



## **Human Resource Management (HRM) Framework and Handbook for SAIs**

*A Practical Approach to HR Management for HR  
Practitioners, Corporate Service Directors and  
Managers in the SAI*



**2018**

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## **B. List of Abbreviations**

|           |   |
|-----------|---|
| ACCA      | Association of Chartered Certified Accountants                      |
| AFROSAI-E | African Organisation of English-speaking Supreme Audit Institutions |
| AG        | Auditor-General   |
| CIPFA     | Chartered Institute of Public Finance and Accountancy               |
| CPD       | Continuing professional development                                 |
| CPE       | Continuing professional education                                   |
| DAG       | Deputy Auditor-General  |
| FA        | Financial audit   |
| HR        | Human resources   |
| HRM       | Human resource management   |
| ICBF      | Institutional Capacity Building Framework                           |
| ICPA      | Institute of Certified Practising Accountants                       |
| ICF       | Integrated Competency Framework                                     |
| IDI       | INTOSAI Development Initiative                                      |
| IFMIS     | Integrated Financial Management Information System                  |
| IRMQ      | Individual, relationship, motivational and quality competencies     |
| INTOSAI   | International Organisation of Supreme Audit Institutions            |
| ISSAI     | International Standards of Supreme Audit Institutions               |
| NAO       | National Audit Office   |
| OAG       | Office of the Auditor-General                                       |
| PA        | Performance audit   |
| PM        | Performance management  |
| PSC       | Public Service Commission   |
| ROI       | Return on investment  |
| RACI      | Responsible, accountable, consulted, informed                       |
| SAI       | Supreme Audit Institution   |
| SAI-PMF   | Supreme Audit Institution Performance Measurement Framework         |

## C. Preamble

Supreme Audit Institutions (SAIs) provide the highest level of audit assurance to public sector entities in a country. Managing a SAI's human resources (HR) in an efficient way is critical and must be done in accordance with international standards as well as national and international best practices. The implementation of the Human Resource Management Framework and HR Handbook will enable SAIs to attract, motivate, develop and retain highly skilled audit and other professionals, create a culture of performance and integrity and ultimately reach level 3 and beyond of the Institutional Capacity Building Framework (ICBF).



The INTOSAI Lima Declaration of Guidelines on Auditing (ISSAI 1) sets out the objectives of public sector auditing. To fulfil these objectives, the SAI must strive to develop an HR strategy aligned to its strategic objectives to employ, motivate, develop and retain its staff in a sustainable way. Sufficient efforts should also be undertaken to develop and sustain professional knowledge and skills in order to build a culture of performance. The Code of Ethics (ISSAI 30) establishes the fundamental values and principles that should guide the values and behaviour of staff in the SAIs. ISSAI 40 deals with quality control and in the chapter on Training and Development this handbook specifically addresses the issue of competence and professional development for auditors. To ensure a qualitative application of the principles stated under Element 4, HR must be managed in a strategic and coherent way.

## D. Purpose of the Handbook

This handbook aims to assist the SAI in implementing an HRM function based on the Human Resource Management Strategic Framework and AFROSAI-E's Integrated Competency Framework. The intention is to build a solid foundation for professionalisation of the HR function and allow for customisation of current HR practices in the SAI. It also provides standards of best practice and practical examples from SAIs in the AFROSAI-E region.

The handbook will be updated on a continual basis as the function develops. Due to the differences between countries, a selection has been made to cover the areas from which most SAIs can benefit. Thus, certain crucial HR areas like compensation and benefits are very briefly covered. The aim is to assist HR practitioners to put theory into practice and develop the SAI by enriching the HRM practices further.

## E. Purpose of the HRM Strategic Framework and its place in the SAI

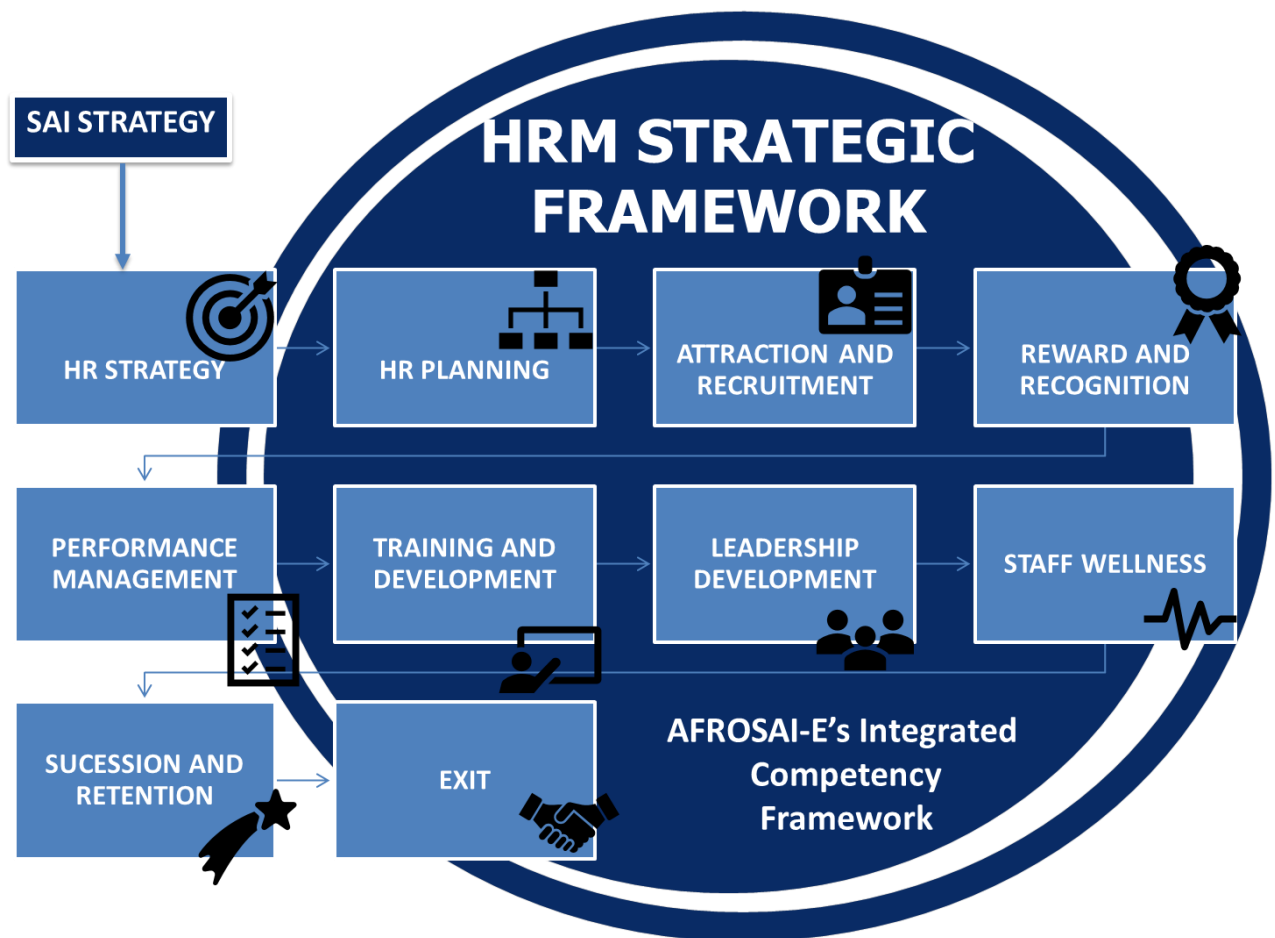
The HRM Strategic Framework:

- defines the HR initiatives that will enable the SAI to attract, motivate, develop and retain highly skilled audit and other professionals
- enables the development and implementation of HR practices in SAIs
- is a comprehensive guideline designed to assist managers, HR practitioners and staff better to understand, address and manage issues relating to human resources in the SAIs.

## F. Human Resource Management Strategic Framework

The HRM Strategic Framework is based on the Employee Life Cycle (Yeowell, 2011) which depicts the phases staff go through during their time in the SAI and defines the HR strategies/policies to be implemented related to each of the phases. The handbook will cover the following per the HRM Strategic Framework:

- HR Strategy
- HR Planning
- Attraction and Recruitment
- Reward and Recognition
- Performance Management
- Training and Development
- Leadership Development
- Staff Wellness
- Succession and Retention
- Exit





## 1. HR Strategy

### Why an HR strategy?

An HR strategy is aimed at integrating the SAI’s culture, its staff members and processes by coordinating a set of actions to reach the required organisational strategic focus areas of the SAI. Therefore, the HR strategy must be aligned to the SAI’s vision, mission, values and strategic focus areas to ensure viability and sustainability of the SAI.

### What is an HR strategy?

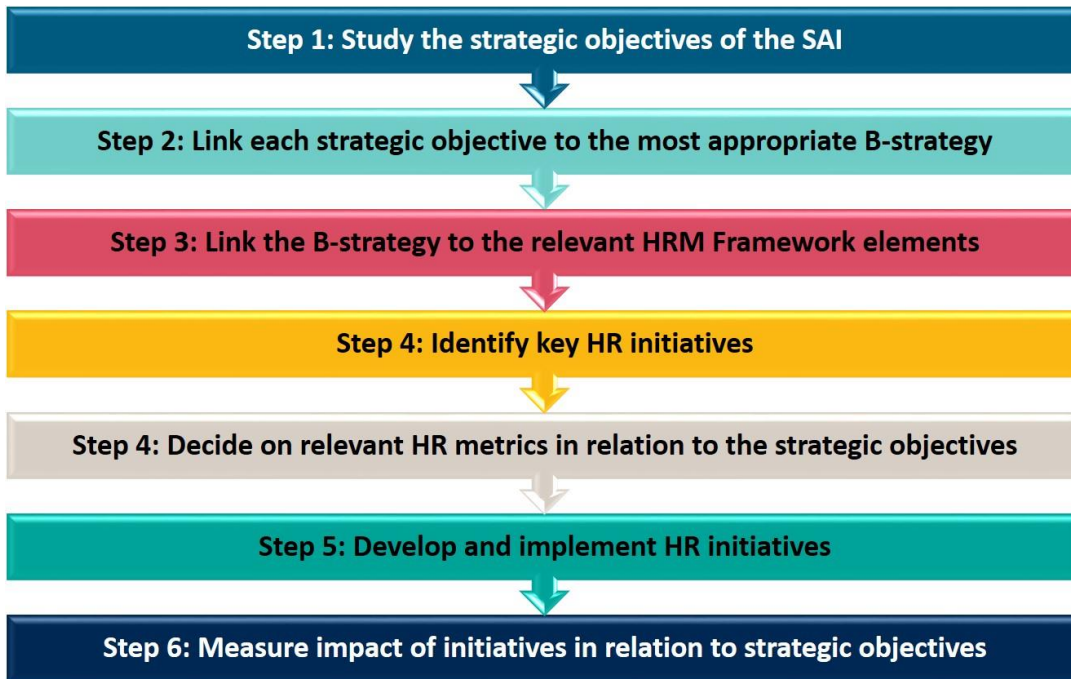
In the SAI, the HR strategy supports the implementation of the SAI’s strategies through HR activities such as HR planning, attraction and recruitment, reward and recognition, performance management, training and development, retention and succession and staff wellness. Ideally the HR strategy should be aligned to the SAI’s strategic goals and objectives. The HR strategy is an action plan to increase staff productivity and identify key HR areas where strategies can be implemented in realising the SAI’s strategic intent. The HR strategy also enables a solid relationship and strategic partnership between HR and the strategic management of the SAI.

### How to develop and implement an HR strategy in the SAI

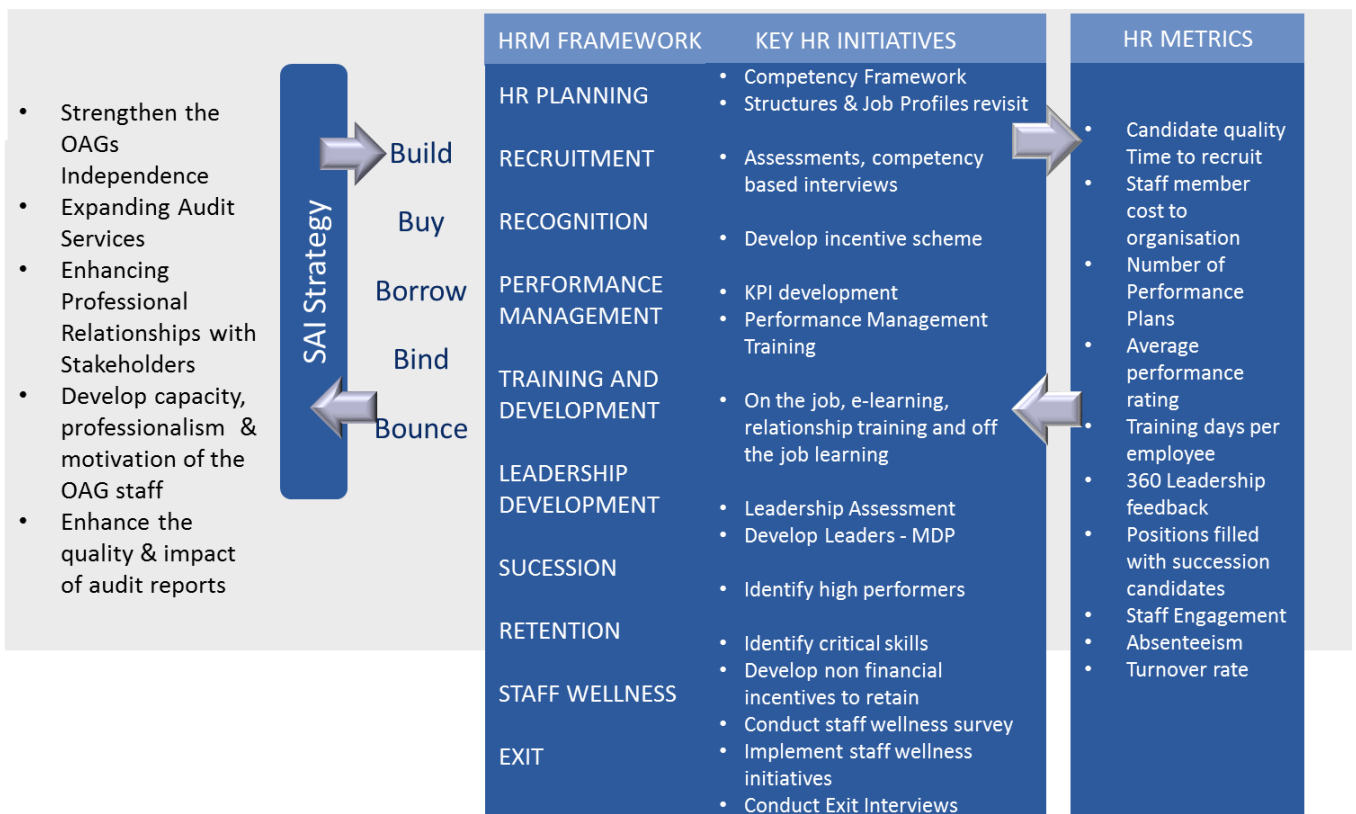
The HR strategy should be aligned to the vision, mission, values and strategic focus areas of the SAI. The following is an example of a SAI’s vision, mission, values and strategic focus areas.



**How to build the HR strategy**



The following is a format to build the HR strategy related to the SAI’s strategic objectives. On the left is the list of strategic objectives. The B-strategies (Ulrich, 2003) essentially refer to the strategic choices SAIs can make with regard to HR management and are described in detail below. The elements of the HRM Framework define key HR initiatives and under the heading HR metrics there is a list of possible metrics to measure the effectiveness and impact of HR initiatives.



**B-strategies** (Ulrich, 2003)

The B-strategies essentially refer to the strategic choices SAIs can make with regard to HR management. The requirements, challenges and risks of each of the B-strategies are discussed in detail below.

|   |
|---|
| <p><b>a. Buy:</b> Recruiting staff members from outside the SAI – <i>Link to the HRM Framework: Recruitment</i></p>   |
| <p><b>Requirements:</b> The ability to identify, attract and secure the best candidate from the external market<br/> <b>Challenges:</b> Difficulty in finding individuals in the external market who have the specialised skills needed for the SAI. Cost of recruitment<br/> <b>Risks:</b> Staff members may resign within a short period for career progression opportunities</p>     |
| <p><b>b. Build:</b> Developing talent within the SAI – <i>Link to the HRM Framework: Training and Development, Leadership Development, Succession</i></p>   |
| <p><b>Requirements:</b> Development opportunities/initiatives to increase skills and capabilities of SAI staff<br/> <b>Challenges:</b> Securing the investment/funds needed for training and development initiatives<br/> <b>Risks:</b> Long lead time until staff members are fully proficient and productive</p>  |
| <p><b>c. Borrow:</b> Obtaining staff through consulting, outsourcing or contracting – <i>Link to the HRM Framework: HR Planning</i></p>   |
| <p><b>Requirements:</b> A trusted network of partners and an assessment of which skills should be borrowed<br/> <b>Challenges:</b> Effectively managing projects and assignments of contractors or consultants. High cost of consulting services, sustainability<br/> <b>Risks:</b> Becoming too dependent on consultants or contractors</p>  |
| <p><b>d. Bind:</b> Retaining staff with critical competencies – <i>Link to the HRM Framework: Training and Development, Leadership Development, Retention, Succession</i></p>   |
| <p><b>Requirements:</b> Knowledge of what roles are critical in the SAI and identification of who are high performers in those roles<br/> <b>Challenges:</b> Being able accurately to assess and identify the critical competencies in the SAI<br/> <b>Risks:</b> Good staff members will leave if you do not effectively challenge or recognise them</p>                               |
| <p><b>e. Bounce:</b> Removing poor performers, eliminating unproductive roles, or re-skilling staff with “old” skill sets – <i>Link to the HRM Framework: HR Planning, Training and Development, Leadership Development, Exit</i></p>   |
| <p><b>Requirements:</b> Clear and understood performance expectations, having a flexible exit strategy if possible and providing opportunities that will effectively re-skill those staff members you want to keep<br/> <b>Challenges:</b> Maintaining engagement and high morale on the part of those staff members that remain<br/> <b>Risks:</b> Unintended exits and skills gap</p> |



**Process and responsibilities**

| PROCESS                           | SUB-PROCESS   | HR | AG/DAG | AAG/DIRECTOR/<br>MANAGER |
|-----------------------------------|---|----|--------|--------------------------|
| <b>SAI STRATEGIC PLANNING</b>     | Design, develop and implement the vision of the SAI                   | C  | RA     | C                        |
|                                   | Design, develop and implement the mission of the SAI                  | C  | RA     | C                        |
|                                   | Design, develop and implement the values of the SAI                   | C  | RA     | C                        |
|                                   | Design, develop and implement the SAI's strategic focus areas         | C  | RA     | R                        |
| <b>HR STRATEGY DEVELOPMENT</b>    | Study the strategic objectives of the SAI                             | RA | CI     | CI                       |
|                                   | Link each strategic objective to the most appropriate B-strategy      | RA | CI     | CI                       |
|                                   | Link the B-strategy to the relevant HRM Framework elements            | RA | CI     | CI                       |
|                                   | Identify key HR initiatives   | RA | CI     | CI                       |
|                                   | Decide on relevant HR metrics in relation to the strategic objectives | RA | CI     | CI                       |
|                                   | Develop and implement HR initiatives                                  | RA | CI     | CI                       |
|                                   | Measure impact of initiatives in relation to strategic objectives     | RA | CI     | CI                       |
| <b>HR STRATEGY IMPLEMENTATION</b> |   | R  | A      | A                        |

**Informed (I):** You will be told and kept informed of any required actions or omissions.

**Consulted (C):** You are given the opportunity to give advice, an opinion or information that will be taken into consideration prior to implementation.

**Responsible (R):** You will be held liable to implement and may be blamed for mistakes or failure to deliver.

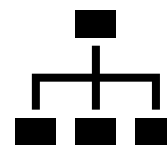
**Accountable (A):** You will be expected to explain and deal with any consequences because of any actions or omissions.

**EXAMPLE OF AN HR STRATEGY FOR THE STRATEGIC OBJECTIVE: IMPROVE THE QUALITY AND IMPACT OF AUDIT REPORTS**

**OBJECTIVE: IMPROVE THE QUALITY AND IMPACT OF AUDIT REPORTS**

|                           | Buy  | Build   | Build   | Build   | Build  | Build   | Bind   | Bounce  |  |
|---------------------------|--|---|---|---|--|---|--|---|--|
|                           | <b>HR Planning</b>   | <b>Attraction &amp; Recruitment</b>   | <b>Performance Management</b>   | <b>Reward and Recognition</b>   | <b>Training and Development</b>  | <b>Leadership Development</b>   | <b>Staff Wellness</b>  | <b>Succession &amp; Retention</b>   | <b>Exit</b>  |
| <b>Alignment elements</b> | <p>Develop structures that provide for a quality assurance entity</p> <p>Develop job profiles that will attract staff with the right competencies</p>  | <p>Conduct competency-based recruitment to select the right people with the right competencies</p> <p>Induct staff to instil a strong sense of the vision and values of the SAI</p> | <p>Define achievable measures for the quality of audit reports (KPIs)</p> <p>Provide performance feedback</p> <p>Implement personal development plans</p> | <p>Make provision to incentivise and recognise staff/teams that deliver quality audit reports</p> | <p>Build audit report writing competencies</p> <p>Develop blended learning, training and development initiatives</p> | <p>Expand the capacity of leaders to inspire, influence, motivate, recognise and guide staff to achieve and sustain quality audit reports</p> | <p>Ongoing transparent exchange of knowledge and ideas</p> <p>Ongoing networking, goalsetting and coaching</p> | <p>Develop a plan to retain staff with excellent audit reporting competencies</p> | <p>Develop an exit interview to determine why staff with critical audit reporting competencies leave</p> |
| <b>Measurements</b>       | Implemented Competency Framework   | Candidate quality, turnover of new staff  | Number and quality of performance and personal development plans  | Number of staff members recognised  | Training days per staff member<br>Average performance score  | 360° leadership feedback  | Improved staff engagement  | Number of staff retained with excellent audit report writing competencies         | Turnover of staff with excellent audit reporting competencies  |
| <b>ROI</b>                | <p><b>Improvement in quality of reports and time in delivering of reports</b></p> <p><b>Improvement of staff productivity and staff engagement</b></p> |   |   |   |  |   |  |   |  |

## 2. HR Planning



### Why HR planning?

The HR planning process is an integrated approach identifying the gaps between current workforce (supply) and future needs (demand) and gaps in alignment and support of the SAI's strategies. The outcome is to develop action plans to ensure the required institutional capacity to fulfil the strategic focus areas of the SAI.

HR planning for the SAI is important to:

- identify the functional knowledge, skills and behavioural competencies required to realise the set-out strategic focus areas of the SAI
- identify the gaps w.r.t. required functional knowledge, skills and behavioural competencies for future resource demands
- design effective organisational structures
- develop detailed job profiles which will form the basis for advertising, recruitment, performance management and development of different jobs in the SAI.

### What is HR planning?

In the SAI, HR planning involves the process of determining the number of staff required as well as the competencies (functional knowledge, functional skills, behavioural and leadership competencies) required of SAI staff to function confidently and effectively. It further involves the process of designing structures and developing job profiles.

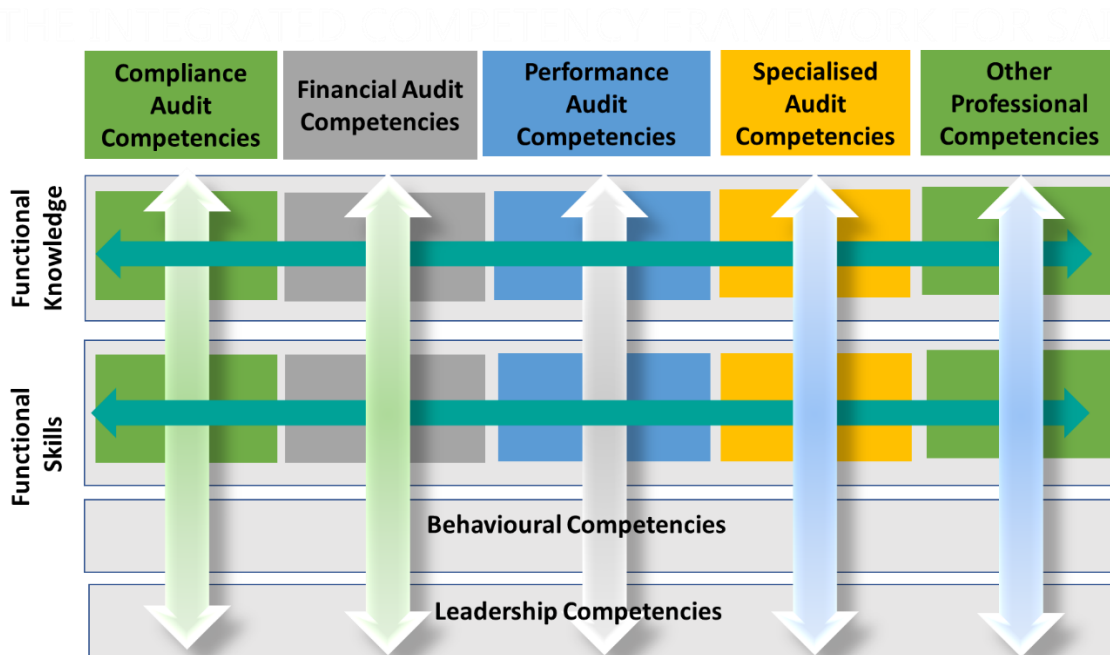
### How to conduct and implement HR planning in the SAI

| ASSESS THE CURRENT HR CAPACITY   | FORECAST DEMAND/SUPPLY   | DETERMINE THE GAP  | CLOSE THE GAP  |
|--|--|--|--|
| <ul style="list-style-type: none"> <li>• Assess the current HR capacity</li> <li>• Assess the current competencies of staff</li> <li>• Compile a skills inventory</li> </ul> | <ul style="list-style-type: none"> <li>• Forecast HR needs for the future</li> <li>• Determine impact of external factors on supply</li> <li>• Develop an organisational structure for the future</li> </ul> | <ul style="list-style-type: none"> <li>• Conduct a gap analysis to identify the number of staff and the skills required in future in comparison to the current situation</li> <li>• Forecast required HR capacity and compare with available capacity</li> </ul> | <ul style="list-style-type: none"> <li>• Design the organisational structure</li> <li>• Design job profiles</li> <li>• Decide on the most appropriate B- strategies</li> <li>• Implement HR action plans</li> <li>• Measure success and adapt tactics</li> </ul> |

**Step 1: Assess the current HR capacity against the Integrated Competency Framework for SAI Audit and Other Professionals**

Based on the organisation's strategic plan, the first step in the strategic HR planning process is to assess the current HR capacity of the SAI. The knowledge, skills and abilities of the current staff need to be identified.

The Integrated Competency Framework Model and the Competency Dictionary identify competencies required for SAI audit and other professionals.



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The model identifies four domains in the Integrated Competency Framework for SAI Audit and Other Professionals. Here are the domains and their descriptions.

- Functional Knowledge**                      Functional knowledge is acquired through information, experience, learning or formal education and is the theoretical understanding of the SAI environment
  
- Functional Skills**                              Functional skills are practical and provide an individual with an understanding of how to operate confidently, effectively and independently in the SAI environment and the ability to do so
  
- Behavioural Competencies**                      Personal qualities or characteristics that influence how successful a person will be in the SAI environment (attributes and aptitudes)
  
- Leadership Framework**                      Critical competencies, conceptual knowledge, values and behaviours required for leaders to inspire, recognise, influence, motivate and guide staff to achieve and sustain excellence in the SAI environment

These domains can be assessed by developing a skills inventory for each staff member. The skills inventory should go beyond the skills required for the position. List all skills each staff member has demonstrated that could be relevant for the SAI. Education levels and certificates or additional training should also be included. Staff members identify the functional knowledge and skills they currently have and their level of proficiency (basic, intermediate or advanced).

Staff's performance assessments can be reviewed to determine if the person is ready and willing to take on more responsibility and to look at staff's current development plans.

### **Step 2: Forecast demand/supply**

The next step is to forecast HR needs for the future, based on the strategic goals of the SAI. Realistic forecasting of HR involves estimating both demand and supply. Questions to be answered include:

- How many staff members will be required to achieve the strategic goals of the SAI?
- What jobs will need to be filled?
- What competencies will staff need?

When forecasting demands for human resources, also assess the challenges the SAI faces in the acquiring of staff based on the external environment. To determine external impacts, you may want to consider some of the following factors:

- How does the current economy/political arena affect our work and our ability to attract new staff members?
- How do current technological or cultural shifts impact the way we work and the skilled staff we require?
- What changes are occurring in the public service labour market?
- How is the community changing or expected to change soon?

### **Step 3: Determine the gap**

The next step is to determine the gap between where the SAI wants to be in the future and the current situation. The gap analysis includes identifying the number of staff and the skills and abilities required in the future in comparison to the current situation. You should also look at the SAI's HR management practices to identify practices that could be improved, or new practices needed to support the SAI's capacity to move forward. Questions to be answered include:

- What new jobs will we need?
- What new competencies will be required?
- Do our present staff have the required skills?
- Are staff members currently in positions that use their strengths?
- Do we have enough managers/supervisors?
- Are current HR management practices adequate for future needs?

### **Step 4: Close the gap**

- **Forecast required HR capacity and compare with available capacity**
- **Design the organisational structure**

Three major roles exist, namely:

- Strategic focus (giving strategic direction) – AAG/DAG/Director
- Tactical focus (converting strategic direction into tactical objectives and plans) – Management
- Operational focus (converting tactical objectives and plans into operational plans and activities) – Professionals

The span-of-control guideline for managing audit professionals is the following:

- Management: Direct reports = 1: 6 to 12 Supervision: Subordinates = 1: 6 to 15
- 
- **Design required job profiles by utilising the competencies as set out in the Integrated Competency Framework for SAIs**
    - In a job description/profile, the expectations are defined. It is therefore a formal document that clarifies the job, the role of the job and what the jobholder is expected to accomplish.
    - The job profile forms the basis of an agreement between the manager and the employee as to the expected job outcome/results. This is particularly important for an effective performance management process.
    - It is valuable for recruitment purposes as it provides potential staff with a clear understanding of the job's scope, nature and requirements (qualifications, experience, competencies, etc.). Per the information that the job profile provides, potential candidates can also determine whether their profile is right for the job.
  
  - **Implement HR action plans to ensure the required capacity is obtained**
    - **Buy:** Recruiting staff members from outside the SAI – *Link to the HRM Framework: Recruitment*
    - **Build:** Developing talent within the SAI – *Link to the HRM Framework: Training and Development, Leadership Development, Succession*
    - **Borrow:** Obtaining staff through consulting, outsourcing or contracting – *Link to the HRM Framework: HR Planning*
    - **Bind:** Retaining staff with critical competencies – *Link to the HRM Framework: Training and Development, Leadership Development, Retention, Succession*
    - **Bounce:** Removing poor performers, eliminating unproductive roles, or re-skilling staff with “old” skill sets – *Link to the HRM Framework: HR Planning, Training and Development, Leadership Development, Exit*
  
  - **Measure success and adapt tactics**

**Process and responsibilities**

| PROCESS                                       | SUB-PROCESS   | HR | AG/DAG | AAG/DIRECTOR<br>MANAGER |
|---|---|----|--------|-------------------------|
| <b>ASSESS THE<br/>CURRENT HR<br/>CAPACITY</b> | Assess the current HR capacity  | R  | A      | A                       |
|   | Assess the current competencies of staff  | R  | A      | A                       |
|   | Compile skills inventory  | C  | A      | R                       |
| <b>FORECAST<br/>DEMAND/SUPPLY</b>             | Forecast HR needs for the future  | R  | A      | C                       |
|   | Determine impact of external factors on supply  | R  | A      | C                       |
|   | Develop an organisational structure for the future  | R  | A      | C                       |
| <b>DETERMINE THE<br/>GAP</b>                  | Conduct a gap analysis to identify the number of staff and the skills required in the future in comparison to the current situation | R  | A      | C                       |
|   | Forecast required HR capacity and compare with available capacity   | R  | A      | C                       |
| <b>CLOSING THE GAP</b>                        | Design the organisational structure   | R  | A      | C                       |
|   | Design job profiles   | R  | A      | C                       |
|   | Decide on the most appropriate B-strategies   | R  | A      | C                       |
|   | Implement HR action plans   | R  | A      | A                       |
|   | Measure success and adapt tactics   | RA | I      | IC                      |

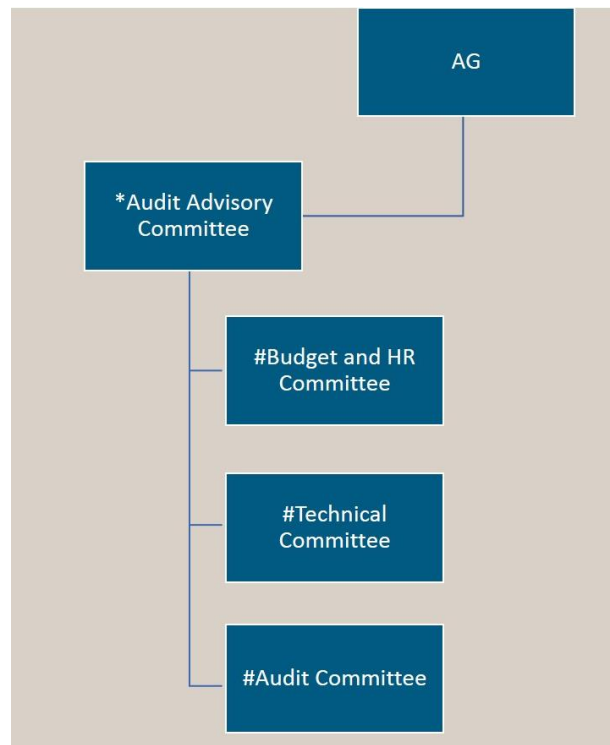
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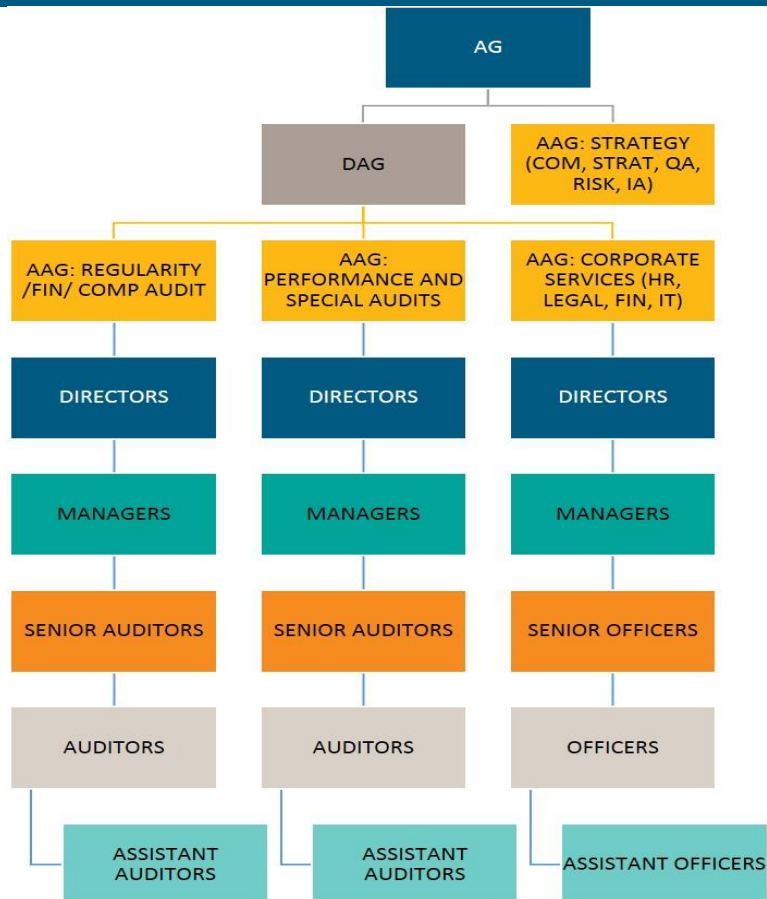
**Responsible (R):** You will be held liable to implement and may be blamed for mistakes or failure to deliver.

**Accountable (A):** You will be expected to explain and deal with any consequences because of any actions or omissions.

**EXAMPLE OF A GOVERNANCE STRUCTURE FOR INDEPENDENT SAIs**



**EXAMPLE OF AN OPERATING STRUCTURE FOR AN INDEPENDENT SAI**





**EXAMPLE OF A JOB PROFILE AS DEVELOPED USING THE INTEGRATED COMPETENCY FRAMEWORK FOR SAIs**

| <b>Job Profile</b>   |
|--|
| <p><b>Job title:</b> Deputy Auditor-General</p> <p><b>Office:</b> Office of the Auditor-General</p> <p><b>Responsible to:</b> Auditor-General</p> <p><b>Grade:</b> DAG (Deputy Auditor-General)</p> <p><b>Core description</b></p> <div style="border: 1px solid black; padding: 5px;"> <p>The purpose of the position is to manage and administer the office of the Auditor-General efficiently, act as the Chief Accounting Officer and exercise the responsibilities, duties and powers of the office subject to the directions of the Auditor-General.</p> </div> <p><b>Job responsibilities</b></p> <div style="border: 1px solid black; padding: 5px;"> <ul style="list-style-type: none"> <li>• Responsible for managing the functions related to Regularity and Non-regularity Auditing and Corporate Services</li> <li>• Act as the Chief Accounting Officer of the Office of the Auditor-General</li> <li>• Manage funds of the OAG in conformity with financial practices and public service laws and prepare and submit financial statements to the AG</li> <li>• Maintain discipline and proper use and care of movable and immovable property of the Office of the Auditor-General</li> <li>• Exercise the responsibilities, duties and powers of the office subject to the directions of the Auditor-General</li> <li>• Perform any other related functions subject to the directions of the Auditor-General</li> <li>• Provide strategic advice and direction for auditing, budget planning, monitoring and reporting activities, performance metrics, policies and legislation in tandem with the OAG’s mandate</li> <li>• Provide executive leadership to senior management staff, including managing resources to ensure they are productively utilised across the office</li> <li>• Maintain effective, open and consultative relationships with clients and stakeholders (both internal and external) as a mandatory requirement of this role</li> <li>• Ensure annual service plan goals and objectives are achieved, and specific measures and targets are met</li> <li>• Support the OAG in providing recommendations to the audited government entities through the preparation of quality performance audit reports</li> <li>• Perform the role of Secretary as a member of the Audit Advisory Committee</li> </ul> </div> <p><b>Qualifications</b></p> <div style="border: 1px solid black; padding: 5px;"> <p>Master’s degree in Business Administration (Accounting option), M.Sc. Accounting and Finance or any other related field</p> <p>Full membership of a professional body i.e. CPA, ACCA, CIPFA but preferably FCCA</p> </div> |

**Experience**

Eight years' experience in the auditing field and at least five years in a leadership/ management role

**Working conditions**

Driver's licence, prepared to work long hours and to travel extensively

**Interest and motivation**

Making a difference to communities and people, opportunities for development and international work-related travel

**Core competencies (Refer to the Integrated Competency Framework for SAIs)**

**Functional Knowledge**

- Auditing principles
- International standards (ISAs/ISSAIs)
- Quality control standards (ISQC/INTOSAI)
- Ethical standards (INTOSAI/IESBA)
- Public financial management and internal control
- Financial reporting frameworks
- Auditing reporting standards
- Legal framework
- Budgeting
- Costing

**Functional Skills**

- Audit of financial statements
- Professional scepticism/critical thinking
- Professional judgement
- Audit communication

**Behavioural Competencies**

- Independence
- Stakeholder management
- Conflict management
- Problem-solving analytical ability
- Numerical analytical ability
- Linguistic analytical ability

**Leadership Competencies**

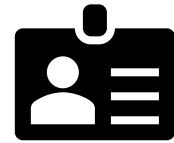
| Personal Leadership   | People Leadership  | Strategic Leadership   | Public Sector Leadership   |
|---|--|--|--|
| <ul style="list-style-type: none"> <li>• Consistent</li> <li>• Emotional intelligence</li> <li>• Integrity</li> </ul> | <ul style="list-style-type: none"> <li>• Decisive</li> <li>• Provide clear direction</li> <li>• Share information</li> </ul> | <ul style="list-style-type: none"> <li>• Strategic judgement</li> <li>• Strategic thinking</li> <li>• Long-term focus</li> <li>• Build stakeholder partnerships</li> </ul> | <ul style="list-style-type: none"> <li>• Influence in the public sector</li> <li>• Public sector protocol and etiquette</li> </ul> |

|  |  |   |  |
|--|--|---|--|
|  | <ul style="list-style-type: none"><li>• Encourage cross-functional collaboration</li></ul> | <ul style="list-style-type: none"><li>• Strategic communication</li></ul> | <ul style="list-style-type: none"><li>• Understanding and navigating the public sector</li></ul> |
| <b>Live the values of the SAI</b>  |  |   |  |
| <ul style="list-style-type: none"><li>• Transparency</li><li>• Respect</li><li>• Integrity</li><li>• Professionalism</li></ul> |  |   |  |

### 3. Attraction and Competency-based Recruitment

#### Why attraction and competency-based recruitment?

Attraction and recruitment is aimed at identifying the right diversity of competence required at all levels, attracting and selecting people by pre-defined criteria and bringing people on board effectively and efficiently.



The goal is to support SAIs by recruiting, selecting, placing and retaining people with the requisite competencies for available jobs. The process of employment shall be fair, equitable and aligned to relevant labour legislation and organisational policies applicable to the SAI.

#### What is attraction and competency-based recruitment?

In the SAI, attraction and competency-based recruitment will allow for the recruitment, placement, assessment and induction of staff with the right functional knowledge, skills and behavioural competencies to excel in the SAI environment. The Integrated Competency Framework for SAIs provides a basis for selecting the right candidates based on the required competencies for the specific job.

#### How to attract and recruit staff in the SAI:

##### **Step 1: Choose your methods of recruitment**

Recruiting for skilled positions is becoming increasingly competitive, meaning organisations need to be increasingly creative in how they go about attracting the right people.

##### **Assess where you are most likely to find your ideal candidate**

Will they be recent graduates from colleges or universities?

Will they come from other SAIs?

##### **Be innovative and prepared to consider several different methods to attract the best person for the job**

How likely is it that your chosen methods will reach your target candidates?

##### **Step 2: Recruit efficiently**

- What are the timeframes to fill the positions?
- What size candidate pool will you need?
- For a general, unspecialised position you have a higher probability of finding a suitable candidate within a smaller pool so you will want to recruit in a way that keeps the number of applications reasonable.
- For a very senior or highly skilled position you will probably need to reach out to the widest possible pool to get the best candidate.

##### **Internal recruitment**

Internal recruitment gives existing staff members in the SAI the opportunity to apply for a job opening and can include promotions to a higher-level position as well as lateral moves to a same-level position. To keep the process positive, it is very important to be fair and consistent in how you go about recruiting internally.

| Potential benefits of this approach   | Potential drawbacks of this approach   |
|---|--|
| <ul style="list-style-type: none"> <li>• Management already has a good idea of the staff member’s capabilities</li> <li>• Rewards the staff member for past performance</li> <li>• Gives the staff member an opportunity for career development</li> <li>• Retains the SAI's investment in the staff member</li> <li>• Reduces the amount of time necessary to induct the person to the new position</li> <li>• Reduces the time and costs of recruitment</li> <li>• Promotes engagement by signalling the possibility of internal progression</li> </ul> | <ul style="list-style-type: none"> <li>• If used in isolation, provides a limited number of people to select from</li> <li>• Reduces the opportunity for increasing diversity within the SAI</li> <li>• Staff members that apply for the position and are not selected may be disgruntled</li> </ul> |

**Internet job postings**

Most candidates will search for positions electronically through the SAI’s website, or online job boards. Ensuring that your job posting considers the following can increase the candidate response:

- The job title is often the first thing a job seeker will see and in many cases the only thing, unless they are interested enough to click through for further information. Use familiar job titles and ensure that they give a sense of what the job entails (e.g. “performance auditor” instead of just “auditor”)
- Use key words commonly associated with this type of role
- Make the most important points stand out by highlighting, using headings for each section (e.g. About the SAI, About the job, How to apply) and using bulleted lists

**Step 3: Plan the selection process**

Selection is the process of screening applicants to ensure that the most appropriate candidate is placed.

The first step in the selection process is to review the information (résumé, application form) provided by all job applicants to determine which applicants meet the minimum qualifications as stated in the job posting. No further consideration will be given to those who do not meet the minimum qualifications. (In fact, it is a good idea to say in your advertisements that only those candidates who meet the job requirements will be considered.) Those job applicants who meet or exceed the minimum job qualifications are then assessed to decide which ones will be short-listed for a job interview.


The most common methods of selection for all positions include an interview followed by a reference check. Other selection techniques used during the interview phase are: work samples, written tests, in-basket exercises, oral presentation and personality or aptitude tests. After making a conditional offer, additional selection techniques can include a criminal record check and driver's record check. Written consent is required before requesting record checks.

**Step 4: Conduct the interviews**

Choose an appropriate environment for the interviews and ensure that you will not be interrupted. If you are interviewing internal candidates, consider doing it off-site. Think of the interview as a business conversation. Make sure you use the same interview format and setting for every candidate, and that interview appointments are the same length.

Welcome the candidate and provide her/him with an overview of the interview. Ask your questions, then sit back and listen. Ideally, you should talk no more than 20% of the time. Use follow-up questions to have the candidate expand on their answers. Comment on what the candidate says to let them know you are interested and to encourage discussion. You may want to consider using an interview rating scale to evaluate the answers given by each person interviewed.

**Example of an interview rating scale (Intellect, 2013)**



| Rating scale | Interpretation   |
|--------------|--|
| 5            | Applicant applies the competency in <b>extremely difficult situations</b> , he or she is an <b>expert</b>              |
| 4            | Applicant applies the competency in <b>very difficult situations</b> , he or she <b>requires little or no guidance</b> |
| 3            | Applicant applies the competency in <b>difficult situations</b> , he or she <b>requires occasional guidance</b>        |
| 2            | Applicant applies the competency in <b>normal situations</b> , he or she <b>requires frequent guidance</b>             |
| 1            | Applicant applies the competency in <b>simple situations</b> , he or she <b>requires extensive guidance</b>            |
| 0            | Applicant gives <b>unrealistic answers</b> and/or displays <b>negative behaviour</b>                                   |

Conclude the interview by thanking the candidate and explaining the next steps. Ask for their permission to contact references.

**Step 5: Check the references of your final candidates**

Checking references carefully and thoroughly is one way to avoid hiring the wrong person. It may seem easier to accept letters of recommendation that address a candidate's abilities and experience. However, talking to people will allow you to probe issues deeply enough to get a fuller sense of the candidate's values, characteristics, approach to work and how they interact with others. Telephone interviews are the best way to get more depth about the candidate's character and background.

Reference checks are a last opportunity to verify information the candidate has provided, validate their personal suitability and explore any areas of concern. Talk to references before you make an offer. Let the candidate know you will be doing this. Be sure to find out if there is anyone the candidate would prefer you not speak to – for example, a current boss or current colleagues.

**Step 6: Conduct assessments**

Assessments are usually used for the following:

- To gain important insights into normally difficult to access attributes of the people we recruit, promote, coach or develop
- To gain an accurate baseline for tracking future development and progress
- To determine the potential and development needs of staff and assist them in the management of their careers

- To ensure that there is a best fit between the person and the position
- To serve as an aid for management to make fair and objective decisions during the selection process

Candidates need to provide their informed consent in writing prior to the assessment. They have the right to refuse to take part in the assessments, and must be informed that refusal to participate will result in exclusion from the relevant process for which the assessments were intended to be used. Assessments may only be conducted by registered psychometrists.

### Process and responsibilities – assessments

| PROCESS                           | SUB-PROCESS   | HR/<br>PSYCHOMETRIST | STAFF<br>MEMBER | MANAGEMENT |
|-----------------------------------|---|----------------------|-----------------|------------|
| <b>REQUEST FOR ASSESSMENT</b>     | Complete assessment request form  |                      |                 | RA         |
| <b>COMPETENCY-BASED PROFILING</b> | Study job profile   | RA                   |                 |            |
| <b>ASSESSMENT BATTERY</b>         | Determine tools   | RA                   |                 |            |
|                                   | Determine norms   | RA                   |                 |            |
| <b>ASSESSMENT</b>                 | Arrange for assessments   | RA                   | I               |            |
|                                   | Conduct assessments   | RA                   |                 |            |
| <b>REPORTING</b>                  | Scoring   | RA                   |                 |            |
|                                   | Generate reports  | RA                   |                 |            |
|                                   | Integrate reports   | RA                   |                 |            |
| <b>FEEDBACK</b>                   | Provide assessment feedback (panel, individual, group) depending on requirement | RA                   | I               | I          |
| <b>DATA STORAGE</b>               | Update all databases, file answer sheets and reports                            | RA                   |                 |            |

#### **Step 7: Staff induction**

Staff induction introduces new staff members to the SAI and their new role. Beyond providing information about the SAI’s policies and procedures, an effective induction should make the new staff member feel comfortable, helping them to learn about their role and the SAI’s vision, mission and core values.

Developing and facilitating a new staff member’s induction takes time. Too often, busy workplaces forego a proper induction in the hopes that new recruits will “figure it out” as they get to work. But in fact, taking the time to properly induct new recruits will increase that staff member’s chances of being successful. This could increase staff retention which saves the SAI time and money in recruitment in the long run.

**Objective**

- Reducing the anxiety of the new staff member in the SAI
- Sharing relevant organisational information and beginning a process of learning about the SAI’s vision, mission, values and strategic goals
- Socialising the staff member to the culture of the SAI, including the values, behaviours, formal and informal practices, etc.
- Building relationships between the new staff member and colleagues, including managers or senior staff

**Process and responsibilities – staff induction**

| PROCESS   | SUB-PROCESS  | HR | STAFF MEMBER | MANAGEMENT |
|---|--|----|--------------|------------|
| <b>INTRODUCTION</b>                                   | Introduce to new colleagues, assign a mentor or “buddy”  |    |              | RA         |
| <b>WORKPLACE INTRODUCTION</b>                         | Give a tour of the assigned workspace and the rest of the office/facilities  |    |              | RA         |
| <b>ORGANISATIONAL OVERVIEW</b>                        | Explain SAI structure  |    |              | RA         |
|   | Explain team structure   |    |              | RA         |
| <b>STAFF MEMBER’S JOB DUTIES AND RESPONSIBILITIES</b> | Discuss job profile and expected outcomes  |    |              | RA         |
|   | Identify work to be accomplished in the first days/weeks   |    |              | RA         |
|   | Provide relevant reports and information needed for the job  |    |              | RA         |
|   | Explain how the job relates to other roles in the SAI and to the SAI’s strategic objectives  |    |              | RA         |
| <b>WORK EXPECTATIONS AND SCHEDULE</b>                 | Share start and finish times, lunchtime and breaks.  |    |              | RA         |
|   | Discuss probationary period and appropriate safety procedures  |    |              | RA         |
| <b>HR AND ADMINISTRATIVE PROCEDURES</b>               | Necessary paperwork for pay and benefits<br>Staff policies and procedures manual<br>Travel and reimbursement processes<br>Absences, leave, vacation, etc.<br>Telephone and email protocol, internet use policy | C  |              | RA         |



## HUMAN RESOURCE MANAGEMENT (HRM) FRAMEWORK AND HANDBOOK FOR SAIs

| PROCESS                | SUB-PROCESS  | HR | STAFF MEMBER | MANAGEMENT |
|------------------------|--|----|--------------|------------|
| HEALTH AND SAFETY      | Review health, fire and safety procedures                                | C  |              | RA         |
| PERFORMANCE MANAGEMENT | Review the performance management system, learning and development plans | C  |              | RA         |
| COMMUNICATION          | Explain the internal communication processes including staff meetings    | C  |              | RA         |



## Process and responsibilities – attraction and recruitment

| PROCESS          | SUB-PROCESS                             | HR | STAFF MEMBER | MANAGEMENT |
|------------------|---|----|--------------|------------|
| ATTRACTION       | Compile advert                          | C  |              | RA         |
|                  | Place advert (internal/external/agency) | RA |              | I          |
|                  | Receive and acknowledge CVs             | RA |              |            |
| PRE-SELECTION    | Screen CVs (advert requirements)        | RA |              |            |
|                  | Shortlist                               | RA |              |            |
| SELECTION        | Compile questions/case study            | C  |              | RA         |
|                  | Appoint panel                           | I  |              | RA         |
|                  | Inform managers of applicants           |    |              | RA         |
|                  | Schedule interviews                     |    |              | RA         |
|                  | Conduct interviews                      | C  |              | RA         |
| ASSESSMENT       | Determine tools                         | RA |              | C          |
|                  | Conduct assessment                      | RA |              | I          |
|                  | Compile report                          | RA |              | I          |
| PLACEMENT        | Select most suitable applicant          | I  |              | RA         |
| REFERENCE CHECKS | Conduct reference checks                | C  |              | RA         |
| APPOINTMENT      | Letters of regret                       | RA |              |            |
|                  | Feedback on request                     | RA |              |            |
|                  | Placement on the job                    | RA |              |            |
| INDUCTION        | Manage induction                        | C  |              | RA         |

**Informed (I):** You will be told and kept informed of any required actions or omissions.

**Consulted (C):** You are given the opportunity to give advice, an opinion or information that will be taken into consideration prior to implementation.

**Responsible (R):** You will be held liable to implement and may be blamed for mistakes or failure to deliver.

**Accountable (A):** You will be expected to explain and deal with any consequences because of any actions or omissions.

## EXAMPLE OF HOW TO USE THE JOB PROFILE FOR COMPETENCY-BASED RECRUITMENT

Use the following portion of the job profile for:

### Shortlisting

#### Qualifications

B Com Accounting/Auditing/Finance, MBA or equivalent

#### Experience

8 Years' experience in the auditing field and at least 5 years in a leadership/management role

#### Functional Knowledge

- Auditing Principles
- International Standards (ISA's/ISSAI's)
- Quality control standards (ISQC/INTOSAI)
- Ethical standards (INTOSAI/IESBA)
- Public financial management and internal control
- Risk Management Principles
- Financial Reporting frameworks

### Case study

#### Functional skills

- Change Management skills
- Facilitation skills
- Presentation skills
- Project Management skills
- Negotiation skills

### Assessments

- Problem Solving analytical ability
- Numerical analytical ability
- Linguistic Analytical ability

### Competency-based interview questions

#### Behavioural Competencies

- Independent
- Creative/Innovative
- Persuasive
- Energetic
- Stakeholder Management
- Conflict Management

#### Example of competency-based interview question using the SOAR concept (Cattelan, 2012)

- **Situation:** Describe the situation
- **Objective:** Describe what was expected
- **Action:** Describe the action that was taken
- **Result:** Describe the outcome

Tell the panel about a **situation** where you had to **handle conflict**, what **action** did you take and what was the **outcome**?

## 4. Reward and Recognition



### Why reward and recognition?

Reward includes not only salary, but also the direct and indirect rewards and benefits the staff member is provided with in return for their contribution to the SAI.

While maintaining fiscal responsibility, the SAI should be committed to compensating staff in a manner that is fair, consistent and reflective of the external market, and should provide recognition for the achievement of individual/team goals, SAI objectives and professional competency. Some of the objectives could include:

- Internal equity – fair compensation with respect to how different positions within the SAI relate to each other by conducting job evaluations (level and complexity of jobs)
- External equity – determine the market value of a job by conducting salary surveys
- Increased performance and productivity of the SAI
- Compliance with laws and regulations of the SAI and the country
- Administrative efficiency

To determine compensation, the SAI could develop a compensation and recognition programme. This type of programme outlines an equitable process for compensating staff members. A well-structured programme with a good balance of salary, benefits and rewards will support the SAI to remain competitive in the public sector and ensure sustainability in the future.

### What is reward and recognition?

There are three types of rewards

- Direct financial rewards – e.g. salaries, wages and bonuses etc.
- Indirect financial rewards – e.g. benefits, retirement benefits, study opportunities etc.
- Non-financial rewards (Moss, 2012)

Non-financial rewards: on the job

- Attending conferences and forums
- Field trips
- Job rotation
- Stretch assignments
- Special projects
- Training and development opportunities
- More autonomy (e.g. team-lead role)
- Recognition
- Feeling of achievement
- Advancement opportunities

Non-financial rewards: work environment

- Fair and consistent practices and policies
- Competent supervision
- Fun and effective co-workers

- Comfortable and safe working environment
- Flexible working hours
- Alternative working arrangements
- Modified retirement

### How to reward and recognise staff

There are many situations that require deciding what, how and when to pay a staff member.

- A new appointment
- An existing staff member due for an increase
- An existing staff member moving into a new role
- A valuable staff member who is considering leaving because of compensation
- Market conditions
- Scarce skill (e.g. IT auditing)

### How to develop a compensation strategy



**Process and responsibilities**

| PROCESS                                     | SUB-PROCESS   | HR | AG/DAG | MANAGEMENT |
|---|---|----|--------|------------|
| <b>STUDY JOB DESCRIPTIONS/ JOB PROFILES</b> | Study job profiles to develop a consistent salary structure based on the relative level of duties, competencies, responsibility and qualifications of each position in the SAI  | RA | I      | C          |
| <b>CONDUCT A JOB ANALYSIS</b>               | Conduct job analysis by analysing the level of skill and experience required for a certain job role   | RA | I      | C          |
| <b>PERFORM JOB EVALUATION</b>               | Assess the relative worth of jobs in the SAI. Conduct a comprehensive analysis of each position's tasks, responsibilities, competency requirements to determine the internal ranking (level) of jobs  | RA | I      | C          |
| <b>DESIGN A SALARY STRUCTURE</b>            | Incorporate salary ranges for each of the different job levels based on experience, skill, potential and fit  | RA | I      | C          |
| <b>DETERMINE PAY INCREASES</b>              | Determine pay increases by considering: <ul style="list-style-type: none"> <li>• Cost-of-living increase</li> <li>• Market adjustments following the receipt of market survey data</li> <li>• Promotional increase</li> <li>• Merit increase</li> </ul> | R  | A      | C          |
| <b>DETERMINE BONUS</b>                      | Decide when and how often to compensate staff over and above the amount of pay specified as wages or salary or as outlined in an employment contract  | R  | A      | C          |
| <b>DETERMINE INCENTIVES</b>                 | Decide on rewarding staff for improved commitment and performance and as a means of motivation  | R  | A      | C          |
| <b>COMMUNICATE</b>                          | Develop a communication strategy regarding the SAI's reward and recognition plan and ensure staff have access to information regarding the reward and recognition plan and that it is provided in clear and concise language                            | R  | A      | C          |

**Informed (I):** You will be told and kept informed of any required actions or omissions.

**Consulted (C):** You are given the opportunity to give advice, an opinion or information that will be taken into consideration prior to implementation.

**Responsible (R):** You will be held liable to implement and may be blamed for mistakes or failure to deliver.

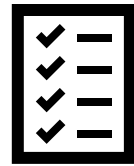
**Accountable (A):** You will be expected to explain and deal with any consequences because of any actions or omissions.

## 5. Performance Management

### Why performance management?

The performance and development management system of the SAI should aim to:

- support the SAI’s vision, values and strategic focus areas
- inspire staff to meet and exceed the expectations of clients and ensure growth and excellence
- instil and sustain a performance culture, supported by continuous improvement
- ensure that staff members know what is expected of them
- build and enhance the relationship between management and staff
- develop staff through coaching and development.



Best practice suggests that performance management (Turner, 2013) should only be used to:

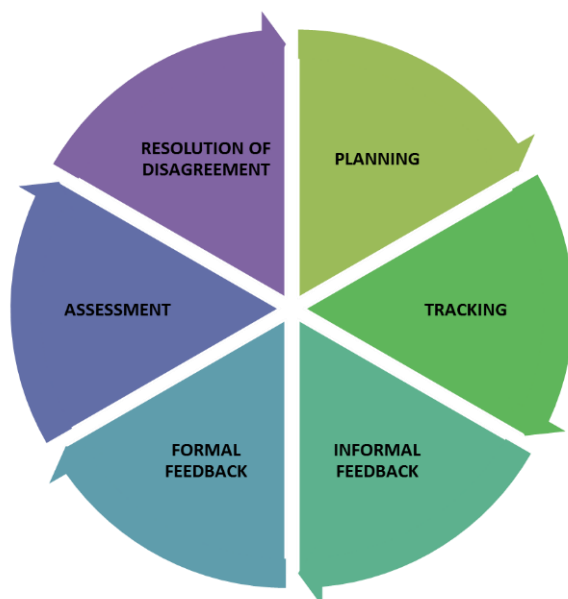
- improve performance
  - achieve the SAI’s strategic objectives
  - promote personal development
- and NOT for incentive purposes.

### What is performance management?

Performance management is a process by which managers and staff work together to plan, monitor and review staff’s work objectives and overall contribution to the SAI. More than just an annual performance review, performance management is the continuous process of setting objectives, assessing progress and providing on-going coaching and feedback to ensure that staff are meeting their objectives and career goals.

### How to manage and implement performance management in the SAI

The performance management process defines the following phases:



- Planning
- Tracking
- Informal feedback
- Formal feedback
- Assessment
- Resolution of disagreement



## a) Planning

The planning phase is mostly focused on compiling a performance plan for the staff member and outlining deliverables.

- Review the staff member’s job profile to determine if it reflects the work that the staff member is currently doing. If the staff member has taken on new responsibilities or the job has changed significantly, the job profile should be updated.
- Identify and review the links between the staff member’s job profile, his or her performance plan and the SAI’s strategic focus areas.
- Develop a performance plan that outlines the tasks or deliverables to be completed, expected results and measures or standards that will be used to evaluate performance.
- Identify **three to five areas** that will be key performance objectives for the year. The choice of areas may be determined by the SAI’s strategic focus areas, by the staff member's desire to improve outcomes in a certain part of their job, or by a need to emphasise an aspect of the job now.
- These are objectives that are critical to the overall success of the position. If the staff member does not meet his/her critical objectives, then overall performance will be evaluated as unsatisfactory.
- Identify training objectives that will help the staff member grow his or her skills, knowledge and competencies related to their work.
- Identify career development objectives that can be part of longer-term career planning.

Performance objectives should be: (Pawlik-Kienlen, 2010)

- Specific – Objectives should specify what should be achieved (concrete, detailed and well defined).
- Measurable – Objectives should be measurable and able to be tracked (numbers, quantity, comparison).
- Attainable – Objectives should be achievable and attainable. They should not discourage staff members.
- Relevant – The achievement of an objective requires resources, such as skills, money, equipment, etc.
- Time-bound – Time-bound means setting deadlines for the achievement of the objective. Deadlines need to be both achievable and realistic.

Both the staff member and manager need to sign off on the proposed performance plan. A copy of the plan should be given to the staff member and another should be kept in his or her confidential personnel folder.

A standard planning format must be used when compiling a performance plan.

**Example of a performance plan**

| Performance Plan   |                             |        |  |   |    |    |
|--|-----------------------------|--------|--|---|----|----|
| <b>Strategic Objectives of the SAI</b>   |                             |        |  |   |    |    |
| 1. Reposition the AG Office in line with New Audit Act<br>2. Establish and undertake Specialised Audits<br>3. Revise Audit and Financial Regulations<br>4. Develop capacity, professionalism & motivation of the OAG staff<br>5. Enhance the quality & impact of audit reports |                             |        |  |   |    |    |
| <b>Staff Member Name:</b>  |                             |        |  | <b>Performance Period:</b>                                      |    |    |
| <b>Manager Name:</b>   |                             |        |  | <b>Job Title:</b>   |    |    |
| Objective  | Link to Strategic Objective | Weight | Sub-objectives, notes and barriers               | Measurements, targets and timelines                             | I* | F* |
| e.g. Audit Reporting   | 5                           | 20%    | Only basic level proficiency on reporting skills | >90% of reports received a score of >3.0 on a scale of 0 to 4.0 |    |    |

\*I – Interim assessment, \*F – Final assessment

Include the following in the plan:

- Confirmation that relevant SAI strategic focus areas have been shared
- Confirmation that a one-on-one planning discussion took place and that the staff member is aware of his/her rights to representation

Note: Targets set for a performance cycle should not be changed; only in exceptional circumstances where strategic changes necessitate it. Proper and thorough discussions must take place prior to making any such exceptional changes to the original targets.

**Example of a personal development plan**

| Personal Development Plan  |                             |                                  |  |                       |                     |
|--|-----------------------------|----------------------------------|--|-----------------------|---------------------|
| Strategic Objectives of the SAI  |                             |                                  |  |                       |                     |
| 1. Reposition the AG Office in line with New Audit Act<br>2. Establish and undertake Specialised Audits<br>3. Revise Audit and Financial Regulations<br>4. Develop capacity, professionalism & motivation of the OAG staff<br>5. Enhance the quality & impact of audit reports |                             |                                  |  |                       |                     |
| Staff Member Name:   |                             |                                  | Development Period:  |                       |                     |
| Manager Name:  |                             |                                  | Job Title:   |                       |                     |
| Development Goals  | Link to Strategic Objective | Knowledge, skill to be developed | Developmental activity (on the job, courses, off the job, relationships, e-learning) | Resources             | Date for completion |
| Audit Reporting  | 5                           | Audit Reporting skills           | Shadowing<br>E-Learning Module<br>AFROSAI-E report writing workshop                  | Coach<br>PC<br>Budget | End of year         |

**Example of key performance indicators (KPIs) for annual performance metrics**

| KEY PERFORMANCE INDICATORS       |   |
|----------------------------------|---|
| KPIs and metrics                 |   |
| <b>Completion of audits</b>      | >95% annual completion rate for the scheduled audits  |
| <b>Qualification of auditors</b> | >90% of team leaders certified (e.g. CPEA) and/or received formal initial or refresher auditor’s training in the past three years |
| <b>Report timeliness</b>         | >95% of final audit reports delivered within five days of due date. No report issued >30 days beyond its original due date        |
| <b>Report quality</b>            | >90% of reports received a score of >3.0 on a scale of 0 to 4.0   |
| <b>Audit site feedback</b>       | >80% of audits received a score of >90 on a scale of 1-100  |

## b. Tracking

Tracking is a continuous communication/interaction process between the manager and staff member. During this phase concrete evidence of progress made in delivering objectives is gathered. The development plan is updated and kept as accurately and objectively as possible. In the tracking phase barriers to performance objectives or development are identified. This information forms the basis for feedback, review, coaching and formal assessments.



## c. Informal feedback

This is part of the ongoing communication between a manager and staff member and is therefore integral to every manager's day-to-day task. Staff members must continuously be informed of their progress, successes or shortcomings. Only when staff know how they are performing, will they be aware of possible problems to rectify or able to build on successes achieved.

## d. Formal feedback

Ideally a formal feedback session between the manager and staff member must take place quarterly, where observed information is shared and discussed. Performance and development plans are reviewed and follow-up and/or remedial steps agreed upon. Managers must fulfil their main purpose as enablers; i.e. to remove stumbling blocks/barriers that prevent performers from performing optimally. Managers may use the "check-in questions" to kick off the conversation.

## e. Assessment




Ideally a formal assessment must be conducted bi-annually. The following could be considered when assessing a staff member:

- The manager and staff member meet prior to the formal assessment meeting.
- The discussion could focus on the following:
  - Consolidate their assessments
  - Determine if and to what extent internal and external factors influenced the delivery of objectives



### Check-in questions (Turner, 2013)

- What did you accomplish this quarter?
- What do you plan to accomplish next quarter?
- What do you feel most proud of?
- What was your biggest challenge?
- What did you learn?
- What will you do differently next time?
- How can I help/support you?

| HOW AM I DOING? (DISCUSS HOW PERFORMANCE IS TRENDING AGAINST PRIORITIES)                               |  |  |
|--|--|--|
| Meeting Expectations  | Exceeding Expectations  | Not Meeting Expectations  |

- Where a staff member has been promoted or newly appointed and in the position for less than three months, he/she will not be formally assessed. In such cases a neutral assessment could be awarded.
- All assessments must be based on performance for the actual time worked (excluding authorised absences).
- When a staff member is transferred (and/or moves laterally) during the year, an interim assessment could be completed to enable the new manager to make a proper assessment at the end of the period.
- If some of the objectives are not met, it does not mean that the staff member would also not meet targets overall. The weightings of the outputs/measurements, especially those outputs/measurements which have higher weightings and are therefore more critical to the job, must be considered.
- The staff member should agree to the assessment. If consensus cannot be reached, the staff member may follow the process for resolution of disagreement.
- A manager needs to take the necessary action to remove performance barriers when an assessment of below expectations is awarded.

#### Performance management assessment/rating scale

#### Example of an integrated performance rating scale

Research by CEB (Corporate Executive Board) indicated that a 4-point scale is the most effective for performance assessment (Turner, 2013).

An even-numbered scale avoids the tendency of clustering around a middle rating.

It is simpler than a 6- or 8-point scale.



### f. Resolution of disagreement (ROD)

If a disagreement arises during any stage of the performance and development management process, the following procedure could be followed:

- The staff member may lodge an ROD regarding targets/measures/weightings during the planning phase, the interim or the final assessment.
- The staff member could set out the nature and details of the disagreement and the proposed terms of settlement within three working days from the date of disagreement.
- On the disagreement being tabled, the manager must convene a local meeting at the place of work within 10 working days or on a mutually agreed-upon date after the notice of disagreement has been served. The ROD must be resolved in a timely manner, ideally within 20 working days.
- The manager, senior manager, staff member and the staff member's representative (where required), as well as an HR manager may attend the ROD meeting.
- If the parties are unable to resolve the disagreement at the local meeting (or if the local meeting is not convened), the disagreement may be referred to a mediator. Should the ROD remain unresolved, the aggrieved staff member retains his/her rights under the country's Labour Relations Act.

### Process and responsibilities

#### Future of performance management (Turner, 2013):

- More feedback and a greater emphasis on development
- Daily encouragement and feedback, on-the-job conversations
- Empower staff to take more initiative and voice their ideas
- Regular “tough discussions” with staff with performance issues – not putting off until the next performance review cycle
- Staff setting their own performance and development goals

| PROCESS  | SUB-PROCESS                            | HR | STAFF MEMBER | LINE MANAGEMENT |
|----------|--|----|--------------|-----------------|
| PLANNING | Obtain SAI's strategic objectives plan | C  |              | AR              |
|          | Put measurement systems in place       | C  |              | AR              |
|          | Obtain competency requirements         | C  |              | AR              |
|          | Determine required objectives          |    |              |                 |
|          | Develop measures, norms & standards    |    |              |                 |
| TRACKING | Monitor progress                       |    |              | AR              |

| PROCESS                    | SUB-PROCESS   | HR | STAFF MEMBER | LINE MANAGEMENT |
|----------------------------|---|----|--------------|-----------------|
|                            | Record progress with objectives/development             |    |              | AR              |
| INFORMAL FEEDBACK          | Observe negative/positive behaviour or performance      |    |              | AR              |
|                            | Discuss observations immediately                        |    |              | AR              |
|                            | Note informal discussions                               |    |              | AR              |
| FORMAL FEEDBACK            | Compile portfolio of evidence                           |    | AR           |                 |
|                            | Arrange feedback session                                |    |              | AR              |
|                            | Give feedback and adapt plans if required               |    |              | AR              |
|                            | Note discussions  |    |              | AR              |
| ASSESSMENT                 | Compile portfolio of evidence                           |    | AR           |                 |
|                            | Do preliminary assessment of competence and performance |    |              | AR              |
|                            | Arrange assessment session                              |    |              | AR              |
|                            | Conduct assessment session                              |    |              | AR              |
|                            | Capture result  |    |              | AR              |
|                            | Effect performance increase (on final assessment only)  |    |              | RA              |
| RESOLUTION OF DISAGREEMENT | Staff member files formal disagreement                  |    | RA           |                 |
|                            | Arrange local meeting                                   | RA |              |                 |
|                            | Prepare for meeting                                     | RA |              | C               |
|                            | Conduct local meeting                                   | RA |              |                 |
|                            | Communicate resolution                                  | RA |              |                 |
|                            | Compliance  |    |              | RA              |
|                            | Audit compliance  | RA |              |                 |

**Informed (I):** You will be told and kept informed of any required actions or omissions.

**Consulted (C):** You are given the opportunity to give advice, an opinion or information that will be taken into consideration prior to implementation.

**Responsible (R):** You will be held liable to implement and may be blamed for mistakes or failure to deliver.

**Accountable (A):** You will be expected to explain and deal with any consequences because of any actions or omissions.

## 6. Training and Development

### Why training and development?



Training and development opportunities show that the SAI values learning. Through training and development initiatives the SAI will ensure a productive workforce who deliver quality work. Training and development also positively affects staff morale, job satisfaction and the scope in which staff apply their skills and abilities on the job – all key contributors to improved productivity and performance in the SAI.

### What is training and development?

In the SAI, training and development refers to a planned effort by the SAI to facilitate staff's learning of job-related competencies. The goals of training for staff members are to master the knowledge, skills and competencies emphasised in training programmes and to apply them in their day-to-day activities.

Staff members are expected to:

- acquire new skills and knowledge
- apply them on the job
- share this information with other staff members.

Managers are expected to:

- identify training needs
- ensure that staff members apply newly acquired knowledge and skills in their work.

### How to train and develop staff in the SAI

The Integrated Competency Framework provides a solid basis to enable the assessment and development of skills and competencies for SAI professionals. The model can be used to conduct skills assessments, identify development gaps, determine learning outcomes and design targeted development solutions.

The first step in developing a training and development strategy is to identify the training needs in line with the strategic objectives of the SAI. Training and development is a “Build” strategy and forms an integral part of the overall HR strategy.

Training and development is also part of good management practices and good risk management strategies. The following issues and changes in the SAI might also indicate the need for staff training and development:

- Staff requests
- Staff survey results
- Skills assessments
- Personal development plans
- Law and regulation changes
- Need to develop new leaders
- New staff member
- New manager
- New technology
- Reassignment



- New mandate or type of audit to be undertaken

When developing a training and development strategy it is important to establish criteria to ensure that training and development is offered to the SAI staff in a fair and cost-effective manner. The following are a few considerations and examples of benchmarking training and development investments.

#### Examples of benchmarking training and development investments

| Investment                                     | SAI    | Benchmark or target |
|--|--------|---------------------|
| % of eligible staff to be trained              | 78%    | 90%                 |
| Training days per year per staff member        | 5 days | 10 days             |
| Amount spent on training % of payroll          | 2%     | 4%                  |
| Amount spent on training per staff member      |        |                     |
| % of training delivered using technology       | 11%    | 22%                 |
| Total amount spent on training and development |        |                     |

The next step is to determine, budget for and develop different training and development methods. Training and development initiatives need to suit the SAI's context, job profiles, employment contracts and applicable mandates. When selecting training and development methods, it is important to consider a blended learning approach. A blended learning approach could include the following training and development methods (Lee, 2008):

#### a. On-the-job experiential learning

| <i>Training and development initiative</i> | <i>Definition</i>   |
|--|---|
| <i>Committees</i>                          | E.g. serve as a member on the Financial, Technical or Audit Committee   |
| <i>Conferences and forums</i>              | Attend forums and conferences related to the audit profession   |
| <i>Field trips</i>                         | E.g. visiting other SAIs  |
| <i>Job aids</i>                            | Manuals, guidelines and toolboxes   |
| <i>Job expansion</i>                       | Assigning new additional duties   |
| <i>Job rotation</i>                        | Staff can be given the opportunity to work in a different area of the SAI   |
| <i>Job shadowing</i>                       | If a staff member wants to learn what someone else in the SAI does, the staff member can observe him or her at work |
| <i>Peer-assisted learning</i>              | Staff take turns helping their co-worker master the knowledge or skill that they have to share                      |
| <i>Stretch assignments</i>                 | These assignments give the staff member an opportunity to stretch past his or her current abilities                 |
| <i>Special projects</i>                    | Providing a staff member the opportunity to work on a project that is normally outside his or her job duties        |

|                   |  |
|-------------------|--|
| <i>E-learning</i> | Online training where the staff member can complete a course on his/her PC or laptop |
|-------------------|--|

**b. Relationships and feedback learning**

| <b><i>Training and development initiative</i></b> | <b><i>Definition</i></b>   |
|---|--|
| <i>Coaching</i>                                   | Coaching refers to a pre-arranged agreement between an experienced manager and his or her employee. The role of the coach is to demonstrate skills and give the staff member guidance, feedback and reassurance while s/he practises the new skill |
| <i>Mentoring</i>                                  | Mentoring occurs when a senior, experienced manager provides guidance and advice to a junior staff member  |
| <i>Networking</i>                                 | E.g. professional bodies have informal networks designed to meet the professional development need of the members  |
| <i>Performance appraisal</i>                      | The results of an appraisal can be used to identify areas for further development of the staff member  |

**c. Classroom training and development**

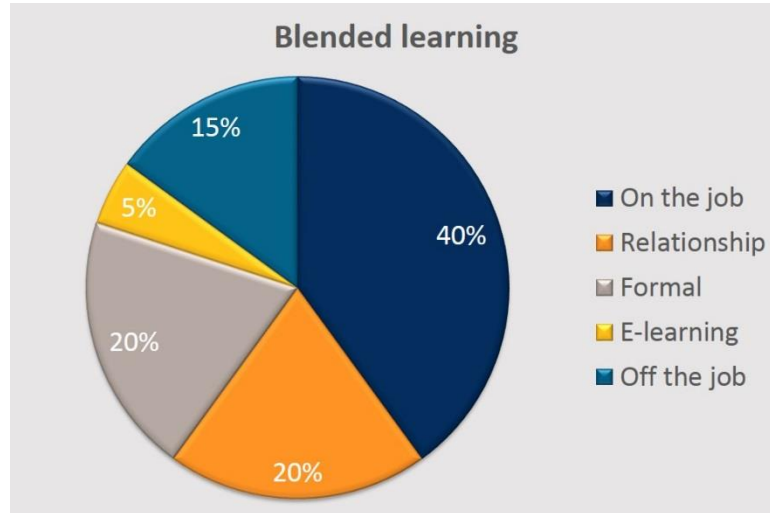
| <b><i>Training and development initiative</i></b> | <b><i>Definition</i></b>   |
|---|--|
| <i>Courses, seminars, workshops</i>               | Formal training opportunities that can be offered to staff either internally or externally, e.g. training offered by AFROSAI-E |

**d. Off-the-job learning**

| <b><i>Training and development initiative</i></b>  | <b><i>Definition</i></b>   |
|--|--|
| <i>Courses offered by colleges or universities</i> | Many colleges and universities offer courses relevant to staff in the non-profit sector. Staff may attend these classes in their own time or the SAI may provide time off with pay to attend |
| <i>Professional associations</i>                   | Professional associations, like networks, give staff members an opportunity to stay current in their chosen field  |
| <i>Reading groups</i>                              | A group of staff members meet to discuss books or articles relevant to the SAI or audit profession. Meetings usually take place outside normal working hours                                 |
| <i>Self-study</i>                                  | Self-paced independent reading, e-learning courses and volunteer work all provide learning opportunities   |
| <i>E-learning</i>                                  | Information and courses offered by the internet  |

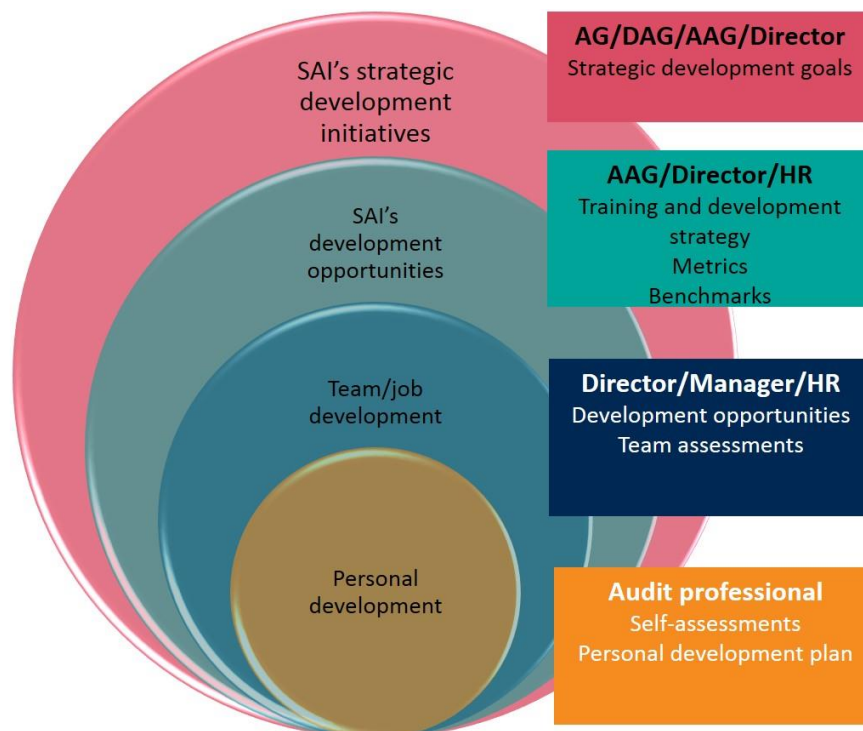
### A blended learning approach

This approach involves practical, theoretical, relationship and self-learning. A cost-saving and best-practice blended learning approach would involve more time focusing on “on-the-job learning” or practical learning. Below is an example of a cost-effective blended learning approach:



### Developing the training and development plan for the SAI

In the SAI, the training and development plan should focus on developing staff to achieve the strategic objectives of the SAI. To develop a training and development plan each level has a role to play:



The roles are on strategic, team and individual level. On the strategic level the AG, DAG and AAG should agree on the strategic development goals of the SAI. HR and Finance directors in consultation with AAGs will be responsible for developing the high-level training and development strategy,

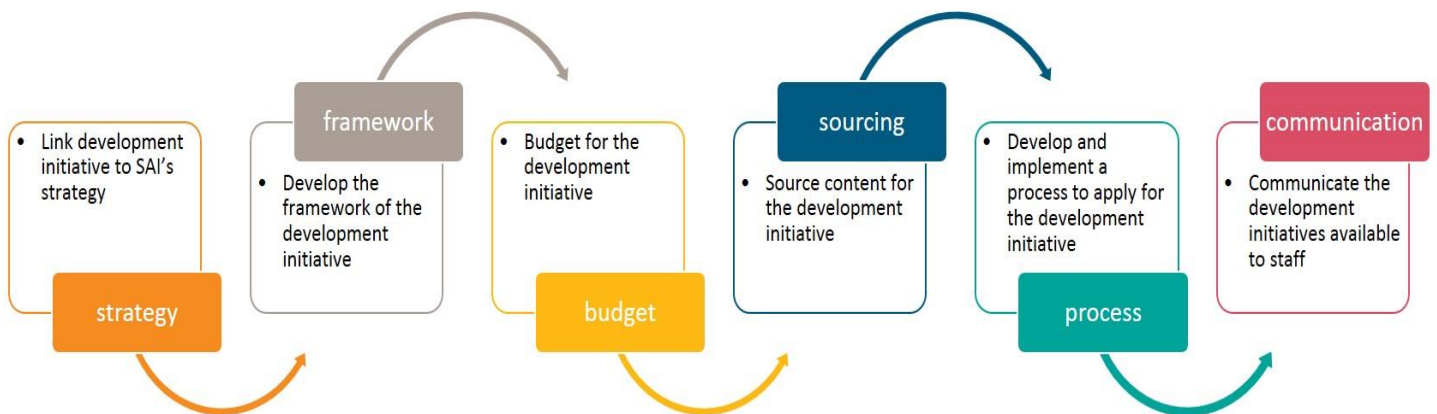
conduct benchmarks and decide on metrics to determine ROI. HR and directors from different divisions within the SAI are responsible for assessing the competencies of staff and deciding on development opportunities for teams. The staff member is responsible for self-assessment and compiling a personal development plan.

| SAI Strategy   | Strategic Training and Development Initiatives   | Training and Development opportunities  | Metrics – value of training and development  |
|--|--|---|--|
| <ul style="list-style-type: none"> <li>• Vision</li> <li>• Mission</li> <li>• Strategic Goals</li> <li>• Values</li> </ul> | <ul style="list-style-type: none"> <li>• Improve Audit Services to Public Sector</li> <li>• Develop capacity, professionalism and motivation of the OAG staff</li> <li>• Enhance the quality and impact of audit reports</li> <li>• Build capacity for Specialised Audit functions</li> <li>• Develop a resilient workforce</li> </ul> | <ul style="list-style-type: none"> <li>• On the job development</li> <li>• Stretch assignments</li> <li>• Special projects</li> <li>• Performance Management assessments</li> <li>• Coaching &amp; Mentoring</li> <li>• Web Based training</li> <li>• Courses, seminars, workshops</li> <li>• Professional associations</li> <li>• Courses offered by colleges or universities</li> <li>• Self Study</li> </ul> | <ul style="list-style-type: none"> <li>• Performance Improvement</li> <li>• Hours spend on audits</li> <li>• Client satisfaction</li> <li>• Quality of audit reports</li> <li>• Improved capacity to conduct Specialised Audits</li> <li>• Change resilient workforce</li> <li>• Staff satisfaction</li> </ul> |

The above is an example of the high-level Training and Development Framework, which will form the basis of the training and development strategy.

Strategic training and development initiatives should be aligned to the vision, mission, values, strategic objectives and mandates of the SAI. It is best practice to focus on not more than five training and development initiatives and then carefully select which type of training will enhance the capacity best. To ensure blended learning, one or two options per category could be selected and developed. For example, to “build capacity for specialised audit functions”, formal workshops, stretch assignments, field trips and e-learning could be options that could be considered.

Each of these learning initiatives needs to be budgeted for, a process should be developed, content should be sourced and the opportunities should be shared with staff.



## Developing a personal development plan

### Process



#### **Step 1: Self-assessment**

- The staff member identifies his or her skills, abilities, values, strengths and weaknesses. To conduct a self-assessment:
  - Compare your competencies (knowledge, skills and abilities) to those identified in the job profile
  - Assess yourself by establishing your proficiency level per competency (basic, intermediate or advanced)
  - Review your performance assessments (performance assessments are often used as the starting place for developing individual development plans)
  - Ask for feedback from your manager

#### **Step 2: Assess job requirements**

- The staff member assesses the present requirements of his or her position and how the requirements of the position and/or SAI may change. To conduct a position assessment:
  - Identify the job requirements and performance expectations of your current position
  - Identify the knowledge, skills and abilities that will **enhance** your ability to perform your current job
  - Identify and assess the impact on your position of changes taking place in the work environment such as changes in **clients, programmes, services and technology**

#### **Step 3: Identify development activities**

- Identify the best ways to achieve your development goals.
  - What methods will you use?
  - What resources will be required?

**Step 4: Put your plan into action**

- Once you have prepared a draft of your individual development plan:
  - Review your plan with your manager for his or her input and approval
  - Start working on your plan
  - Evaluate your progress and adjust as necessary
  - Celebrate your successes

**Example of a skills self-assessment**

| Critical Functional Skills       | Definition  | Proficiency<br>Basic (B)<br>Intermediate (I)<br>Advanced (A) | Which skill will enhance my ability to perform even better in my current job | Which skill do I require for the future or when things change |
|----------------------------------|---|--|--|---|
| <b>Change Management skills</b>  | Ability to transition individuals, teams, and organizations using methods intended to re-direct the use of resources, process, budget allocations, or other modes of operation that significantly reshape the SAI |  |  |   |
| <b>Facilitation skills</b>       | Ability to guide a group of people in sharing ideas, opinions, experiences and expertise to achieve a common goal and an agreeable action plan  |  |  |   |
| <b>Presentation skills</b>       | Ability to present information, ideas and arguments to a group of people in such a way that they will be informed, inspired, convinced and persuaded  |  |  |   |
| <b>Negotiation skills</b>        | Ability to communicate back and forth, for the purpose of reaching a joint agreement about differing needs or ideas   |  |  |   |
| <b>Project Management skills</b> | Ability to plan and co-ordinate a project from inception to completion aimed at meeting set requirements, timelines, costs and quality standards  |  |  |   |
| <b>Computer Literacy skills</b>  | Ability to understand computer concepts and use computers, computer programs, applications and technology efficiently within the SAI  |  |  |   |

Basic: 0% - 33% ability without assistance

Intermediate: 34% - 67% ability without assistance

Advanced: 68% - 99% ability without assistance

**Example of a personal development plan**

| Personal Development Plan  |                             |                                  |  |                       |                     |
|--|-----------------------------|----------------------------------|--|-----------------------|---------------------|
| <b>Strategic Objectives of the SAI</b>   |                             |                                  |  |                       |                     |
| 1. Reposition the AG Office in line with New Audit Act<br>2. Establish and undertake Specialised Audits<br>3. Revise Audit and Financial Regulations<br>4. Develop capacity, professionalism & motivation of the OAG staff<br>5. Enhance the quality & impact of audit reports |                             |                                  |  |                       |                     |
| <b>Staff Member Name:</b>  |                             |                                  | <b>Development Period:</b>   |                       |                     |
| <b>Manager Name:</b>   |                             |                                  | <b>Job Title:</b>  |                       |                     |
| Development Goals  | Link to Strategic Objective | Knowledge, skill to be developed | Developmental activity (on the job, courses, off the job, relationships, e-learning) | Resources             | Date for completion |
| Audit Reporting  | 5                           | Audit Reporting skills           | Shadowing<br>E-Learning Module<br>AFROSAI-E report writing workshop                  | Coach<br>PC<br>Budget | End of year         |

**Who is responsible?**

| PROCESS   | SUB-PROCESS  | HR  | AG/DAG | LINE MANAGEMENT |
|---|--|-----|--------|-----------------|
| <b>DETERMINE STRATEGIC DEVELOPMENT GOALS OF THE SAI</b>                   | In line with the vision, mission, strategic objectives and mandate of the SAI  | R   | A      | C               |
| <b>DEVELOP HIGH-LEVEL TRAINING AND DEVELOPMENT STRATEGY AND FRAMEWORK</b> | Conduct benchmarks   | R/A | C      | C               |
|   | Decide on training metrics and targets   | R/A | C      | C               |
|   | Develop different training and development methods – blended learning approach | R/A | C      | C               |
| <b>BUDGET</b>   | Develop and allocate budget for training and development of SAI staff          | C   | C      | R/A             |
| <b>SOURCING</b>   | Source training providers/suppliers  | R   | C      | A               |
| <b>TRAINING AND DEVELOPMENT PROCESS</b>                                   | Develop and implement a training and development process, e.g.                 | R   | C      | A               |

|  |  |          |          |            |
|--|--|----------|----------|------------|
|  | how to apply, who qualifies, how often, how approved etc.  |          |          |            |
| <b>COMMUNICATION</b>   | Communicate development initiatives available to staff   | <b>R</b> | <b>I</b> | <b>A</b>   |
| <b>CONDUCT SKILLS ASSESSMENTS (TEAM AND INDIVIDUAL)</b>            | Compare competencies (knowledge, skills and abilities) to those identified in job profiles   | <b>C</b> | <b>I</b> | <b>R/A</b> |
|  | Review performance assessments   | <b>C</b> | <b>I</b> | <b>R/A</b> |
|  | Obtain feedback from management about training requirements  | <b>C</b> | <b>I</b> | <b>R/A</b> |
|  | Identify the knowledge, skills and abilities that will <b>enhance</b> staff's ability to perform   | <b>C</b> | <b>I</b> | <b>R/A</b> |
|  | Identify and assess the impact of changes taking place in the SAI environment such as changes in <b>clients, programmes, services and technology</b>   | <b>C</b> | <b>I</b> | <b>R/A</b> |
| <b>SELECT MOST APPLICABLE TRAINING AND DEVELOPMENT INITIATIVES</b> | <ul style="list-style-type: none"> <li>• On-the-job learning</li> <li>• Relationship learning</li> <li>• Formal courses and workshops</li> <li>• Off-the-job learning</li> <li>• E-learning</li> </ul> | <b>R</b> | <b>C</b> | <b>A</b>   |
| <b>DEVELOP AND IMPLEMENT PERSONAL DEVELOPMENT PLAN TEMPLATES</b>   | Develop a template to ensure that each staff member has a personal development plan which needs to be discussed during performance reviews   | <b>R</b> | <b>C</b> | <b>A</b>   |
| <b>REVIEW INVESTMENT IN TRAINING AND DEVELOPMENT</b>               | Determine the ROI of training and development initiatives and review strategy annually   | <b>R</b> | <b>C</b> | <b>A</b>   |

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**Consulted (C):** You are given the opportunity to give advice, an opinion or information that will be taken into consideration prior to implementation.

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## 7. Leadership/Management Development

### Why leadership and management development?

Supreme Audit Institutions (SAIs), through conducting independent public sector audits, make an important difference in the lives of people. As such, SAIs need to act as model organisations that would continue to inspire confidence in and credibility of governance systems. Notwithstanding, in the modern world of constant change, SAI leadership are expected to explore ways that would increase the value of their contributions in the accountability cycles.



In the AFROSAI-E region, at the centre of SAI development initiatives, is the Institutional Capacity Building Framework (ICBF) and its five domains and five development levels. Leadership development is a cross-cutting discipline and SAIs are expected to ensure the development of professional leadership teams that would drive their development agendas.

### What is leadership and management development?

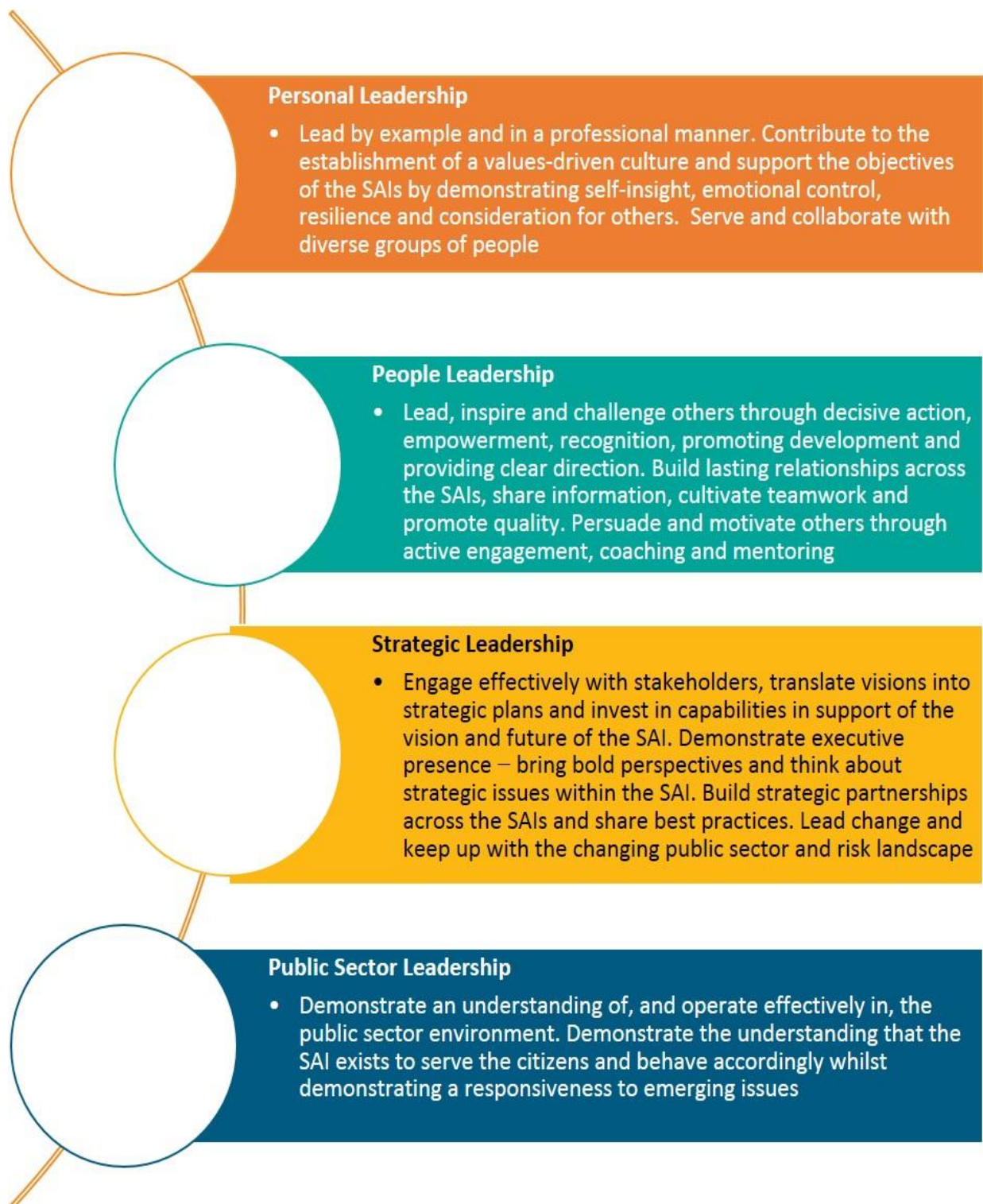
In the SAI, the leadership development expands the capacity of leaders and managers to inspire, influence, motivate, recognise and guide others to achieve and sustain excellence in the SAI environment.

Leadership development should be based on the **Leadership Framework for SAIs**.

The Leadership Framework comprises four leadership dimensions:

- Personal Leadership
- People Leadership
- Strategic Leadership
- Public Sector Leadership





### Personal Leadership (values)

Lead by example and in a professional manner. Contribute to the establishment of a values-driven culture and support the objectives of the SAIs by demonstrating self-insight, emotional intelligence, resilience and consideration for others. Serve and collaborate with diverse groups of people.

| IRMQ* | Competency            | Definition   |
|-------|-----------------------|--|
| I     | <b>Authentic</b>      | Be well-acquainted with strengths, weaknesses, feelings and values. Don't hide limitations from followers or staff; show true self   |
| I     | <b>Consistent</b>     | Behave in a similar manner in all given situations   |
| I     | <b>Self-awareness</b> | Embrace self-awareness and demonstrate insight into personal strengths and weaknesses  |
| I     | <b>Humble</b>         | Demonstrate modesty in behaviour, attitude, and spirit; do not act arrogantly or pridefully  |
| M     | <b>Inspiring</b>      | Create enthusiasm; influence other people positively to act or support SAI ideas/goals   |
| I     | <b>Integrity</b>      | Uphold a high standard of fairness and ethics in everyday words and actions to ensure trust. Commit to doing the right thing for the right reason, regardless of the circumstances |
| M     | <b>Resilient</b>      | Adapt in the face of multiple changes while continuing to persevere toward the strategic goals of the SAI  |
| M     | <b>Values driven</b>  | Act from personal values and principles and motivate staff by connecting SAI goals to staff's personal values  |
| R     | <b>Compassionate</b>  | Care deeply about the well-being of others / the future / the environment and provide support to enhance the well-being of all   |
| R     | <b>Serving</b>        | Put the needs of clients, staff and communities first  |

\* Individual, Relationship, Motivational, Quality

### People Leadership

Lead, inspire and challenge others through decisive action, empowerment, recognition, promoting development and providing clear direction. Build lasting relationships across the SAIs, share information, cultivate teamwork and promote quality. Persuade and motivate others through active engagement, coaching and mentoring.

| IRMQ* | Competency                   | Definition   |
|-------|------------------------------|--|
| M     | <b>Decisive</b>              | Assertively select a course of action among several alternative possibilities, which is to the benefit of the SAI and not based on self-interest |
| M     | <b>Motivational attitude</b> | Create desire and energy in teams to be continuously interested and committed to their jobs, teams and the SAI's strategic objectives            |

| IRMQ* | Competency                                      | Definition  |
|-------|---|---|
| M     | <b>Enable productivity</b>                      | Take pride in the SAI's performance. Clearly communicate goals and expectations, manage barriers and provide continuous feedback regarding performance  |
| M     | <b>Encourage teamwork</b>                       | Build productive working teams based on trust, involve all team members and utilise the strengths of team members to achieve team goals   |
| Q     | <b>Ensure quality</b>                           | Cultivate a culture where SAI staff not only follow quality guidelines but also consistently discuss, demonstrate and recognise quality-focused work  |
| M     | <b>Establish team goals</b>                     | Engage teams to clarify a meaningful vision and purpose and identify tasks to be performed and results to be achieved   |
| M     | <b>Promote development</b>                      | Encourage SAI staff to pursue their professional growth continuously  |
| M     | <b>Provide clear direction</b>                  | Describe expectations and responsibilities for every staff member, explain how their work contributes to the vision of the SAI and what outcomes are required to succeed  |
| R     | <b>Share information</b>                        | Openly and honestly share matters that are relevant, important and have a direct impact on the SAI's operations, the teams and individuals  |
| R     | <b>Coach and mentor</b>                         | Act as an advisor; share wisdom and professional expertise with others and provide guidance to strengthen knowledge /skills of SAI professionals. Support others to grow, develop and find personal fulfilment through their work |
| R     | <b>Handle conflict</b>                          | Deal with disputes in a rational, balanced way through effective communication, problem-solving abilities and good negotiating skills, to restore the focus of the teams within the SAI   |
| M     | <b>Empowering</b>                               | Give others the autonomy and responsibility to make decisions affecting their area of work  |
| M     | <b>Encourage cross-functional collaboration</b> | Encourage staff with different functional expertise, from different levels and work units, to work together on projects and assignments and implement important strategies in the SAI   |
| M     | <b>Inspire engagement</b>                       | Continuously interact, connect and engage with staff to establish a culture of enthusiasm, pride and commitment to their jobs, their teams and the SAI  |

\* Individual, Relationship, Motivational, Quality

## Strategic Leadership

Engage effectively with stakeholders, translate visions into strategic plans and invest in capabilities in support of the vision and future of the SAI. Demonstrate executive presence – bring bold perspectives and think about strategic issues in the SAI. Build strategic partnerships across the SAIs and share best practices. Lead change and keep up with the changing public sector and risk landscape.

| IRMQ* | Competency                            | Definition   |
|-------|---------------------------------------|--|
| I     | <b>Strategic judgement</b>            | Assess situations or circumstances wisely, to draw sound conclusions   |
| Q     | <b>Strategic thinking</b>             | Examine the bigger picture and understand how the various parts fit together at an abstract level. Understand theories and abstract concepts and their implementation  |
| M     | <b>Create and implement a vision</b>  | Create a shared vision for the future of the SAI that aligns with the purpose. Define strategic objectives and associated values   |
| M     | <b>Lead change</b>                    | Influence and enthuse others through personal advocacy, resilience, vision and drive and engage staff to build a solid platform for change and change resilience   |
| M     | <b>Lead innovation</b>                | Influence staff to produce creative ideas, products and services by demonstrating tolerance and openness and allow for opportunities to experiment, explore and improvise  |
| Q     | <b>Long-term focus</b>                | Think about, plan for and consider the future, rather than just the present. Do not compromise long-term outcomes for short-term gains   |
| M     | <b>Results driven</b>                 | Support teams to excel and achieve results. Measure and monitor progress towards achieving the SAI's goals and keep the team focused on implementation, quality, excellence and continuous improvement   |
| Q     | <b>Strategic planning</b>             | Systematically envision a desired future and translate this vision into broadly defined goals and a sequence of steps to achieve them  |
| Q     | <b>Strategy formulation</b>           | Develop clear strategies and project plans ensuring that the strategies are consistent with the vision and strategic goals of the SAI  |
| R     | <b>Build stakeholder partnerships</b> | Develop collaborative networks and relationships. Understand client and stakeholder behaviour and attitudes. Collaborate with stakeholders who share a similar sense of purpose and similar values to make a difference in the SAI environment. Collaborate with stakeholders to create win-win situations           |
| R     | <b>Strategic communication</b>        | Communicate openly and transparently to create a culture of caring and belonging that engenders staff and stakeholder engagement. Strive to reduce ambiguity and simplify conversations, presentations and written communication. Simplify the complex and clarify it for others so they can achieve desired results |

| IRMQ*    | Competency                        | Definition   |
|----------|-----------------------------------|--|
| <b>M</b> | <b>Sustainability perspective</b> | Be concerned about the state of the world and the public sector and care about the legacy for future generations. Demonstrate a larger, societal perspective and be committed to social responsibility and sustainability of the SAI |

\* Individual, Relationship, Motivational, Quality

### Public Sector Leadership

Demonstrate an understanding of, and operate effectively in, the public sector environment. Demonstrate the understanding that the SAI exists to serve the citizens and behave accordingly whilst demonstrating a responsiveness to emerging issues.

| IRMQ     | Competency   | Definition   |
|----------|--|--|
| <b>R</b> | <b>Awareness of the public sector environment</b>            | Understand the structure and functions of the country's public sector including central and deconcentrated/decentralised government units, direct government agencies and parastatal corporations and their constitutional and statutory bases   |
| <b>R</b> | <b>Public sector entities</b>                                | Understand the nature and range of public service provision at the country level, identifying and commenting on the responsible entities and on the mechanisms for sharing powers and responsibilities for service delivery across the public sector   |
| <b>Q</b> | <b>Policies and procedures in the public sector</b>          | Understand the procedures, instruments and institutional arrangements in place at central, decentralised and deconcentrated government levels for creating, developing and implementing policies (the policy cycle) in the public sector   |
| <b>R</b> | <b>Influence in the public environment</b>                   | Demonstrate trust and ensure positive influence by making decisions based upon ethical principles and what the public would view as proper conduct. Ensure influence in the public sector by continually reflecting on decisions taken and the impact thereof on citizens from a moral point of view. Personal life should reflect high ethical and moral conduct          |
| <b>R</b> | <b>Public sector protocol and etiquette</b>                  | Demonstrate consistent professional behaviour in all situations. Interact and apply proper communication etiquette. Demonstrate personal and professional conduct during VIP visits and formal occasions whilst executing the role of the exemplary host. Practice different variations of protocol and etiquette in accordance to different cultures, nations and regions |
| <b>Q</b> | <b>Awareness of internal and external political dynamics</b> | Understand the public sector by keeping up to date on how political, environmental, societal, technological and institutional factors influence the audit profession and SAI environment   |
| <b>R</b> | <b>Understand and navigate the public sector</b>             | Identify trends and patterns in the public sector and proactively respond to those indicators. Keep up to date with international trends and best practices  |

|   |   |  |
|---|---|--|
| I | <b>Professional ethics in the public sector</b> | Demonstrate an in-depth understanding of the role of professional ethics and values in organisational governance in the public sector, demonstrating this by supporting the integration of ethical principles into all aspects of public sector financial and operational management |
|---|---|--|

\* Individual, Relationship, Motivational, Quality

### How to develop leaders/managers in the SAI

A leadership framework was developed for SAIs, which identifies the competencies required for all managers and leaders in the SAI environment to motivate and inspire performance.

#### Leadership development process



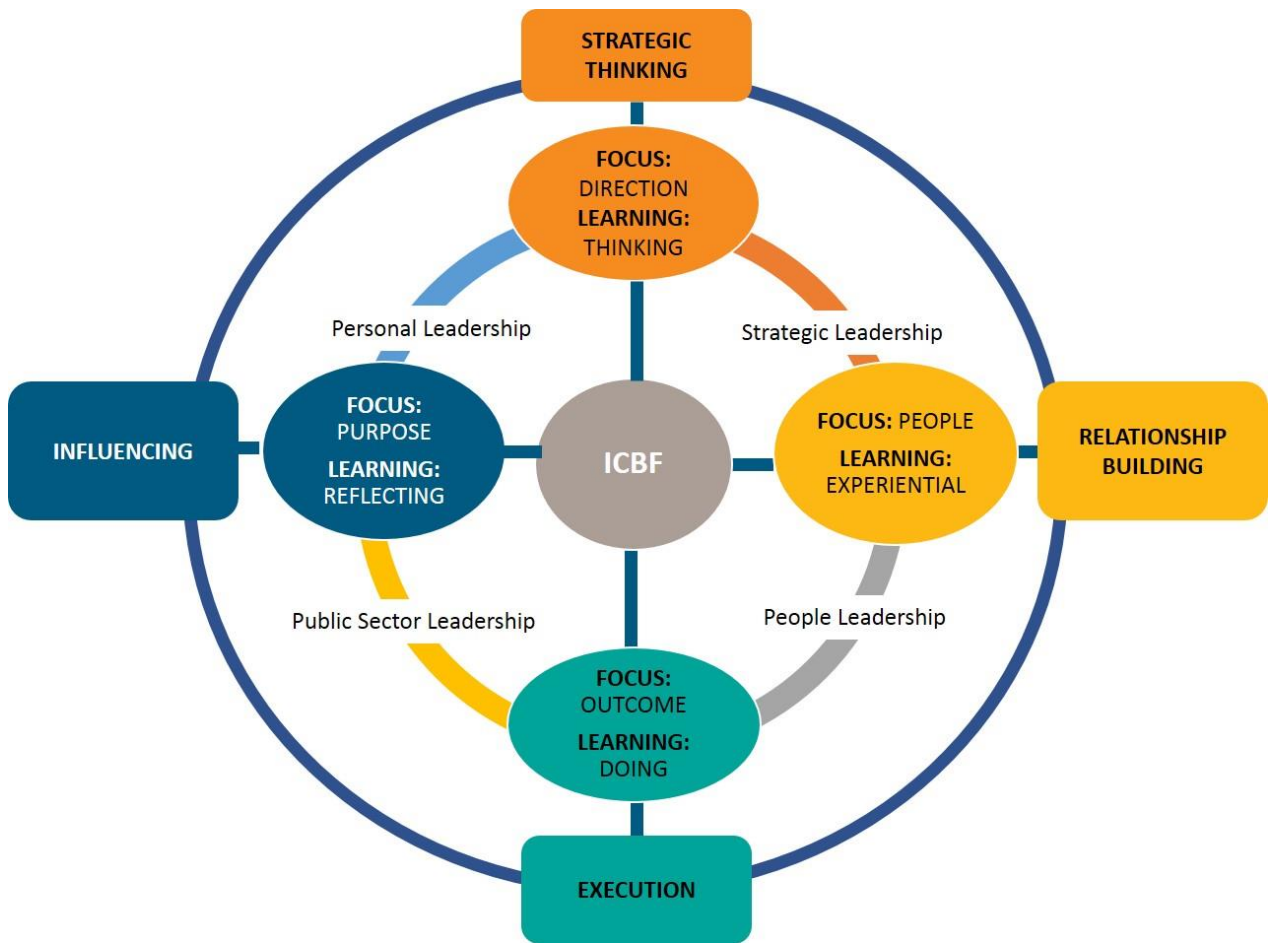
#### AFROSAI-E'S Leadership Development Programme

The AFROSAI-E Leadership Development Model comprises four leadership dimensions: Personal Leadership, People Leadership, Strategic Leadership and Public Sector Leadership. Joining the four leadership dimensions are four broad functions for effective leadership, namely Influencing and Relationship Building describing people orientation competencies as well as Strategic Thinking and Execution describing task orientation competencies.

The Leadership Development Programme was developed to:

- improve performance according to the ICBF
- build leadership competencies as set out in the Leadership Framework

- sustain leadership strengths according to the four domains of leadership strength (Gallup, 2009).



**Who is responsible?**

| PROCESS   | SUB-PROCESS   | HR | AG/DAG | LINE MANAGEMENT |
|---|---|----|--------|-----------------|
| <b>DETERMINE LEADERSHIP COMPETENCIES TO REALISE THE STRATEGIC OBJECTIVES OF THE SAI</b> | Select leadership competencies from the Leadership Framework for SAIs that will realise the strategic objectives of the SAI | C  | R/A    | C               |
| <b>DEVELOP A LEADERSHIP COMPETENCY FRAMEWORK</b>  | Or utilise the Leadership Framework for SAIs  | R  | A      | C               |



| PROCESS   | SUB-PROCESS   | HR       | AG/DAG   | LINE MANAGEMENT |
|---|---|----------|----------|-----------------|
| <b>ASSESS LEADERS AGAINST LEADERSHIP COMPETENCIES</b>   | <ul style="list-style-type: none"> <li>• Performance appraisal</li> <li>• 360° leadership competency assessment and feedback</li> <li>• Leadership styles assessment</li> <li>• Self-assessment</li> </ul>                | <b>C</b> | <b>R</b> | <b>R</b>        |
| <b>DEVELOP/SOURCE LEADERSHIP DEVELOPMENT PROGRAMMES</b> | <ul style="list-style-type: none"> <li>• Formal training</li> <li>• Personal development</li> <li>• On-the-job learning</li> <li>• Off-the-job learning</li> <li>• E-learning</li> <li>• Relationship learning</li> </ul> | <b>R</b> | <b>A</b> | <b>C</b>        |
| <b>IMPLEMENT PERSONAL DEVELOPMENT PLANS</b>             | <ul style="list-style-type: none"> <li>• Leaders to compile personal development plans</li> <li>• Development plans to be included in performance plans</li> <li>• Leaders to monitor and evaluate progress</li> </ul>    | <b>C</b> | <b>A</b> | <b>R</b>        |

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## 8. Staff Wellness

### Why staff wellness?



In the SAI, staff wellness is a holistic approach and takes into consideration the physical, spiritual, environmental, intellectual, emotional, occupational and mental health of staff. A SAI with healthy, balanced and fulfilled staff is a productive and effective entity which retains its staff.



### What is staff wellness?

Staff wellness is a state of well-being that a staff member can reach which allows him or her to effectively manage responsibilities at work, at home and in the community. Staff wellness programmes should support the staff member on a physical, emotional, family and mental basis.

Implementing a staff wellness plan for the SAI includes the following benefits:

- Reduces absenteeism
- Increases productivity
- Improves staff engagement and working relationships
- Decreases stress
- Attracts potential staff
- Assists in retaining existing staff members

### How to ensure staff wellness

There are many ways in which you can develop and implement a staff wellness plan in the SAI – even with a limited budget. It is important to find out which staff wellness programmes would support the staff in your SAI the best.

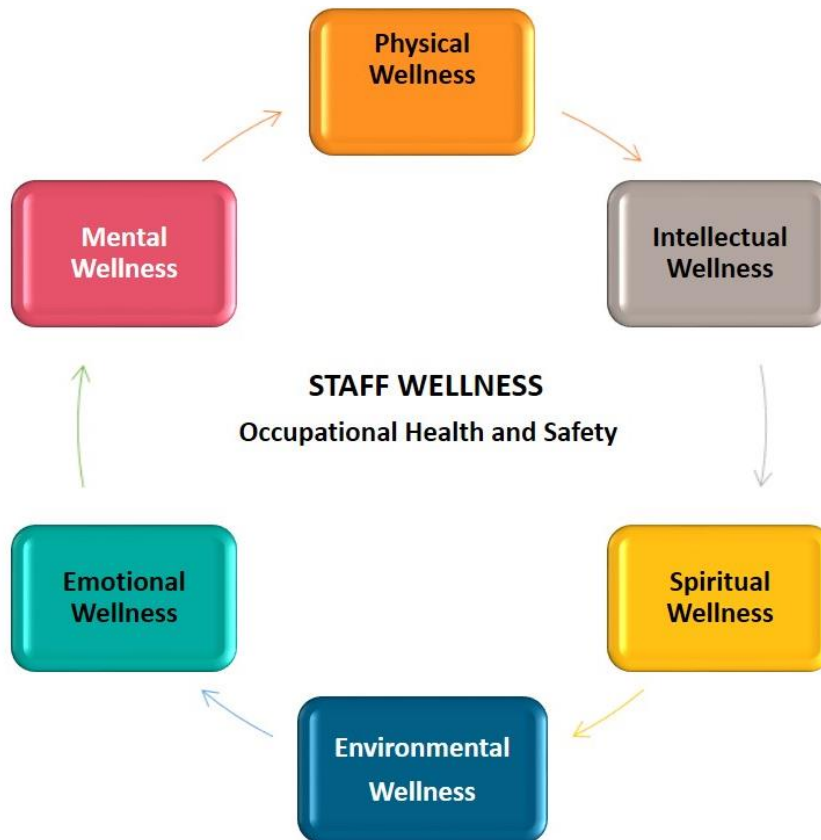
Note that occupational wellness is a legislative matter and the SAI will be expected to comply with the specific country's occupational health and safety legislation.

#### Occupational health and safety

- **Complying with the country's occupational health and safety legislation**
  - (e.g. policies to protect the health and safety of staff, health and safety training, safe work practices etc.)

Occupational health and safety legislation regulates the standards of workplace safety with the aim of preventing workplace accidents and injury, and outlines the consequences of breaches in those standards. It details responsibilities of employers, supervisors and staff. Generally, this legislation requires that the employer do everything they can reasonably do to protect the health and safety of their staff.

The SAI could focus on the following wellness categories:



Staff Wellness (OCSA, 2016)

|  |
|--|
| <p><b>Physical Wellness</b></p> <ul style="list-style-type: none"> <li>• <b>Encouraging fitness and healthy living</b> <ul style="list-style-type: none"> <li>• (e.g. gym membership, free annual health checks, HIV/AIDS programme, on-site flu immunisation or blood donor clinics, etc.)</li> </ul> </li> </ul> |
| <p><b>Intellectual Wellness</b></p> <ul style="list-style-type: none"> <li>• <b>Creating a culture of continuous learning</b> <ul style="list-style-type: none"> <li>• (e.g. provide study support, provision for study leave, allowing staff to attend workshops, seminars, etc.)</li> </ul> </li> </ul>          |
| <p><b>Spiritual Wellness</b></p> <ul style="list-style-type: none"> <li>• <b>Creating a culture of respect, tolerance and acceptance</b> <ul style="list-style-type: none"> <li>• (e.g. allow alternative days off for holy days, providing quiet room for prayer etc.)</li> </ul> </li> </ul>                     |

|  |
|--|
| <p><b>Environmental Wellness</b></p> <ul style="list-style-type: none"> <li>• <b>Ensuring a healthy work environment</b> <ul style="list-style-type: none"> <li>• (e.g. smoke-free offices, good workplace ergonomics, environment-friendly buildings etc.)</li> </ul> </li> </ul>                                 |
| <p><b>Emotional Wellness</b></p> <ul style="list-style-type: none"> <li>• <b>Building confident, emotionally stable and resilient staff</b> <ul style="list-style-type: none"> <li>• (e.g. bereavement leave, counselling services, buddy system, EQ training etc.)</li> </ul> </li> </ul>                         |
| <p><b>Mental Wellness</b></p> <ul style="list-style-type: none"> <li>• <b>Assisting SAI staff to cope with stressors and challenges related to work life</b> <ul style="list-style-type: none"> <li>• (e.g. programmes on work relationships, stress management, financial management etc.)</li> </ul> </li> </ul> |

**Apart from the above the SAI could consider the following benefits that could improve and sustain staff wellness:**

- Flexible working arrangements (e.g. working from home)
- Special leave (e.g. study leave, family responsibility leave etc.)
- Training opportunities

Employee Assistance Programme – provided by external company that supports staff members and their families through a 24-hour toll-free information line and then assists the caller in finding the resources they need (e.g. counsellors, advisors, teachers, health professionals, legal and financial specialists)

**Stress management**

In the workplace, stress can translate into performance issues, job dissatisfaction, absenteeism, staff turnover, compromised working relationships, lack of motivation and creativity. Therefore, stress management is key to staff wellness.

**Causes of stress in the workplace (ISMA, 2017)**

In the workplace, stress can be the result of any number of situations. Some examples include:

| Stressors                        | Examples   |
|----------------------------------|--|
| <b>Factors unique to the job</b> | <ul style="list-style-type: none"> <li>• Workload</li> <li>• Meaningfulness of work</li> <li>• Autonomy</li> <li>• Shifts/overtime</li> <li>• Environment (noise, air quality, etc.)</li> <li>• Isolation at the workplace (emotional or working alone)</li> </ul> |
| <b>Role in the organisation</b>  | <ul style="list-style-type: none"> <li>• Role conflict (conflicting job demands, multiple managers)</li> <li>• Lack of clarity about responsibilities, expectations, etc.</li> <li>• Level of responsibility</li> </ul>  |
| <b>Career development</b>        | <ul style="list-style-type: none"> <li>• Limited career advancement opportunities</li> <li>• Job security</li> </ul>   |

|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>Limited career development opportunities</li> <li>Overall job satisfaction</li> </ul>   |
| <b>Relationships at work (interpersonal)</b> | <ul style="list-style-type: none"> <li>Managers</li> <li>Co-workers</li> <li>Subordinates</li> <li>Threat of violence, harassment etc. (threats to personal safety)</li> </ul> |
| <b>Organisational culture</b>                | <ul style="list-style-type: none"> <li>Non-participation in decision-making</li> <li>Management/leadership style</li> <li>Lack of proper communication in SAI</li> </ul>       |

The management of the SAI plays a crucial role in ensuring staff wellness. The following management approaches can significantly improve staff engagement, commitment and overall wellness:

- Eliminate unnecessary meetings
- Communicate expectations clearly to your staff
- Encourage information sharing amongst staff and between management and staff
- Allow staff to control their own priorities as much as possible
- Promote staff participation in decision-making
- Reduce unnecessary work-related travel
- In larger SAIs identify "champions" at all levels that will promote staff wellness initiatives

#### Who is responsible?

| PROCESS  | SUB-PROCESS   | HR | AG/DAG | LINE MANAGEMENT |
|--|---|----|--------|-----------------|
| <b>ESTABLISH A HEALTH AND SAFETY COMMITTEE</b>   | Identify and assist in preventing hazards in the workplace  | C  | R/A    | C               |
|  | Recommend solutions to any issues   |    |        |                 |
|  | Promote and maintain health and safety in the workplace   |    |        |                 |
| <b>APPOINT HEALTH AND SAFETY REPRESENTATIVES</b> | Invite staff to nominate themselves as Health and Safety Representatives  | R  | I      | A               |
| <b>TRAIN HEALTH AND SAFETY REPRESENTATIVES</b>   | Source training partners<br>Budget for health and safety training   | R  | I      | A               |
| <b>CONDUCT WELLNESS SURVEY</b>                   | Determine the needs and current wellness of the SAI's staff. Utilise the six wellness categories to develop questions for the Wellness Survey | R  | I      | C               |

| PROCESS  | SUB-PROCESS  | HR | AG/DAG | LINE MANAGEMENT |
|--|--|----|--------|-----------------|
| <b>DETERMINE WHICH INITIATIVES WILL HAVE THE MOST POSITIVE IMPACT ON STAFF</b> | Reduce absenteeism                                 | R  | A      | C               |
|  | Increase productivity                              |    |        |                 |
|  | Improve staff engagement and working relationships |    |        |                 |
|  | Decrease stress                                    |    |        |                 |
|  | Attract potential staff                            |    |        |                 |
|  | Assist in retaining existing staff members         |    |        |                 |
| <b>DEVELOP/SOURCE AND IMPLEMENT STAFF WELLNESS INITIATIVES</b>                 | Develop/source staff wellness initiatives          | R  | A      | C               |
|  | Implement staff wellness initiatives               | C  | R/A    | R/A             |
| <b>COMMUNICATION</b>   | Communicate staff wellness initiatives to staff    | C  | R/A    | R/A             |

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**Accountable (A):** You will be expected to explain and deal with any consequences because of any actions or omissions.

**Example of a stress management questionnaire (ISMA, 2017)**

| Stress questions  | Yes | No |
|---|-----|----|
| I frequently bring work home at night   |     |    |
| Not enough hours in the day to do all the things that I must do                       |     |    |
| I deny or ignore problems in the hope that they will go away                          |     |    |
| I do the jobs myself to ensure they are done properly                                 |     |    |
| I underestimate how long it takes to do things  |     |    |
| I feel that there are too many deadlines in my work / life that are difficult to meet |     |    |
| My self-confidence / self-esteem is lower than I would like it to be                  |     |    |
| I frequently have guilty feelings if I relax and do nothing                           |     |    |
| I find myself thinking about problems even when I am supposed to be relaxing          |     |    |
| I feel fatigued or tired even when I wake after adequate sleep                        |     |    |
| I often nod or finish other people’s sentences for them when they speak slowly        |     |    |

|   |  |  |
|---|--|--|
| I tend to eat, talk, walk and drive quickly   |  |  |
| My appetite has changed, I have either a desire to binge or a loss of appetite / may skip meals   |  |  |
| I feel irritated or angry if the car or traffic in front seems to be going too slowly / I become very frustrated at having to wait in a queue |  |  |
| If something or someone really annoys me I will bottle up my feelings   |  |  |
| When I play sport or games, I really try to win whoever I play  |  |  |
| I experience mood swings, have difficulty making decisions, my concentration and memory are impaired  |  |  |
| I find fault and criticise others rather than praising, even if it is deserved  |  |  |
| I seem to be listening even though I am preoccupied with my own thoughts  |  |  |
| My sex drive is lower, can experience changes in menstrual cycle  |  |  |
| I find myself grinding my teeth   |  |  |
| Increase in muscular aches and pains especially in the neck, head, lower back, shoulders  |  |  |
| I am unable to perform tasks as well as I used to, my judgement is clouded or not as good as it was   |  |  |
| I find I have a greater dependency on alcohol, caffeine, nicotine or drugs  |  |  |
| I find that I don't have time for many interests / hobbies outside of work  |  |  |

Score: Yes = 1 (one) and No = 0 (zero)

**TOTALS**

**4 points or less:** You are least likely to suffer from stress-related illness.

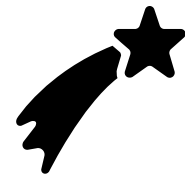
**5 - 13 points:** You are more likely to experience stress-related ill health, either mental, physical or both. You would benefit from stress management / counselling or advice to help in the identified areas.

**14 points or more:** You are the most prone to stress, showing a great many traits or characteristics that are creating unhealthy behaviours. This means that you are also more likely to experience stress and stress-related illness e.g. diabetes, irritable bowel, migraine, back and neck pain, high blood pressure, heart disease/strokes, mental ill health (depression, anxiety & stress). It is important to seek professional help or stress management counselling. Consult your medical practitioner.

## 9. Retention and Succession

### Why retention and succession?

Staff retention and succession is critical to the long-term health and success of the SAI. If staff members are committed to the SAI (or engaged) the probability is high that they will stay, and the SAI will be able to retain critical skills and fill key positions (COUNCIL, The HR, 2003).



### What is retention and succession planning?

The objective of a succession and retention management process is to safeguard critical positions in the SAI through effective management of vacancy risks, particularly on the leadership levels and in positions identified as critical to the success of the SAI. The aim of the process is therefore to identify, develop, refresh and retain highly talented and diverse individuals to ensure a continuous supply of incumbents and successors in key leadership and critical positions.

Staff engagement illustrates the commitment and energy that staff bring to work and is a key indicator of their involvement and dedication to the SAI. Staff who are engaged are more productive, content and likely to be loyal to the SAI. When the SAI puts sound HR practices in place, staff will feel satisfied, safe and will work to their full potential and that means they are more likely to stay (COUNCIL, The HR, 2003).

### How to implement a retention and succession strategy

The identification of key leadership and critical skill positions (i.e. positions for which potential successors need to be identified and developed) per divisions in the SAI, will be based on the strategic objectives of the SAI and the current and future staff requirements. Only positions that have been identified as part of the “Build” and “Bind” strategies will form a part of the succession and retention management process, where the focus will be on the retention of incumbents in “at risk” positions as well as the development and retention of potential successors for those positions.

#### The success of realising a retention and succession strategy depends on the following:

- Accurate identification of current and future leadership and critical competency requirements
- Building organisational capacity and capability at all leadership levels
- Retaining those employees whose skills are critical to achieving the strategic objectives of the SAI
- Creating development opportunities and accelerating skill acquisition for critical roles
- Developing emerging talent
- Long-term succession planning for critical leadership positions

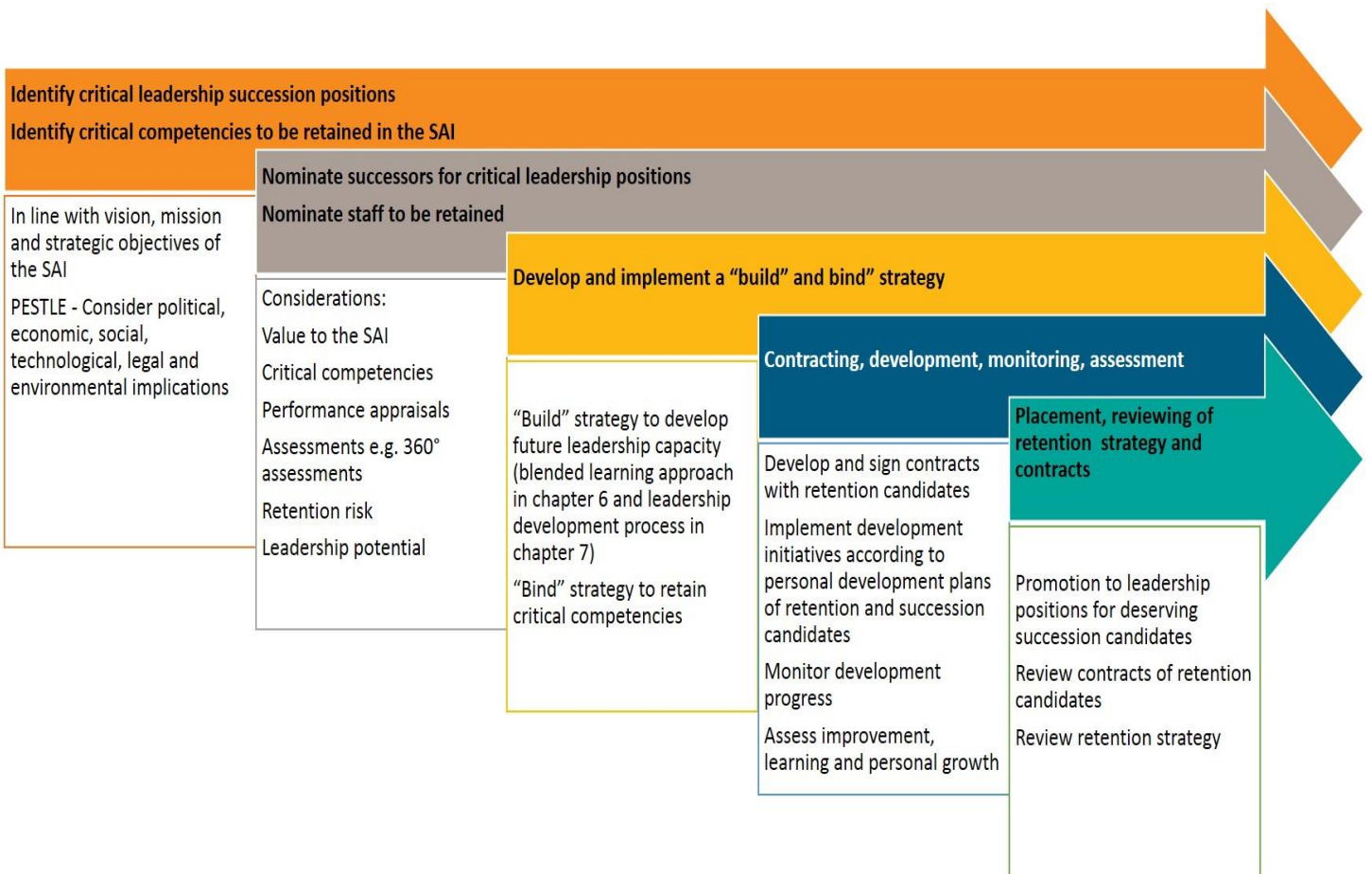
The following matrix will determine the most appropriate course of action when relating the retention risk of a staff member to the value of the staff member for the SAI.

The Retention Model (Bersin, 2015) indicates five elements that drive engagement and ensure staff retention





**Retention and succession management process**

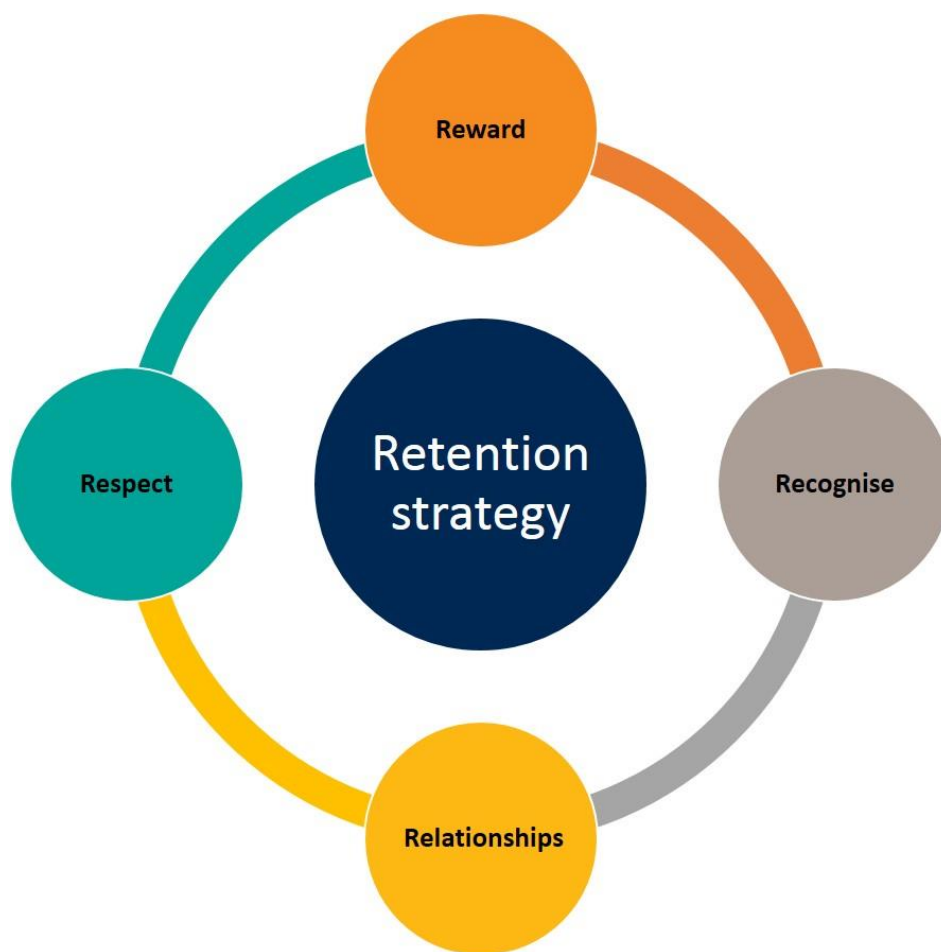


Political, Economic, Social, Technological, Legal and Environmental (Kolios, 2013)

### How to develop a retention strategy

The SAI can develop a retention strategy following the 4 R Model of Retention (Paulette, 2016).

To retain staff, you must make them feel rewarded, recognised and appreciated. It is also good to be creative in (non-monetary) ways of keeping staff happy and choose whatever works best for the SAI; even the simple act of saying “thank you” can go a long way. Salary is not the only way to motivate staff. There are several non-monetary ways to help your staff feel important and rewarded and keep them motivated and happy (COUNCIL, The HR, 2003).



**Reward:** The extra benefits and incentives directly related to the SAI’s outputs will make staff members work for the SAI happily. If they feel content, they will do their job more sincerely and more passionately. Setting up small bonuses, as a part of the policy and procedure manual of the SAI, plays a pivotal role in retaining staff with critical competencies.

**Recognition:** Special attention is very important for motivation and morale boost. If staff members do not get recognition for their work, they feel demotivated. The job would mean nothing else than just a responsibility that they need to fulfil to earn money. The minute they get another job offer they go

for it since it gives them more motivation. Giving special attention to the opinions and work of staff makes them feel valued. They consider themselves an important part of the SAI.

**Respect:** Self-esteem is an attribute possessed by almost every human being. People hold self-esteem in high regard. If someone’s self-esteem is hurt, then he/she might not be able to work properly or with commitment. Giving respect to staff is as important as giving water to a plant. If they feel respected they will have a good reason to work.

**Relationships:** Relationships between staff and management are of substantial value in any workplace. Human relations is the process of training staff, addressing their needs, fostering a workplace culture and resolving conflicts between different staff members or between staff members and management.

| Pillar        | Strategy/Plan   |
|---------------|---|
| Reward        | <ul style="list-style-type: none"> <li>Incentivise your staff – there are low- and no-cost incentives you can use to make your staff feel valued e.g. an <b>afternoon off, cinema tickets, breakfast morning</b> etc.</li> <li>Retention bonus (annual)</li> </ul>  |
| Recognition   | <ul style="list-style-type: none"> <li>Meet your staff regularly to talk about their work, what motivates them, their <b>professional development</b> and discussing the long-term vision for them with your business</li> <li>Give staff the opportunities to <b>learn and grow</b> in their knowledge, skills and career – coaching staff by managers, attending seminars, training, conferences etc.</li> <li><b>Promote from within</b> whenever possible, have clear paths of advancement for staff</li> </ul> |
| Respect       | <ul style="list-style-type: none"> <li>Allow <b>staff to offer ideas, have open communication and give feedback</b> – let staff feel comfortable doing this and encourage their involvement</li> <li>Ensure a <b>fair and equitable organisation</b> – treating staff equally is very important in retaining them</li> </ul>  |
| Relationships | <ul style="list-style-type: none"> <li><b>Good quality supervision</b> of staff – managers have an important role in the retention of staff. It’s very important the manager does not make the staff member feel undervalued. Examples of good supervision include providing feedback about performance, having regular meetings and being clear about work expectations.</li> </ul>  |

Who is responsible?

| PROCESS  | SUB-PROCESS  | HR | AG/DAG | LINE MANAGEMENT |
|--|--|----|--------|-----------------|
| <ul style="list-style-type: none"> <li>IDENTIFY CRITICAL LEADERSHIP SUCCESSION POSITIONS</li> <li>IDENTIFY CRITICAL COMPETENCIES TO BE RETAINED IN THE SAI</li> <li>DETERMINE WHY STAFF ARE LEAVING</li> </ul> | <ul style="list-style-type: none"> <li>In line with the vision, mission and strategic objectives of the SAI</li> <li>PESTLE – Consider political, economic, social, technological, legal and environmental implications</li> <li>Study exit interviews (chapter 10)</li> </ul> | C  | A      | R               |
| <ul style="list-style-type: none"> <li>NOMINATE SUCCESSORS FOR CRITICAL LEADERSHIP POSITIONS</li> <li>NOMINATE STAFF TO BE RETAINED</li> </ul>   | <p>Considerations:</p> <ul style="list-style-type: none"> <li>Value to the SAI/ retention risk matrix</li> <li>Critical competencies</li> <li>Performance appraisals</li> <li>Assessments e.g. 360° assessments</li> <li>Leadership potential</li> </ul>                       | C  | A      | R               |
| DEVELOP AND IMPLEMENT A BUILD AND BIND STRATEGY  | <ul style="list-style-type: none"> <li>Implement strategy to develop future leadership capacity (blended learning approach in chapter 6 and leadership development process in chapter 7)</li> <li>Implement “bind” strategy to retain critical competencies</li> </ul>         | R  | A      | C               |
| CONTRACTING, DEVELOPMENT, MONITORING, ASSESSMENT   | <ul style="list-style-type: none"> <li>Develop and sign contracts with retention candidates</li> <li>Implement development initiatives according to the personal development plans of retention and succession candidates</li> <li>Monitor development progress</li> </ul>     | C  | I      | R/A             |

| PROCESS  | SUB-PROCESS  | HR       | AG/DAG   | LINE MANAGEMENT |
|--|--|----------|----------|-----------------|
|  | <ul style="list-style-type: none"> <li>Assess improvement, learning and personal growth</li> </ul>   |          |          |                 |
| <b>PLACEMENT, PROMOTION, REVIEWING OF RETENTION STRATEGY AND CONTRACTS</b> | <ul style="list-style-type: none"> <li>Promote deserving succession candidates to leadership positions</li> <li>Review contracts of retention candidates</li> <li>Review retention strategy</li> </ul> | <b>C</b> | <b>I</b> | <b>R/A</b>      |

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## 10. Staff Exit



### Why manage staff exits?

In the SAI, when a staff member leaves the employment of the SAI/public sector whether self-initiated (retirement, resignation) or initiated by the organisation (dismissal), there will inevitably be a skills and knowledge gap.

### What are staff exits?

There are several reasons why people leave an organisation. All kinds of exits need to be managed in an appropriate way and different kinds of exits need different kinds of action.

Exits generally take the following forms:

- Resignation
- Termination of contract
- Dismissal
- Retirement
- Death

The competency framework defines critical skills to be retained or developed to close the knowledge and skills gaps left when a staff member exits the SAI.

### How to manage staff exits

It is important to note that former staff members are often ambassadors for their previous employer. The problem is that you don't always know what message they are sending. Most audit institutions recruit young professionals straight from university, and train them for several years. After that period, many professionals leave the organisation to work somewhere else in the public or private sector. Separation is inevitable, but can be avoided in some cases. For this reason, understanding why people leave is a basis for developing "build" and "bind" strategies to reduce turnover within this group of people.

In cases of retirement or death, it is of vital importance that the SAI designs supportive procedures for former staff members and their families. The SAI could consider providing retirement, life insurance and funeral benefits to their staff members.

#### Exit interviews

When a staff member leaves the SAI, an exit interview is a helpful tool to:

- identify what your SAI is doing well
- pinpoint areas where your SAI can improve
- confirm the skill sets, experience and attributes of the exiting staff member
- capture useful knowledge, contacts, tips etc. from the exiting staff member
- understand why the staff member is leaving
- say good-bye on good terms.

If your SAI is large enough to have an HR officer, he/she would typically conduct the exit interview. Otherwise, the manager of the exiting staff member would conduct the interview.

Exit interviews can be conducted face-to-face, take the form of a written questionnaire (hard copy or electronic), or be held over the phone. Only face-to-face and telephone interviews allow you to explore responses and gain even more insight. You can help the exiting staff member feel more comfortable by starting with friendly discussion and then easing into the more probing questions. Always start by explaining the purpose of the exit interview. However, some exiting staff members may be more forthcoming with information if they can write down their feelings, rather than having to express them in an interview.

### Examples of questions for exit interviews:

#### Reason for leaving

- Why have you decided to leave the SAI?
- Did anything trigger your decision to leave?
- Was a single event responsible for your decision to leave?
- Have you shared your concerns with anyone in the SAI prior to deciding to leave?
- Did anyone in this organisation discriminate against you, harass you, or cause hostile working conditions? (Important to follow up if they say yes)

#### Job satisfaction

- What was most satisfying about your job? What was least satisfying about your job?
- What would you change about your job?
- What did you like most about the SAI? What did you like least about the SAI?
- What would you improve to make our workplace better?
- Did your job duties turn out to be as you expected?
- Were your job responsibilities characterised correctly during the interview process and induction?
- Did the SAI help you to fulfil your career goals?
- Were you happy with your pay, benefits and other incentives?
- Did any SAI policies or procedures (or any other obstacles) make your job more difficult?

#### Supervision and support

- Do you feel you had the resources and support necessary to accomplish your job? If not, what was missing?
- The quality of supervision is important to most people at work. How was your relationship with your manager? What could your supervisor do to improve his or her management style and skill?
- Did you have clear goals and know what was expected of you in your job?
- Did you receive enough training to do your job effectively?
- Did you receive adequate support to do your job?
- Did you receive adequate feedback about your performance day-to-day and in the performance development planning process?

#### Other

- Do you have any tips to help us find your replacement?
- Based on your experience with us, what do you think it takes to succeed at the SAI?
- Would you consider working again for the public sector/SAI in the future?
- Would you recommend working for the SAI to your family and friends?

- What is your experience of employee morale and motivation in the SAI?
- What does your new company offer that encouraged you to accept their offer and leave the public sector/SAI?
- Can this organisation do anything to encourage you to stay?
- Any other comments?

Here are the top 10 reasons that people quit their jobs (Squared, 2016):

|  |   |
|--|---|
| <b>1: Not feeling valued</b>                 | Respect: Workers want to feel that they're making a positive contribution and, more importantly, that what they do is appreciated   |
| <b>2: Poor management</b>                    | Relationships: If staff don't feel that they're being managed effectively, they may look for jobs elsewhere   |
| <b>3: Lack of progression opportunities</b>  | Recognition: New challenges are valued. It can be hard for workers to feel that they're trapped at their current level, with no room to grow and improve  |
| <b>4: Work/life imbalance</b>                | Respect: Sometimes, no amount of money is worth early mornings, hours spent travelling, a long day at work, hours travelling home and a rushed dinner before bed, ready to start all over again. People need, want and value their free time, which is why employers have to value it as well |
| <b>5: Lack of belief in the organisation</b> | Relationships. If staff don't feel committed to the same goals, or if they can't see the SAI's future, they might jump ship for an alternative employment opportunity   |
| <b>6: Broken promises</b>                    | Relationships: There is a lot of value in annual appraisals and pay reviews, but if people are left waiting then they can become disheartened   |
| <b>7: Colleague clashes</b>                  | Relationships: Good conversation, and a workplace environment in which people feel that they're amongst friends, can make all the difference to job satisfaction  |
| <b>8: Micromanagement</b>                    | Respect: Staff that are managed in a restrictive way tend to feel that they're not trusted. Being free to make their own decisions can make staff happier, increase their feelings of worth in the workplace and keep them with you for longer  |
| <b>9: Lack of work fulfilment</b>            | Recognition: Some people start a degree course at university, only to graduate three years later with the realisation that they no longer want to follow that career path   |
| <b>10: Financial</b>                         | Reward: Money issues become more of a concern when a staff member is struggling to manage financially, when they feel that they're missing out on promised pay reviews or when they're earning a lot less than others that are doing similar work   |



**Who is responsible?**

| PROCESS                | SUB-PROCESS  | HR  | AG/DAG | LINE MANAGEMENT |
|------------------------|--|-----|--------|-----------------|
| <b>EXIT INTERVIEWS</b> | Develop exit interview questionnaire                                   | R/A | I      | C               |
|                        | Conduct exit interviews  | R/A | I      | I               |
|                        | Capture responses  | R/A | I      | I               |
|                        | Report on responses  | R/A | I      | I               |
|                        | Develop and implement HR initiatives to address reasons why staff exit | R   | I      | A               |

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