

COMMISSIONER FOR PUBLIC EMPLOYMENT

GUIDELINE

for the South Australian Public Service

Executive Employment

MARCH 2001



Government
of South Australia

INTRODUCTION

The quality and performance of executives is a significant factor for the success of the government's programs provided by agencies. The selection, employment, and development of executives by chief executives is a major investment by government, requiring careful consideration at all points of agency planning and in the employment cycle of the individual executive.

This guideline is intended to assist in the selection, employment and development of executives, and to be used by both chief executives and executives in understanding the principles which should guide their actions in these areas.

An executive, as defined by the Public Sector Management Act 1995, is 'an employee occupying a position determined by the Commissioner under Part 6 to be an executive position'. The Commissioner's determination of executive positions will reflect the concept of an executive team based on management responsibility rather than remuneration.

KEY RESULT AREA

This guideline is linked to the Quality Staffing key result area of the Strategic Human Resource Management Framework for the South Australian Public Sector.

Quality Staffing

Appoint the best possible staff and manage their career mobility to best effect.

(eg selection, appointment, promotion, redeployment and separation of staff)

PRINCIPLES

1. Executive employment is approached strategically

To ensure that an agency has the executive team it needs to achieve government and agency objectives, executive selection, employment and development should be planned and should reflect the agency's strategic direction.

Chief executives should:

- (a) base their decisions to select, employ and develop executives on agency and government strategic objectives. When making these decisions chief executives must observe the personnel management standards outlined in Part 2 of the Public Sector Management Act, with particular attention being given to the merit standard in relation to selection
 - (b) balance short term operational flexibility against longer term workforce requirements when making such decisions
 - (c) consider best practice organisation design and management approaches when determining the structure and responsibilities of the agency executive management team.
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2. The executive resource is effectively managed as a major government resource

To ensure that executives in the public service can actively support the achievement of the government's priorities, executives should be effectively managed as a major government resource.

This will be achieved by chief executives:

- (a) appointing executives within a government approved executive remuneration structure which is developed and maintained by the Commissioner for Public Employment
 - (b) ensuring that executives contribute to the attainment of the government's overall objectives
 - (c) supporting the involvement of individual executives in development and other activities which enhance the value of the executive resource, and which respond to agency and government needs and responsibilities.
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3. Recruitment and selection processes identify high calibre candidates

To optimise the operational efficiency of agencies and to support government objectives, executive recruitment and selection processes should be designed to identify high calibre candidates.

To achieve this:

- (a) the Commissioner for Public Employment shall be actively involved to ensure that government interests in ensuring a high quality executive resource are addressed
 - (b) position requirements and selection criteria must be clearly defined
 - (c) vacancies should be advertised as widely as is necessary to ensure sufficient high calibre applicants and selection is subject to fair and open competition
 - (d) if necessary, high calibre candidates should be identified through executive search processes to supplement the applicant pool
 - (e) executive selection processes must be conducted in a professional manner, be properly planned and result in a fair and comprehensive assessment of the merit of each candidate against the selection criteria
 - (f) it should be recognised that the aim of recruitment and selection for an executive position is to attract the best available person within the remuneration range offered for the assessed work value of that position. (It follows from this that a better candidate in the market who demands greater remuneration may not be attracted to the position.)
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4. Executive employment conditions are fair and reflect agency and government needs and priorities

To maximise agency and government efficiency and flexibility, executive employment conditions should be fair and reflect agency and government needs and priorities.

Executive employment will be subject to the following provisions:

- (a) employment to be governed by a performance based contract under the Public Sector Management Act between the executive and the chief executive
- (b) employment to be for a term of up to five years (renewable) with provision for early termination by either party by giving three months notice. Such notice is not required when the executive is taking up another executive position in the South Australian public sector. A chief executive considering early termination of an executive contract should seek the advice of the Commissioner for Public Employment
- (c) remuneration to be based on assessed work value levels and tenure status with the total employment cost to government being transparent.

5. Executives perform to a high standard

To obtain optimal performance from executives, a chief executive should ensure that an integrated and planned performance management process is in place in the agency to continuously improve the performance of executives.

Performance management should:

- (a) through a performance agreement, create clear performance expectations within a whole of government and agency strategic framework, which appropriately reflect executive level work values
 - (b) develop a positive environment for ongoing feedback and coaching on performance
 - (c) include a formal review of performance at least annually which takes into account feedback from key staff and stakeholders
 - (d) reflect the responsibility of executives to be aware of and achieve their general responsibilities under the Public Sector Management Act to efficiently and effectively manage the resources under their control, to ensure the observance of the general public sector management aims and standards, and to contribute to the attainment of the government's objectives
 - (e) reflect the personnel management standards of Part 2 of the Public Sector Management Act, particularly those related to fairness, equity and reasonable avenues of redress.
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6. *Executive development addresses needs of the agency, government and individual executives*

To encourage the development of an effective executive team that supports the achievement of agency and government objectives, executive development should address the needs of the agency, government and individual executives.

Chief executives should:

- (a) actively encourage the development of a culture which values continuous learning and future capability building at the executive level
 - (b) ensure that all executives have an agreed Individual Development Plan, linked to their performance agreement, which is reviewed at least annually, and which provides a basis for identifying relevant development activities. This process should reflect individual and agency needs
 - (c) encourage and support executives to participate in whole of government executive development strategies so as to break down traditional patterns of single agency or narrow functional experience, contribute to continuous improvement in public sector agencies, and ensure a high quality executive resource
 - (d) recognise that development is a responsibility of both the agency and the individual executive.
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OTHER INFORMATION

Legislation

Public Sector Management Act 1995

- Part 1 Preliminary
- Part 2 General Public Sector Aims and Standards
- Part 5 Commissioner for Public Employment
- Part 6 General Employment Determinations and Positions
- Part 7 Public Sector Appointments (Apart from Chief Executives), Division 1 – Executive Positions

Publications issued by the Commissioner for Public Employment

- Guideline for the Protection of Merit and Equity
 - Guideline for Individual Performance Development
 - Guideline for Planned Human Resource Development
 - PSM Act Determination 1 - Executive Employment
 - Chief Executive and Executive Remuneration Information Kit
 - Executive Employment Policy Handbook
 - Information Package on Best Practice Executive Development
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About Guidelines

The Commissioner for Public Employment issues guidelines in accordance with Section 22 of the Public Sector Management Act 1995.

The guidelines detail the principles underpinning the eight key result areas of the Strategic Human Resource Management Framework for the South Australian Public Sector.

This guideline has been prepared in consultation with agencies with a view to facilitating agency level decision making. Where a requirement exists under legislation, or in government policy, the guideline indicates this.

Where necessary, the Commissioner issues PSM Act Determinations and supporting material. The determinations are binding, so as to ensure the effective implementation of Government public sector workforce policies and the personnel management standards of the Act, and the protection of key employment conditions. The supporting materials explain best practice in human resource management and provide additional information to agencies.