

National Advisory Standards for the Professional Practice of HR in Australian Universities

Standard: 1.0

Activity Area: Learning and Development

This activity partners with Organisation Development and Career Development. The totality makes up human resource development.

This Advisory Standard applies to all categories of Learning and Development activities across the University.

This Advisory Standard applies to all staff (academic, general and all others).

Learning and Development activity may be carried out in one or more functional areas, and includes work-based learning, reflective practice, mentoring, job rotation, coaching and networking.

Some Universities have adopted a Competency / Capability Framework. This Standard assumes that this is not a sector wide practice to date.



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1 Definition of a Standard

- 1.1 A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement (AUQA, n.d).
- 1.2 A Standard, according to Standards Australia (2008) *provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context.*

2 Preface/Rationale

- 2.1 This Standard has been developed within a Workplace Productivity Programme (WPP) funded project with the premise that the project would support the professional practice of human resources in Australian Universities, and directly impact on the sector's capability to describe and assess better HR practice.
- 2.2 The purpose of this standard is as a national advisory standard for Australian universities. The Standard addresses quality practice in Learning and Development. The Standard, and any self-assessment or audit process, facilitates an integrated approach to the achievement of a University's learning and development goals. They identify opportunities for improvement and to implement strategies for their achievement.
- 2.3 A standard is an agreed, repeatable way of undertaking an activity. It is a published document that contains a specification or other criteria designed to be used consistently as a rule, guideline, or definition. Standards help to increase the reliability and the effectiveness of HR activities, and assist in their evaluation or measurement. This HR Standard is designed for voluntary use and does not impose regulation (British Standards Institution, n.d.). The application of the Standard is at the prerogative of each University.
- 2.4 This HR Standard will establish the basis for "what we could expect to see in a University HR activity" for the purposes of quality assessment, performance examination, a demonstration of better human resource practice and for demonstrating to stakeholders that value for money is being achieved. It can also be used for comparative benchmarking purposes.



2.5 This Standard:

- 2.5.1 has been developed using subject matter experts
- 2.5.2 is practical, not rhetorical
- 2.5.3 has its foundation within the current literature
- 2.5.4 draws on the UK experience in similar areas (HEFCE, 2005)
- 2.5.5 incorporates internal consistency
- 2.5.6 is outcome focused
- 2.5.7 should be comprehensible to users who have not participated in its preparation.

2.6 The Standard should be used as a tool to improve the management and activity of learning and development in a University environment, and is designed to be outcome focused. It is not intended to be used as a mandated checklist but rather it can be adapted to different HR environments. It allows each university to modify the final national standard, where necessary, to cater for organisational diversity and to reflect their operating environment.

2.7 The Standard describes *evidence requirements* which indicate the type of objective evidence that an auditor/examiner would expect to find to demonstrate that a criterion is being addressed. The extent of evidence provided should be commensurate with the issue being managed and the strategy being used. (Natural Resources Commission, 2005)



- 2.8 The Standard is applicable to any Australian University that wishes to:
- 2.8.1 Develop and implement Learning and Development strategies in an efficient, effective and economic manner
 - 2.8.2 Address consistency and comparability with other Universities
 - 2.8.3 Assure itself that it is using quality processes
 - 2.8.4 Demonstrate such conformance to others, or
 - 2.8.5 Make a self-assessment of conformance with the Standard.
- 2.9 The structure of a Standard relies on the following framework (Victorian Auditor-General, 2008; Auditor-General of Queensland, 2007; and HEFCE, 2005):
- 2.9.1 **Inputs:** the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.
 - 2.9.2 **Processes:** the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.
 - 2.9.3 **Outputs:** the deliverables – goods and services – produced to achieve the outcomes being sought.
 - 2.9.4 **Outcomes:** the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.
 - 2.9.5 **Risks:** “...the possibility of something happening that impacts on organisational objectives” (AS/NZS 4360:2004)

For each proposed standard we have, or will be undertaking, an initial ‘Internal Consistency’ check to identify that:

- a. each Outcome is supported by an Output
- b. each Output has a supporting Process or Input (or both)
- c. Inputs and processes are linked to Outputs.



3 Objectives of this Standard

Strategic Objectives

- (i) To ensure that University performance (efficiency, effectiveness and economy) is improved through the learning and development activities
- (ii) To create learning and development programs which support leadership in teaching, world-class research and best practice organisational professionalism and performance (USyd, 2005)
- (iii) To ensure that all learning and development is aligned with the University's strategic objectives (QUT, 2007)
- (iv) To promote, develop and retain excellent staff
- (v) To ensure that essential corporate training is identified, delivered and implemented
- (vi) To ensure that learning and development activities support equity objectives

Operational Objectives

- (vii) To ensure the design and provision of systematic and planned activities to provide staff with the opportunities to learn necessary skills to meet current and future job demands (Werner & DeSimone, 2006)
- (viii) To ensure that staff are adequately trained and developed to enable them to effectively discharge their responsibilities
- (ix) To motivate staff and increase their commitment by providing suitable personal and skill development opportunities
- (x) That staff take their own and others' professional development seriously and are committed to learning and development activities (HEFCE, 2005)
- (xi) To ensure that learning and development resources address identified priority gaps in the University's skill base (Ulrich and Brockbank, 2005)
- (xii) To provide adequate and appropriate training facilities on a cost effective basis
- (xiii) To facilitate the provision of a cost-effective range of learning and development initiatives that meet University priorities
- (xiv) To ensure that staff recognise where and how their competencies have been improved by learning and development (HEFCE, 2005)
- (xv) To ensure that staff and managers act on agreed individual learning and development plans (HEFCE, 2005)



- (xvi) To ensure that Managers at different levels recognise the importance of learning and development and support and implement learning and development initiatives (HEFCE, 2005)
- (xvii) To ensure that staff believe the University is committed to their learning and development (HEFCE, 2005)



4 Inputs Criteria

Inputs: the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.

	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 1	There is a clearly defined accountability (or accountabilities) for learning and development activity (Clardy, 2004)	<ul style="list-style-type: none">> Review of organisation chart> Review of HRD policy	<ul style="list-style-type: none">> A single point of accountability or a effective co-ordinating mechanism for multiple accountabilities	
IP 2	The investment in learning and development is appropriate to achieve University objectives (HEFCE, 2005)	<ul style="list-style-type: none">> Review budget and expenditure, which should be segmented to identify L&D expenditure.> Identify corporate objectives, and map the linkages to L&D initiatives with associated expenditure.	<ul style="list-style-type: none">> Benchmarked L&D budget against sector (example: 3-5% of salary budget)	



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 3	There is adequate expertise in learning and development available (either internally or externally) without undue cost or delay (HEFCE, 2005)	<ul style="list-style-type: none">> Review L&D program / initiatives demonstrating a future timetable for the implementation or conduct of those initiatives.> Review program of earlier L&D initiatives to identify when they were conducted and by whom.> Review details of unmet L&D demand and ensure competency> Competency profiles for all L&D providers> Accreditation of providers> L&D Product mix and client mix can be delivered in a sustainable manner	<ul style="list-style-type: none">> A performance standard established by the University	
IP 4	Managers and staff are aware of learning and development processes and opportunities within the University (HEFCE, 2005)	<ul style="list-style-type: none">> Survey of managers and staff> Website> L&D plan	<ul style="list-style-type: none">> Percentage improvement over prior result> Benchmark comparison rate	



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 5	Learning and development staff possess the capabilities and competencies required to consult, design, develop and deliver appropriate initiatives (eg job re-design) within the University (Werner & DeSimone 2006; ASTD, n.d.)	<ul style="list-style-type: none">> Review process for developing and delivering L&D initiatives> Review statements of L&D (internal) staff competencies and capabilities> Review learning and development plans for L&D staff> Review of participant feedback> Potential use of peer review	<ul style="list-style-type: none">> A performance standard established by the University> An appropriate range of specialist competencies identified within the L&D team	



5 Processes Criteria

Processes: the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.

	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 1	There is a review of learning and development needs using recognised processes (HEFCE, 2005)	Review the documentation of learning and development needs. <ul style="list-style-type: none">> Is it up-to-date?> Who is responsible?> Is it comprehensive?> How is it developed?> L & D needs are identified by category and priorities are assigned.	<ul style="list-style-type: none">> A performance standard established by the University	
PR 2	Learning and development activity is mapped to the competencies required by the strategic goals of the university (AUQA, 2002)	<ul style="list-style-type: none">> Identify that all L&D outcomes, outputs and processes are linked to the university's strategic and operational goals	<ul style="list-style-type: none">> A performance standard established by the University	
PR 3	Learning and development is undertaken using a range of processes (including induction, appraisals, mentoring, formal training, on the job training 360 degree feedback etc) (HEFCE, 2005)	<ul style="list-style-type: none">> Sample L&D courses and other initiatives to identify L&D processes engaged.> L & D product offerings are reviewed for breadth and depth.	<ul style="list-style-type: none">> A performance standard established by the University	



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 4	There are learning and development initiatives that support organisational change priorities (HEFCE, 2005)	<ul style="list-style-type: none">> Identify organisational change programs and priorities from a corporate standpoint> Identify L&D initiatives are linked to priority program> Feedback from managers effecting change or usefulness to them> Review product offering to identify L&D products that focus on change management and leading change competencies	<ul style="list-style-type: none">> A performance standard established by the University	
PR 5	Essential corporate training is conducted (eg bullying, harassment, EEO).	<ul style="list-style-type: none">> Review historical and planned L&D programs to identify essential corporate training> A clear compliance program is identified, agreed and conducted	<ul style="list-style-type: none">> A performance standard established by the University	



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 6	There are management reports on learning and development activities with particular emphasis on ensuring that learning and development initiatives are delivered in a cost effective, efficient, economic and equitable manner (UTAS, 2004)	Review L&D management reports to identify: <ul style="list-style-type: none">> that they are produced regularly> that they are viewed> that they demonstrate how equitable access is being achieved> how cost effectiveness, efficiency and economy are being measured, and the results of those measurements> how performance is evaluated> Management reports on L & D are sighted, with evidence of analysis and action	<ul style="list-style-type: none">> A performance standard established by the University	
PR 7	A performance self assessment or management review is conducted at least every five years to evaluate L&D effectiveness	Review L&D management reports to identify: <ul style="list-style-type: none">> that they are produced regularly> that they are viewed> how performance is evaluated> outstanding items have been actioned	<ul style="list-style-type: none">> Review is to be conducted at least every five years.	



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 8	There is a process to ensure that Learning and development is informed by the University's Risk Management Plan.	Identify that the Risk Management Plan has been reviewed to consider and develop learning and development needs. <ul style="list-style-type: none">> Is there a clear linkage between the L&D plan and the RMP?> Who is responsible for considering the RMP?	<ul style="list-style-type: none">> A specific section of the annual L&D plan adequately addresses risk issues.	
PR 9	Course designs specify learning outcomes and learning objectives to be met by the learning and development activity, and the methods by which results will be measured (Dolenko, 1990)	<ul style="list-style-type: none">> L&D course program notes identify learning outcomes and objectives, plus a process for measuring results> Curriculum is reviewed on a sample basis to ensure compliance	<ul style="list-style-type: none">> A performance standard established by the University	
PR 10	Learning and development initiatives cover appropriate staff categories (HEFCE, 2005)	<ul style="list-style-type: none">> Review historical and planned L&D programs to identify target participants and priority participant groups.> Review client mix to ensure that priority areas receive adequate attention	<ul style="list-style-type: none">> A performance standard established by the University	



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 11	Staff newly promoted or appointed to a supervisory role are assessed and then if required attend appropriate supervisory training within a reasonable time frame (Vito, 2007)	<ul style="list-style-type: none">> Gather details of newly appointed supervisors.> Determine if a sample of these appointees has undertaken supervisory training, where a need has been identified, in an appropriate timeframe.	<ul style="list-style-type: none">> Agreed percentage of such staff who attend training within the time allocated.	
PR 12	Newly appointed staff and relevant contractors undertake induction in an appropriate timeframe (Vito, 2007)	<ul style="list-style-type: none">> Gather details of newly appointed staff and relevant contractors> Determine if a sample of these appointees has undertaken induction in an appropriate timeframe.	<ul style="list-style-type: none">> Induction completion review against stated target which is A performance standard established by the University.	
PR 13	There are appropriate levels or forms of evaluation of the impact of learning and development initiatives (HEFCE, 2005; Kirkpatrick, 2006).	<ul style="list-style-type: none">> Review a sample of evaluations of L&D initiatives> Annual review of L&D specifically addresses the impact of L&D activities	<ul style="list-style-type: none">> A performance standard established by the University	



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 14	Appropriate learning and development records are maintained to record internal and external learning and development activities.	<ul style="list-style-type: none">> Review L&D records to identify the extent and details of recording of internal and external L&D> Review L&D expenditure records to identify that external L&D initiatives are being recorded	<ul style="list-style-type: none">> Review is conducted and action arises	
PR 15	Costs associated with the delivery of learning and development courses are recorded, reported and controlled against budget (Dolenko, 1990)	<ul style="list-style-type: none">> Identify that costs of L&D are recorded, monitored, and reported (and identify those that are not)> Identify who is responsible for this task> Identify that the associated management reports are reviewed, with dated signoff	<ul style="list-style-type: none">> A performance standard established by the University	



6 Outputs Criteria

Outputs: the deliverables – goods and services – produced to achieve the outcomes being sought.

	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 1	There is a Learning and Development Plan that reflects business unit priorities	<ul style="list-style-type: none">> Review the L&D plan> Is it current?> Who is responsible?> Does it indicate which staff categories are encompassed by the policy?	<ul style="list-style-type: none">> L&D Plan is reviewed on a periodic basis, and updated as necessary, in line with quality assurance objectives.	
OP 2	There exists a clear profile of staff skills and competencies needed for current and future roles (HEFCE, 2005)	<ul style="list-style-type: none">> Review the profile> Is it current?> Who is responsible?> Is it clearly linked to organisational objectives?	<ul style="list-style-type: none">> The link between workforce planning (identifying future required skills) and L & D programs is observed.	
OP 3	There exists a program of learning and development initiatives that meets identified University needs (HEFCE, 2005)	<ul style="list-style-type: none">> Review the L&D program> How does it identify that it meets University L&D needs?	<ul style="list-style-type: none">> The link between University training needs and L & D programs is observed.	



	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 4	There is appropriate reporting of unmet learning and development needs.	<ul style="list-style-type: none">> Review the report of unmet L&D needs> Compare it to the report of L&D needs (in OP4)	<ul style="list-style-type: none">> Report on quantum and management response is identified.	
OP 5	There is a co-ordinated approach to learning and development	<ul style="list-style-type: none">> Review the process by which L&D is co-ordinated> Review how external L&D, and L&D conducted by other internal departments, is advised to HR> Identify the points of accountability and evaluate the effectiveness of co-ordinating mechanisms	<ul style="list-style-type: none">> A performance standard established by the University.	
OP 6	There is a learning and development plan for early career academic staff and researchers (HEFCE, 2005)	<ul style="list-style-type: none">> Review the L&D program> It accommodates L&D for early career academic staff and researchers	<ul style="list-style-type: none">> A performance standard established by the University.	



	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 7	There are plans for maintaining and increasing the professionalism of support staff (HEFCE, 2005)	<ul style="list-style-type: none">> Review the L&D program> It contains L&D initiatives for addressing support staff professionalism> Review L&D records to identify how support staff are identified	<ul style="list-style-type: none">> A performance standard established by the University.	
OP 8	There are individual learning and development plans, when appropriate (HEFCE, 2005)	<ul style="list-style-type: none">> Review individual L&D plans> Where are they filed?> Who do they cover?> What do they contain?	<ul style="list-style-type: none">> A performance standard established by the University.	
OP 9	There are strategies for management development (HEFCE, 2005)	<ul style="list-style-type: none">> Review the strategies for management development> Do the strategies extend beyond training courses?> Are academic as well as all other staff eligible for management development?	<ul style="list-style-type: none">> Management Development is addressed within the L&D product offerings	



	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 10	There is expertise in work organisation and job design to support organisational change. (HEFCE, 2005)	<ul style="list-style-type: none">> Review statements of L&D staff competencies and capabilities> Feedback from recipients of service.	<ul style="list-style-type: none">> Change effected within required time frame> Change objectives are achieved	
OP 11	There is an appropriate level of expenditure in learning and development to meet identified needs (HEFCE, 2005)	<ul style="list-style-type: none">> Benchmark data	<ul style="list-style-type: none">> A performance standard established by the University	
OP 12	The University's commitment to equity is incorporated in the Learning and Development Policy.	<ul style="list-style-type: none">> Review the L&D policy	<ul style="list-style-type: none">> Equity is incorporated	
OP 13	There is equitable access to learning and development activities.	<ul style="list-style-type: none">> Review how activity on this criterion is being recorded and achieved> Staff survey addresses equity issues in L & D	<ul style="list-style-type: none">> Number of complaints from staff regarding lack of equity> A performance standard established by the University	



7 Outcomes

Outcomes: the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.

	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 1	Learning and development programs are created which support leadership in teaching, world-class research and best practice organisational professionalism and performance (USyd, 2005)	<ul style="list-style-type: none">> Benchmarking activities> Performance evaluation	<ul style="list-style-type: none">> Critical programs are equal to, or exceed appropriate benchmarks> Evaluation processes confirm programs are effective (rating >3.5 on a 5 point Likert scale where 1 = ineffective & 5 equals highly effective)	
OC 2	Performance metrics for learning and development are aligned with strategic goals (AUQA, 2006) and assist in assessing the impact and worth of learning and development initiatives (UTAS, 2004)	<ul style="list-style-type: none">> Review the clarity of the linkage between L&D metrics and strategic goals> Review the extent to which the metrics assess effectiveness, efficiency and economy of L&D initiatives	<ul style="list-style-type: none">> A performance standard established by the University	
OC 3	The learning and development regime facilitates the promotion, development and retention of excellent staff	<ul style="list-style-type: none">> Staff climate survey> Exit surveys	<ul style="list-style-type: none">> A performance standard established by the University	



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 4	Essential corporate training is identified, delivered and implemented	> Review historical and planned L&D programs to identify essential corporate training	> A clear compliance program is identified, agreed and conducted.	
OC 5	Learning and development activities support equity objectives.	> Review reports of the intended equity and access outcomes with the actual outcomes > Review staff survey results	> A performance standard established by the University	
OC 6	Systematic and planned activities are designed and provided to provide staff with the opportunities to learn necessary skills to meet current and future job demands (Werner & DeSimone, 2006)	> Review individual L&D plans > Where are they filed? > Who do they cover? > What do they contain?	> A performance standard established by the University	
OC 7	Staff are adequately trained and developed to enable them to effectively discharge their responsibilities	> Staff survey > Sample of managers	> A performance standard established by the University	



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 8	Staff motivation and commitment is enhanced by the provision of suitable personal and skill development opportunities.	> Staff climate survey	> A performance standard established by the University	
OC 9	Staff take their own and others' professional development seriously and are committed to learning and development activities (HEFCE, 2005)	> Sample of managers and staff > Review of incomplete individual learning and development plans > Sample data used in building L&D program to determine if individual needs have been addressed	> A performance standard established by the University.	
OC 10	University performance (efficiency, effectiveness and economy) is improved through the learning and development activities.	> Benchmarking activities > Performance evaluation	> A performance standard established by the University	



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 11	Learning and development resources address identified priority gaps in the University's skill base (Ulrich and Brockbank, 2005)	<ul style="list-style-type: none">> Identify that all L&D outcomes, outputs and processes are linked to the university's strategic goals> L&D programs are targetted to University priorities	<ul style="list-style-type: none">> Delivery against agreed product mix to a A performance standard established by the University criterion> Delivery against agreed client mix to a A performance standard established by the University criterion	
OC 12	Adequate and appropriate training facilities are provided on a cost effective basis	<ul style="list-style-type: none">> Identify that costs of L&D are recorded, monitored, and reported (and identify those that are not)> Review cost effectiveness of L&D resources> Identify who is responsible for this task> Identify that the associated management reports are reviewed, with dated signoff	<ul style="list-style-type: none">> A performance standard established by the University	



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 13	The provision of a cost-effective range of learning and development initiatives that meet University priorities is facilitated.	<ul style="list-style-type: none">> Identify that costs of L&D are recorded, monitored, and reported (and identify those that are not)> Identify who is responsible for this task> Review cost effectiveness of L&D initiatives> Identify that the associated management reports are reviewed, with dated signoff	<ul style="list-style-type: none">> A performance standard established by the University.	
OC 14	Staff recognise where and how their competencies have been improved by learning and development (HEFCE, 2005)	<ul style="list-style-type: none">> Sample of staff who have been involved in L&D initiatives to review pre- and post-initiative competencies> Compare those results with those of their managers or supervisors	<ul style="list-style-type: none">> A performance standard established by the University.	
OC 15	Staff and managers act on agreed individual learning and development plans (HEFCE, 2005)	Sample the individual learning plans to identify whether there is timely action	<ul style="list-style-type: none">> A performance standard established by the University.	



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 16	Managers at different levels recognise the importance of learning and development and support and implement learning and development initiatives (HEFCE, 2005)	<ul style="list-style-type: none">> Sample of managers to review performance> Time release for staff to attend L&D> Support for the development of staff is evidenced by the review> Staff climate survey	<ul style="list-style-type: none">> A performance standard established by the University	
OC 17	Staff believe the University is committed to their learning and development (HEFCE, 2005)	<ul style="list-style-type: none">> Staff climate survey	<ul style="list-style-type: none">> A performance standard established by the University	



8 Risk Criteria

The use of this Standard assists the University to avoid or effectively manage risks associated with:

- Staff leaving because of inadequate opportunities provided for learning and development (HEFCE, 2005)
- Lack of take-up of learning and development provisions available (HEFCE, 2005)
- Under-resourcing of learning and development (HEFCE, 2005)
- Costs and/or damage to corporate reputation through inadequate provision of essential corporate training.
- Productivity and efficiency losses from high levels of disengagement
- Loss of productivity created by poor leadership and poor management practices
- Poorly focussed learning and development initiatives that are ineffective (HEFCE, 2005)
- Missed opportunities because of lack of appropriate skills or expertise amongst staff (HEFCE, 2005)

<ul style="list-style-type: none"> > Costs and/or damage to corporate reputation > Costs incurred as a consequence of cancellations > Duplication of L&D initiatives > Failure to achieve University equity objectives > Failure to meet objectives of strategic plan and goals of the university > Inability to deliver business outcomes > Inability to evaluate the allocation of L&D resources > Inability to monitor efficiency, effectiveness or economy of L&D initiatives > Inadequate basis for development of future L&D program > Inadequate governance of L&D initiatives > Inadequate skills development > Inappropriate / in accurate / outdated transition of learning content to the client group from L&D staff > Incomplete L&D records > Industrial issues or stress > Ineffective L&D activity > Inefficient allocation and/or application of L&D resources > Insufficient effective L&D activity > Insufficient L&D initiatives > L&D initiatives are poorly or ineffectively focussed 	<ul style="list-style-type: none"> > Lack of behavioural change in the workplace > Lack of clarity about which L&D initiatives the University determines priority for resource allocation > Lack of co-ordination due to unclear accountability > Lack of supporting evidence for development of L&D plan > Lack of take-up of L&D initiatives > Inability to meet workforce planning / succession planning objectives > Litigation or stress due to supervisors not demonstrating appropriate supervisory behaviours > Loss of productivity, or premature resignations > Misallocation of L&D resources > Negative impact on staff morale and the psychological contract > Poor morale > Potential for human resources staff to provide ad hoc advice and guidance for managers and supervisors to identify and meet learning and development needs of staff > Providers treated differently across the University > Reduced information on which to develop or refine L&D plans > Some L&D needs may not be addressed > Uneconomic use of L&D resources > Workplace stress
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9 Date of Application

10 Review Date

11 Contributors

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13 Standards Project Definitions

Accountability

A personal obligation, liability, or answerability to others for actions carried out and performance achieved; responsibility (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Assessment

To *officially* estimate the value of something (Concise Macquarie).

Assurance

An objective *examination* of evidence for the purpose of providing an independent assessment on risk management, control, or governance processes for the organisation. Examples may include financial, performance, compliance, system security, and due diligence engagements (Institute of Internal Auditors).

Attestation

One type of assurance service in which public accountants (or other professionals) issue a written communication that expresses a conclusion about the reliability of a written assertion of another party. To qualify as an attestation service, the engagement must involve written assertions on some accountability matter (Arens, Best, Shailer, Fielder, & Loebbecke, 2002).

Audit

An official *examination* and verification of records. (Concise Macquarie Dictionary).

A systematic analysis, appraisal, testing and verification of the legality, fidelity and efficiency or feasibility of proposed or completed procedures, operations, transactions, expenditures and the official records of them (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Auditing

The accumulation and evaluation of evidence about information to determine and report on the degree of correspondence between the information and established criteria (Arens et al, 2002).



Audit Report

The communication of findings to users (Arens et al, 2002).

Benchmarking

Benchmarking is the formal and structured process of searching for those practices which lead to excellent performance, the observation and exchange of information about them, their adaptation to meet the needs of one's own organisation, and the implementation of the amended practice. (Meade, P. H. 1998, A guide to benchmarking, Dunedin, University of Otago Press.) (AUQA: n.d.)

Capability

Capability is a broader concept than that of competence. Capability embraces competence but is also forward-looking, concerned with the realization of potential. Capability includes but goes beyond the achievement of competence in present day situations to imagining the future and contributing to making it happen. Capability is an integration of knowledge, skills, personal qualities and understanding used appropriately and effectively - not just in familiar and highly focused specialist contexts but in response to new and changing circumstances. (Dolan, n.d.)

Certification

Official recognition that a specified status has been achieved, or that certain privilege(s) may be exercised. The same as licensing (qv). (AUQA: n.d.)

Competency

The specific knowledge, skills, abilities and behaviour applied within an occupation or industry to the standard required in employment. (University of South Australia, n.d.)

The integrated application of knowledge, skills, values, experience, contacts, external knowledge resources and tools to solve a problem, to perform an activity, or to handle a situation. (Sitthisak, Gilbert and Davis, 2007).

Criteria

A standard of judgement; an established rule or principle for testing (Concise Macquarie).



Economic

Expenditure is *economic* if it achieves the desired objective at least cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Effectiveness

A process is effective if its outcomes match the stated goals. Effectiveness is often seen as an aspect of quality (qv). (AUQA: n.d.).

Expenditure is *effective* if it achieves its objectives without taking account of cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Efficient

Efficiency refers to the cost in relation to the outcomes achieved. It is rarely possible to describe it in absolute terms. One process is more efficient than another if it achieves the same outcomes at a lower cost (AUQA: n.d.)

Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Equity

Equity refers to: the quality of being fair and just; fairness (Macquarie Dictionary of Employment & IR: 1992). Equity is considered within a context – eg: equal access; equal treatment; equal opportunity; equal pay; equal worth. In the context of developing HR standards for specific activities there is a need to examine each of the proposed standards against equity considerations.

Example: Workforce planning – care must be taken to ensure that the workforce profile selected for a future time period is not based on direct or indirect criteria that might result in gender discrimination.

Evaluation

To ascertain the value or amount of; to appraise carefully. (Concise Macquarie)

The systematic investigation of worth or merit. Criteria must be specified for determining 'worth' or 'merit'. 'Evaluation' is sometimes used as a neutral term. (Adapted from AUQA: n.d.)



Evidence

Proof; grounds for belief; that which tends to prove or disprove something. (Concise Macquarie)

Any information used by the auditor to determine whether the information being audited is stated in accordance with established criteria (Arens et al, 2002).

Evidenced Based

The conscious, explicit and judicious use of the best and current evidence in making decisions. It means integrating experience with the best available external evidence taken from systematic research. Evidence based decision making requires efficient literature-searching skills and the application of rules of evidence and logic in evaluating the research (Sackett, Rosenberg, Muir Gray, Haynes, & Richardson, 1996).

Examination

To inspect or scrutinise carefully; to interrogate; to test the knowledge, reactions or qualifications. (Concise Macquarie)

Human Resource Audit

An audit undertaken of human resource management, or within an aspect of human resource management. (Andrews, 2007)

Human Resource Performance Audit

A performance audit of human resource management, or an aspect of human resource management, to determine its effectiveness, and/or efficiency and/or economy (Andrews, 2007).

Inputs

The human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses. (Audit Office of New South Wales, 2000; Local Government Best Value Commission, n.d.)

KPI: key performance indicators

A performance indicator deemed particularly important or significant.



Measure

The act or process of ascertaining the extent, dimensions, quantity etc of something especially by comparison with a standard*; (Concise Macquarie)
In relation to a *standard* this view of the meaning of *measure* would presume the standard has a quantitative dimension.

Management Assurance

A level of assurance provided by Management alone.

Management assurance requires qualified independent validation in order to raise its perceived value to the level of independent assurance (eg audit).

Measurement

The act of measuring. (Concise Macquarie)

Outcome

The results or consequences of the actions or outputs. Outcomes may be short, intermediate, or long term. (The Audit Office of New South Wales, 2000).

Outputs

The deliverables – goods and services – produced to achieve the outcomes being sought. (Queensland Government Treasury, 2003).

Output measures

Demonstrate the contribution made by the output to the achievement of strategic goals and outcomes. Output measures are often:

- Cost: how much does the process or service cost to deliver?
- Time – whether outputs are delivered in a timely manner
- Quality – how good the output is. (Auditor General of Queensland, 2007)

Opinion

Judgement or belief resting on grounds insufficient to express certainty; a formal or professional judgement expressed; a personal view, attitude or estimation. (Concise Macquarie)



Note: Types of opinion: unqualified, qualified, adverse and disclaimer (ie insufficient competent evidence), (Siegal & Shim 2000)

Performance Indicator

A representation - numeric or otherwise - of the state of, or outcomes from, an organisation, or any of its parts or processes.

Performance indicators should be subject to informed interpretation and judgement; for example, by such assessment groups as audit panels. They are sometimes called management indicators, to suggest their purpose rather than their source. Organisational performance measures that have been developed independently tend to be weakly correlated with one another. To avoid this, they should be developed in an integrated fashion, with a common direction. (AUQA, n.d.)

Processes

The activities that generate the products and services that constitute the outputs. The actions or processes applied to convert resources into a product or service. (Department of Finance and Administration, 2000).

Proof

Evidence sufficient to establish a thing is true, or to produce belief in its truth (Concise Macquarie).

Quality

Fitness for purpose, where 'purpose' is to be interpreted broadly, to include mission, goals, objectives, specifications, and so on. This is an inclusive definition, as every organisation or activity has a purpose, even if it is not always precisely stated. Fitness for purpose' means both that an organisation has procedures in place that are appropriate for the specified purposes, and that there is evidence to show that these procedures are in fact achieving the specified purposes.

Some people criticise this definition for ignoring 'fitness of purpose', but this misses the point. Fitness of purpose must be considered at the time that objectives are defined; quality is then a matter of achieving these objectives.

Using this definition, achieving quality in education involves two steps. The first step is for institutions to set objectives that embody what is expected and required by students, employers, legislation and statutes, in addition to responding to broader issues, such as the demands arising from the characteristic nature of academic activity and the rapid development of knowledge. The second step is for the institution to ensure that it attains its objectives. Quality is related to standards if the objectives include explicit specification of levels of attainment. {AUQA, n.d.)



Quality Audit

'Quality audit' is defined as 'a systematic and independent examination to determine whether activities and related results comply with planned arrangements and whether these arrangements are implemented effectively and are suitable to achieve objectives' (Standards Australia & Standards New Zealand Joint Technical Committee QR/7 1994). This definition has been adopted by AUQA as the foundation of its approach to audit (AUQA, n.d.).

A 'quality audit' must be distinguished from an 'audit' conducted by a qualified auditor operating under a professional audit framework and within the Australian Auditing Standards.

Review

An institution (or any part thereof) may be reviewed for any purpose, and the term 'review' can embrace a checking mechanism, whether it be assessment, audit or accreditation, internal or external, and so on. Care must be taken when using the term to differentiate the activity from a professional audit (AUQA, n.d.).

Risk

Risk is the likelihood that some peril may actually occur to produce a loss, that is, risk is the degree to which an organization is exposed to the loss of its resources.

A risk is defined by the Australia/New Zealand Standard for Risk Management (AS/NZS 4360:2004) as

"...the possibility of something happening that impacts on organisational objectives. It is the chance to either make a gain or a loss. It is measured in terms of likelihood and consequence."

Risk is anything that threatens or limits the ability of a project to achieve its goal, objectives, or the production of project deliverables.

Risk Management

The Australian / New Zealand Risk Management Standard, AS/NZS 4360: defines risk management as: *"the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects"*.

Risk management is a process of thinking systematically about all possible undesirable outcomes before they happen and setting up procedures that will avoid them, minimise or cope with their impact.

Risk management involves establishing an appropriate risk management infrastructure and culture, and applying logical and systematic risk management processes to



all stages in the life cycle of any activity, function or operation that includes risk. By minimising losses and maximising gains, risk management enables the University to best meet its organisational objectives.

Self-audit

An oxymoron; the correct term is self-assessment (or self-review or self-evaluation). Audit, by its very nature, cannot be 'self', as it lacks independence.

Self-review

Self-review can be an ongoing process that is built into all activities in a sense of continuous improvement; it might be an ongoing process that leads to a report to the governing body for confirmation or redirection; it might be a long event that leads to major change; it might be a brief event that provides a snapshot for comparison with an earlier snapshot; and so on. (AUQA Audit Manual, Version 3.0, section 2.4.2). May also be called self-evaluation but never self-audit (Andrews, 2007).

Standard

Anything taken by general consent as a basis of comparison; an approved model; a level of quality which is regarded as normal, adequate or acceptable (Concise Macquarie).

A norm or model adopted by general consent as a basis for comparison eg against which to measure individual or organisational achievements or procedures, or as a target to be aimed at (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement. One function of standards is to measure the criteria by which quality may be judged. Although standards are necessary, they are difficult to determine (AUQA, n.d).

The term 'standard' is also often used to refer to:

- Factors for evaluating performance
- Normative characteristics
- Best practice exemplars.

Quality is related to standards if the objectives include explicit specification of levels of attainment. {AUQA, n.d.)



Standards Project for University Human Resources (Aust)

These standards should reflect what we 'would expect to see' at a university human resource function in Australia. (NB: A university or group of universities may also have organisational specific or group HR standards).

Validation

The independent checking of a process. The term is sometimes used to denote the accreditation of a program (as distinct from a whole institution) (AUQA, n.d).

Value

Estimated or assigned worth (Concise Macquarie).

Value for Money

Auditors and economists (at least in the public sector) consider an activity to be worthwhile if it gives 'value for money'. This means that an activity must be *effective*, *economic* and *efficient* (the three Es).

Note:

- a) Expenditure is *effective* if it achieves its objectives without taking account of cost,
- b) Expenditure is *economic* if it achieves the desired objective at least cost, and
- c) Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)
- d) While equity would normally be considered as a sub-set of the specification of effectiveness it may also be useful to explicitly add equity as a criteria for reference. This changes the value-for-money criteria to *effectiveness, efficiency, economy and equity (the four E's)*.

Verify

To prove something to be true by evidence or testimony. (Concise Macquarie)

Verification

The act of verifying. (Concise Macquarie)



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National Advisory Standards for the Professional Practice of HR in Australian Universities

Standard: 2.0

Activity Area: Remuneration, Benefits & Recognition

This Standard is intended to encompass the development of appropriate Remuneration, benefits and recognition systems that are guided by:

- > Internal and external fairness, and equity
 - > The competitive environments within which the university operates
 - > Alignment with corporate objectives
- to recruit, motivate and retain excellent staff.



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1 Definitions of Remuneration, Benefits and Recognition

1.1 **Remuneration** is a general term covering different types of wage and non wage payments and benefits (Yerbury & Karlsson, 1992).

Key financial components, to attract and retain employees, include:

- 1.1.1 Annual salary (as defined by the classification (if any) excluding allowances or additional payments.
- 1.1.2 Allowances
- 1.1.3 Market attraction/retention loadings
- 1.1.4 Discipline or profession loadings

1.2 **Benefits** amounts to assistance that is not always given in money (Yerbury & Karlsson, 1992).

- | | |
|---|---|
| 1.2.1 Flexible salary packaging | 1.2.9 Study assistance |
| 1.2.2 Improved research and teaching facilities | 1.2.10 Tuition remission (education costs discounted) |
| 1.2.3 Physical working environment (offices) and grounds | 1.2.11 Learning and Staff Development opportunities |
| 1.2.4 Market based pay | 1.2.12 Service Recognition opportunities (time, quality etc) |
| 1.2.5 Above standard employment conditions (eg maternity leave) | 1.2.13 Flexible working hours |
| 1.2.6 (Subsidised) gym membership | 1.2.14 Ability to undertake paid outside work and commercial activities |
| 1.2.7 (Subsidised) car-parking | 1.2.15 Offshore teaching remuneration for academic staff. |
| 1.2.8 Library membership | |



1.3 **Recognition** (these are available post appointment)

Employee Recognition and Reward programs enable the prompt acknowledgement and reward of individuals or groups of employees (who achieve high standards of performance in the workplace)

For example:

- 1.3.1. Attraction and retention loading
- 1.3.2. Overseas Conference leave
- 1.3.3. Responsibility loadings
- 1.3.4. (Accelerated) Salary increments
- 1.3.5. Bonus payments
- 1.3.6. Non - monetary rewards may encompass the following:
 - 1.3.6.1. Certificates / letters of appreciation
 - 1.3.6.2. Celebration functions (e.g. 20 year service)
 - 1.3.6.3. Vice-Chancellor's Outstanding Staff Awards
 - 1.3.6.4. Formal praise or "thank you" in front of others;
 - 1.3.6.5. Short notes or formal acknowledgement (for placement on the personal file) of appreciation;
 - 1.3.6.6. Minor rewards (e.g. movie tickets, area sponsored luncheons);
 - 1.3.6.7. Developmental opportunities (e.g. opportunity to attend "higher level" meetings, attendance at conferences);
 - 1.3.6.8. More autonomy to determine how work completed;
 - 1.3.6.9. Recognition of workload (additional resources, time off once work load subsides without deduction from leave credits).



2 Definition of a Standard

- 2.1 A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement (AUQA, n.d).
- 2.2 A Standard, according to Standards Australia (2008) *provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context.*

3 Preface/Rationale

- 3.1 This Standard has been developed within a Workplace Productivity Programme (WPP) funded project with the premise that the project would support the professional practice of human resources in Australian Universities, and directly impact on the sector's capability to describe and assess better HR practice.
- 3.2 The purpose of this standard is as a national advisory standard for Australian universities. The Standard addresses quality practice in Remuneration, Benefits and Recognition (R, B & R). The Standard, and any self-assessment or audit process, facilitates an integrated approach to the achievement of a University's attraction and retention goals. They identify opportunities for improvement and to implement strategies for their achievement.
- 3.3 A standard is an agreed, repeatable way of undertaking an activity. It is a published document that contains a specification or other criteria designed to be used consistently as a rule, guideline, or definition. Standards help to increase the reliability and the effectiveness of HR activities, and assist in their evaluation or measurement. This HR Standard is designed for voluntary use and does not impose regulation (British Standards Institution, n.d.). The application of the Standard is at the prerogative of each University.
- 3.4 This HR Standard will establish the basis for "what we could expect to see in a University HR activity" for the purposes of quality assessment, performance examination, a demonstration of better human resource practice and for demonstrating to stakeholders that value for money is being achieved. It can also be used for comparative benchmarking purposes.



3.5 This Standard:

- 3.5.1 has been developed using subject matter experts
- 3.5.2 is practical, not rhetorical
- 3.5.3 has its foundation within the current literature
- 3.5.4 draws on the UK experience in similar areas (HEFCE, 2005)
- 3.5.5 incorporates internal consistency
- 3.5.6 is outcome focused
- 3.5.7 should be comprehensible to users who have not participated in its preparation.

3.6 The Standard should be used as a tool to improve the management and activity of remuneration, benefits and recognition in a University environment, and is designed to be outcome focused. It is not intended to be used as a mandated checklist but rather it can be adapted to different HR environments. It allows each university to modify the final national standard, where necessary, to cater for organisational diversity and to reflect their operating environment.

3.7 The Standard describes *evidence requirements* which indicate the type of objective evidence that an auditor/examiner would expect to find to demonstrate that a criterion is being addressed. The extent of evidence provided should be commensurate with the issue being managed and the strategy being used. (Natural Resources Commission, 2005)



- 3.8 The Standard is applicable to any Australian University that wishes to:
- 3.8.1 Develop and implement remuneration, benefits and recognition strategies in an efficient, effective and economic manner
 - 3.8.2 Address consistency and comparability with other Universities
 - 3.8.3 Assure itself that it is using quality processes
 - 3.8.4 Demonstrate such conformance to others, or
 - 3.8.5 Make a self-assessment of conformance with the Standard.
- 3.9 The structure of a Standard relies on the following framework (Victorian Auditor-General, 2008; Auditor-General of Queensland, 2007; and HEFCE, 2005):
- 3.9.1 **Inputs:** the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.
 - 3.9.2 **Processes:** the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.
 - 3.9.3 **Outputs:** the deliverables – goods and services – produced to achieve the outcomes being sought.
 - 3.9.4 **Outcomes:** the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.
 - 3.9.5 **Risks:** “...the possibility of something happening that impacts on organisational objectives” (AS/NZS 4360:2004)

For each proposed standard, an ‘Internal Consistency’ check has been undertaken to identify that:

- a. each Outcome is supported by an Output
- b. each Output has a supporting Process or Input (or both)
- c. Inputs and processes are linked to Outputs.



4 Objectives of this Standard

Strategic Objectives:

- (i) To ensure that remuneration, benefits and recognition complement the University's strategic objectives.
- (ii) To ensure that remuneration, benefits and recognition systems attract and retain employees of the appropriate skills, knowledge and experience, and motivates them to achieve organisational objectives. (adapted from IIARF – Dolenko, 1990 ; ANAO, 2002)
- (iii) To ensure that managers and HR staff value the remuneration, benefits and recognition systems.
- (iv) To ensure the University's remuneration, benefits and recognition systems promote and reinforce a commitment to equity.

Operational Objectives:

- (v) To ensure that staff are aware of, understand and value, the remuneration, benefits and recognition systems.
- (vi) To ensure that the remuneration, benefits and recognition systems acknowledge the contribution of both individual employees and groups (adapted from Stellenbosch, n.d.)
- (vii) To ensure that the remuneration, benefits and recognition systems offer the University the necessary flexibility to remain competitive in the employment market.
- (viii) To ensure that the remuneration, benefits and recognition components comply with organisational policy, relevant codes of practice, taxation law and industrial awards and agreements.



5 Inputs Criteria

Inputs: the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.

	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 1	HR staff are competent in providing advice and support on remuneration, recognition and benefits (adapted from HEFCE, 2005)	<ul style="list-style-type: none">> Survey of managers and staff> Survey of HR staff> Review learning & development plans for HR staff> Review qualifications and/or relevant experience of HR staff	<ul style="list-style-type: none">> A performance standard established by the University	>
IP 2	HR staff are competent in job evaluation (adapted from HEFCE, 2005)	<ul style="list-style-type: none">> Survey of managers and staff> Survey of HR staff> Review learning & development plans for HR staff> Review qualifications and/or relevant experience of HR staff> Monitoring and review of job evaluation outcomes for consistency and parity> Staff trained in the use of the University's job evaluation tool	<ul style="list-style-type: none">> A performance standard established by the University	>



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 3	HR staff and managers are competent in equity issues. (adapted from HEFCE, 2005)	<ul style="list-style-type: none">> Survey of managers and staff> Survey of HR staff> Review qualifications and/or relevant experience of HR staff	<ul style="list-style-type: none">> A performance standard established by the University	>
IP 4	R,B & R policies include an equity perspective	<ul style="list-style-type: none">> Involvement of Equity unit in remuneration policies (sign off)	<ul style="list-style-type: none">> A performance standard established by the University	>
IP 5	There is a documented remuneration, benefits and recognition policy and plan	<ul style="list-style-type: none">> Identify the policy and plan	<ul style="list-style-type: none">> Is it current?> Who is responsible?> A performance standard established by the University	>



6 Processes Criteria

Processes: the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.

	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 1	Regular employment market reviews are undertaken on remuneration, recognition and benefits. (adapted from HEFCE, 2005)	<ul style="list-style-type: none"> > Identify that there are employment market and/or industry reviews > Are they reviewed? > Are they conducted regularly? > Is there evidence that there is an Action Plan from the Review? > Participation in appropriate benchmarking exercise 	<ul style="list-style-type: none"> > Evidence which demonstrates that the review has been conducted. 	>
PR 2	Regular reports are produced on remuneration and benefits strategies directed towards 'hard-to-fill' positions.	<ul style="list-style-type: none"> > Review these reports > Are they produced regularly? > Are they reviewed? 	<ul style="list-style-type: none"> > Evidence which demonstrates that the reports are produced. 	>
PR 3	An equal pay review has been conducted within the last five years (HEFCE, 2005)	<ul style="list-style-type: none"> > Identify that this review has been conducted and reviewed > Strategy to address issues raised in review is developed and implemented 	<ul style="list-style-type: none"> > Evidence which demonstrates that the review has been conducted. 	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 4	Job evaluation occurs for all new and significantly changed positions (where pay is tied to position).	> Sample a range of new and significantly changed positions to identify that they have been subject to job evaluation	> 100% compliance with the standard criterion in the sample.	>
PR 5	The performance of the remuneration, recognition and benefits systems are regularly reviewed (adapted from ANAO, 2002)	> Identify the review > Identify the regularity > Is the review evaluated?	> There is a review.	>
PR 6	There is a process to facilitate staff awareness and understanding of the remuneration, recognition and benefits systems. (adapted from UWC, 2008)	> Identify that there is a process > Review the linkages between the process and the objectives > Staff survey.	> There is a process.	>
PR 7	Recognition should also be provided outside the annual performance cycle.	> Review what evidence is available of the provision of 'recognition' (as defined) > Staff survey > Focus groups	> Performance standard established by the University	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 8	Exit data is reviewed to identify the extent to which remuneration, recognition and benefits have influenced employee-initiated separation levels (adapted from ANAO, 2002)	<ul style="list-style-type: none"> > Conduct exit survey > Review exit data > Action plan/strategy developed to ensure significant issues are addressed or further explored 	<ul style="list-style-type: none"> > A performance standard established by the University 	>
PR 9	Changes in remuneration and benefits are documented correctly and approved by those with delegated authority (adapted from IIARF – Dolenko, 1990)	<ul style="list-style-type: none"> > Identify if there is a documented process for approving changes to remuneration and benefits > Sample changes to review adherence to the documented process 	<ul style="list-style-type: none"> > There is a documented process > 100% compliance in the sample 	>
PR 10	Payroll transactions and any required corrections are timely and accurate	<ul style="list-style-type: none"> > Review sample of pay runs and pay adjustments (eg under pay, over pay, higher duties, timeliness). 	<ul style="list-style-type: none"> > Majority or unanimous compliance or organisational specific > Benchmark of industry error rates that are considered acceptable 	>
PR 11	The recognition systems identify high performers	<ul style="list-style-type: none"> > Policy on reward and support systems to recognise talent > Review the provision of 'recognition' to identify if it is directed to high performers. 	<ul style="list-style-type: none"> > A performance standard established by the University 	>



7 Outputs Criteria

Outputs: the deliverables – goods and services – produced to achieve the outcomes being sought.

	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 1	There is a clear link between remuneration, recognition and benefits and strategic objectives	> Identify if relevant documentation and policies make the link clear.	> A performance standard established by the University	>
OP 2	The University has a remuneration and benefits strategy which takes into account market forces, internal relativities, organisational goals, and the organisation's capacity to pay (ANAO, 2002; IIARF – Vito, 2007)	> Confirm the existence of the strategy > Conduct regular reviews to ensure strategies consider current markets, assess internal relativities and organisation's capacity to pay. > Review the most recent Workplace Agreement to ensure this supports these strategies.	> A performance standard established by the University	>



	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 3	New and significantly changed positions are correctly classified.	<ul style="list-style-type: none">> Review the job evaluation process to identify its rigour and validation> Sample recent new and changed positions to identify if they have been evaluated and the evaluation has been validated	<ul style="list-style-type: none">> 100% result for compliance with criterion	>
OP 4	Individuals or groups are appropriately recognised for high achievement.	<ul style="list-style-type: none">> Review the provision of 'recognition' to identify if it is directed to high performers.> Clear policy on reward and support systems to recognise talent	<ul style="list-style-type: none">> A performance standard established by the University	>
OP 5	Information and analysis of discrepancies on equal pay and a plan for addressing these (HEFCE, 2005)	<ul style="list-style-type: none">> Identify that an equal pay review has been conducted in the last 5 years, and that there is a plan to address equal pay discrepancies.	<ul style="list-style-type: none">> Evidence which demonstrates that the review has been conducted	>



8 Outcomes

Outcomes: the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.

	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 1	Remuneration, benefits and recognition complement the University's strategic objectives	> Identify if relevant documentation and policies make the link clear.	> A performance standard established by the University	>
OC 2	Remuneration, benefits and recognition systems attracted and retained employees with the appropriate skills, knowledge and experience, and motivated them to achieve organisational objectives. (adapted from IIARF – Dolenko, 1990; ANAO, 2002)	> Review available data from attraction and recruitment on filled and unfilled vacancies > Review exit data for mention of remuneration, benefits or recognition as reasons for voluntary cessation > Attrition rate; unfilled vacancies; time to fill positions; requests for reclassification; number of market loadings; number of other loadings; reason for leaving on exit surveys; comparison of rates with sector and comparable areas	> A performance standard established by the University > Use of benchmarks	>



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 3	Managers were aware of, understood and valued the remuneration, benefits and recognition systems.	<ul style="list-style-type: none">> Survey of managers> Survey of HR staff> Focus groups	<ul style="list-style-type: none">> Majority satisfaction	>
OC 4	The University's remuneration, benefits and recognition systems promoted and reinforced the commitment to equity, and had no direct or indirect bias which disadvantaged particular groups.	<ul style="list-style-type: none">> Identify that the associated policy and systems reinforce the commitment to equity> Review equity complaints to identify extent of issue re remuneration> Pay rate comparisons by gender and other diversity groups (overall pay not just EB rate for each level i.e. include loadings etc)> Use of known benefits that promote equity access: flexible hours, access to child care.	<ul style="list-style-type: none">> A performance standard established by the University> Use of benchmarks	



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 5	Staff were aware of, understood and valued, the remuneration, benefits and recognition systems.	<ul style="list-style-type: none">> Survey of staff> Focus groups	<ul style="list-style-type: none">> A performance standard established by the University	>
OC 6	The remuneration, benefits and recognition systems acknowledged the contribution of both individual employees and groups (adapted from Stellenbosch, n.d.)	<ul style="list-style-type: none">> Review R,B &R policy and associated guidelines> Staff survey	<ul style="list-style-type: none">> A performance standard established by the University> Use of benchmarks	>
OC 7	The remuneration, benefits and recognition systems offered the University the necessary flexibility to remain competitive in the employment market.	<ul style="list-style-type: none">> Identify that there is a policy and associated guidelines which demonstrate a flexible approach to remuneration, benefits and recognition	<ul style="list-style-type: none">> A performance standard established by the University> Use of benchmarks	>
OC 8	The remuneration, benefits and recognition components complied with organisational policy, relevant codes of practice, taxation law and industrial awards and agreements.	<ul style="list-style-type: none">> Review the extent of compliance> Number of staff disputes; number of grievances; formal complaints to industrial bodies; results of internal audits.	<ul style="list-style-type: none">> A performance standard established by the University> Use of benchmarks	>



9 Risk Criteria

The use of this Standard assists the University to avoid or effectively manage risks associated with:

- Failure to attract and retain quality staff
- Ad hoc changes to remuneration and benefits which are not in accordance with relevant strategies
- Staff turnover from dissatisfaction with remuneration or benefits
- Difficulties in attraction and retention
- Difficulties in justifying remuneration changes in the event of grievances
- Failing to meet competitive remuneration, recognition or benefits standards.
- A high level of applications for market loadings, responsibility allowances, and reclassification requests.
- Industrial tribunal or legal cases arising from the University's remuneration, recognition or benefits systems.
- Inequitable remuneration structure
- Loss of critical skills through employee-initiated separation
- Lower staff morale
- Negative media publicity associated with the University's remuneration, recognition or benefits systems.
- Not meeting relevant compliance standards.
- Payroll rage (angry staff arising from payroll complications)
- Reduced collaborative behaviour
- Remuneration is not appropriate to responsibilities or performance
- Staff grievances
- Staff, managers and supervisors not being aware of flexible remuneration and benefits.



10 Date of Application

11 Review Date

12 Contributors

Australian National University
Edith Cowan University
La Trobe University
University of Melbourne
University of New England
University of the Sunshine Coast
University of Western Australia
Victoria University

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14 Standards Project Definitions

Accountability

A personal obligation, liability, or answerability to others for actions carried out and performance achieved; responsibility (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Assessment

To *officially* estimate the value of something (Concise Macquarie).

Assurance

An objective *examination* of evidence for the purpose of providing an independent assessment on risk management, control, or governance processes for the organisation. Examples may include financial, performance, compliance, system security, and due diligence engagements (Institute of Internal Auditors).

Attestation

One type of assurance service in which public accountants (or other professionals) issue a written communication that expresses a conclusion about the reliability of a written assertion of another party. To qualify as an attestation service, the engagement must involve written assertions on some accountability matter (Arens, Best, Shailer, Fielder, & Loebbecke, 2002).

Audit

An official *examination* and verification of records. (Concise Macquarie Dictionary).

A systematic analysis, appraisal, testing and verification of the legality, fidelity and efficiency or feasibility of proposed or completed procedures, operations, transactions, expenditures and the official records of them (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Auditing

The accumulation and evaluation of evidence about information to determine and report on the degree of correspondence between the information and established criteria (Arens et al, 2002).



Audit Report

The communication of findings to users (Arens et al, 2002).

Benchmarking

Benchmarking is the formal and structured process of searching for those practices which lead to excellent performance, the observation and exchange of information about them, their adaptation to meet the needs of one's own organisation, and the implementation of the amended practice. (Meade, 1998), (AUQA: n.d.)

Capability

Capability is a broader concept than that of competence. Capability embraces competence but is also forward-looking, concerned with the realization of potential. Capability includes but goes beyond the achievement of competence in present day situations to imagining the future and contributing to making it happen. Capability is an integration of knowledge, skills, personal qualities and understanding used appropriately and effectively - not just in familiar and highly focused specialist contexts but in response to new and changing circumstances. (Dolan, n.d.)

Certification

Official recognition that a specified status has been achieved, or that certain privilege(s) may be exercised. The same as licensing (qv). (AUQA: n.d.)

Competency

The specific knowledge, skills, abilities and behaviour applied within an occupation or industry to the standard required in employment. (University of South Australia, n.d.)

The integrated application of knowledge, skills, values, experience, contacts, external knowledge resources and tools to solve a problem, to perform an activity, or to handle a situation. (Sitthisak, Gilbert and Davis, 2007).

Criteria

A standard of judgement; an established rule or principle for testing (Concise Macquarie).



Economic

Expenditure is *economic* if it achieves the desired objective at least cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Effectiveness

A process is effective if its outcomes match the stated goals. Effectiveness is often seen as an aspect of quality (qv). (AUQA: n.d.).

Expenditure is *effective* if it achieves its objectives without taking account of cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Efficient

Efficiency refers to the cost in relation to the outcomes achieved. It is rarely possible to describe it in absolute terms. One process is more efficient than another if it achieves the same outcomes at a lower cost (AUQA: n.d.)

Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Equity

Equity refers to: the quality of being fair and just; fairness (Macquarie Dictionary of Employment & IR: 1992). Equity is considered within a context – eg: equal access; equal treatment; equal opportunity; equal pay; equal worth. In the context of developing HR standards for specific activities there is a need to examine each of the proposed standards against equity considerations.

Example: Workforce planning – care must be taken to ensure that the workforce profile selected for a future time period is not based on direct or indirect criteria that might result in gender discrimination.

Evaluation

To ascertain the value or amount of; to appraise carefully. (Concise Macquarie)

The systematic investigation of worth or merit. Criteria must be specified for determining 'worth' or 'merit'. 'Evaluation' is sometimes used as a neutral term. (Adapted from AUQA: n.d.)



Evidence

Proof; grounds for belief; that which tends to prove or disprove something. (Concise Macquarie)

Any information used by the auditor to determine whether the information being audited is stated in accordance with established criteria (Arens et al, 2002).

Evidenced Based

The conscious, explicit and judicious use of the best and current evidence in making decisions. It means integrating experience with the best available external evidence taken from systematic research. Evidence based decision making requires efficient literature-searching skills and the application of rules of evidence and logic in evaluating the research (Sackett, Rosenberg, Muir Gray, Haynes, & Richardson, 1996).

Examination

To inspect or scrutinise carefully; to interrogate; to test the knowledge, reactions or qualifications. (Concise Macquarie)

Human Resource Audit

An audit undertaken of human resource management, or within an aspect of human resource management. (Andrews, 2007)

Human Resource Performance Audit

A performance audit of human resource management, or an aspect of human resource management, to determine its effectiveness, and/or efficiency and/or economy (Andrews, 2007).

Inputs

The human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses. (Audit Office of New South Wales, 2000; Local Government Best Value Commission, n.d.)

KPI: key performance indicators

A performance indicator deemed particularly important or significant.



Measure

The act or process of ascertaining the extent, dimensions, quantity etc of something especially by comparison with a standard*; (Concise Macquarie)
In relation to a *standard* this view of the meaning of *measure* would presume the standard has a quantitative dimension.

Management Assurance

A level of assurance provided by Management alone.

Management assurance requires qualified independent validation in order to raise its perceived value to the level of independent assurance (eg audit).

Measurement

The act of measuring. (Concise Macquarie)

Outcome

The results or consequences of the actions or outputs. Outcomes may be short, intermediate, or long term. (The Audit Office of New South Wales, 2000).

Outputs

The deliverables – goods and services – produced to achieve the outcomes being sought. (Queensland Government Treasury, 2003).

Output measures

Demonstrate the contribution made by the output to the achievement of strategic goals and outcomes. Output measures are often:

- Cost: how much does the process or service cost to deliver?
- Time – whether outputs are delivered in a timely manner
- Quality – how good the output is. (Auditor General of Queensland, 2007)



Opinion

Judgement or belief resting on grounds insufficient to express certainty; a formal or professional judgement expressed; a personal view, attitude or estimation. (Concise Macquarie)

Note: Types of opinion: unqualified, qualified, adverse and disclaimer (ie insufficient competent evidence), (Siegal & Shim 2000)

Performance Indicator

A representation - numeric or otherwise - of the state of, or outcomes from, an organisation, or any of its parts or processes.

Performance indicators should be subject to informed interpretation and judgement; for example, by such assessment groups as audit panels. They are sometimes called management indicators, to suggest their purpose rather than their source. Organisational performance measures that have been developed independently tend to be weakly correlated with one another. To avoid this, they should be developed in an integrated fashion, with a common direction. (AUQA, n.d.)

Processes

The activities that generate the products and services that constitute the outputs. The actions or processes applied to convert resources into a product or service. (Department of Finance and Administration, 2000).

Proof

Evidence sufficient to establish a thing is true, or to produce belief in its truth (Concise Macquarie).

Quality

Fitness for purpose, where 'purpose' is to be interpreted broadly, to include mission, goals, objectives, specifications, and so on. This is an inclusive definition, as every organisation or activity has a purpose, even if it is not always precisely stated. Fitness for purpose' means both that an organisation has procedures in place that are appropriate for the specified purposes, and that there is evidence to show that these procedures are in fact achieving the specified purposes.

Some people criticise this definition for ignoring 'fitness of purpose', but this misses the point. Fitness of purpose must be considered at the time that objectives are defined; quality is then a matter of achieving these objectives.

Using this definition, achieving quality in education involves two steps. The first step is for institutions to set objectives that embody what is expected and required by students, employers, legislation and statutes, in addition to responding to broader issues, such as the demands arising from the characteristic nature of academic



activity and the rapid development of knowledge. The second step is for the institution to ensure that it attains its objectives. Quality is related to standards if the objectives include explicit specification of levels of attainment. (AUQA, n.d.)

Quality Audit

'Quality audit' is defined as 'a systematic and independent examination to determine whether activities and related results comply with planned arrangements and whether these arrangements are implemented effectively and are suitable to achieve objectives' (Standards Australia & Standards New Zealand Joint Technical Committee QR/7 1994). This definition has been adopted by AUQA as the foundation of its approach to audit (AUQA, n.d.).

A 'quality audit' must be distinguished from an 'audit' conducted by a qualified auditor operating under a professional audit framework and within the Australian Auditing Standards.

Review

An institution (or any part thereof) may be reviewed for any purpose, and the term 'review' can embrace a checking mechanism, whether it be assessment, audit or accreditation, internal or external, and so on. Care must be taken when using the term to differentiate the activity from a professional audit (AUQA, n.d.).

Risk

Risk is the likelihood that some peril may actually occur to produce a loss, that is, risk is the degree to which an organization is exposed to the loss of its resources.

A risk is defined by the Australia/New Zealand Standard for Risk Management (AS/NZS 4360:2004) as

"...the possibility of something happening that impacts on organisational objectives. It is the chance to either make a gain or a loss. It is measured in terms of likelihood and consequence."

Risk is anything that threatens or limits the ability of a project to achieve its goal, objectives, or the production of project deliverables.

Risk Management

The Australian / New Zealand Risk Management Standard, AS/NZS 4360: defines risk management as: *"the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects"*.

Risk management is a process of thinking systematically about all possible undesirable outcomes before they happen and setting up procedures that will avoid them, minimise or cope with their impact.



Risk management involves establishing an appropriate risk management infrastructure and culture, and applying logical and systematic risk management processes to all stages in the life cycle of any activity, function or operation that includes risk. By minimising losses and maximising gains, risk management enables the University to best meet its organisational objectives.

Self-audit

An oxymoron; the correct term is self-assessment (or self-review or self-evaluation). Audit, by its very nature, cannot be 'self', as it lacks independence.

Self-review

Self-review can be an ongoing process that is built into all activities in a sense of continuous improvement; it might be an ongoing process that leads to a report to the governing body for confirmation or redirection; it might be a long event that leads to major change; it might be a brief event that provides a snapshot for comparison with an earlier snapshot; and so on. (AUQA Audit Manual, Version 3.0, section 2.4.2). May also be called self-evaluation but never self-audit (Andrews, 2007).

Standard

Anything taken by general consent as a basis of comparison; an approved model; a level of quality which is regarded as normal, adequate or acceptable (Concise Macquarie).

A norm or model adopted by general consent as a basis for comparison eg against which to measure individual or organisational achievements or procedures, or as a target to be aimed at (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement. One function of standards is to measure the criteria by which quality may be judged. Although standards are necessary, they are difficult to determine (AUQA, n.d).

The term 'standard' is also often used to refer to:

- Factors for evaluating performance
- Normative characteristics
- Best practice exemplars.

Quality is related to standards if the objectives include explicit specification of levels of attainment. (AUQA, n.d.)



Standards Project for University Human Resources (Aust)

These standards should reflect what we 'would expect to see' at a university human resource function in Australia. (NB: A university or group of universities may also have organisational specific or group HR standards).

Validation

The independent checking of a process. The term is sometimes used to denote the accreditation of a program (as distinct from a whole institution) (AUQA, n.d).

Value

Estimated or assigned worth (Concise Macquarie).

Value for Money

Auditors and economists (at least in the public sector) consider an activity to be worthwhile if it gives 'value for money'. This means that an activity must be *effective, economic and efficient* (the three Es).

Note:

- a) Expenditure is *effective* if it achieves its objectives without taking account of cost,
- b) Expenditure is *economic* if it achieves the desired objective at least cost, and
- c) Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)
- d) While equity would normally be considered as a sub-set of the specification of effectiveness it may also be useful to explicitly add equity as a criteria for reference. This changes the value-for-money criteria to *effectiveness, efficiency, economy and equity* (the four E's).

Verify

To prove something to be true by evidence or testimony. (Concise Macquarie)

Verification

The act of verifying. (Concise Macquarie)



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National Advisory Standards for the Professional Practice of HR in Australian Universities

Standard: 3.0

Activity Area: Workforce Planning

Workforce planning is a continuous process of identifying human capital requirements to meet future organisational goals. This is achieved by: (1) facilitating alignment of the organisation's investment in people with its stated objectives, (2) developing the strategies, methodologies and processes to address those requirements, and (3) ongoing conversations between the workforce planners and line managers.

Workforce planning is not:

1. headcount planning or budgeting.
2. determining the organisation's establishment.
3. allocating staff numbers to particular locations
4. simply concerned with rostering. [Rostering is an operational allocation of resources currently available].
5. a one-time endeavour.

Workforce management, the implementation of the workforce plan, is a line management responsibility

This standard assumes that a Capability Framework is not standard practice in the Higher Education Sector.



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1 Definition of a Standard

- 1.1 A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement (AUQA, n.d).
- 1.2 A Standard, according to Standards Australia (2008) *provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context.*

2 Preface/Rationale

- 2.1 This Standard has been developed within a Workplace Productivity Programme (WPP) funded project with the premise that the project would support the professional practice of human resources in Australian Universities, and directly impact on the sector's capability to describe and assess better HR practice.
- 2.2 The purpose of this standard is as a national advisory standard for Australian universities. The Standard addresses quality practice in Workforce Planning. The Standard, and any self-assessment or audit process, facilitates an integrated approach to the achievement of a University's strategic goals.
- 2.3 A standard is an agreed, repeatable way of undertaking an activity. It is a published document that contains a specification or other criteria designed to be used consistently as a rule, guideline, or definition. Standards help to increase the reliability and the effectiveness of HR activities, and assist in their evaluation or measurement. This HR Standard is designed for voluntary use and does not impose regulation (British Standards Institution, n.d.). The application of the Standard is at the prerogative of each University.
- 2.4 This HR Standard will establish the basis for "what we could expect to see in a University HR activity" for the purposes of quality assessment, performance examination, a demonstration of better human resource practice and for demonstrating to stakeholders that value for money is being achieved. It can also be used for comparative benchmarking purposes.



2.5 This Standard:

- 2.5.1 has been developed using subject matter experts
- 2.5.2 is practical, not rhetorical
- 2.5.3 has its foundation within the current literature
- 2.5.4 draws on the UK experience in similar areas (HEFCE, 2005)
- 2.5.5 incorporates internal consistency
- 2.5.6 is outcome focused
- 2.5.7 should be comprehensible to users who have not participated in its preparation.

2.6 The Standard should be used as a tool to improve the management and activity of workforce planning in a University environment, and is designed to be outcome focused. It is not intended to be used as a mandated checklist but rather it can be adapted to different HR environments. It allows each university to modify the final national standard, where necessary, to cater for organisational diversity and to reflect their operating environment.

2.7 The Standard describes *evidence requirements* which indicate the type of objective evidence that an auditor/examiner could expect to find to demonstrate that a criterion is being addressed. The extent of evidence provided should be commensurate with the issue being managed and the strategy being used. (Natural Resources Commission, 2005)



- 2.8 The Standard is applicable to any Australian University that wishes to:
- 2.8.1 Develop and implement workforce planning strategies in an efficient, effective and economic manner
 - 2.8.2 Address consistency and comparability with other Universities
 - 2.8.3 Assure itself that it is using quality processes
 - 2.8.4 Demonstrate such conformance to others, or
 - 2.8.5 Make a self-assessment of conformance with the Standard.
- 2.9 The structure of a Standard relies on the following framework (Victorian Auditor-General, 2008; Auditor-General of Queensland, 2007; and HEFCE, 2005):
- 2.9.1 **Inputs:** the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.
 - 2.9.2 **Processes:** the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.
 - 2.9.3 **Outputs:** the deliverables – goods and services – produced to achieve the outcomes being sought.
 - 2.9.4 **Outcomes:** the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.
 - 2.9.5 **Risks:** “...the possibility of something happening that impacts on organisational objectives” (AS/NZS 4360:2004)

For each proposed standard, an ‘Internal Consistency’ check has been undertaken to identify that:

- a. each Outcome is supported by an Output
- b. each Output has a supporting Process or Input (or both)
- c. Inputs and processes are linked to Outputs.



3 Objectives of this Standard

Strategic Objectives:

- (i) To ensure that there is an alignment and evidence based linkage between the University's human capital and its strategic goals. (Adapted from Standards Australia, 2004)
- (ii) To enable the University to manage human capital more efficiently (adapted from Young, 2006)
- (iii) To ensure that Workforce planning develops an organisation's workforce over time to enable the delivery of organisational objectives. (Adapted from Auditor General of Queensland, 2006)
- (iv) To ensure a highly engaged workforce, reflecting the desired capability profile and a university that is considered to be an employer of choice for high performing staff.

Operational Objectives:

- (v) To ensure the University has the right people in the right places at the right time and at the right price to execute its business strategy. (Young, 2006)
- (vi) To ensure that Workforce planning and decision making is supported by evidence based data (Adapted from HEFCE, 2005)
- (vii) The University demonstrates action and maintenance towards its own diversity objectives and targets (Adapted from HEFCE, 2005)



4 Inputs Criteria

Inputs: the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.

	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 1	The University has the skills and systems to collect and analyse organisational workforce data (adapted from HEFCE, 2005)	<ul style="list-style-type: none"> * Review competencies of staff focussing on workforce planning * Review technology, systems, processes used to gather and analyse workforce data * Review quality and completeness of data 	<ul style="list-style-type: none"> * The workforce data systems provide accurate and complete data. * Workforce planning staff participate in regular professional development. 	>
IP 2	The University has managers able to use workforce data effectively (HEFCE, 2005)	> Evidence of provision of support for managers. For example, through notes, guides and training.	> HR reporting systems produce relevant and easily understood data. Adequate training is provided in the interpretation and use of the reports. For example, 100% of senior leaders trained x% of middle and emerging managers trained.	>
IP 3	Relevant staff and stakeholders understand their role in the overall workforce planning framework (Standards Australia, 2004)	<ul style="list-style-type: none"> * Survey or interview relevant staff and stakeholders * Roles are specified in documentation 	* Majority result for relevant staff and stakeholders	>



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 4	There is a clearly identified accountability or accountability arrangement to manage the workforce planning processes (adapted from Standards Australia, 2004)	<ul style="list-style-type: none"> * Confirm accountability * Review a sample of staff to determine awareness of the accountability 	<ul style="list-style-type: none"> * The accountability is widely understood * Majority result 	>
IP 5	There is a common language to describe competencies, jobs and other workforce data (Young, 2006)	<ul style="list-style-type: none"> * Identify availability and currency of any data dictionary associated with workforce planning 	<ul style="list-style-type: none"> * A performance standard established by the University * It is readily available and widely understood 	>
IP 6	Valid, reliable data is collected and available in a timely manner (SSA, 2006)	<ul style="list-style-type: none"> * Review workforce data * Review technology, QA data, systems, processes used to collect, store and access workforce data 	> Valid, reliable data is collected and available in a timely manner	>
IP 7	There is senior management support for workforce planning (SSA, 2006)	<ul style="list-style-type: none"> * Survey relevant staff and stakeholders involved in the workforce planning process * Evidence of senior management support for workforce planning in business plans and objectives. 	> Accountability understood by 90% of senior university leaders	>



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 8	Benchmark data is available, utilised (SSA, 2006), analysed and communicated.	> Review availability and use of benchmark data	> Extensive use of benchmark data wherever possible.	>
IP 9	Data is collected on all elements of the workforce including the contingent workforce i.e.volunteer (honorary, adjunct unpaid), contractor and casual	> Human capital database and workforce reports include information on the entire workforce	> Human capital database and workforce reports include information on the entire workforce	>



5 Processes Criteria

Processes: the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.

	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 1	Workforce planning is influenced by changes in strategic objectives and priorities, technological change, changes to legislation, new or revised services or programs, or changes in service delivery (Dolenko, 1990)	> Regular reviews and adjustments made to workforce plans and strategies, including clear statements of assumptions and formulas.	* A performance standard established by the University * Regularity of reviews to update workforce plans * Responses to internal and external factors are reflected in annual planning documents	>
PR 2	Workforce planning is integrated with business and budget planning (Young, 2006)	> Planning and budget documents include workforce considerations and assumptions	> Workforce planning is integrated with business and budget planning	>
PR 3	Forecasting models are based on appropriate and documented assumptions to ensure rigorous estimation of future workforce supply and demand. (Auditor General of Queensland, 2006)	> Evidence of assumptions used in forecasting models (human capital database may not be the forecasting tool)	* Reporting on workforce planning progress includes assessment of the forecasting model * Forecasting models are based on appropriate and documented assumptions.	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 4	The external environment is scanned for issues impacting on the university and its workforce (Auditor General Victoria, 2004) using an analysis of the social, technological, environmental and political (STEP) factors	> Evidence of regular scanning of the external environment	> The external environment is scanned for issues impacting on the University's workforce planning. Best practice: continual scanning. Minimum standard: annual scan	>
PR 5	Critical roles and strategic workforce segments are identified. (Auditor General Victoria, 2004)	> Listing of critical roles and strategic workforce segments	> Critical roles and strategic workforce segments are identified.	>
PR 6	The University assesses the competencies and skills of the workforce to analyse the differences between the current and desired competency profile. (ANAO, 2005)	> Identify that there is a process to identify actual and desired competencies and skills	> The University assesses the competencies and skills of the workforce to analyse the differences between the current and desired competency profile. This process includes the level of the lowest business unit	>
PR 7	The capability of individuals and the workforce is continually assessed through a talent review process that is supported by performance data. (Auditor General Victoria, 2004)	> Identify that there is a process to capture and record capability.	> The capability of individuals and the workforce is regularly assessed through a talent review process.	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 8	The University ensures managers have the knowledge and skills to use workforce data	> Identify that managers have the skills to use workforce data through survey, testing or observation.	> A performance standard established by the University. For example, appropriate skills across 80% of managers.	>
PR 9	The workforce planning process is communicated to all levels of the University, highlighting the benefits it will bring to employees as well as the organisation as a whole (Standards Australia, 2004)	* Review the university's workforce planning process: is it documented? In an accessible location? Includes relevant stakeholders? * Review the communication of the workforce planning process and how widely it is communicated.	> The workforce planning process is communicated to all levels of the University. It may be available on the University intra-internet.	>
PR 10	Managers at all levels are held accountable for the outcomes of the workforce planning process as part of their business planning. (Auditor General Victoria, 2004)	> Review the University's workforce planning process: Are managers accountable for the outcomes of the workforce planning process?	> Managers at all levels are held accountable for the outcomes of the workforce planning process. This may form part of the annual professional development review process.	>
PR 11	Longer term planning and forecasting should strategically approach future trends and not be conducted on a reactive basis. (Auditor General Queensland, 2006)	> The long term plans and forecasts take into account future trends and not just historic data	> Future trends used in long term plans and forecasts	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 12	Universities have adequate systems and processes in place to capture and maintain appropriate and meaningful data to support workforce planning. (Auditor General of Queensland, 2006)	> Review of HR system, including clear statements of assumptions and formulas.	> There are adequate systems and processes in place to capture and maintain appropriate and meaningful data to support workforce planning.	>
PR 13	Identifiable risks and impacts are considered and managed to maximise efficiency and effectiveness, ensure success and avoid, minimise or control adverse impacts.	> Identify that risks associated with workforce planning processes and initiatives have been documented and risk mitigation strategies adopted	> Risks associated with workforce planning processes and initiatives have been identified, documented and managed. Best practice: Workforce risk plans completed on an annual basis at all levels of the University and reviewed quarterly. Minimum standard : Workforce risk plans undertaken at a top level annually.	>
PR 14	There is monitoring and reporting of progress towards organisational workforce planning objectives, including those relating to EEO.	> Identify that there is a system and process to monitor progress of workforce planning initiatives.	> There is monitoring and reporting of progress towards organisational workforce planning objectives. Progress is monitored regularly and reported quarterly at a university wide level.	>



6 Outputs Criteria

Outputs: the deliverables – goods and services – produced to achieve the outcomes being sought.

	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 1	Workforce data that is accurate and up to date (adapted from HEFCE, 2005) and available in an accessible way.	> Review of human capital database, including clear statements of assumptions and formulas.	> Best practice: workforce data is updated in real time and is accessible to managers when required. Min std: Inaccuracies in data are identified and the limitations described.	>
OP 2	Clear projections on future staffing and the composition of the workforce (adapted from HEFCE, 2005 and Dolenko, 1990)	> Review of the workforce planning output	> There are clear projections on future staffing and the composition of the workforce	>
OP 3	A workforce plan that meets relevant EEO requirements (adapted from HEFCE, 2005)	> Review of the workforce planning output	> A workforce plan that meets relevant compliance requirements. For example, Workforce plans include compliance with EEO requirements	>



	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 4	A workforce plan that has strategies for improving diversity in the University (adapted from HEFCE, 2005)	> Review of the workforce planning strategy and policy	> A workforce plan that has strategies for improving diversity in the University.	>
OP 5	There are equal opportunity policies and procedures supporting diversity (HEFCE, 2005)	> Review of the workforce planning strategy and policy	> Best practice: Equal opportunity policy is reflected in plans at all levels. Minimum standard: EEO policies are reflected in University wide, high level workforce plan.	>
OP 6	Workforce data informs succession planning (adapted from HEFCE, 2005)	> Review linkage between workforce planning data and succession planning	> Workforce data informs succession planning.	>
OP 7	A workforce plan that has strategies for meeting the business objectives of the University.	> Review of the workforce planning strategy and policy and clear connection to university directions/objectives	> Best practice: Integrated workforce plans exist across the University targetted at achieving the business objectives of the university in the short and long term. Min standard: A university -wide workforce plan identifies the key workforce strategies required to meet the University's objectives.	>



7 Outcomes

Outcomes: the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.

	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 1	There was alignment and clear evidence based linkage between the University's human capital and its strategic goals. (Adapted from Standards Australia, 2004)	> Identify corporate objectives and plans and documented evidence of the linkages to the University's human capital goals. This may include evidence of recruitment, capability building and scenario planning.	> Clear evidence of linkages. For example: Workforce strategies match job design, position profiles, selection criteria, learning & professional development programs. Demonstrable progress towards workforce profiles detailed in workforce strategies (university specific, eg, age, qualification, EEO etc)	>
OC 2	The University managed its human capital efficiently (adapted from Young, 2006)	> Review the extent to which metrics assess efficiency of human capital management initiatives.	> Reports demonstrate efficiency of human capital management efforts	>



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 3	The University's workforce plan enabled the delivery of organisational objectives. (Adapted from Auditor General of Queensland, 2006)	> Identify corporate objectives and documented evidence of the linkages to the University's human capital goals at short, medium and long term scales.	> Clear evidence of linkages, and clear evidence of short, medium and long term workforce plans	
OC 4	A highly engaged workforce, reflecting the desired capability profile and a university that is considered to be an employer of choice for high performing staff.	> Application rates for vacancies, staff engagement surveys, staff climate survey.	> A performance standard established by the University. For example: average application rate benchmarks in the top 50th percentile. Staff Engagement rate benchmarks in the top 50th percentile of universities	>
OC 5	The University had the right people in the right places at the right time and at the right price to execute its business strategy. (Young, 2006)	> Review the extent to which University and HR metrics, and qualitative analysis, assess effectiveness, efficiency and economy of workforce planning initiatives.	> Reports demonstrate extent of progress towards workforce planning objectives. For example, reduced time to fill vacant positions; retention rates at various levels	>



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 6	Workforce planning and decision making was supported by evidence based data (Adapted from HEFCE, 2005)	> Review of HR system and other data sources, including clear statements of assumptions and formulas.	> A performance standard established by the University. For example, the HR system provides timely and accurate data to support decision making	>
OC 7	The University demonstrated action towards its own equity and diversity objectives and targets (adapted from HEFCE, 2005)	> Review of equity and diversity policy, objectives and targets, and documented management reports of progress towards those objectives and targets.	> Reports demonstrate extent of progress towards workforce planning objectives; there is evidence these reports are reviewed.	>



8 Risk Criteria

The use of this Standard assists the University to avoid or effectively manage risks associated with:

- Insufficient workforce data limiting the ability to plan fully and effectively (HEFCE, 2005)
- Having, or being seen as having, poor representation of nominated target groups. (adapted from HEFCE, 2005). Targets are established at a University level.
- Reputational risk associated with the quality and quantity of staff
- Inability to achieve strategic goals
- Inability to achieve operational goals
- Inefficient, ineffective management of human capital
- A workforce that is inflexible and does not have the necessary capabilities to deliver future services (i.e. teaching, research or administration) necessary for the University to achieve its goals
- An inability to attract and retain high quality staff.
- Learning and development resources being funnelled to activities which do not support the strategic goals of the institution.
- Under-utilisation of staff
- Increased staffing costs
- Loss of corporate knowledge as a result of key staff departures.
- Increased reliance on a contingent work force.
- Uncompetitive remuneration structures.
- Inability to meet community and/or government expectations re number and/or quality of graduates.
- Lack of preparedness for operating contingencies.
- Inability to plan (adequately) for associated capital expenditure.
- Inability to adapt to new or changing conditions.
- Inability to match staff numbers to fluctuating student load while maintaining quality



9 Date of Application

10 Review Date

11 Contributors

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Charles Sturt University
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Monash University
University of New England
University of Newcastle
University of the Sunshine Coast
University of Western Australia

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13 Standards Project Definitions

Accountability

A personal obligation, liability, or answerability to others for actions carried out and performance achieved; responsibility (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Assessment

To *officially* estimate the value of something (Concise Macquarie).

Assurance

An objective *examination* of evidence for the purpose of providing an independent assessment on risk management, control, or governance processes for the organisation. Examples may include financial, performance, compliance, system security, and due diligence engagements (Institute of Internal Auditors).

Attestation

One type of assurance service in which public accountants (or other professionals) issue a written communication that expresses a conclusion about the reliability of a written assertion of another party. To qualify as an attestation service, the engagement must involve written assertions on some accountability matter (Arens, Best, Shailer, Fielder, & Loebbecke, 2002).

Audit

An official *examination* and verification of records. (Concise Macquarie Dictionary).

A systematic analysis, appraisal, testing and verification of the legality, fidelity and efficiency or feasibility of proposed or completed procedures, operations, transactions, expenditures and the official records of them (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Auditing

The accumulation and evaluation of evidence about information to determine and report on the degree of correspondence between the information and established criteria (Arens et al, 2002).



Audit Report

The communication of findings to users (Arens et al, 2002).

Benchmarking

Benchmarking is the formal and structured process of searching for those practices which lead to excellent performance, the observation and exchange of information about them, their adaptation to meet the needs of one's own organisation, and the implementation of the amended practice. (Meade, 1998), (AUQA: n.d.)

Capability

Capability is a broader concept than that of competence. Capability embraces competence but is also forward-looking, concerned with the realization of potential. Capability includes but goes beyond the achievement of competence in present day situations to imagining the future and contributing to making it happen. Capability is an integration of knowledge, skills, personal qualities and understanding used appropriately and effectively - not just in familiar and highly focused specialist contexts but in response to new and changing circumstances. (Dolan, n.d.)

Certification

Official recognition that a specified status has been achieved, or that certain privilege(s) may be exercised. The same as licensing (qv). (AUQA: n.d.)

Competency

The specific knowledge, skills, abilities and behaviour applied within an occupation or industry to the standard required in employment. (University of South Australia, n.d.)

The integrated application of knowledge, skills, values, experience, contacts, external knowledge resources and tools to solve a problem, to perform an activity, or to handle a situation. (Sitthisak, Gilbert and Davis, 2007).

Criteria

A standard of judgement; an established rule or principle for testing (Concise Macquarie).



Economic

Expenditure is *economic* if it achieves the desired objective at least cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Effectiveness

A process is effective if its outcomes match the stated goals. Effectiveness is often seen as an aspect of quality (qv). (AUQA: n.d.).

Expenditure is *effective* if it achieves its objectives without taking account of cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Efficient

Efficiency refers to the cost in relation to the outcomes achieved. It is rarely possible to describe it in absolute terms. One process is more efficient than another if it achieves the same outcomes at a lower cost (AUQA: n.d.)

Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Equity

Equity refers to: the quality of being fair and just; fairness (Macquarie Dictionary of Employment & IR: 1992). Equity is considered within a context – eg: equal access; equal treatment; equal opportunity; equal pay; equal worth. In the context of developing HR standards for specific activities there is a need to examine each of the proposed standards against equity considerations.

Example: Workforce planning – care must be taken to ensure that the workforce profile selected for a future time period is not based on direct or indirect criteria that might result in gender discrimination.

Evaluation

To ascertain the value or amount of; to appraise carefully. (Concise Macquarie)

The systematic investigation of worth or merit. Criteria must be specified for determining 'worth' or 'merit'. 'Evaluation' is sometimes used as a neutral term. (Adapted from AUQA: n.d.)



Evidence

Proof; grounds for belief; that which tends to prove or disprove something. (Concise Macquarie)

Any information used by the auditor to determine whether the information being audited is stated in accordance with established criteria (Arens et al, 2002).

Evidenced Based

The conscious, explicit and judicious use of the best and current evidence in making decisions. It means integrating experience with the best available external evidence taken from systematic research. Evidence based decision making requires efficient literature-searching skills and the application of rules of evidence and logic in evaluating the research (Sackett, Rosenberg, Muir Gray, Haynes, & Richardson, 1996).

Examination

To inspect or scrutinise carefully; to interrogate; to test the knowledge, reactions or qualifications. (Concise Macquarie)

Human Resource Audit

An audit undertaken of human resource management, or within an aspect of human resource management. (Andrews, 2007)

Human Resource Performance Audit

A performance audit of human resource management, or an aspect of human resource management, to determine its effectiveness, and/or efficiency and/or economy (Andrews, 2007).

Inputs

The human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses. (The Audit Office of New South Wales, 2000; Local Government Best Value Commission, n.d.)

KPI: key performance indicators

A performance indicator deemed particularly important or significant.



Measure

The act or process of ascertaining the extent, dimensions, quantity etc of something especially by comparison with a standard*; (Concise Macquarie)
In relation to a *standard* this view of the meaning of *measure* would presume the standard has a quantitative dimension.

Management Assurance

A level of assurance provided by Management alone.

Management assurance requires qualified independent validation in order to raise its perceived value to the level of independent assurance (eg audit).

Measurement

The act of measuring. (Concise Macquarie)

Outcome

The results or consequences of the actions or outputs. Outcomes may be short, intermediate, or long term. (The Audit Office of New South Wales, 2000).

Outputs

The deliverables – goods and services – produced to achieve the outcomes being sought. (Queensland Government Treasury, 2003).

Output measures

Demonstrate the contribution made by the output to the achievement of strategic goals and outcomes. Output measures are often:

- Cost: how much does the process or service cost to deliver?
- Time – whether outputs are delivered in a timely manner
- Quality – how good the output is. (Auditor General of Queensland, 2007)

Opinion

Judgement or belief resting on grounds insufficient to express certainty; a formal or professional judgement expressed; a personal view, attitude or estimation. (Concise Macquarie)

Note: Types of opinion: unqualified, qualified, adverse and disclaimer (ie insufficient competent evidence), (Siegal & Shim 2000)



Performance Indicator

A representation - numeric or otherwise - of the state of, or outcomes from, an organisation, or any of its parts or processes.

Performance indicators should be subject to informed interpretation and judgement; for example, by such assessment groups as audit panels. They are sometimes called management indicators, to suggest their purpose rather than their source. Organisational performance measures that have been developed independently tend to be weakly correlated with one another. To avoid this, they should be developed in an integrated fashion, with a common direction. (AUQA, n.d.)

Processes

The activities that generate the products and services that constitute the outputs. The actions or processes applied to convert resources into a product or service. (Department of Finance and Administration, 2000).

Proof

Evidence sufficient to establish a thing is true, or to produce belief in its truth (Concise Macquarie).

Quality

Fitness for purpose, where 'purpose' is to be interpreted broadly, to include mission, goals, objectives, specifications, and so on. This is an inclusive definition, as every organisation or activity has a purpose, even if it is not always precisely stated. Fitness for purpose' means both that an organisation has procedures in place that are appropriate for the specified purposes, and that there is evidence to show that these procedures are in fact achieving the specified purposes.

Some people criticise this definition for ignoring 'fitness of purpose', but this misses the point. Fitness of purpose must be considered at the time that objectives are defined; quality is then a matter of achieving these objectives.

Using this definition, achieving quality in education involves two steps. The first step is for institutions to set objectives that embody what is expected and required by students, employers, legislation and statutes, in addition to responding to broader issues, such as the demands arising from the characteristic nature of academic activity and the rapid development of knowledge. The second step is for the institution to ensure that it attains its objectives. Quality is related to standards if the objectives include explicit specification of levels of attainment. (AUQA, n.d.)



Quality Audit

'Quality audit' is defined as 'a systematic and independent examination to determine whether activities and related results comply with planned arrangements and whether these arrangements are implemented effectively and are suitable to achieve objectives' (Standards Australia & Standards New Zealand Joint Technical Committee QR/7 1994). This definition has been adopted by AUQA as the foundation of its approach to audit (AUQA, n.d.).

A 'quality audit' must be distinguished from an 'audit' conducted by a qualified auditor operating under a professional audit framework and within the Australian Auditing Standards.

Review

An institution (or any part thereof) may be reviewed for any purpose, and the term 'review' can embrace a checking mechanism, whether it be assessment, audit or accreditation, internal or external, and so on. Care must be taken when using the term to differentiate the activity from a professional audit (AUQA, n.d.).

Risk

Risk is the likelihood that some peril may actually occur to produce a loss, that is, risk is the degree to which an organization is exposed to the loss of its resources.

A risk is defined by the Australia/New Zealand Standard for Risk Management (AS/NZS 4360:2004) as

"...the possibility of something happening that impacts on organisational objectives. It is the chance to either make a gain or a loss. It is measured in terms of likelihood and consequence."

Risk is anything that threatens or limits the ability of a project to achieve its goal, objectives, or the production of project deliverables.

Risk Management

The Australian / New Zealand Risk Management Standard, AS/NZS 4360: defines risk management as: *"the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects"*.

Risk management is a process of thinking systematically about all possible undesirable outcomes before they happen and setting up procedures that will avoid them, minimise or cope with their impact.

Risk management involves establishing an appropriate risk management infrastructure and culture, and applying logical and systematic risk management processes to all stages in the life cycle of any activity, function or operation that includes risk. By minimising losses and maximising gains, risk management enables the University to



best meet its organisational objectives.

Self-audit

An oxymoron; the correct term is self-assessment (or self-review or self-evaluation). Audit, by its very nature, cannot be 'self', as it lacks independence.

Self-review

Self-review can be an ongoing process that is built into all activities in a sense of continuous improvement; it might be an ongoing process that leads to a report to the governing body for confirmation or redirection; it might be a long event that leads to major change; it might be a brief event that provides a snapshot for comparison with an earlier snapshot; and so on. (AUQA Audit Manual, Version 3.0, section 2.4.2). May also be called self-evaluation but never self-audit (Andrews, 2007).

Standard

Anything taken by general consent as a basis of comparison; an approved model; a level of quality which is regarded as normal, adequate or acceptable (Concise Macquarie).

A norm or model adopted by general consent as a basis for comparison eg against which to measure individual or organisational achievements or procedures, or as a target to be aimed at (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement. One function of standards is to measure the criteria by which quality may be judged. Although standards are necessary, they are difficult to determine (AUQA, n.d).

The term 'standard' is also often used to refer to:

- Factors for evaluating performance
- Normative characteristics
- Best practice exemplars.

Quality is related to standards if the objectives include explicit specification of levels of attainment. (AUQA, n.d.)

Standards Project for University Human Resources (Aust)

These standards should reflect what we 'would expect to see' at a university human resource function in Australia. (NB: A university or group of universities may also have organisational specific or group HR standards).



Validation

The independent checking of a process. The term is sometimes used to denote the accreditation of a program (as distinct from a whole institution) (AUQA, n.d).

Value

Estimated or assigned worth (Concise Macquarie).

Value for Money

Auditors and economists (at least in the public sector) consider an activity to be worthwhile if it gives 'value for money'. This means that an activity must be *effective, economic and efficient* (the three Es).

Note:

- a) Expenditure is *effective* if it achieves its objectives without taking account of cost,
- b) Expenditure is *economic* if it achieves the desired objective at least cost, and
- c) Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)
- d) While equity would normally be considered as a sub-set of the specification of effectiveness it may also be useful to explicitly add equity as a criteria for reference. This changes the value-for-money criteria to *effectiveness, efficiency, economy and equity (the four E's)*.

Verify

To prove something to be true by evidence or testimony. (Concise Macquarie)

Verification

The act of verifying. (Concise Macquarie)



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National Advisory Standards for the Professional Practice of HR in Australian Universities

Standard: 4.0

Activity Area: Attraction and Selection

The Standard, and any self-assessment or audit process, facilitates an integrated approach to the achievement of a University's strategic, attraction and selection goals.

For the purposes of this Advisory Standard:

Attraction is the process of developing a recruitment strategy that draws attention to the University as a potential employer of choice.

Recruitment is searching for and obtaining potential job candidates in sufficient numbers and quality so that the organisation can select the most appropriate people to fill its job needs. (Dowling and Schuler, 1990).

Selection is the process of gathering information, assessing applicant suitability and making decisions about applicant appointability for positions within the University (in relation to the selection criteria and outcomes required for the position).



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1 Definition of a Standard

- 1.1 A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement (AUQA, n.d).
- 1.2 A Standard, according to Standards Australia (2008) *provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context.*

2 Preface/Rationale

- 2.1 This Standard has been developed within a Workplace Productivity Programme (WPP) funded project with the premise that the project would support the professional practice of human resources in Australian Universities, and directly impact on the sector's capability to describe and assess better HR practice.
- 2.2 The purpose of this standard is as a national advisory standard for Australian universities. The Standard addresses quality practice in Attraction, Recruitment and Selection. The Standard, and any self-assessment or audit process, facilitates an integrated approach to the achievement of a University's strategic, attraction and selection goals. They identify opportunities for improvement and to implement strategies for their achievement.
- 2.3 A standard is an agreed, repeatable way of undertaking an activity. It is a published document that contains a specification or other criteria designed to be used consistently as a rule, guideline, or definition. Standards help to increase the reliability and the effectiveness of HR activities, and assist in their evaluation or measurement. This HR Standard is designed for voluntary use and does not impose regulation (British Standards Institution, n.d.). The application of the Standard is at the prerogative of each University.
- 2.4 This HR Standard will establish the basis for "what we could expect to see in a University HR activity" for the purposes of quality assessment, performance examination, a demonstration of better human resource practice and for demonstrating to stakeholders that value for money is being achieved. It can also be used for comparative benchmarking purposes.



2.5 This Standard:

- 2.5.1 has been developed using subject matter experts
- 2.5.2 is practical, not rhetorical
- 2.5.3 has its foundation within the current literature
- 2.5.4 draws on the UK experience in similar areas (HEFCE, 2005)
- 2.5.5 incorporates internal consistency
- 2.5.6 is outcome focused
- 2.5.7 should be comprehensible to users who have not participated in its preparation.

2.6 The Standard should be used as a tool to improve the management and activity of attraction, recruitment and selection in a University environment, and is designed to be outcome focused. It is not intended to be used as a mandated checklist but rather it can be adapted to different HR environments. It allows each university to modify the final national standard, where necessary, to cater for organisational diversity and to reflect their operating environment.

2.7 The Standard describes *evidence requirements* which indicate the type of objective evidence that an auditor/examiner could expect to find to demonstrate that a criterion is being addressed. The extent of evidence provided should be commensurate with the issue being managed and the strategy being used. (Natural Resources Commission, 2005)



2.8 The Standard is applicable to any Australian University that wishes to:

- 2.8.1 Develop and implement attraction and selection strategies in an efficient, effective and economic manner
- 2.8.2 Address consistency and comparability with other Universities
- 2.8.3 Assure itself that it is using quality processes
- 2.8.4 Demonstrate such conformance to others, or
- 2.8.5 Make a self-assessment of conformance with the Standard.

2.9 The structure of a Standard relies on the following framework (Victorian Auditor-General, 2008; Auditor-General of Queensland, 2007; and HEFCE, 2005):

- 2.9.1 **Inputs:** the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.
- 2.9.2 **Processes:** the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.
- 2.9.3 **Outputs:** the deliverables – goods and services – produced to achieve the outcomes being sought.
- 2.9.4 **Outcomes:** the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.
- 2.9.5 **Risks:** “...the possibility of something happening that impacts on organisational objectives” (AS/NZS 4360:2004)

For each proposed standard, an ‘Internal Consistency’ check has been undertaken to identify that:

- a. each Outcome is supported by an Output
- b. each Output has a supporting Process or Input (or both)
- c. Inputs and Processes are linked to Outputs.



3 Objectives of this Standard

Strategic Objectives:

- (i) To ensure the consistent application of better practice, process and procedures in attraction and selection
- (ii) To ensure that recruitment procedures provide for fair, objective and equitable treatment for applicants
- (iii) To reduce voluntary staff turnover and minimise its associated costs
- (iv) To ensure recruitment and attraction strategies are congruent with strategic and workforce plans
- (v) To focus attraction and selection processes on optimizing the success of identifying the "right" candidate.

Operational Objectives:

- (iv) To focus investment (time, finances, resources and priority) on attraction and selection activities that are efficient and economical
- (v) To have the right skills, experience, competencies and knowledge, in the right place, at the right time and at the right price.
- (vi) To observe University compliance requirements which apply to the recruitment process. For example, enterprise agreements, any specific equal opportunity or anti-discrimination legislation



4 Inputs Criteria

Inputs: the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.

	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 1	The organisation has a clear and realistic value proposition and/or branding strategy which is communicated in all relevant publications and media	<ul style="list-style-type: none"> > * Identify the value proposition and/or branding strategy * Identify actions to communicate this * The university has a comprehensive career/recruitment web page which communicates the University's ethos, mission and values, and the value proposition it offers to prospective employees 	<ul style="list-style-type: none"> > A performance standard established by the University 	>
IP 2	There are appropriate competencies amongst the HR team to develop strategies and provide advice on attraction, recruitment and selection (adapted from HEFCE, 2005)	<ul style="list-style-type: none"> > Consider job descriptions, qualifications and selection of HR staff; Survey of HR customers 	<ul style="list-style-type: none"> > A performance standard established by the University 	>
IP 3	Managers and staff participating on selection panels are appropriately skilled to undertake recruitment and selection in line with university policies and procedures (HEFCE, 2005)	<ul style="list-style-type: none"> > * Review currency of A,R&S training to managers and staff on selection panels * Review training records to identify that A,R&S training is recorded appropriately 	<ul style="list-style-type: none"> > A performance standard established by the University 	>



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 4	Recruitment and selection is guided by clear policies and procedures (HEFCE, 2005). These are comprehensive, informative, current, accessible and easy to understand (ANAO, 2007) for applicants and those involved in the selection process	<ul style="list-style-type: none"> > * Review A,R&S policies and procedures * Staff survey 	<ul style="list-style-type: none"> > Comprehensive, informative, current, accessible and easy to understand 	>
IP 5	There are measures for monitoring, evaluating, reporting and improving recruitment outcomes, processes and costs (ANAO, 2007)	<ul style="list-style-type: none"> > Identify these measures. For example: Close of advertisement to shortlisting shortlisting to Interview Interview to offer 	<ul style="list-style-type: none"> > A performance standard established by the University. For example, suggested good practice timeframes: * Close of advertisement to shortlisting - within 2 weeks shortlisting to Interview - within 2 weeks * Interview to offer - within 2 weeks 	>
IP 6	There is data collected and reported on the cost and efficiency of recruitment practice for different types of jobs (HEFCE, 2005)	<ul style="list-style-type: none"> > Consider: * days to offer * days to start * applicant interest 	<ul style="list-style-type: none"> > A performance standard established by the University. For example, close of advertisement to shortlisting - within 2 weeks 	>



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 7	There is a recruitment strategy linked to the University's strategic plan.	> Review documented linkages of attraction and recruitment strategy with University's workforce plan and other talent management strategies	> A performance standard established by the University	>
IP 8	Workforce plans provide information on recruitment and attraction priorities for the forthcoming period.	> Review documented linkages of attraction and recruitment strategy with University's workforce plan and other talent management strategies	> A performance standard established by the University	>
IP 9	Workforce plans provide information on positions or fields of expertise that are difficult to recruit for to inform recruitment strategy for these areas	> Review this information	> A performance standard established by the University	>
IP 10	There are guidelines for the documentation that needs to be maintained in recruitment files (AGV, 2005)	> Review these guidelines	> Compliance with University and appropriate records management guidelines	>



5 Processes Criteria

Processes: the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.

	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 1	There is a process for monitoring and evaluating managers and staff views on current recruitment policy and practice	> <ul style="list-style-type: none"> * Review the process * Sample appropriate managers and staff 	> A performance standard established by the University	>
PR 2	The selection processes rely on the screening measures as set out in the Australian Standard on Employment Screening AS 4811-2006.	> Review the inclusion and use of AS 4811-2006 in the A,R&S policy, procedures and practice	> Compliance with AS 4811-2006	>
PR 3	There are flexible methods of selecting staff (AVG, 2005)	> Review A,R&S policies and procedures	> A performance standard established by the University	>
PR 4	Equity and diversity principles are observed throughout the recruitment and selection process. (IIARF - Dolenko, 1990)	> <ul style="list-style-type: none"> * Review A,R&S policies and procedures * Review complaints / grievances re attraction and selection 	> A performance standard established by the University	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 5	Probationary employees have their performance reviewed during the probationary period (IIARF - Dolenko, 1990)	> Sample new appointments	> Majority compliance	>
PR 6	Recruitment processes allow for recruitment to be completed in a timely manner (APSC, 2007)	> Sample new appointments	> Majority compliance	>
PR 7	Recruitment and selection processes are systematically monitored for performance and continuous improvement. (ANAO, 2007)	> Review the monitoring processes	> A performance standard established by the University	>
PR 8	There is training on policy, process and skill development for those involved in recruitment activities. (ANAO, 2007)	> * Review currency of A,R&S training to managers and staff on selection panels * Review training records to identify that A,R&S training is recorded appropriately	> A performance standard established by the University	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 9	Recruitment activities maximise the likelihood of attracting qualified candidates at a reasonable cost (IIARF - Dolenko, 1990)	> Review data collected and reported on the cost, efficiency and effectiveness of recruitment practice.	> A performance standard established by the University. For example: All recruitment for positions of particular seniority - eg all academics from level B up, all general staff from level 7 up - includes a 'search plan'	>
PR 10	There is a recognised protocol for the treatment of unsuccessful candidates.	> * Review the protocol * Sample managers and staff involved in the A,R&S process	> A performance standard established by the University	
PR 11	Prospective employees are able to readily access accurate information on which to self assess for a position	> Sample new appointees. For example: The university has a comprehensive career/recruitment web page which communicates the University's ethos, mission and values, and the value proposition it offers to prospective employees	> A performance standard established by the University	



6 Outputs Criteria

Outputs: the deliverables – goods and services – produced to achieve the outcomes being sought.

	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 1	The workforce planning process informs recruitment activity. Workforce plans include a skills audit of current staff and future workforce requirements to identify gaps and the associated strategies for fulfilling those gaps (professional development, recruitment, outsourcing etc.)	> Review documented linkages of attraction and recruitment strategy with University's workforce plan.	> A performance standard established by the University	>
OP 2	The attraction and selection strategy and processes are aligned with other elements of overall "talent management" i.e. rewards and recognition, learning and development and performance management practice.	> Review documented linkages of attraction and recruitment strategy with University's talent management strategies	> A performance standard established by the University	>



	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 3	Unsuccessful candidates are both a potential pool for future recruitment and advocates of the employer/institution.	> Review database of unsuccessful candidates; how it is accessed; by whom; how often; Is use of the database mentioned in the A,R&S procedure?	> A performance standard established by the University. For example, the register exists and is maintained	>



7 Outcomes

Outcomes: the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.

	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 1	The university demonstrated consistent application of better practice, processes and procedures in attraction and selection	> Sample recruitment processes relative to a checklist of expected processes	> Majority compliance	>
OC 2	Applicants were treated fairly and equitably	> Review complaints / grievances re attraction and selection; survey successful applicants as a follow-up after commencing work	> A performance standard established by the University	>
OC 3	Unnecessary, voluntary turnover was minimised	> Review exit information for reasons for leaving	> A performance standard established by the University. For example, Voluntary employee initiated turnover should be less than 10% (QUT benchmarking for 2008 indicated 10.07% as 50th percentile, 12.28% 75th percentile)	



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 4	The attraction and recruitment strategy was congruent with the workforce plan and to other elements of the University's talent management strategy.	> Review documented linkages of attraction and recruitment strategy with the University's workforce plan and other talent management strategies	> There is a demonstrated and documented congruence	>
OC 5	Attraction and selection processes were focussed in activities that optimize success.	> Review documented plans for attraction and recruitment to identify optimal planning	> The review demonstrated optimal planning for attraction and selection activities	>
OC 6	Investment (time, finances, resources and priority) was focussed on attraction and selection activities that were efficient and economical.	> Review documented evaluation of efficiency and economy of attraction and selection activities	> The review demonstrated efficiency and economy of attraction and selection activities	>
OC 7	The University had the right skills, experience, competencies and knowledge, in the right place, at the right time and at the right price.	> Review job design, job description and selection criteria in the context of reporting on and evaluating attraction and selection activities.	> The review demonstrated majority completion of attraction and selection activities	>
OC 8	Compliance obligations were met in relation to the recruitment process	> Sample of recruitment processes	> Majority compliance	>



8 Risk Criteria

The use of this Standard assists the University to avoid or effectively manage risks associated with:

- Appointing the wrong person
 - a. due to wrong fit with the job and/or the organisation
 - b. with the wrong qualifications, inadequate qualifications or without the proper licensing.
 - c. due to failure to comprehensively check references or eligibility for appointment.
- Rejecting applicants who may reasonably have been appointed.
- The rejection of reasonable job offers (adapted from HEFCE, 2005).
- The re-advertising of vacant positions because of a lack of suitable applicants (HEFCE, 2005).
- Resources wasted on inefficient and ineffective recruitment (HEFCE, 2005).
- Failure to attract suitable candidates for positions
- Loss of productivity from making the wrong appointment.
- Not achieving the University's equity and diversity goals.
- Inconsistent application of the organisation's attraction and selection policy and/or guidelines.
- Conflicts of interest, nepotism, bias or discrimination.
- Poor university reputation through processes, systems, or level of candidate care

Related risk:

- Staff who leave earlier than expected (HEFCE, 2005).



9 Date of Application

10 Review Date

11 Contributors

Australian National University
Charles Sturt University
Curtin University
Edith Cowan University
RMIT University
University of Newcastle
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University of Western Australia
Victoria University

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Universities Personnel Association (UPA), UK



13 Standards Project Definitions

Accountability

A personal obligation, liability, or answerability to others for actions carried out and performance achieved; responsibility (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Assessment

To *officially* estimate the value of something (Concise Macquarie).

Assurance

An objective *examination* of evidence for the purpose of providing an independent assessment on risk management, control, or governance processes for the organisation. Examples may include financial, performance, compliance, system security, and due diligence engagements (Institute of Internal Auditors).

Attestation

One type of assurance service in which public accountants (or other professionals) issue a written communication that expresses a conclusion about the reliability of a written assertion of another party. To qualify as an attestation service, the engagement must involve written assertions on some accountability matter (Arens, Best, Shailer, Fielder, & Loebbecke, 2002).

Audit

An official *examination* and verification of records. (Concise Macquarie Dictionary).

A systematic analysis, appraisal, testing and verification of the legality, fidelity and efficiency or feasibility of proposed or completed procedures, operations, transactions, expenditures and the official records of them (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Auditing

The accumulation and evaluation of evidence about information to determine and report on the degree of correspondence between the information and established criteria (Arens et al, 2002).



Audit Report

The communication of findings to users (Arens et al, 2002).

Benchmarking

Benchmarking is the formal and structured process of searching for those practices which lead to excellent performance, the observation and exchange of information about them, their adaptation to meet the needs of one's own organisation, and the implementation of the amended practice. (Meade, 1998), (AUQA: n.d.)

Capability

Capability is a broader concept than that of competence. Capability embraces competence but is also forward-looking, concerned with the realization of potential. Capability includes but goes beyond the achievement of competence in present day situations to imagining the future and contributing to making it happen. Capability is an integration of knowledge, skills, personal qualities and understanding used appropriately and effectively - not just in familiar and highly focused specialist contexts but in response to new and changing circumstances. (Dolan, n.d.)

Certification

Official recognition that a specified status has been achieved, or that certain privilege(s) may be exercised. The same as licensing (qv). (AUQA: n.d.)

Competency

The specific knowledge, skills, abilities and behaviour applied within an occupation or industry to the standard required in employment. (University of South Australia, n.d.)

The integrated application of knowledge, skills, values, experience, contacts, external knowledge resources and tools to solve a problem, to perform an activity, or to handle a situation. (Sitthisak, Gilbert and Davis, 2007).

Criteria

A standard of judgement; an established rule or principle for testing (Concise Macquarie).



Economic

Expenditure is *economic* if it achieves the desired objective at least cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Effectiveness

A process is effective if its outcomes match the stated goals. Effectiveness is often seen as an aspect of quality (qv). (AUQA: n.d.).

Expenditure is *effective* if it achieves its objectives without taking account of cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Efficient

Efficiency refers to the cost in relation to the outcomes achieved. It is rarely possible to describe it in absolute terms. One process is more efficient than another if it achieves the same outcomes at a lower cost (AUQA: n.d.)

Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Equity

Equity refers to: the quality of being fair and just; fairness (Macquarie Dictionary of Employment & IR: 1992). Equity is considered within a context – eg: equal access; equal treatment; equal opportunity; equal pay; equal worth. In the context of developing HR standards for specific activities there is a need to examine each of the proposed standards against equity considerations.

Example: Workforce planning – care must be taken to ensure that the workforce profile selected for a future time period is not based on direct or indirect criteria that might result in gender discrimination.

Evaluation

To ascertain the value or amount of; to appraise carefully. (Concise Macquarie)

The systematic investigation of worth or merit. Criteria must be specified for determining 'worth' or 'merit'. 'Evaluation' is sometimes used as a neutral term. (Adapted from AUQA: n.d.)



Evidence

Proof; grounds for belief; that which tends to prove or disprove something. (Concise Macquarie)

Any information used by the auditor to determine whether the information being audited is stated in accordance with established criteria (Arens et al, 2002).

Evidenced Based

The conscious, explicit and judicious use of the best and current evidence in making decisions. It means integrating experience with the best available external evidence taken from systematic research. Evidence based decision making requires efficient literature-searching skills and the application of rules of evidence and logic in evaluating the research (Sackett, Rosenberg, Muir Gray, Haynes, & Richardson, 1996).

Examination

To inspect or scrutinise carefully; to interrogate; to test the knowledge, reactions or qualifications. (Concise Macquarie)

Human Resource Audit

An audit undertaken of human resource management, or within an aspect of human resource management. (Andrews, 2007)

Human Resource Performance Audit

A performance audit of human resource management, or an aspect of human resource management, to determine its effectiveness, and/or efficiency and/or economy (Andrews, 2007).

Inputs

The human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses. (Audit Office of New South Wales, 2000; Local Government Best Value Commission, n.d.)

KPI: key performance indicators

A performance indicator deemed particularly important or significant.



Measure

The act or process of ascertaining the extent, dimensions, quantity etc of something especially by comparison with a standard*; (Concise Macquarie)
In relation to a *standard* this view of the meaning of *measure* would presume the standard has a quantitative dimension.

Management Assurance

A level of assurance provided by Management alone.

Management assurance requires qualified independent validation in order to raise its perceived value to the level of independent assurance (eg audit).

Measurement

The act of measuring. (Concise Macquarie)

Outcome

The results or consequences of the actions or outputs. Outcomes may be short, intermediate, or long term. (The Audit Office of New South Wales, 2000).

Outputs

The deliverables – goods and services – produced to achieve the outcomes being sought. (Queensland Government Treasury, 2003).

Output measures

Demonstrate the contribution made by the output to the achievement of strategic goals and outcomes. Output measures are often:

- Cost: how much does the process or service cost to deliver?
- Time – whether outputs are delivered in a timely manner
- Quality – how good the output is. (Auditor General of Queensland, 2007)

Opinion

Judgement or belief resting on grounds insufficient to express certainty; a formal or professional judgement expressed; a personal view, attitude or estimation. (Concise Macquarie)



Note: Types of opinion: unqualified, qualified, adverse and disclaimer (ie insufficient competent evidence), (Siegal & Shim 2000)

Performance Indicator

A representation - numeric or otherwise - of the state of, or outcomes from, an organisation, or any of its parts or processes.

Performance indicators should be subject to informed interpretation and judgement; for example, by such assessment groups as audit panels. They are sometimes called management indicators, to suggest their purpose rather than their source. Organisational performance measures that have been developed independently tend to be weakly correlated with one another. To avoid this, they should be developed in an integrated fashion, with a common direction. (AUQA, n.d.)

Processes

The activities that generate the products and services that constitute the outputs. The actions or processes applied to convert resources into a product or service. (Department of Finance and Administration, 2000).

Proof

Evidence sufficient to establish a thing is true, or to produce belief in its truth (Concise Macquarie).

Quality

Fitness for purpose, where 'purpose' is to be interpreted broadly, to include mission, goals, objectives, specifications, and so on. This is an inclusive definition, as every organisation or activity has a purpose, even if it is not always precisely stated. Fitness for purpose' means both that an organisation has procedures in place that are appropriate for the specified purposes, and that there is evidence to show that these procedures are in fact achieving the specified purposes.

Some people criticise this definition for ignoring 'fitness of purpose', but this misses the point. Fitness of purpose must be considered at the time that objectives are defined; quality is then a matter of achieving these objectives.

Using this definition, achieving quality in education involves two steps. The first step is for institutions to set objectives that embody what is expected and required by students, employers, legislation and statutes, in addition to responding to broader issues, such as the demands arising from the characteristic nature of academic activity and the rapid development of knowledge. The second step is for the institution to ensure that it attains its objectives. Quality is related to standards if the objectives include explicit specification of levels of attainment. (AUQA, n.d.)



Quality Audit

'Quality audit' is defined as 'a systematic and independent examination to determine whether activities and related results comply with planned arrangements and whether these arrangements are implemented effectively and are suitable to achieve objectives' (Standards Australia & Standards New Zealand Joint Technical Committee QR/7 1994). This definition has been adopted by AUQA as the foundation of its approach to audit (AUQA, n.d.).

A 'quality audit' must be distinguished from an 'audit' conducted by a qualified auditor operating under a professional audit framework and within the Australian Auditing Standards.

Review

An institution (or any part thereof) may be reviewed for any purpose, and the term 'review' can embrace a checking mechanism, whether it be assessment, audit or accreditation, internal or external, and so on. Care must be taken when using the term to differentiate the activity from a professional audit (AUQA, n.d.).

Risk

Risk is the likelihood that some peril may actually occur to produce a loss, that is, risk is the degree to which an organization is exposed to the loss of its resources.

A risk is defined by the Australia/New Zealand Standard for Risk Management (AS/NZS 4360:2004) as

"...the possibility of something happening that impacts on organisational objectives. It is the chance to either make a gain or a loss. It is measured in terms of likelihood and consequence."

Risk is anything that threatens or limits the ability of a project to achieve its goal, objectives, or the production of project deliverables.

Risk Management

The Australian / New Zealand Risk Management Standard, AS/NZS 4360: defines risk management as: *"the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects"*.

Risk management is a process of thinking systematically about all possible undesirable outcomes before they happen and setting up procedures that will avoid them, minimise or cope with their impact.

Risk management involves establishing an appropriate risk management infrastructure and culture, and applying logical and systematic risk management processes to all stages in the life cycle of any activity, function or operation that includes risk. By minimising losses and maximising gains, risk management enables the University to



best meet its organisational objectives.

Self-audit

An oxymoron; the correct term is self-assessment (or self-review or self-evaluation). Audit, by its very nature, cannot be 'self', as it lacks independence.

Self-review

Self-review can be an ongoing process that is built into all activities in a sense of continuous improvement; it might be an ongoing process that leads to a report to the governing body for confirmation or redirection; it might be a long event that leads to major change; it might be a brief event that provides a snapshot for comparison with an earlier snapshot; and so on. (AUQA Audit Manual, Version 3.0, section 2.4.2). May also be called self-evaluation but never self-audit (Andrews, 2007).

Standard

Anything taken by general consent as a basis of comparison; an approved model; a level of quality which is regarded as normal, adequate or acceptable (Concise Macquarie).

A norm or model adopted by general consent as a basis for comparison eg against which to measure individual or organisational achievements or procedures, or as a target to be aimed at (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement. One function of standards is to measure the criteria by which quality may be judged. Although standards are necessary, they are difficult to determine (AUQA, n.d).

The term 'standard' is also often used to refer to:

- Factors for evaluating performance
- Normative characteristics
- Best practice exemplars.

Quality is related to standards if the objectives include explicit specification of levels of attainment. (AUQA, n.d.)

Standards Project for University Human Resources (Aust)

These standards should reflect what we 'would expect to see' at a university human resource function in Australia. (NB: A university or group of universities may also have organisational specific or group HR standards).



Validation

The independent checking of a process. The term is sometimes used to denote the accreditation of a program (as distinct from a whole institution) (AUQA, n.d).

Value

Estimated or assigned worth (Concise Macquarie).

Value for Money

Auditors and economists (at least in the public sector) consider an activity to be worthwhile if it gives 'value for money'. This means that an activity must be *effective*, *economic* and *efficient* (the three Es).

Note:

- a) Expenditure is *effective* if it achieves its objectives without taking account of cost,
- b) Expenditure is *economic* if it achieves the desired objective at least cost, and
- c) Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)
- d) While equity would normally be considered as a sub-set of the specification of effectiveness it may also be useful to explicitly add equity as a criteria for reference. This changes the value-for-money criteria to *effectiveness, efficiency, economy and equity (the four E's)*.

Verify

To prove something to be true by evidence or testimony. (Concise Macquarie)

Verification

The act of verifying. (Concise Macquarie)



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National Advisory Standards for the Professional Practice of HR in Australian Universities

Standard: 5.0

Activity Area: Performance Management

Performance Management, in a University context, is a continuous process of aligning and improving staff capabilities to achieve the organisation's goals..

In this context managers and staff are both accountable for ensuring performance objectives are achieved. In particular managers must create the right conditions for performance to occur.

The process involves reviewing past performance and learning from the experiences; establishing and reviewing performance objectives in measurable terms, and in discussing career development issues.

The primary focus of performance management is on facilitating performance in the current role, (rather than historical performance or succession planning/future roles). A secondary focus is career development.



Performance Management is focussed on providing immediate, ongoing recognition, feedback and support for staff to achieve outcomes consistent with the University's goals.

Performance Management is linked to a number of other human resource activities*:

- Business Planning & Review
- Management support for staff
- Budgets
- Remuneration, Benefits and Rewards
- Learning & Development
- On the job learning and targeted development for the current role
- Organisational or generic competencies
- Occupational H & S
- Equity
- Managing underperformance
- Succession Planning
- Promotion

* These activities are not specifically covered by this standard

The work plan/performance objectives are written documents jointly prepared by the employee and their supervisor.

Performance reviews are systematic; based on **current job descriptions** and work plans – this is critical because often position descriptions are significantly out of date. The Performance Management review process provides an opportunity to discuss the PD and bring it up to date.



The principles of the process (as opposed to the content) include:

- An annual* formal discussion with documented actions and outcomes. The actions and outcomes should be measurable and be able to be reported on and assessed at the next review.
- Ideally, better management practice includes regular informal meetings between employee and supervisor to discuss and monitor work progress and performance. Any performance issues can therefore be identified and managed in a timely and constructive manner.
- An employee should at all times be able to relate their activities to the strategic/business plan of the business unit.
- There needs to be a review process to resolve conflict between the employee and their supervisor on job performance.

* These can be conducted at shorter intervals



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1 Definition of a Standard

- 1.1 A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement (AUQA, n.d).
- 1.2 A Standard, according to Standards Australia (2008) *provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context.*

2 Preface/Rationale

- 2.1 This Standard has been developed within a Workplace Productivity Programme (WPP) funded project with the premise that the project would support the professional practice of human resources in Australian Universities, and directly impact on the sector's capability to describe and assess better HR practice.
- 2.2 The purpose of this standard is as a national advisory standard for Australian universities. The Standard addresses quality practice in Performance Management. The Standard, and any self-assessment or audit process, facilitates an integrated approach to the achievement of a University's strategic and staff retention goals. They identify opportunities for improvement and to implement strategies for their achievement.
- 2.3 A standard is an agreed, repeatable way of undertaking an activity. It is a published document that contains a specification or other criteria designed to be used consistently as a rule, guideline, or definition. Standards help to increase the reliability and the effectiveness of HR activities, and assist in their evaluation or measurement. This HR Standard is designed for voluntary use and does not impose regulation (British Standards Institution, n.d.). The application of the Standard is at the prerogative of each University.
- 2.4 This HR Standard will establish the basis for "what we could expect to see in a University HR activity" for the purposes of quality assessment, performance examination, a demonstration of better human resource practice and for demonstrating to stakeholders that value for money is being achieved. It can also be used for comparative benchmarking purposes.



- 2.5 This Standard:
 - 2.5.1 has been developed using subject matter experts
 - 2.5.2 is practical, not rhetorical
 - 2.5.3 has its foundation within the current literature
 - 2.5.4 draws on the UK experience in similar areas (HEFCE, 2005)
 - 2.5.5 incorporates internal consistency
 - 2.5.6 is outcome focused
 - 2.5.7 should be comprehensible to users who have not participated in its preparation.
- 2.6 The Standard should be used as a tool to improve the management and activity of performance management in a University environment, and is designed to be outcome focused. It is not intended to be used as a mandated checklist but rather it can be adapted to different HR environments. It allows each university to modify the final national standard, where necessary, to cater for organisational diversity and to reflect their operating environment.
- 2.7 The Standard describes *evidence requirements* which indicate the type of objective evidence that an auditor/examiner could expect to find to demonstrate that a criterion is being addressed. The extent of evidence provided should be commensurate with the issue being managed and the strategy being used. (Natural Resources Commission, 2005)



- 2.8 The Standard is applicable to any Australian University that wishes to:
 - 2.8.1 Develop and implement Performance Management strategies in an efficient, effective and economic manner
 - 2.8.2 Address consistency and comparability with other Universities
 - 2.8.3 Assure itself that it is using quality processes
 - 2.8.4 Demonstrate such conformance to others, or
 - 2.8.5 Make a self-assessment of conformance with the Standard.
- 2.9 The structure of a Standard relies on the following framework (Victorian Auditor-General, 2008; Auditor-General of Queensland, 2007; and HEFCE, 2005):
 - 2.9.1 **Inputs:** the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.
 - 2.9.2 **Processes:** the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.
 - 2.9.3 **Outputs:** the deliverables – goods and services – produced to achieve the outcomes being sought.
 - 2.9.4 **Outcomes:** the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.
 - 2.9.5 **Risks:** “...the possibility of something happening that impacts on organisational objectives” (AS/NZS 4360:2004)

For each proposed standard, an ‘Internal Consistency’ check has been undertaken to identify that:

- a. each Outcome is supported by an Output
- b. each Output has a supporting Process or Input (or both)
- c. Inputs and Processes are linked to Outputs.



3 Objectives of this Standard

Strategic Objectives:

- (i) To facilitate a clear link of individual performance and development planning to the goals and priorities of the work unit/department and the University more broadly (HEFCE, 2005; and adapted from Monash, 2006).
- (ii) To ensure that Performance Management systems are designed to clarify objectives, assist in the management of individual employee performance, and plan relevant learning and development programs.
- (iii) To ensure there is an equitable and transparent framework for regular, timely and constructive discussions between supervisors and employees.
- (iv) To ensure Performance Management provides a positive framework within which staff can systematically reflect upon their professional and career development.

Operational Objectives:

- (v) To ensure that Performance Management processes complement other management practices e.g. remuneration, job evaluation, learning and development, etc.
- (vi) To ensure that managers and staff are clear about what is expected from them (HEFCE, 2005) and the support they are each going to give/receive to achieve their goals.
- (vii) To ensure that managers and supervisors manage superior performance appropriately and effectively (adapted from HEFCE, 2005).
- (viii) To ensure managers effectively identify and address areas requiring performance improvement (adapted from HEFCE, 2005).
- (ix) To ensure Performance Management systems encompass both regular informal processes which are embedded in day to day management and regular and less frequent structured, formal appraisal.
- (x) To provide the opportunity for career development discussions.



4 Inputs Criteria

Inputs: the human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses.

	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 1	Performance objectives and targets demonstrably link to wider performance goals in the University. (adapted from HEFCE, 2005)	> Identify the links in a sample of Performance Management plans	> There is a demonstrated and documented congruence	>
IP 2	Objectives and targets have recognised milestones of achievement against them – with identifiable timescales. (HEFCE, 2005)	> Sample of performance objectives and targets	> A performance standard established by the University	>
IP 3	Managers and staff have the knowledge and skills to follow and utilise Performance Management procedures (HEFCE, 2005)	> Sample of staff and managers	> A performance standard established by the University	>
IP 4	There is a clear understanding of the aims of the Performance Management system (Standards Australia, 2004)	> Sample of staff and managers	> A performance standard established by the University	>



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 5	The Performance Management tool should be adapted to suit the environment in which it is implemented. (adapted from Standards Australia, 2004; and APSC, 2006)	> Review of the Performance Management tool and its associated policy, procedure and guidelines	> A performance standard established by the University	>
IP 6	Managers and staff understand that Performance Management is an ongoing process (CSU) and supports regular informal feedback complemented by formal review processes (APSC, 2006)	> Sample of staff and managers	> A performance standard established by the University	>
IP 7	The Performance Management system is supported and used by leaders and managers.	> Sample of staff and managers	> A performance standard established by the University	>
IP 8	There are readily available and updated policies, guidelines and procedures relating to Performance Management.	> Performance Management policy, procedure and guidelines	> A performance standard established by the University	>



	Inputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
IP 9	There are appropriate systems in place to monitor and report on the use of the Performance Management regime	> Review the monitoring and reporting process	> <ul style="list-style-type: none">* Who is responsible?* How often is a report prepared?* Who reviews it?* Is there an indication it has been reviewed?	>
IP 10	As a guideline, each manager should have a maximum of 10 people reporting to them for the purpose of Performance Management.	> Sample the number of direct reports.	> A performance standard established by the University	>
IP 11	There is a review process to resolve conflict between the employee and their supervisor on job performance.	> Identify the process review.	> There is a documented review process.	>



5 Processes Criteria

Processes: the activities that generate the products and services that constitute the outputs; the actions or processes applied to convert resources into a product or service.

	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 1	Managers are given appropriate advice, support and development on Performance Management (HEFCE, 2005) processes and how to best conduct the process to achieve meaningful outcomes	> Sample managers	> A performance standard established by the University	>
PR 2	There are appropriate links made between Performance Management and staff development at different levels in the University (e.g. by department, faculty and corporately) (HEFCE, 2005)	> Examine learning and development plans to establish whether there are development opportunities available in leadership, management or performance reviews; ensure a vertical spread of opportunity exists.	> A performance standard established by the University	>
PR 3	Superior performance is acknowledged and rewarded (HEFCE, 2005)	> Sample staff	> A performance standard established by the University	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 4	New staff are inducted or "on-boarded" appropriately (HEFCE, 2005) which includes a discussion on agreed priorities and objectives.	> Sample staff	> A performance standard established by the University	>
PR 5	Staff and managers have the opportunity to provide feedback on the Performance Management process and are consulted in the review of policy, guidelines and procedures.	> Sample of staff and managers	> A performance standard established by the University	>
PR 6	Feedback from performance reviews and planning are used as a means of analysing learning and development needs, ensuring relevant activities are delivered (adapted from IIARF - Vito, 2007) and impacting organisational development/culture change initiatives.	> Sample Performance Management documentation	> A performance standard established by the University	>



	Processes Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
PR 7	The Performance Management process develops the strengths of individual staff and addresses areas/skills that need improving	> Sample of staff and managers	> A performance standard established by the University	>
PR 8	Managers and supervisors know when misconduct, under-performance or non-performance trigger separate industrial relations processes outside Performance Management.	> Sample managers and supervisors	> A performance standard established by the University	>



6 Outputs Criteria

Outputs: the deliverables – goods and services – produced to achieve the outcomes being sought.

	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 1	Individual staff have performance goals which reflect University/work area goals and priorities	> Identify the links in a sample of Performance Management plans	> There is a demonstrated and documented congruence	>
OP 2	With their managers, individual staff review their performance and set performance goals and any personal development plans.	> Sample of performance objectives, targets and development plans	> A performance standard established by the University	>
OP 3	Staff receive feedback, training, development, encouragement and support from their managers to achieve their agreed performance objectives.	> Sample of staff	> A performance standard established by the University	>



	Outputs Criteria	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice	
OP 4	There is a recognised process for reviewing performance against the objectives and targets contained in strategies and plans (HEFCE, 2005)	> Review the Performance Management process, and sample staff Performance Management documentation.	> A performance standard established by the University	>
OP 5	The results of monitoring and evaluating individual performance against plans are reported to relevant stakeholders in the University (HEFCE, 2005)	> Identify relevant report(s)	> <ul style="list-style-type: none"> * Who is responsible? * How often is a report prepared? * Who reviews it? * Is there an indication it has been reviewed? 	>
OP 6	The data/information is available to monitor and evaluate individual performance effectively (HEFCE, 2005)	> Review sample of staff Performance Management documentation. For example, a University can demonstrate ongoing effort to define/measure performance and quality of work	> A performance standard established by the University	>
OP 7	Equity and diversity considerations are visible in the Performance Management processes.	> Review the Performance Management process, and associated policy and guidelines.	> A performance standard established by the University	>



7 Outcomes

Outcomes: the results or consequences of the actions or outputs. Outcomes may be short, intermediate or long term.

	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 1	Individual performance and development planning is linked to the goals and priorities of the work unit/department and the University more broadly (Monash, 2006)	> Identify the links in a sample of performance Management plans	> There is a demonstrated and documented congruence	>
OC 2	Performance Management systems have been designed to clarify objectives, assist in the management of individual employee performance, and plan relevant learning and development programs	> Performance Management policy and guidelines	> A performance standard established by the University	>
OC 3	There was an equitable and transparent framework for regular and constructive discussions between supervisors and employees	> Staff survey	> A performance standard established by the University	



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 4	Performance Management provides a positive framework within which staff can systematically reflect upon their professional and career development	> Staff survey	> A performance standard established by the University	>
OC 5	Performance Management processes complement other management practices eg remuneration, job evaluation, learning & development, etc	> Review documented linkages of performance Management processes with University's other talent Management strategies	> There is a demonstrated and documented congruence	>
OC 6	Managers and staff are clear about what is expected from them (HEFCE, 2005) and the support they are going to give/receive to achieve their goals	> Staff survey	> A performance standard established by the University	>
OC 7	Managers and supervisors manage superior performance appropriately and effectively (HEFCE, 2005)	> Staff survey	> A performance standard established by the University	>



	Outcomes	Sources of evidence Where to review the application of the particular criterion	Indicators of success The range of performance which demonstrates good HR practice;	
OC 8	Managers effectively identify and address areas requiring performance improvement (adapted from HEFCE, 2005)	> Staff survey	> A performance standard established by the University	>
OC 9	Performance Management systems encompass both regular informal processes which are embedded in day to day Management and regular and less frequent structured, formal appraisal	> Performance Management policy and guidelines	> A performance standard established by the University	>
OC 10	Performance Management provides the opportunity for career development discussions	> Sample record of performance discussions	> 90% compliance	>



8 Risk Criteria

The use of this Standard assists the University to avoid or effectively manage risks associated with:

- Lack of clarity about roles and responsibilities (adapted from HEFCE, 2005)
- Inadequate communication, guidance and support provided to staff by line managers (adapted from HEFCE, 2005)
- Underperformance not being effectively/consistently identified, or not being addressed.
- Managers lacking the skills and confidence to provide effective, timely and constructive performance feedback
- Staff learning and development needs not accurately identified, leading to ineffective use of financial resources
- Inadequate and misdirected reward and recognition strategies and opportunities
- Staff effort directed to wrong priorities
- Individual and/or team activity that does not provide a tangible link to organisational objectives.
- Failing to meet reasonable individual, team or organisational objectives.
- Challenges with staff retention caused by the lack of a performance culture.
- Misalignment between critical roles and the capacity of individuals to perform these roles
- Access to appropriate learning and development initiatives not being facilitated.
- Stress and absence, if Performance Management was poorly handled.
- Performance Management practices that are not in accordance with organisational policy and/or guidelines.
- Stagnating organisational performance.
- Staff who are not encouraged to be outcome oriented.
- The Performance Management process not being applied consistently or comprehensively across the university.
- Managers and staff not perceiving Performance Management activity as meaningful.
- Objectives of Performance Management that are not clear to stakeholders.
- Lack of staff motivation and engagement



9 Date of Application

10 Review Date

11 Contributors

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Charles Sturt University
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Monash University
RMIT University
University of New England
University of Newcastle
University of the Sunshine Coast
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Universities Personnel Association (UPA), UK



13 Standards Project Definitions

Accountability

A personal obligation, liability, or answerability to others for actions carried out and performance achieved; responsibility (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Assessment

To *officially* estimate the value of something (Concise Macquarie).

Assurance

An objective *examination* of evidence for the purpose of providing an independent assessment on risk management, control, or governance processes for the organisation. Examples may include financial, performance, compliance, system security, and due diligence engagements (Institute of Internal Auditors).

Attestation

One type of assurance service in which public accountants (or other professionals) issue a written communication that expresses a conclusion about the reliability of a written assertion of another party. To qualify as an attestation service, the engagement must involve written assertions on some accountability matter (Arens, Best, Shailer, Fielder, & Loebbecke, 2002).

Audit

An official *examination* and verification of records. (Concise Macquarie Dictionary).

A systematic analysis, appraisal, testing and verification of the legality, fidelity and efficiency or feasibility of proposed or completed procedures, operations, transactions, expenditures and the official records of them (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

Auditing

The accumulation and evaluation of evidence about information to determine and report on the degree of correspondence between the information and established criteria (Arens et al, 2002).



Audit Report

The communication of findings to users (Arens et al, 2002).

Benchmarking

Benchmarking is the formal and structured process of searching for those practices which lead to excellent performance, the observation and exchange of information about them, their adaptation to meet the needs of one's own organisation, and the implementation of the amended practice. (Meade, 1998), (AUQA: n.d.)

Capability

Capability is a broader concept than that of competence. Capability embraces competence but is also forward-looking, concerned with the realization of potential. Capability includes but goes beyond the achievement of competence in present day situations to imagining the future and contributing to making it happen. Capability is an integration of knowledge, skills, personal qualities and understanding used appropriately and effectively - not just in familiar and highly focused specialist contexts but in response to new and changing circumstances. (Dolan, n.d.)

Certification

Official recognition that a specified status has been achieved, or that certain privilege(s) may be exercised. The same as licensing (qv). (AUQA: n.d.)

Competency

The specific knowledge, skills, abilities and behaviour applied within an occupation or industry to the standard required in employment. (University of South Australia, n.d.)

The integrated application of knowledge, skills, values, experience, contacts, external knowledge resources and tools to solve a problem, to perform an activity, or to handle a situation. (Sitthisak, Gilbert and Davis, 2007).

Criteria

A standard of judgement; an established rule or principle for testing (Concise Macquarie).



Economic

Expenditure is *economic* if it achieves the desired objective at least cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Effectiveness

A process is effective if its outcomes match the stated goals. Effectiveness is often seen as an aspect of quality (qv). (AUQA: n.d.).

Expenditure is *effective* if it achieves its objectives without taking account of cost. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Efficient

Efficiency refers to the cost in relation to the outcomes achieved. It is rarely possible to describe it in absolute terms. One process is more efficient than another if it achieves the same outcomes at a lower cost (AUQA: n.d.)

Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)

Equity

Equity refers to: the quality of being fair and just; fairness (Macquarie Dictionary of Employment & IR: 1992). Equity is considered within a context – eg: equal access; equal treatment; equal opportunity; equal pay; equal worth. In the context of developing HR standards for specific activities there is a need to examine each of the proposed standards against equity considerations.

Example: Workforce planning – care must be taken to ensure that the workforce profile selected for a future time period is not based on direct or indirect criteria that might result in gender discrimination.

Evaluation

To ascertain the value or amount of; to appraise carefully. (Concise Macquarie)

The systematic investigation of worth or merit. Criteria must be specified for determining 'worth' or 'merit'. 'Evaluation' is sometimes used as a neutral term. (Adapted from AUQA: n.d.)



Evidence

Proof; grounds for belief; that which tends to prove or disprove something. (Concise Macquarie)

Any information used by the auditor to determine whether the information being audited is stated in accordance with established criteria (Arens et al, 2002).

Evidenced Based

The conscious, explicit and judicious use of the best and current evidence in making decisions. It means integrating experience with the best available external evidence taken from systematic research. Evidence based decision making requires efficient literature-searching skills and the application of rules of evidence and logic in evaluating the research (Sackett, Rosenberg, Muir Gray, Haynes, & Richardson, 1996).

Examination

To inspect or scrutinise carefully; to interrogate; to test the knowledge, reactions or qualifications. (Concise Macquarie)

Human Resource Audit

An audit undertaken of human resource management, or within an aspect of human resource management. (Andrews, 2007)

Human Resource Performance Audit

A performance audit of human resource management, or an aspect of human resource management, to determine its effectiveness, and/or efficiency and/or economy (Andrews, 2007).

Inputs

The human, physical and financial resources used and the time required to produce the outputs. Inputs are what the process or activity uses. (Audit Office of New South Wales, 2000; Local Government Best Value Commission, n.d.)

KPI: key performance indicators

A performance indicator deemed particularly important or significant.



Measure

The act or process of ascertaining the extent, dimensions, quantity etc of something especially by comparison with a standard*; (Concise Macquarie)
In relation to a *standard* this view of the meaning of *measure* would presume the standard has a quantitative dimension.

Management Assurance

A level of assurance provided by Management alone.

Management assurance requires qualified independent validation in order to raise its perceived value to the level of independent assurance (eg audit).

Measurement

The act of measuring. (Concise Macquarie)

Outcome

The results or consequences of the actions or outputs. Outcomes may be short, intermediate, or long term. (The Audit Office of New South Wales, 2000).

Outputs

The deliverables – goods and services – produced to achieve the outcomes being sought. (Queensland Government Treasury, 2003).

Output measures

Demonstrate the contribution made by the output to the achievement of strategic goals and outcomes. Output measures are often:

- Cost: how much does the process or service cost to deliver?
- Time – whether outputs are delivered in a timely manner
- Quality – how good the output is. (Auditor General of Queensland, 2007)

Opinion

Judgement or belief resting on grounds insufficient to express certainty; a formal or professional judgement expressed; a personal view, attitude or estimation. (Concise Macquarie)



Note: Types of opinion: unqualified, qualified, adverse and disclaimer (ie insufficient competent evidence), (Siegal & Shim 2000)

Performance Indicator

A representation - numeric or otherwise - of the state of, or outcomes from, an organisation, or any of its parts or processes.

Performance indicators should be subject to informed interpretation and judgement; for example, by such assessment groups as audit panels. They are sometimes called management indicators, to suggest their purpose rather than their source. Organisational performance measures that have been developed independently tend to be weakly correlated with one another. To avoid this, they should be developed in an integrated fashion, with a common direction. (AUQA, n.d.)

Processes

The activities that generate the products and services that constitute the outputs. The actions or processes applied to convert resources into a product or service. (Department of Finance and Administration, 2000).

Proof

Evidence sufficient to establish a thing is true, or to produce belief in its truth (Concise Macquarie).

Quality

Fitness for purpose, where 'purpose' is to be interpreted broadly, to include mission, goals, objectives, specifications, and so on. This is an inclusive definition, as every organisation or activity has a purpose, even if it is not always precisely stated. Fitness for purpose' means both that an organisation has procedures in place that are appropriate for the specified purposes, and that there is evidence to show that these procedures are in fact achieving the specified purposes.

Some people criticise this definition for ignoring 'fitness of purpose', but this misses the point. Fitness of purpose must be considered at the time that objectives are defined; quality is then a matter of achieving these objectives.

Using this definition, achieving quality in education involves two steps. The first step is for institutions to set objectives that embody what is expected and required by students, employers, legislation and statutes, in addition to responding to broader issues, such as the demands arising from the characteristic nature of academic activity and the rapid development of knowledge. The second step is for the institution to ensure that it attains its objectives. Quality is related to standards if the objectives include explicit specification of levels of attainment. (AUQA, n.d.)



Quality Audit

'Quality audit' is defined as 'a systematic and independent examination to determine whether activities and related results comply with planned arrangements and whether these arrangements are implemented effectively and are suitable to achieve objectives' (Standards Australia & Standards New Zealand Joint Technical Committee QR/7 1994). This definition has been adopted by AUQA as the foundation of its approach to audit (AUQA, n.d.).

A 'quality audit' must be distinguished from an 'audit' conducted by a qualified auditor operating under a professional audit framework and within the Australian Auditing Standards.

Review

An institution (or any part thereof) may be reviewed for any purpose, and the term 'review' can embrace a checking mechanism, whether it be assessment, audit or accreditation, internal or external, and so on. Care must be taken when using the term to differentiate the activity from a professional audit (AUQA, n.d.).

Risk

Risk is the likelihood that some peril may actually occur to produce a loss, that is, risk is the degree to which an organization is exposed to the loss of its resources.

A risk is defined by the Australia/New Zealand Standard for Risk Management (AS/NZS 4360:2004) as

"...the possibility of something happening that impacts on organisational objectives. It is the chance to either make a gain or a loss. It is measured in terms of likelihood and consequence."

Risk is anything that threatens or limits the ability of a project to achieve its goal, objectives, or the production of project deliverables.

Risk Management

The Australian / New Zealand Risk Management Standard, AS/NZS 4360: defines risk management as: *"the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects"*.

Risk management is a process of thinking systematically about all possible undesirable outcomes before they happen and setting up procedures that will avoid them, minimise or cope with their impact.

Risk management involves establishing an appropriate risk management infrastructure and culture, and applying logical and systematic risk management processes to all stages in the life cycle of any activity, function or operation that includes risk. By minimising losses and maximising gains, risk management enables the University to



best meet its organisational objectives.

Self-audit

An oxymoron; the correct term is self-assessment (or self-review or self-evaluation). Audit, by its very nature, cannot be 'self', as it lacks independence.

Self-review

Self-review can be an ongoing process that is built into all activities in a sense of continuous improvement; it might be an ongoing process that leads to a report to the governing body for confirmation or redirection; it might be a long event that leads to major change; it might be a brief event that provides a snapshot for comparison with an earlier snapshot; and so on. (AUQA Audit Manual, Version 3.0, section 2.4.2). May also be called self-evaluation but never self-audit (Andrews, 2007).

Standard

Anything taken by general consent as a basis of comparison; an approved model; a level of quality which is regarded as normal, adequate or acceptable (Concise Macquarie).

A norm or model adopted by general consent as a basis for comparison eg against which to measure individual or organisational achievements or procedures, or as a target to be aimed at (CCH Macquarie Dictionary of Employment and Industrial Relations 1992).

A standard is an agreed specification or other criterion used as a rule, guideline, or definition of a level of performance or achievement. One function of standards is to measure the criteria by which quality may be judged. Although standards are necessary, they are difficult to determine (AUQA, n.d).

The term 'standard' is also often used to refer to:

- Factors for evaluating performance
- Normative characteristics
- Best practice exemplars.

Quality is related to standards if the objectives include explicit specification of levels of attainment. (AUQA, n.d.)

Standards Project for University Human Resources (Aust)

These standards should reflect what we 'would expect to see' at a university human resource function in Australia. (NB: A university or group of universities may also have organisational specific or group HR standards).



Validation

The independent checking of a process. The term is sometimes used to denote the accreditation of a program (as distinct from a whole institution) (AUQA, n.d).

Value

Estimated or assigned worth (Concise Macquarie).

Value for Money

Auditors and economists (at least in the public sector) consider an activity to be worthwhile if it gives 'value for money'. This means that an activity must be *effective, economic and efficient* (the three Es).

Note:

- a) Expenditure is *effective* if it achieves its objectives without taking account of cost,
- b) Expenditure is *economic* if it achieves the desired objective at least cost, and
- c) Expenditure is *efficient* if it gives the highest Net Present Value (NPV) when other uses of the funds are considered. (Leibenstein, cited in Craven and McNulty 1994, p.4.)
- d) While equity would normally be considered as a sub-set of the specification of effectiveness it may also be useful to explicitly add equity as a criteria for reference. This changes the value-for-money criteria to *effectiveness, efficiency, economy and equity (the four E's)*.

Verify

To prove something to be true by evidence or testimony. (Concise Macquarie)

Verification

The act of verifying. (Concise Macquarie)



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