Case Study C-7 provides an example of comprehensive and relevant assessment.

Of the 259 appointments audited, 40 had one or more errors identified with respect to interviewing and testing. Three of these appointments resulted in a finding of “merit not applied” due to four errors that had an identifiable adverse effect on the outcome.



Case Study C-7 – Good Practice: Comprehensive and Relevant

In this out-of-service competition for a senior advisor position, candidates completed a written assignment designed to evaluate the directly-related knowledge and skills requirements of the position. The panel created a detailed answer guide and clearly assigned points in accordance with the guide. In advance of the next stage, an interview, candidates were provided with comprehensive information including a description of the behavioural interview method and the behavioural competencies to be assessed. The panel had prepared thoughtful probing questions and a logical methodology for point-rating responses in accordance with the relevant behavioural competency interpretative guides. Candidate responses were well-documented through panel members' notes which included the reasoning for the points awarded to a response. This well-designed assessment process was relevant to the type of position, and objectively assessed candidates.

Methods and Marking Criteria

The most frequent error found at this stage was a lack of assessment standards which was identified almost exclusively with respect to interviews. In nearly half of the cases there was no marking criteria such as behavioural indicators, ideal answers, or key elements for one or more of the interview questions. In nearly half of the other cases, the panel used a template rating scale (e.g., a ten-point scale with a generic description of each point rating) to mark responses. While this may require less effort on the panel's behalf, without any description of what aspects must be addressed to warrant a particular score, there is no common basis for determining a quantitative or qualitative score (e.g., 10 points or excellent answer).

Without a set of common standards, it was difficult to determine whether candidates had been objectively and consistently evaluated; and consequently, the impact on the outcome was unknown. The effect of the lack of marking criteria was compounded when panel members marked responses independently and there was no final consensus among members with respect to an overall mark to be assigned.

The remaining errors involving a lack of assessment standards included subjective elements, such as evaluating "candidate conduct" and point-scoring candidate responses to a general "ice-breaker" question. An example is included in Case Study C-8.



Case Study C-8 – Subjective Elements

The interview rating guide indicated that in addition to points awarded to candidates' interview responses, there were 50 points allocated to a "global assessment". The hiring manager was no longer with the ministry; however, other panel members advised that they considered elements such as presentation, following instructions, promptness, and dress, in order to determine a point-score for this factor. This "global assessment" accounted for almost 20 per cent of the competition score and impacted the final rank order of candidates. Given the unclear nature of the factor and the lack of established marking criteria, it was not possible to determine its relevancy to the job, or whether candidates had been consistently assessed in accordance with reasonable standards.

While assessing suitability for the position may be reasonable depending on the circumstances, it must be based on relevant requirements, have a structured approach and objective scoring standards.

Lastly, there were a number of competitions where the audit identified marking criteria as an area for improvement—most notably, where there was either no or unclear pass marks.

Assessment and Results

There were numerous unintentional mistakes made with respect to calculating and transcribing assessment scores—most of these were minor and noted as an area for improvement. However, in three appointments, errors of this nature led to wrong candidates either being successful or placed on an eligibility list. In one case, a candidate who was erroneously awarded additional points became the highest-ranked and was appointed instead of the actual highest-ranked candidate. In another case, an error was made when a candidate who failed the interview was mistakenly advanced, ending up on an eligibility list. The third case is described in Case Study C-9.

Case Study C-9 – Interview Assessment Error

The rating guide indicated that a pass mark had been established at 70 per cent of the total interview points. Based on candidate interview scores and the established pass mark, only two candidates should have passed. However, as the panel added points for years of continuous service to all candidates' interview scores before determining who met or did not meet the pass mark, four candidates were advanced. (Years of continuous service is a separate factor of merit intended to be calculated for those candidates who qualify after all assessments are completed.) As a result of these additional points, two candidates who should have failed, passed, and were ultimately placed on the eligibility list. It was an error in design to add points for years of continuous service onto the interview scores of candidates in order to determine who passed the interview.



Several other appointments had significant calculation or transcription errors; however, the impacts were unknown or mitigated. Where candidates were incorrectly deemed to have failed a component, it was not possible to predict how the candidate would have performed in further assessments had they not been eliminated. Where candidates were incorrectly advanced or placed in the wrong rank order, other factors intervened to prevent a negative outcome, for example, the candidate withdrew or failed a subsequent stage of testing.

As candidates' scores determine relative merit and standing in a competition, it is important that marks are accurately determined and recorded.

Past Work Performance

Past work performance evaluations are conducted to verify assessment findings and other aspects of the process such as application requirements self-reported by candidates. It is also a means to ensure any other requirements of the position are met (e.g., standards of conduct). As a factor of merit in legislation, past work performance must be considered and, as specified by BC Public Service hiring policy, include at least one employment reference from a current or previous supervisor, or equivalent. Generally, information supplied by referees or other sources (e.g., performance evaluations) is considered by the hiring panel in accordance with the requirements of the position, and used to determine a rating (pass/fail) or score for this phase of the selection process. The audit looks to confirm whether the approach to assessing past work performance was fair and relevant to the position, and included a supervisory reference. The audit also considers if the evaluation of candidates' performance was consistent and reasonable given the position requirements, and that the resulting determinations were substantiated by the evidence collected.

2017/18 Observations

Of the 259 appointments audited, 22 had one or more errors with respect to the assessment of past work performance: five of these errors led to a "merit not applied" finding.



Case Study C-10 – Good Practice: Fair Approach to Assessing Past Work Performance

In this competition, the panel designed a two-part assessment of past work performance. For the first part, the referee was given the definitions for eight competencies and the descriptions of the respective performance levels. The referee was asked to indicate the level the candidate regularly performed at and describe the candidate's behaviours that exemplified the chosen level. Based on the referee's observations for each candidate, the hiring manager determined a point rating which was added into the candidate's total competition score. The second part of the assessment involved asking referees for their observations of the candidate in general performance areas such as punctuality, attendance, and standards of conduct and confidentiality, and whether they would rehire the candidate. Based on this information, the hiring manager assessed whether the candidate passed or failed the general performance requirements. This approach to assessing past work performance was thorough and relevant to the position.

Lack of Past Work Performance Assessment

The most serious errors occurred when past work performance was not assessed for employee candidates who were appointed and as such, there was an identifiable negative outcome—successful employee candidates were determined without the consideration of a critical factor of merit. In two instances, candidates were appointed without any consideration given to their past work performance. In three other situations, employee candidates were made conditional offers of appointment at the same time that unsuccessful candidates were notified of the final competition outcome. While past work performance was subsequently assessed for these candidates (two to 10 days following notification), all factors of merit should be assessed prior to identifying successful candidates and advising applicants of the outcome. See Case Study C-11 for more information about one of these competitions.

Case Study C-11 – Conditional Appointment

Past work performance must be assessed for employee candidates prior to determining the final outcome of a competition. All applicants were notified of the competition outcome and of their status before any assessment of past work performance was conducted. This included several employee candidates who were issued offers subject to the completion of successful reference checks. These reference checks were conducted approximately 10 days after offers were issued. All factors of merit for employee candidates should be assessed prior to determination of final rank order and notifying applicants of the final result.

The most common error was the placement of employee candidates on eligibility lists for future consideration subject to the successful assessment of their past work performance. As there was no certainty that these candidates would pass a subsequent assessment of past work performance, their



rights to recourse (including the right to request a staffing review by the Merit Commissioner) may have been impacted by premature notification of the competition outcome and of their status. Employee candidates must be fully assessed prior to final decisions to ensure accurate notification can be provided.

Flawed Assessment Design

In a number of the appointments audited, referees were asked to rate candidates' past work performance. Generally, having referees point-score performance lacks the objectivity and consistency provided by having the panel (or a panel member) determine the points warranted based on the referees' observations of performance. However, in most instances where this occurred, the audit noted the practice as an area for improvement as the panel considered the referee's point scores in making their own determination as to whether the candidate passed or failed this factor, alleviating the potential for an inconsistent or subjective assessment. In a few instances where the referee's point scores were incorporated in candidates' final marks, this practice was identified as an error given that the referee's opinion had the potential to change the final score and, therefore, the outcome of the competition.

There were also several errors and notes for improvement where inconsistent methods were used to assess this factor. Case Study C-12 concerns a competition which relied on the results from an earlier hiring decision.

Case Study C-12 – Missing Reference

In this process the approach used to assess past work performance was inconsistent. While there were past work performance assessments on file for several of the candidates, there was none for two candidates. The hiring manager advised that for one of these two candidate, the panel had relied on an assessment of past work performance that had been completed when the individual received an auxiliary appointment to the work unit several months earlier. Without knowing if the previous reference assessed the same areas of performance, it is unknown whether candidates were consistently assessed for this factor. However, as all of the assessments were considered on a pass/fail basis, and all candidates passed, the outcome was not impacted.

Further, Case Study C-13 outlines a case where the marking method was found to be unreasonable.



Case Study C-13 – Unreasonable Approach

Three referees were contacted for each candidate. One candidate received strong assessments from two referees and no response from the third. The panel assigned a score of two of the three available marks to this candidate, as one of his references did not provide a reply. This approach is considered unreasonable as it is unknown why the third referee did not reply and an alternate referee could have been requested, which would have given the candidate the opportunity to receive full marks in this area. However, as the candidate's rank order was not affected, there was no impact on the competition outcome.

Years of Continuous Service

In accordance with the *Act*, an employee's years of continuous service with the BC Public Service must be taken into consideration in certain circumstances before the final determination of a merit-based selection is made. These circumstances and the formula for calculation of years of service are specified in the employer's collective agreements with the BC Government and Service Employees' Union (BCGEU) and the Professional Employees Association (PEA). The application of points for years of continuous service may affect the final order in which candidates are ranked and appointed. For those positions not covered by the BCGEU or PEA agreements, as a factor of merit, years of continuous service must be considered but there is no requirement to apply a specified formula. If included as part of the assessment, the weighting calculation and results of the assessment should be outlined.

The audit considers if the circumstances were present in a selection process to warrant the calculation and application of points for years of continuous service in accordance with collective agreement provisions, and if so, were calculations accurate and correctly applied. For other positions where assessments were conducted, the audit examines if assessments were consistently and accurately made.

2017/18 Observations

Of the 259 appointments audited in 2017/18, this provision of the BCGEU or PEA collective agreements applied in 196 cases. Additionally, in three of the excluded appointments audited, the panel opted to calculate years of continuous as part of the assessment process. Of these 199 appointments, 18 errors with the application of years of continuous service errors were identified, two of which resulted in a finding of "merit not applied".

More than half of the errors involved the use of incorrect data to complete the calculation—whether it was a candidate's number of years of service, their competition score, or the overall competition points. In almost all instances, the correct calculation of years of continuous service did not alter the rank order of candidates, or if it did, the outcome was mitigated (e.g., all qualifying candidates were offered



appointments). Case Study C-14 describes one situation where the error resulted in an identifiable negative outcome.

Case Study C-14 – Wrong Number of Points Per Year of Service

The calculation of years of continuous service was based on an incorrect number of points awarded for each year of service (.75 points per year as opposed to .075 points). A recalculation based on the correct number of points determined that the final rank order of candidates was affected. As a result of this error, an offer was made out of order and a candidate who should have received an initial offer was placed on the eligibility list instead.

The rest of these errors were due to issues such as overlooking an employee candidate, or calculating the points but neglecting to add them to the final competition score, as described in Case Study C-15. Where these types of omissions had implications for the rank order of candidates, the impacts were generally mitigated. However, in one appointment the calculation and application of years of continuous service was incorrectly determined not to be applicable, resulting in the placement of a candidate in the wrong order on the eligibility list.

Case Study C-15 – Calculated, But Not Added, Error

While it was evident that points for years of continuous service were considered, candidates were appointed and placed in rank order on the eligibility list without the incorporation of these points into the overall score. The hiring manager stated that points were not added for years of continuous service as it was determined there was no impact on the ranking of candidates; however, candidate marks are not final until these points are included. Moreover, when assessed by the auditor, the years of continuous service changed the rank order of two candidates on the eligibility list. As both affected candidates were subsequently appointed at the same time, there was no negative impact.

Notification

Notification to unsuccessful employee applicants of the final outcome of the hiring process is an important element of a merit-based hiring process. Not only does such notification contribute to transparency and management accountability for hiring decisions, it is necessary to enable the requirements of the *Act* with respect to employees' recourse rights to be meaningfully fulfilled. Timely notification allows employees to seek feedback and challenge the merit of an appointment through the staffing review process, should they choose to do so.

The audit examines if all unsuccessful employee applicants, including those who may not have been eligible or short-listed, were accurately advised of the final results of the selection process in a timely



manner. The audit also notes where some necessary details regarding the final outcome may have been omitted or were inaccurate. Any identified problems with notification do not result in findings of “merit not applied” as notification does not have a direct impact on the design or application of the process, or its outcome.

2017/18 Observations

Of the 259 appointments audited, 11 had errors related to notification.

The errors occurred when one or more employee applicants did not receive final notification of the appointment decision. In these cases, often interim notification had been issued to employee applicants eliminated at the short-listing stage, but no final notification was issued to advise the same applicants of the final outcome. In a few situations, an unsuccessful employee candidate was simply overlooked when final notification letters were issued.

There were many notes for improvement with respect to this aspect of the competition process. Most commonly, information was missing such as:

- the name and classification of the successful employee candidate as required by the BCGEU and PEA collective agreements;
- the making of multiple appointment offers; and
- the establishment of an eligibility list.

Case Study C-16 – Good Practice: Eligibility List Placement

This competition was for a provincial recruitment process for a variety of entry level positions in various locations across the province. A number of candidates were appointed to positions and remaining qualified candidates were placed on eligibility lists for positions for which they qualified. Of note was the clear notification provided to those candidates who were on more than one eligibility list and whose rank order may have varied depending on the location and the status of the other candidates on the specific eligibility list. Placing candidates in the right order on the various eligibility lists was a complicated process but candidates received correct notification of their placement(s). They were provided a ministry contact if they had any questions and information on feedback which ensures that unsuccessful employee applicants were aware of their review rights. This process was carefully conducted to ensure a fair outcome and accurate notification.

With the more frequent use of inventories as the source of candidates for subsequent competitions, there was an observed increased use of notification boards. This is an online version of notification provided by the BC Public Service Agency which allows streamlined and timely notification for multiple appointments. With the exception of one note for improvement (the need to provide a clear offer of feedback), this form of notification was consistently and appropriately used.



Appendix D

Individual Appointed Observations

In accordance with the *Public Service Act*, each audit undertaken by the Merit Commissioner results in two findings. One of these findings is whether the individual appointed was qualified.

The 2017/18 Merit Performance Audit found that in all cases except four, the individual appointed met the qualifications specified as required for the position. Three audits resulted in a finding of “qualifications not demonstrated” where there was insufficient evidence to demonstrate that the individuals, when appointed, possessed the qualifications required. In the first case, the individual’s application and cover letter did not demonstrate the experience required for the position and the error was compounded when the candidate was mistakenly awarded points for the missing experience. In the second case, the individual’s past work performance was not assessed. In the third case, the competition documentation was inadvertently shredded so the audit was unable to confirm the qualifications of the individual who was appointed.

There was one finding that the successful candidate was “not qualified”, as it was clear from the documentation provided that the individual did not meet the required qualifications at the time the appointment was made.



Appendix E

Documentation Observations

In order to conduct merit performance audits, the Office of the Merit Commissioner (Office) requests the competition file and accepts this documentation in its original state—either electronic and/or paper files. Each audit includes a determination as to whether this documentation was sufficient and appropriate to support the hiring decision.

In the 2017/18 Merit Performance Audit, almost all the files provided were electronic and almost 40 per cent of these files were incomplete when initially received by the Office. There were obvious gaps in material, requiring requests be made for missing documentation prior to commencing the audit. The required documentation was subsequently provided. The final audit determination about the quality and sufficiency of the documentation was not based on the initial state of documentation, but on the state following receipt of the initially missing documentation.

In 38 per cent of the appointments audited, the audit determined the documentation to be “good” with the competitions well documented and little or no follow up required to conduct a thorough audit. The rest of the audited appointments were not as well documented, with documentation for 29 per cent determined as “insufficient”, and 33 per cent determined to be “sufficient”.

Documentation issues were found in all stages of the hiring process, and in approximately three quarters of the audited appointments where documentation was determined to be insufficient, it was inadequate at only one stage of the competition. Documentation was most problematic in the short-listing, and interviewing and testing stages. With respect to the documentation of short-listing, the most common issue was the failure to clearly or adequately document the basis for decisions. The most frequently identified information gap related to the interviewing and testing stage was missing marking criteria or guideline answers.

In cases where a stage was inadequately documented but the verbal evidence provided about the stage was acceptable (e.g., detailed, consistent, etc.), the issue was captured as a documentation error. Under these circumstances, a determination of inadequate documentation would generally not result in an additional error finding for that stage of the recruitment and selection process with one exception, which is described in Case Study E-1.



Case Study E-1 – Shredded Documentation

An administrative error resulted in the destruction of much of the competition documentation related to the assessment of candidates. Based on the Ministry's response to the preliminary report and the information in the file, the audit was able to determine the steps which had been taken during this competition. However, it remained that there was no supporting rationale available to show whether hiring decisions had been consistently and fairly applied to the candidates during the interviewing and past work performance stages, whether the recorded total score for each stage was accurate, and whether the resulting ranking of candidates was correct. Without this evidence it was not possible to conclude that the appointment was based on merit.

This year, there were notable challenges collecting information from those responsible for hiring decisions due to their unavailability because of movement to other positions, or retirement.

For the 33 per cent of appointments audited where documentation was considered to be "sufficient", nearly half were missing information and, in a significant number, the available documentation was unclear thus requiring clarification about important details concerning hiring decisions. For these audits, the necessary documentation was subsequently provided, or clarification was given that allowed the auditor to complete the audit.

The size of a competition had a direct bearing on the quality of documentation. Competitions with more than 100 applicants were found to have insufficient documentation more frequently than smaller competitions. The documentation challenges in the larger competitions were those primarily related to applicant tracking, applicant status, and multiple versions of documentation at various stages of completion. Given the scale of the large competitions, hiring managers were not always able to account for all applicants throughout the process, or for all hiring decisions.



Appendix F

Response from the Deputy Minister of the BC Public Service Agency (Agency Head)

November 7, 2018

CLIFF #6262

Ms. Fiona Spencer
Merit Commissioner
Office of the Merit Commissioner
5th floor – 947 Fort Street
Victoria, BC V8W 2C4

Dear Ms. Spencer:

Thank you for sharing the results of the 2017/18 Merit Performance Audit Report and providing me the opportunity to respond. I am pleased to provide a response to your Report as the Deputy Minister of the BC Public Service Agency.

A review of the Report indicates that 259 random audits of appointments were conducted to examine whether recruitment and selection processes were properly applied to result in merit-based appointments, and whether the individuals appointed were qualified for the positions. I am pleased to see continued increases in merit-based findings and that there has been no evidence that any appointments were the result of patronage as we strive to appoint qualified individuals across the public service.

Over the last year we have implemented a number of process improvements and your report is a positive indication that these improvements are working as demonstrated by a decrease in the number of errors identified per audit. Your ongoing feedback and recommendations through the audits will assist us as we strive to continuously improve.

Improved tools and resources for hiring managers and recruitment staff is a priority that will continue to take into consideration the recommendations you have made. We are committed to fair and unbiased hiring practices to transform hiring for the BC Public Service to build internal capacity, improve our competitiveness, and increase our diverse and inclusive workforce to enhance services to citizens. I am confident these actions will create a more consistent, transparent and inclusive experience for applicants.

I continue to be committed to the recruitment and retention of a qualified and diverse public service that is representative of the provincial population. As innovative and corporate hiring strategies are developed, I would be pleased to share these with you.

Yours truly,



Lori Halls
Deputy Minister

pc: Joanne Hanson, Assistant Deputy Minister, Hiring and Service Operations, BCPSA