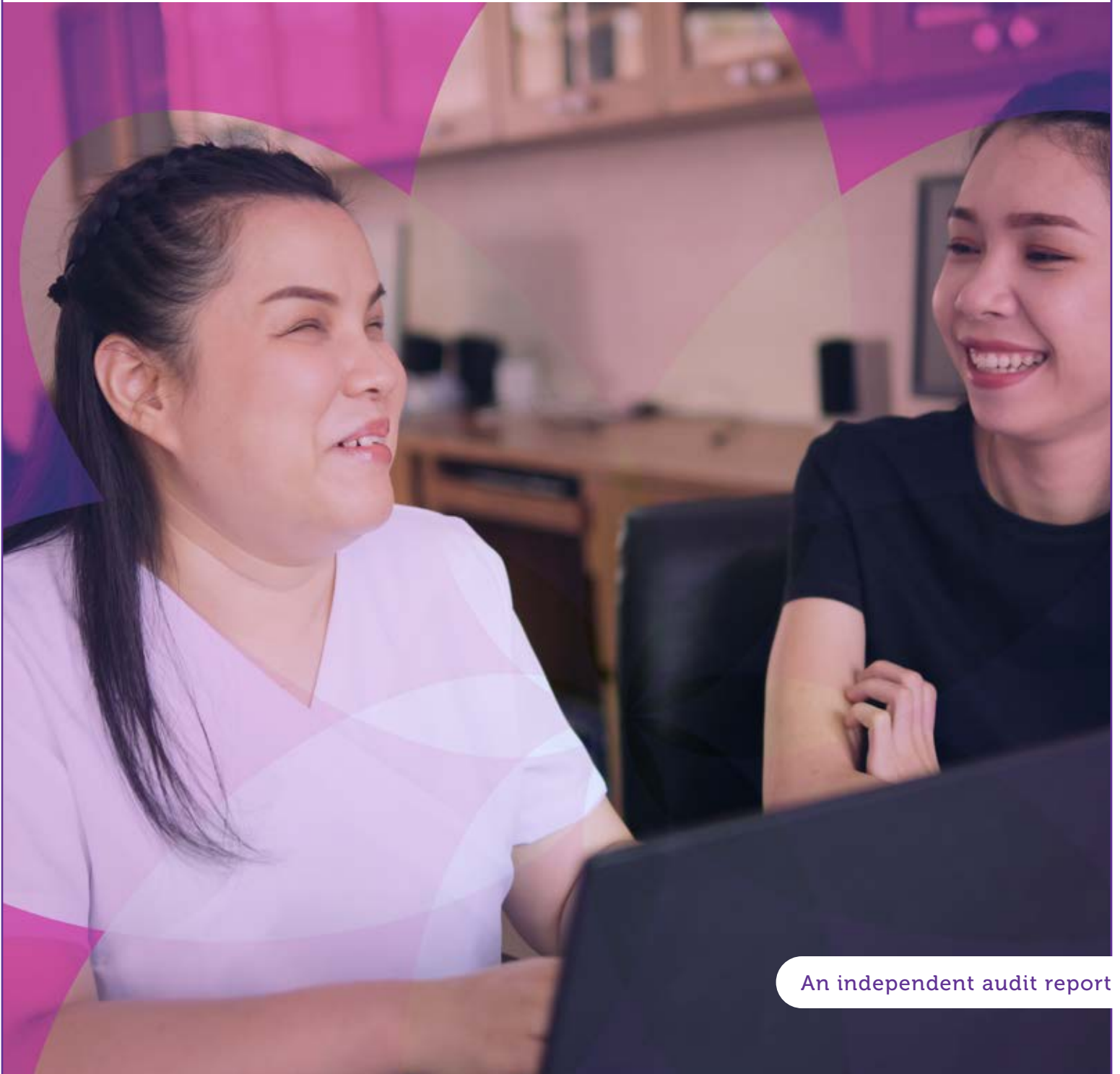




Office of the  
**Auditor General**  
of British Columbia

March 2023

# **Governance of the Diversity and Inclusion Strategy for the Public Service**



An independent audit report



Office of the  
**Auditor General**  
of British Columbia

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The Honourable Raj Chouhan  
Speaker of the Legislative Assembly  
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Victoria, British Columbia  
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Dear Mr. Speaker:

I have the honour to transmit to the Speaker of the Legislative Assembly of British Columbia the report, *Governance of the Diversity and Inclusion Strategy for the Public Service*.

We conducted this audit under the authority of section 11(8) of the *Auditor General Act*. All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001 – Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the *CPA Canada Handbook – Assurance*.

Michael A. Pickup, FCPA, FCA  
Auditor General of British Columbia  
Victoria, B.C.

March 2023



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# Audit at a glance

## Why we did this audit

- A diverse and inclusive public service connects policies and services with the perspectives of the people it serves. This is important for groups under-represented in the government workforce.
- The Public Service Agency's *Where We All Belong* diversity and inclusion strategy aims to ensure its workforce of roughly 35,000 reflects everyone, including: "Indigenous people, minority communities, immigrants, people with disabilities, and the LGBTQ2S+ community."
- As the strategy is still underway, we looked at whether the PSA had established strong governance – including clear direction, risk management, roles and responsibilities, and performance monitoring – to ensure that the work happens effectively.

## Objective

To determine whether the BC Public Service Agency (PSA) implemented an effective governance framework for the *Where We All Belong* diversity and inclusion strategy.

## Audit period

January 2018 to November 2022

## Conclusion

The PSA had components of a governance framework in place, but elements were missing. As a result, we concluded that the PSA had not implemented an effective governance framework for its *Where We All Belong* diversity and inclusion strategy.

The PSA has accepted our seven recommendations on managing risk, overseeing work, and monitoring results.

## What we found

### The PSA established high-level direction for the strategy

- The strategy included goals, objectives, outcomes, and general timelines.
- The strategy lacked detail to support the implementation of the objectives and timelines for completing the objectives.

Recommendation 2

### The strategy was informed by consultation and evidence

- The PSA consulted with more than 50 service providers, which informed four recruitment objectives.
- The PSA used evidence to inform objectives related to measuring effectiveness and establishing oversight mechanisms.

No recommendation

## Audit at a glance *(continued)*

### **The PSA identified risks, but did not evaluate or implement strategies to manage risks**

- The PSA identified risks to the strategy, such as scope and schedule creep, resource limitations, and resistance to change.
- Risks were not evaluated (e.g., the PSA did not evaluate the resources necessary to deal with the risk of resource limitations).
- Strategies to deal with risks were not implemented.

Recommendation 1

### **The PSA established staff responsibilities for all but five objectives, and oversaw staff work**

- By November 2022, the PSA had documented roles and responsibilities for almost all 20 objectives, but five recruitment objectives remained unclear.
- The PSA oversaw work on strategy implementation through a combination of reports and meetings.
- However, the PSA took eight months from when it began overseeing staff work to initiate action on the five recruitment objectives that remain unclear.

Recommendations 2 and 3

### **The PSA only established ministry responsibilities for one objective**

- Certain objectives need ministry participation to be successful.
- The PSA outlined high-level roles for ministries but only established specific expectations for one objective.
- This increases the risk that certain objectives will not be implemented.

Recommendations 4 and 5

### **The PSA developed a framework to measure effectiveness that needs targets**

- The PSA drafted a measurement framework and confirmed the availability of the data needed to assess effectiveness.
- The framework lacks targets that establish the degree of change the PSA intends to achieve.
- The PSA has not begun analyzing data but expects to start using the measurement framework in the summer of 2023.

Recommendations 6 and 7

## **After reading the report, you may wish to ask the following questions of government:**

1. How will the government ensure the strategy is implemented across ministries?
2. Will the PSA's measurement framework answer government's questions about effectiveness at the end of the strategy in 2024?
3. How will government ensure that risks to the strategy's effectiveness are addressed?

# Background

Approximately 35,000 people work in the B.C. public service, delivering programs and services for a diverse province. A goal of the *Public Service Act* is that the B.C. government workforce reflect provincial population diversity. As well, the *Accountability Framework for Human Resource Management* sets high-level expectations for all public servants to support a diverse and inclusive work culture.

## B.C. public service definitions of diversity and inclusion

**Diversity:** Includes legally protected differences such as race, age, disability, sexual orientation, and gender identity and expression. Also includes such 'non-visible' qualities as diversity in thought, perspectives, education, socio-economic status, and life experiences.

**Inclusion:** Creating work environments in which employees feel and are involved, respected, valued, and connected. Leverages the diversity of experiences, skills and talents of all employees and strives to create respectful workplaces in which individuals are encouraged to bring their ideas, backgrounds, and perspectives to the team and to provide service to citizens.

Source: *Where We All Belong* diversity and inclusion strategy



Source: B.C. Public Service Agency

Embedding diversity and inclusion in the workforce isn't just aspirational – it's also beneficial. In 2006, the government's first corporate human resource plan acknowledged that prioritizing a diverse workforce could allow it to "better compete for skilled workers in under-represented segments of the workforce." Research also suggests that employees who experience a sense of belonging in the workplace are more productive.

Human resource management is a shared accountability in the B.C. public service. The Public Service Agency provides human resource leadership, expertise, programs and services that contribute to, and support, ministry business performance. Ministries are responsible for ministry-specific workforce planning and hiring.





Since 2012, the PSA has developed several strategies to build a more diverse and inclusive workforce.

Its current strategy – *Where We All Belong* – was launched in March 2021 to “ensure the [B.C. public service] is reflective of our province and inclusive of Indigenous people, minority communities, immigrants, persons with disabilities, and the LGBTQ2S+ community.”

This builds off data presented in the strategy that showed the B.C. public service was not as diverse as the population it serves. The data showed a gap between the number of public service employees who self-identified as belonging to certain demographic groups and the number of employees who would be expected to be employed based on population figures.

*Where We All Belong* outlines a three-year government-wide approach to strengthening diversity and inclusion across the public service. It includes staff training, strengthening workforce planning, and enhancing recruitment and retention.

The PSA's Equity, Diversity, and Inclusion Branch is responsible for leading the development, implementation, and evaluation of the strategy. The branch also leads other diversity and inclusion corporate projects, provides expert advice, and refers and coordinates resources on equity, diversity, inclusion, Indigenous initiatives, and accessibility.



Source: The Gender Spectrum Collection



# Objective

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The audit objective was to determine whether the BC Public Service Agency implemented an effective governance framework for the *Where We All Belong* diversity and inclusion strategy.

## Scope

We audited whether the Public Service Agency had set up a governance framework for its diversity and inclusion strategy. This includes setting direction, managing risks, establishing and communicating expectations for work, and monitoring success.

Governance expectations in the B.C. public service are defined in the *Core Policy and Procedures Manual*.

The strategy runs from March 2021 to March 2024. The audit period was Jan. 1, 2018, to Nov. 4, 2022. This allowed us to audit the PSA's development of the strategic direction, as well as its work to set up governance structures, assign work, and begin monitoring the strategy's effectiveness.

We did not audit:

- The effectiveness of the strategy in achieving greater diversity and inclusion.
- The effectiveness of ministries' work to achieve greater diversity and inclusion.
- The PSA's approach to fostering equity in the B.C. public service. While the concept of equity is frequently linked to diversity and inclusion, the PSA did not include equity in the strategy.

[Learn more about the audit criteria on page 27.](#)

[Learn more about how we did this audit on page 23.](#)



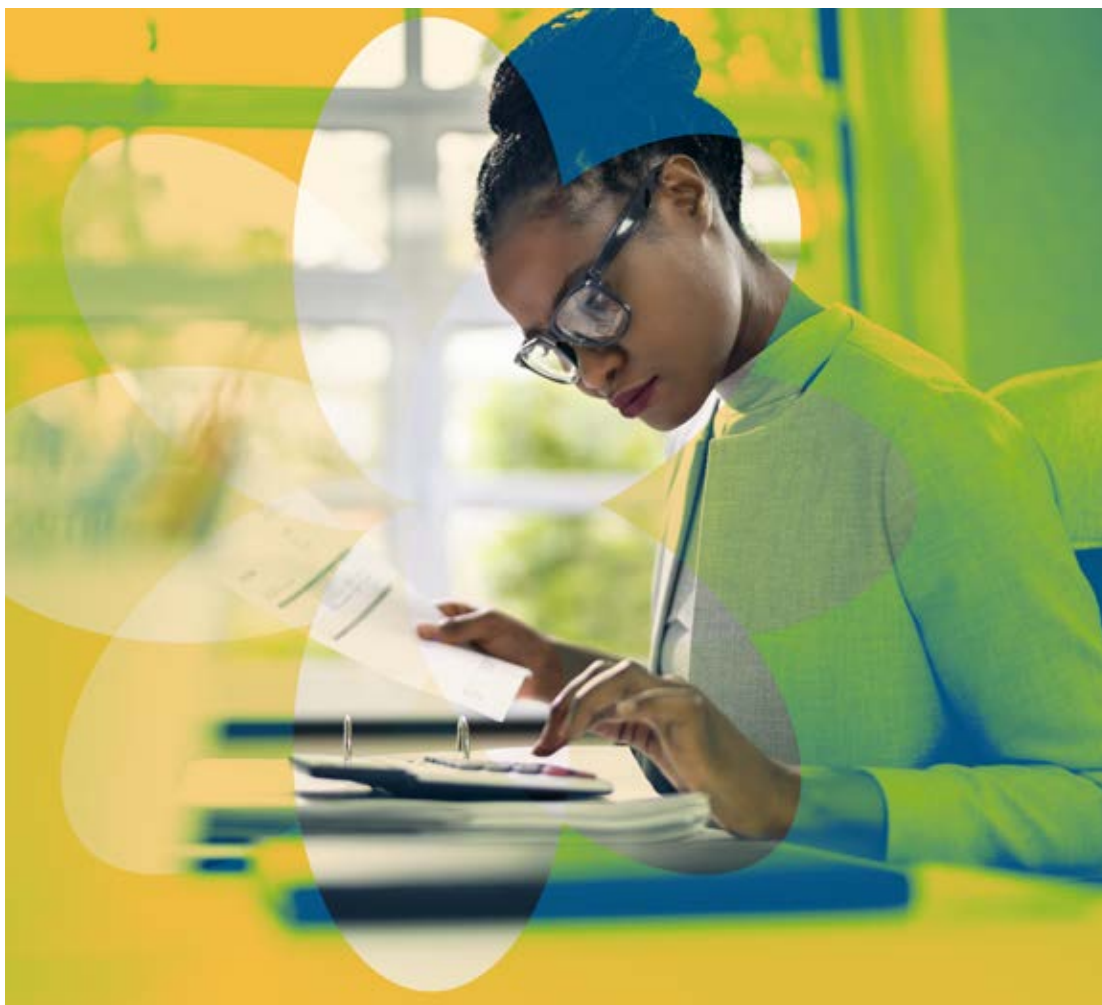


# Conclusion

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Although the PSA had components of a governance framework in place, it was missing elements; therefore, we concluded that the PSA had not implemented an effective governance framework for the *Where We All Belong* diversity and inclusion strategy.

The PSA framework included clear direction, staff roles and responsibilities for most objectives, oversight of staff work, and a performance measurement framework, but it was missing other components. The PSA did not establish responsibilities for staff to implement five recruitment-focused objectives or establish responsibilities for ministries to implement all but one objective. The PSA also did not implement a risk management process.



Source: Shutterstock



# Findings and recommendations

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## Establishing direction

Strong governance starts with clear direction that is informed by research and consultation. It includes goals (what the agency wants to achieve), objectives (how the agency will achieve its goals), outcomes (what success looks like), and timelines for delivery. Strong governance also involves understanding risks and developing strategies to address them.

### The PSA established high-level direction, including goals, objectives, outcomes, and timelines

#### What we looked for

We examined if the PSA had established direction for achieving a diverse and inclusive workforce by setting goals, objectives, outcomes, and timelines.

[Learn more about the audit criteria on page 27.](#)

#### What we found

We found that the PSA set high-level direction in the strategy by establishing goals, objectives, outcomes, and general timelines. However, these could have included more detail on what the PSA expected, particularly in relation to objectives and timelines.

The PSA established four goals and 20 objectives ([see Appendix C on page 29 for full list](#)) in the strategy grouped by:

- Leadership and education
- Structure and alignment
- Recruitment and retention
- Flexibility

We found that the objectives clearly supported the first two goals, which both related to supporting a diverse and inclusive public service. However, it was not explicit how the strategy objectives were intended to support Goal 3 (“Build a strong foundation for lasting and meaningful reconciliation”) and Goal 4 (“Remove barriers to accessibility in the workplace”).



The PSA said accessibility and reconciliation were being supported by work outside the scope of the strategy, and their intention for including them in the strategy was to ensure staff considered them when implementing the strategy's objectives. But, this was not explicit in their approach.

There were additional examples where the wording of the objectives was vague and open to interpretation. For example, PSA staff said Objective 2.5 ("Initiating a Lean project...to improve policies, processes and supports") was specifically intended to support people with disabilities. But as written, this was not obvious.

The strategy also lacked details on timelines. It contained a general three-year timeline for implementation, but no information about when objectives would be completed.

## Why this matters

Overall, the PSA has established direction for the strategy, but our findings demonstrate there is room for interpretation in several areas of the strategy's direction. This could have implications for how goals and objectives are addressed, how quickly work unfolds, and how success is measured.

## Recommendation

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[See recommendation 2 on page 24.](#)

# The PSA used consultation and evidence to inform the strategy

## What we looked for

We looked at all the work the PSA did prior to implementing the strategy – including consultations, research and data reviews, and evaluations of past diversity and inclusion work – to see whether it used the information to inform the strategy's direction.

## What we found

We found that the PSA used consultation, research, data, and internal reviews of lessons learned to inform the direction of the strategy.

In 2018, the PSA consulted with several key groups as part of its 2017/20 *Diversity and Inclusion Action Plan*, a precursor to the strategy. This included more than 50 groups representing Indigenous people, minority communities, immigrants, persons with disabilities, and the LGBTQ2S+ community.



We found that the PSA used these consultations to inform the current strategy. Specifically, it supported the inclusion of four recruitment-related objectives. Several participants highlighted the importance of allowing people to work remotely in their home communities, which was reflected in a strategy objective to “reduce regional restrictions on job postings.” Other examples of consultation recommendations and lessons learned are listed below.

Consultation and evidence review	Reflected in strategy
<b>Recommendations from 2018 consultations:</b>	<b>Objectives:</b>
<p>“Provide hiring managers and mid-level supervisors with diversity competency training so that they are better able to foster an inclusive work environment and effectively address challenging situations that arise when working with diverse teams.”</p>	<p>1.5 Ensuring managers and supervisors are trained in inclusive hiring practices.”</p>
<p>“There is a perception that most B.C. public service jobs are located in Victoria. This can be a barrier to increasing diversity of employees in the public service because potential candidates may not want to or be able to move to Victoria. For example, an Indigenous person may have obligations which keep them in their community or a person with a disability may not be able to move because they depend on support services in their current location.”</p>	<p>3.3 Continuing to reduce regional restrictions on job postings.</p>
<p>“Educating individuals about unconscious bias is important and should be included in training for hiring managers. However, because unconscious bias is by its nature difficult to identify in oneself, it is essential to incorporate hiring procedures that address bias on a systemic rather than just individual level.”</p>	<p>3.1 Providing the knowledge, tools and resources necessary to support hiring decisions that are equitable, transparent, merit-based and mitigate the impacts of unconscious bias.</p>
<b>Lessons learned from 2017 diversity and inclusion action plan included the importance of incorporating the following into future work:</b>	<b>Objectives:</b>
<ul style="list-style-type: none"> <li>▪ Change management plan</li> <li>▪ Communications plan</li> <li>▪ Governance structure</li> </ul>	<p>2.3 Building a change and communication strategy in support of organizational and individual culture shift.</p> <p>2.2 Establishing oversight mechanisms, tools, and supports to enable success.</p>



We also found that the PSA reviewed research, data evidence, and lessons learned from its 2017/20 action plan while developing the strategy. In particular, the strategy objectives related to structure and alignment were supported by lessons from the previous plan (see examples of lessons learned, above).

In 2018, the PSA commissioned BC Stats to survey public service employees about their perceptions of diversity and inclusion in the workforce. The survey analysis found the following groups tended to experience the most challenges in the workplace: transgender/gender diverse employees, employees with a disability, LGBTQ2S+ employees, and Indigenous employees. The strategy refers to this data in an appendix.

The strategy also referenced research literature that supported the PSA's inclusion of an objective to establish an evaluation framework.

## Why this matters

The PSA's use of consultation, research, data, and lessons learned helped ensure the plan was well informed by the people most affected, and by relevant evidence. This increases the likelihood of success.

## Recommendation

We have no recommendations in this area.



Source: Shutterstock



## The PSA identified risks, but did not evaluate or implement strategies to manage them

### What we looked for

We looked to see whether the PSA established a risk management process for implementing the strategy. This would include evaluating risks, designing and using mitigation strategies, and monitoring whether the mitigation strategies were effective.

### What we found

We found that the PSA did not establish a risk management process for implementing the strategy. While it identified risks, it did not evaluate them and it did not consistently implement the strategies it designed to mitigate risks.

In 2020, prior to rollout, the PSA identified risks to its strategy:

- Scope and schedule creep.
- Resource limitations preventing branch staff from effectively monitoring initiatives.
- Resistance to change within PSA and ministries either due to a lack of buy-in or resource requirements.
- Limited project management rigour.

While this was a start, the PSA did not fully evaluate the risks by analyzing the source, consequences, likelihood, events, scenarios, controls, and their effectiveness. For example, although resource limitations were identified as an early risk to the branch's ability to monitor strategy implementation, there was no evidence the PSA evaluated what resources were needed to successfully implement the strategy.

The PSA also identified mitigation strategies for each of the risks. For example, the planned mitigation for limited project management rigour was to: "Ensure ample time and resources were dedicated to setting up the proper structures and supports...to monitor and control initiative rollout." But the strategies did not establish how, when, and by whom mitigation strategies would be implemented. We also found no evidence that the PSA implemented these strategies.

The PSA's early work to identify risks was led by a project manager who was assigned to the strategy. However, when that employee left their role in the spring of 2020, they were not replaced, and the risk management work did not continue.



We found the PSA continued to identify risks and mitigations as it was implementing the strategy. However, this approach suffered from the same drawbacks as the PSA's initial work to identify and mitigate risks. The PSA did not evaluate the risks or identify how, when or by whom the mitigation strategies would be implemented.

## Why this matters

Evaluating, mitigating, and monitoring risks can prevent them or minimize their impacts.

The audit team observed that some of the risks the PSA identified prior to the strategy's introduction (e.g., resource limitations affecting staff's ability to monitor the strategy) could be having an impact on the implementation of the strategy. Had the PSA followed a robust risk management process, this may not have happened.

## Recommendation

We recommend that the PSA:

1. Evaluate, mitigate, and monitor risks to implementing the strategy.

[See the response from the auditee on pages 24](#)



Source: Shutterstock





## Setting expectations and monitoring

Clear expectations ensure that people who are responsible for implementation understand what they need to do, how they need to do it and when they need complete it. This is particularly important in situations where accountabilities are spread among different groups, as is the case with the PSA's diversity and inclusion strategy.

Of the strategy's 20 objectives, some can be implemented by the PSA while others require active ministry involvement. This includes objectives that lean on ministry human resources staff, senior leadership, and/or supervisors to undertake training or to implement changes to hiring processes (see examples in exhibit below, column B).

### Examples of objectives that can be implemented primarily by the PSA versus objectives where ministry participation is needed

A. Primarily done by the PSA	B. Ministry involvement needed
1.1 Developing learning curriculum and learning pathways to improve intercultural fluency and mitigate unconscious bias.	1.5 Ensuring managers and supervisors are trained in inclusive hiring practices.
2.4 Developing a diversity and inclusion resource and reference toolkit for ministries, divisions, branches, teams, and employee resource groups.	1.6 Increasing senior leader participation in diversity and inclusion related activities and resource groups.
2.6 Creating and implementing an evaluation framework to measure and report on [strategy] outcomes and progress against deliverables.	3.3 Continuing to reduce regional restrictions on job postings.

## The PSA established staff responsibilities for most objectives, and oversaw internal progress

### What we looked for

We looked to see whether the PSA established roles and responsibilities for its staff to implement each strategy objective, and whether it oversaw their work.

[Learn more about the audit criteria on page 27.](#)

### What we found

We found that the PSA established staff roles for each of the strategy objectives, as well as responsibilities for implementing 15 of the 20 objectives. We also found that the PSA oversaw staff work, but it took eight months to initiate action on the five objectives that remain unclear.



## PSA staff roles and responsibilities

The PSA assigned overall responsibility for leading the strategy's implementation to its Equity, Diversity and Inclusion Branch. In March 2021, the PSA's senior leadership and the branch assigned accountability for each of the 20 objectives to staff (business leads) who reported to four of the agency's assistant deputy ministers. This was because the objectives ran across different lines of PSA business (e.g., learning, recruitment, or staff benefit administration).

However, the branch did not assign responsibilities (e.g., deliverables, targets, timelines) to each of the leads at that time. Instead, it told the leads to identify their own responsibilities for implementing the objectives.

The PSA said that it took this approach because the leads were the most familiar with the particular lines of business. However, the success of this approach depends on all leads having a clear understanding of what the objectives mean, and then establishing how to implement the objectives in a timely fashion.

We found this had happened in most cases, but responsibilities for five recruitment-related objectives were either not established or were still unclear as of November 2022.

### Five recruitment objectives where responsibilities are unclear

#### Objective:

- 3.2 Conducting a review of mid-level to senior-level positions and make recommendations to address under-representation of specified equity groups.
- 3.3 Continuing to reduce regional restrictions on job postings.
- 3.4 Increasing IBPOC (Indigenous, Black and People of Colour) representation within and across government.
- 3.5 Conducting a plain language review of job postings.
- 4.1 Identifying positions which can be adapted to individual circumstances (e.g., part-time, job share, flexible work arrangements).

In February 2022, the branch told all business leads to complete "Objective Action Plan" templates to outline their approach to addressing their objective(s), identifying key deliverables, timelines, and risks, and highlighting work to date. As of November 2022, the PSA had compiled documented descriptions of responsibilities for all but one objective (4.1).



However, templates for three recruitment objectives (3.2, 3.3, 3.5) contained such high-level descriptions (i.e., one-to-two sentence descriptions) that the document did not sufficiently describe how the objective would be implemented.

We also saw evidence that the expectations for one recruitment objective – 3.4 (increasing IBPOC representation within and across government) – were still under development at the end of the audit period.

### Oversight of PSA staff work on objectives

The PSA used a combination of approaches to oversee staff's work on strategy objectives – including the objective action plans, discussions with business leads, reporting on corporate plan commitments and executive committee meetings.

The PSA began overseeing staff work in February 2022 when it asked business leads to document roles and responsibilities for each objective with the objective action plans. This provided it with an opportunity to oversee staff progress on the objectives because staff were asked to summarize their planned approach and outline their completed work.

The PSA also monitored certain objectives during the audit period through their Expanded Executive Committee meetings – which began in May 2022 – and reporting on corporate plan commitments.

We found that in October 2022, the PSA used the objective action plans to follow-up with business leads where responsibilities for objectives were unclear. They met with respective business leads to develop a plan for moving forward on the objectives.

However, we noted that the meeting with business leads happened eight months after the leads were first asked to submit the objective action plans and 19 months after the strategy was launched (March 2021). This meant the PSA was past the halfway mark when it began the oversight work to confirm responsibilities for its staff to implement critical recruitment-related objectives.

### Why this matters

By the end of the audit, the PSA had compiled documented responsibilities for nearly all objectives. But for some objectives, it was evident that responsibilities were still in development.

This did not mean that work was not happening on the objectives. However, the lack of clarity about what was expected could compromise the type of work that business leads do, given that the goals and objectives in the strategy weren't detailed enough to communicate exactly what the PSA was expecting. Further, staff turnover – particularly in the branch and executive leadership – increases the importance of clearly documenting expectations for leads.



The PSA also had a number of mechanisms in place to oversee the implementation of the objectives, but it needs to provide timely feedback to ensure that objectives are implemented on time and the work matches expectations.

## Recommendations

We recommend that the PSA:

2. Document staff responsibilities for the five objectives that remain outstanding or unclear, including descriptions of what the work will achieve, planned actions, and timelines for implementation.
3. Continue to monitor staff's implementation of all strategy objectives and provide timely feedback.

[See the response from the auditee on pages 24 and 25.](#)

## Responsibilities not established for ministries to implement objectives

### What we looked for

As the strategy contains objectives that require ministry involvement to implement, we looked to see whether the PSA established and communicated roles and responsibilities for ministry staff to implement objectives.

### What we found

We found that the PSA did not establish roles and responsibilities for ministry staff to implement objectives.

The strategy states that deputy ministers are to implement the PSA corporate plan and "related diversity and inclusion initiatives." Ministry strategic human resources staff were to "lead the implementation of actions under the strategy as they pertain to ministry...lines of business." But the PSA never established ministry roles and responsibilities for implementing specific objectives. The PSA did not articulate – beyond listing the 20 objectives in the strategy – what ministry staff were expected to do to implement them.

In one exception, we found that the PSA's workforce planning guidelines established roles and responsibilities for ministries to implement the strategy objective to "incorporate diversity and inclusion goals and deliverables into overall workforce planning efforts." But there was no similar guidance for other objectives where ministry implementation would be needed.



We found that the PSA frequently communicated the strategy to two cross-ministry governance committees (the Assistant Deputy Ministers' Committee on Equity, Diversity and Inclusion, and the Cross Ministry Working Group on Equity, Diversity and Inclusion). The committees were created specifically to support the strategy by providing feedback to the PSA and supporting strategy-related work at their ministries. But we saw no evidence that the committee meetings were used to establish or communicate roles and responsibilities for ministries to implement specific objectives.

The PSA also communicated the strategy in general to ministries through presentations to senior executives that focused on defining diversity and inclusion, describing the supporting legislation, and providing an overview of the strategy and its relationship to other corporate initiatives. These presentations did not address ministry roles and responsibilities for implementing specific objectives.

The *Accountability Framework for Human Resource Management* sets out high-level expectations for deputy ministers and other ministry staff to support diversity and inclusion initiatives in their organizations. For example, deputy ministers are to “provide human resource leadership and management within their organization, including implementing corporate diversity and inclusion initiatives, and create safe and inclusive workplaces for all public servants.” This communicates high-level accountability for diversity and inclusion, but it does not establish ministry responsibilities for specific objectives under the strategy.

The PSA told us that it did not require ministries to execute specific actions under the strategy. Instead, ministries were encouraged to implement ministry-specific diversity and inclusion practices that were similar to strategy objectives – in other words, the work should align with the strategy.

## Why this matters

The PSA's decision to not establish objective-specific roles and responsibilities for ministries creates a risk that some of the strategy objectives will not be achieved. Ministries may not work on implementing objectives that require their involvement, or they may not have sufficient direction from PSA to understand what the objectives entail.

## Recommendations

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We recommend that the PSA:

4. Work with ministries to document and communicate ministry responsibilities for each strategy objective that requires ministry participation to implement.
5. Work with ministries to monitor ministry implementation of each strategy objective that requires ministry participation to implement.

[See the response from the auditee on pages 25 and 26.](#)



## Measuring progress

Measuring against key indicators allows organizations to determine whether the work they've done has been successful.

The strategy document states that first-year activities (March 2021-March 2022) would include confirming the PSA's approach to measurement and setting targets: "Years two and three would be focused on measuring and monitoring actions, course correcting and making adjustments where required."

## The PSA has developed a framework to measure strategy effectiveness

### What we looked for

We looked to see whether the PSA had developed a measurement framework to assess the effectiveness of the strategy. We expected the framework to include measures, targets, and data sources and for the PSA to have begun analyzing data.

### What we found

We found that the PSA had drafted a measurement framework that contained measures and data sources, but not targets. It also had not begun analyzing data.

The draft framework included 20 measures (which can quantify whether a change has taken place) to assess whether the five strategy outcomes were achieved. For example, the PSA might assess change by measuring the number of government employees who participated in diversity and inclusion training.

We also found that the PSA had identified data sources for each measure and confirmed the availability of the data.

However, the draft framework did not include targets that would quantify the degree of change for each performance measure (for example, a target could be a set percentage increase in the number of employees taking diversity and inclusion-related training).

The PSA's current plan is to begin using the measurement framework in the summer of 2023. Because of this, it had not yet begun analyzing preliminary data.



## Why this matters

Targets will allow the PSA to monitor whether objective-specific goals are resulting in the desired change, while analyzing preliminary data will help the PSA course-correct before the strategy ends in March 2024.

## Recommendations

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We recommend that the PSA:

6. Analyze which performance measures should include targets and include these in the measurement framework.
7. Implement a performance measurement framework to evaluate the effectiveness of the strategy and report the results.

[See the response from the auditee on pages 26](#)



Source: Shutterstock





# About the audit

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We conducted this audit under the authority of section 11(8) of the *Auditor General Act* and in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001 – Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the *CPA Canada Handbook – Assurance*. These standards require that we comply with ethical requirements and conduct the audit to independently express a conclusion against the objective of the audit.

A direct audit involves understanding the subject matter to identify areas of significance and risk, and to identify relevant controls. This understanding is used as the basis for designing and performing audit procedures to obtain evidence on which to base the audit conclusion.

The audit procedures we conducted range in nature from enquiry, inspection, and confirmation.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our office applies the Canadian Standard on Quality Management (CSQM 1), and we have complied with the independence and other requirements of the code of ethics issued by the Chartered Professional Accountants of British Columbia that are relevant to this audit.

**Audit report date: February 21, 2023**



Michael A. Pickup, FCPA, FCA  
Auditor General of British Columbia  
Victoria, B.C.



# Appendix A: Recommendations and auditee response

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**Recommendation 1:** We recommend that the Public Service Agency (PSA) evaluate, mitigate, and monitor risks to implementing the strategy.

**Recommendation 1 response:** The PSA accepts this recommendation.

The PSA appreciates the Auditor General's interest in governance and the importance of having an effective governance framework in place, as defined by the Core Policies and Procedures Manual.

The PSA appreciates the Auditor General's reflections that "the PSA identified risks to its strategy."

The BC Public Service is committed to achieving the goals of *Where We All Belong*, which is a shared corporate executive priority. The PSA has worked across various corporate executive and senior leader tables to build a common understanding of the public service's collective commitment to improving the diversity and inclusivity of the public service. This work has built the support required to achieve these goals and helped identify risks.

The PSA will build on this experience and develop, strengthen, and implement risk management specific to the strategy and as part of the approach to refreshing *Where We All Belong*.

**Recommendation 2:** We recommend that the PSA document staff responsibilities for the five objectives that remain outstanding or unclear, including descriptions of what the work will achieve, planned actions, and timelines for implementation.

**Recommendation 2 response:** The PSA accepts this recommendation.

The PSA appreciates the Auditor General's reflections that clear documentation exists for most of the objectives in the strategy.

Comprehensive diversity and inclusion strategies in the public sector are emerging due to evolving social movements and in response to unprecedented legislation in areas such as reconciliation, accessibility, and anti-racism. This dynamic landscape underscores the need to remain nimble, be willing to shift priorities or introduce new ones, while being responsive to the needs of the people this strategy intends to serve. There is no blueprint to follow, but the PSA remains committed as a leader, recognizing that there is more to do in this area.



Many of the objectives in *Where We All Belong* are ambitious and require a culture shift within the public service. When *Where We All Belong* was launched in 2021, it identified priority areas with an intention to phase in each of the objectives over time, recognizing that some objectives will take longer to achieve.

Work has happened against these objectives. For instance, effective April 1, 2023, by default all job postings will be open to any B.C. community where the hiring ministry has an existing office. This speaks to objective 3.3, continuing to reduce regional restrictions on job postings.

The PSA continues to make progress and is in the process of documenting staff responsibilities for the five objectives that remain outstanding.

**Recommendation 3:** We recommend that the PSA continue to monitor staff's implementation of all strategy objectives and provide timely feedback.

**Recommendation 3 response:** The PSA accepts this recommendation.

The PSA appreciates the Auditor General's reflections that the PSA established staff roles for each of the strategy objectives, as well as responsibilities for implementing most of the objectives, and oversaw staff work.

The PSA continues to provide oversight for *Where We All Belong* and will continue to monitor implementation of strategy objectives. The PSA commits to increased communication and timely feedback regarding implementation progress.

**Recommendation 4:** We recommend that the PSA work with ministries to document and communicate ministry responsibilities for each strategy objective that requires ministry participation to implement.

**Recommendation 4 response:** The PSA accepts this recommendation.

The PSA has several touch points with ministries on the work of diversity and inclusion. Ministry-specific strategies and actions related to diversity and inclusion are a significant pillar of the Workforce Planning cycle, and ministries are required to align their strategies to the Corporate Plan and *Where We All Belong*.

Where ministry participation is required to implement *Where We All Belong*, the PSA will work with ministries to provide clarity regarding ministry responsibilities as well as document and monitor ministry participation in implementation.



**Recommendation 5:** We recommend that the PSA work with ministries to monitor ministry implementation of each strategy objective that requires ministry participation to implement.

**Recommendation 5 response:** The PSA accepts this recommendation.

The PSA appreciates the Auditor General's reflection that the Accountability Framework for Human Resource Management sets out expectations for deputy ministers and other ministry staff to support diversity and inclusion initiatives, including implementing corporate diversity and inclusion initiatives.

The PSA has several touch points with ministries on the work of diversity and inclusion.

The PSA will continue to provide corporate direction for diversity and inclusion, and progress will be monitored for all objectives, including those requiring ministry participation.

**Recommendation 6:** We recommend that the PSA analyze which performance measures should include targets and include these in the measurement framework.

**Recommendation 6 response:** The PSA accepts this recommendation.

Based on the recommendations of this audit, the PSA will review its draft measurement framework to determine what improvements can be made. It is important to consider the complexities of developing targets when measuring performance in the field of diversity and inclusion. Based on best practices and consultation with subject matter experts, the PSA will analyze which performance measures should include targets and include these in the measurement framework.

**Recommendation 7:** We recommend that the PSA implement a performance measurement framework to evaluate the effectiveness of the strategy and report the results.

**Recommendation 7 response:** The PSA accepts this recommendation.

The PSA acknowledges the Auditor General's comments on the importance of defining and implementing a measurement framework to provide assurance regarding strategy implementation. The PSA appreciates the Auditor General's comments on the draft measurement framework that has not yet been implemented.

Based on the recommendations of this audit, the PSA will review its draft measurement framework to determine what improvements can be made. The PSA will then implement the framework, evaluate the effectiveness of the strategy, and report the results.



# Appendix B: Audit criteria

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## Line of enquiry 1: Establishing direction

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- 1.1:** The PSA established direction within the strategy for achieving a diverse and inclusive workforce.
  - 1.1.1:** The strategy included goals for diversity and inclusion.
  - 1.1.2:** The strategy included objectives to support achieving the goals.
  - 1.1.3:** The strategy included outcomes that align with the goals.
  - 1.1.4:** The strategy included timelines for completing objectives.
  
- 1.2:** The PSA used consultation to inform direction in the strategy.
  - 1.2.1:** The PSA consulted with key groups.
  - 1.2.2:** The PSA incorporated learning gained through consultation.
  
- 1.3:** The PSA used evidence to inform direction in the strategy.
  - 1.3.1:** The PSA reviewed research on effective diversity and inclusion practices.
  - 1.3.2:** The PSA incorporated learning from research on effective diversity and inclusion practices.
  - 1.3.3:** The PSA reviewed lessons learned from the 2017 action plan.
  - 1.3.4:** The PSA incorporated learning from the 2017 action plan.
  - 1.3.5:** The PSA reviewed diversity and inclusion data for the B.C. public service.
  - 1.3.6:** The PSA incorporated learning from the data review.

## Line of enquiry 2: Risk management

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- 2.1:** The PSA established a risk management process for implementing the strategy.
  - 2.1.1:** The PSA evaluated risks to implementing the strategy.
  - 2.1.2:** The PSA developed strategies to mitigate the risks.
  - 2.1.3:** The PSA implemented strategies to mitigate the risks.
  - 2.1.4:** The PSA monitored the risks to implementing the strategy.



### **Line of enquiry 3:** Oversight within the PSA

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- 3.1:** The PSA established roles and responsibilities for agency staff to achieve the strategy objectives.
- 3.2:** The PSA communicated roles and responsibilities for agency staff to achieve the strategy objectives.
- 3.3:** The PSA oversaw agency staff's work to achieve the strategy objectives.

### **Line of enquiry 4:** Setting expectations for ministries

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- 4.1:** The PSA established roles and responsibilities for ministries to implement the strategy objectives.

### **Line of enquiry 5:** Performance monitoring

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- 5.1:** The PSA established a process to monitor the effectiveness of the strategy.
  - 5.1.1:** The PSA identified targets and performance measures.
  - 5.1.2:** The PSA identified data to monitor the targets and performance measures.
  - 5.1.3:** The PSA confirmed the availability of necessary data.
  - 5.1.4:** The PSA analyzed data to monitor targets and performance measures.
  - 5.1.5:** The PSA set a timeline to report its progress against the targets and performance measures.



# Appendix C: Diversity and inclusion strategy goals, outcomes, and objectives

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## Goals

1. Support an increasingly diverse workforce
2. Enhance inclusion in the workplace
3. Build a strong foundation for lasting and meaningful reconciliation
4. Remove barriers to accessibility in the workplace

## Objectives

**Leadership and Education:** Leaders and employees increase their D&I competence, and executive and senior leaders are champions in implementing change, by:

- 1.1 Developing learning curriculum and learning pathways to improve intercultural fluency and mitigate unconscious bias
- 1.2 Providing Corporate Executive and Senior Leadership with training and coaching in diversity and inclusion
- 1.3 Reviewing and revising corporate learning programs (e.g., Respectful Workplace, Coaching & Conflict Supports, Diversity & Inclusion) for unconscious bias and incorporation of antiracism/anti-hate commitments
- 1.4 Implementing diversity and inclusion training, including unconscious bias training, across the BC Public Service
- 1.5 Ensuring managers and supervisors are trained in inclusive hiring practices
- 1.6 Increasing senior leader participation in diversity and inclusion related activities and resource groups
- 1.7 Incorporating diversity and inclusion learning in annual performance and career planning conversations and documentation

**Structure and Alignment:** Ensure planning, governance structures and supports are in place to align with D&I vision and goals, and to effectively manage deliverables by:

- 2.1 Incorporating diversity and inclusion goals and deliverables into overall workforce planning efforts
- 2.2 Establishing oversight mechanisms, tools and supports to enable success





- 2.3 Building a change and communication strategy in support of organizational and individual culture shift
- 2.4 Developing a diversity and inclusion resource and reference toolkit for ministries, divisions, branches, teams, and employee resource groups
- 2.5 Initiating a Lean project with central BC Public Service Agency policy leads to improve and streamline policies, processes and supports
- 2.6 Creating and implementing an evaluation framework to measure and report on outcomes and progress against deliverables

**Recruitment and Retention:** Integrate D&I principles and objectives into recruitment and retention efforts by:

- 3.1 Providing the knowledge, tools and resources necessary to support hiring decisions that are equitable, transparent, merit-based and mitigate the impacts of unconscious bias
- 3.2 Conducting a review of mid-level to senior-level positions and make recommendations to address under-representation of specified equity groups
- 3.3 Continuing to reduce regional restrictions on job postings
- 3.4 Increasing IBPOC (Indigenous, Black and People of Colour) representation within and across government
- 3.5 Conducting a plain language review of job postings

**Flexibility:** Support work-life integration flexibility through:

- 4.1 Identifying positions which can be adapted to individual circumstances (e.g. part-time, job share, flexible work arrangements)
- 4.2 Assessing the viability of benefit plan enhancements to support an increasingly diverse workforce

## Outcomes

1. D&I competence is increased in the BCPS
2. Related HR policies and legislation is clearly understood and complied with
3. Individuals are treated equitably and ethically with dignity and respect
4. Organizational performance is improved
5. Better policy and service delivery outcomes





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