

Appendix C:

Audit scope and method

Scope of this audit

Who we examined

We examined the following agencies:

Agency	Their key responsibilities
DFFH	Child protection, prevention of family violence, housing, disability, multicultural affairs, LGBTIQ+ equality, veterans, and the offices for women and youth
DTP	Planning, building, operating and maintaining Victoria's transport and planning system
The Commission	Strengthening the efficiency, effectiveness and capability of the public sector in order to meet existing and emerging needs and deliver high-quality services, and maintaining and advocating for public sector professionalism and integrity

Our audit objective

Our objective was to determine whether public service bodies have policies, guidance materials and practices in place throughout the employee lifecycle to build a capable and high-performing workforce.

We changed this objective from what we published in our annual plan because we expanded the audit scope to focus on capability and high performance rather than focusing on the assessment of workers' performance and managing their annual incremental progression.

This reflects the fact that a capable and high-performing workforce supports the delivery of high-quality programs and services to the Victorian community and helps the government achieve its agenda.

What we examined

This audit focused on policies and guidance materials on all aspects of the employee lifecycle, with a detailed focus on agency practices in key areas that can support the development of a capable and high-performing VPS workforce.

We also looked at the quality and comprehensiveness of the Commission's guidance materials across the employee lifecycle.

Conducting this audit

Assessing performance

To form our conclusion against our objective we used the following lines of inquiry and associated evaluation criteria:

Line of inquiry	Criteria
1. The Commission supports public service bodies to build a capable and high-performing workforce.	1.1 The Commission has developed guidance materials on the following aspects of the employee lifecycle: attraction, recruitment, onboarding, development, retention and departure.
	1.2 The Commission's guidance materials: <ul style="list-style-type: none"> • reflect the public sector values and public sector employment principles • are evidence-based and reflect better-practice approaches having been developed following a review of academic research, consideration of guidance and frameworks used in other Australian and international jurisdiction public sectors, and consultation with Victorian public sector organisations.
	1.3 The Commission regularly reviews the guidance materials referred to in Criteria 1.1 to ensure they reflect better-practice approaches.
2. Public service bodies' policies, guidance materials and practices support the building of a capable and high-performing workforce.	2.1 Public service bodies' policies and guidance materials: <ul style="list-style-type: none"> • address capability and high performance for all aspects of the employee lifecycle • reflect Commission guidance materials.
	2.2 Public service bodies' practices support the building of a capable and high-performing workforce by ensuring that: <ul style="list-style-type: none"> • employees' performance goals are clear and aligned with the employee's role and the public service body's objectives • there is a shared understanding of what constitutes high performance in an employee's role and of respective roles and responsibilities for performance management • there is 2-way feedback to foster continuous improvement and learning • employees practise continuous learning • employees are engaged.
	2.3 Public service bodies' senior leadership: <ul style="list-style-type: none"> • monitors workgroup performance and takes steps to build high performance • have plans and strategies to build and maintain a high-performing workforce.

Our methods

As part of the audit we:

- reviewed publicly available guidance from the Commission's website and other Australian and international jurisdictions' public sector commission websites
 - reviewed academic research on building capable and high-performing workforces and better-practice approaches across each stage of the employee lifecycle
 - assessed DFFH, DTP and the Commission's internal policies and guidance across the employee lifecycle to determine the extent to which they address capability and high performance and reflect relevant Commission guidance
 - considered information from DFFH, DTP and the Commission about their current practices for:
 - establishing expected standards of performance and behaviour
 - continuous improvement and learning
 - employee engagement
 - senior leadership's involvement in monitoring performance
 - interviewed senior leaders from DFFH, DTP and the Commission
 - analysed staff performance development and review data, including to determine:
 - the number of performance and development goals
 - how feedback and performance ratings are provided
 - analysed PMS results to compare results for DFFH, DTP and the Commission, including against the VPS average results.
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Compliance

We conducted our audit in accordance with the *Audit Act 1994* and ASAE 3500 *Performance Engagements* to obtain reasonable assurance to provide a basis for our conclusion.

We complied with the independence and other relevant ethical requirements related to assurance engagements.

Cost and time

The full cost of the audit and preparation of this report was \$535,000.

The duration of the audit was 9 months from initiation to tabling.
