

RECRUITMENT OF STAFF

Executive Summary

1. As at 31 March 2013, the civil service had a strength of some 162,000 staff. Bureaux/departments (B/Ds) normally fill civil service vacancies at basic ranks by recruitment. The Civil Service Bureau (CSB), in addition to recruiting staff for 14 general civil service grades under its direct control, is responsible for setting service-wide recruitment policies and providing B/Ds with guidelines. In recruiting senior rank civil servants under the Public Service Commission (PSC)'s purview, B/Ds are required to seek its advice. During 2011-12 and 2012-13, 9,784 and 9,595 civil service appointments were made. The Audit Commission (Audit) has recently conducted a review of the staff recruitment work of the CSB and four B/Ds (namely the Correctional Services Department (CSD), Education Bureau (EDB), Food and Environmental Hygiene Department (FEHD), and Leisure and Cultural Services Department (LCSD)), and has found room for improvement in a number of areas.

Open recruitment of civil servants

2. According to the Government's civil service recruitment policy, B/Ds should normally conduct open recruitment to cast the widest net for candidates. For 2010-11 and 2011-12, a total of 343 open recruitment exercises were conducted (paras. 2.2 and 2.4).

3. *Shortening the recruitment process.* Prior to 2007, an open recruitment exercise could span for three to nine months. After the introduction of streamlining measures for the recruitment of civil servants between 2007 and 2009, the PSC reported that the recruitment process was shortened by about two months. In 96% of the open recruitment exercises under its purview in 2009, the PSC found that the recruitment board report was submitted for its advice within two to seven months. However, Audit analysis of the open recruitment exercises conducted by B/Ds in 2010-11 and 2011-12 revealed that there was still room for improvement. For example, 21% of the 77 exercises within the PSC's purview in 2010-11 and 20% of the 74 exercises in 2011-12 took over eight months before offers of appointment were made (paras. 2.3 to 2.5).

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4. Audit examination of 50 open recruitment exercises conducted by the CSB, CSD, EDB, FEHD and LCSD between 2010-11 and 2012-13 revealed that the CSD took a very long time of 356 to 714 days to complete 10 small-scale exercises. For 17 exercises (including the 10 small-scale exercises), the recruiting B/Ds had not followed the CSB guidelines to draw up recruitment schedules for monitoring the progress of these exercises. Moreover, the CSB did not have an established mechanism to collect information on recruitment exercises conducted by B/Ds and monitor their completion time. A lengthy recruitment process can put the Government in a disadvantageous position in competing with the private sector for talents. It can also result in higher recruitment costs and delays in filling vacancies. The recruiting B/Ds and CSB need to enhance their monitoring work (paras. 2.6, 2.8 and 2.13 to 2.15).

5. **Publicising recruitment exercises.** The CSB has not provided B/Ds with guidelines on the period for submitting applications or the use of e-mail for communicating with candidates. For the 50 open recruitment exercises (see para. 4 above), the application period ranged from 11 to 28 days and e-mail was not used in 43 exercises. Providing B/Ds with guidelines would be useful for ensuring that they do not lengthen the application period beyond the norm without good reasons and make appropriate use of e-mail to enhance efficiency and cost-effectiveness (paras. 2.26 and 2.27).

6. **Vetting applications.** Of the total of 258,400 candidates in the 50 open recruitment exercises, 43% were found not meeting the entry requirements stated in the recruitment advertisements. The situation was unsatisfactory as significant time and resources were wasted in processing their applications. The CSB needs to review exercises having a high percentage of unqualified candidates together with the B/Ds concerned and implement effective measures to address the issue (para. 2.33).

7. **Holding skill tests/examinations and conducting selection interviews.** Skill tests/examinations were held in 34 of the 50 open recruitment exercises. Audit found cases where candidates were given notice shorter than the period of two weeks required by the CSB guidelines or not given the same notice period. The CSB needs to remind B/Ds to give sufficient and uniform advance notice. In 7 of the 50 open recruitment exercises, group interviews were conducted. Further CSB guidelines on how to make the best use of group interviews in the recruitment process would be useful to B/Ds (paras. 2.38 and 2.40).

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In-service recruitment of civil servants

8. An in-service recruitment exercise is restricted to serving civil servants. According to the Government's civil service recruitment policy, B/Ds would conduct in-service recruitment only when there are special reasons (e.g. the required skills can be met by serving officers in other civil service grades with potential surplus staff) (para. 1.4).

9. *In-service recruitment of controlled grade staff.* The CSB maintains control on the open recruitment for controlled grades (e.g. those with surplus staff or under institutional review). According to a CSB Circular Memorandum of 2007, for these controlled grades, B/Ds may conduct in-service recruitment to fill vacancies as they consider necessary or apply for the CSB's approval to conduct open recruitment in justifiable circumstances. However, Audit found the following issues relating to the in-service recruitment of staff in controlled grades (notably Workman I and Workman II): (a) between 2010-11 and 2012-13, the EDB, FEHD and LCSD conducted a total of nine in-service recruitment exercises for Workman I/Workman II to fill vacancies. Due to the reduced pool of candidates and high decline rates, the three B/Ds failed to recruit sufficient staff. As at 31 March 2013, they had a total of 435 Workman I and 497 Workman II vacancies; (b) where an appointee did not come from a civil service grade with surplus staff, there was still a need to fill the vacancy left by the appointee on in-service transfer. Consequently, the civil service vacancies would not be reduced and the B/D concerned would need to conduct a recruitment exercise to fill the vacancy. The competition for candidates among B/Ds continued, resulting in ineffective use of government resources and higher staff turnover; and (c) the operations of a B/D would be adversely affected when a large number of its staff were transferred out to other B/Ds because it is restricted under the Civil Service Regulations from filling the posts vacated by such staff during their trial period (usually one year) in the recruiting B/Ds (paras. 3.6, 3.7, 3.9 and 3.14 to 3.20).

10. *In-service recruitment of other civil servants.* For grades other than the controlled grades, B/Ds should normally conduct open recruitment to fill vacancies. However, between 2010-11 and 2012-13, the CSD conducted a total of 12 in-service recruitment exercises for grades other than the controlled grades. For four of these exercises, the CSD received only a small number of applications and failed to recruit the target number of officers. The CSB needs to regularly remind B/Ds that open recruitment is the norm for filling civil service vacancies (paras. 3.26 to 3.28).

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Recruitment of non-civil service staff

11. In addition to civil servants, B/Ds may employ non-civil service staff, including non-civil service contract (NCSC) staff, to meet service needs. As at 30 June 2013, there were 14,759 full-time non-civil service staff, representing roughly 9% of the civil service strength. The appointments of such staff are separate from the system for making civil service appointments. In general, the norm for recruiting such staff is open recruitment (paras. 1.7 and 4.2 to 4.4).

12. *Using online job application system.* The CSB has implemented a job application system to allow candidates to complete and submit application forms online. B/Ds may use the system in conducting open recruitment exercises for civil servants or non-civil service staff. However, Audit examination of 80 recruitment advertisements for NCSC staff revealed that online applications were accepted for only 18 (23%) exercises (para. 4.6).

13. *LCSD's open recruitment of NCSC staff.* NCSC staff may be used where the mode of service delivery is under review. The LCSD has employed Music Officers, Stage Management Officers and Stage Technicians on NCSC terms for some 14 years and has taken a long time to review these NCSC positions. Due to high turnover, the LCSD had conducted frequent exercises for recruiting these staff. The LCSD needs to closely monitor the staff turnover of the NCSC positions and agree/finalise with the CSB on the way forward for the positions at an early date (paras. 4.9 to 4.11).

Way forward

14. To fill vacancies arising from wastage and creation of posts in a timely manner, B/Ds need to continue to strive to conduct necessary recruitment exercises effectively and efficiently. The CSB also needs to work with B/Ds in refining and streamlining the recruitment process (paras. 1.6 and 5.5).

Audit recommendations

15. **Audit recommendations are made in the respective sections of this Audit Report. Only the key ones are highlighted in this Executive Summary.**

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Audit has recommended that the Secretary for the Civil Service should:

- (a) **remind B/Ds to draw up recruitment schedules and closely monitor the progress of their open recruitment exercises (para. 2.17(b));**
- (b) **monitor and conduct regular analyses of the time taken by B/Ds to complete open recruitment exercises (para. 2.17(c));**
- (c) **provide B/Ds with appropriate guidelines on the period allowed for submitting applications and the use of e-mail for communicating with candidates (para. 2.29(a) and (b));**
- (d) **review open recruitment exercises having a high percentage of unqualified candidates together with the B/Ds concerned and implement effective measures to address the issue (para. 2.36(a));**
- (e) **remind B/Ds to give sufficient and uniform advance notice of a skill test/examination to all candidates (para. 2.41(a));**
- (f) **provide B/Ds with further guidelines on conducting group interviews in the recruitment process (para. 2.41(c));**
- (g) **review the issues relating to the in-service recruitment of controlled grade staff identified by Audit and improve the recruitment arrangements for the controlled grades (para. 3.24(a) and (b));**
- (h) **regularly remind B/Ds that in-service recruitment should only be conducted under special justifiable circumstances (para. 3.29(a));**
- (i) **take appropriate measures to facilitate B/Ds' use of the CSB's job application system in conducting recruitment exercises for NCSC staff to enhance efficiency (para. 4.13(b)); and**
- (j) **work with the PSC to keep a closer monitoring of the recruitment efforts among the B/Ds and review the controlled grade arrangements (para. 5.5(a) and (c)).**

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16. **Audit has also *recommended* that:**
- (a) **the Commissioner of Correctional Services should:**
 - (i) **continue to work on streamlining the recruitment procedures through a comprehensive review of the overall recruitment processes (para. 2.19); and**
 - (ii) **recruit staff through open recruitment as a norm and conduct in-service recruitment only under special justifiable circumstances (para. 3.30(a)); and**
 - (b) **the Director of Leisure and Cultural Services should closely monitor the staff turnover of the NCSC positions of Music Officers, Stage Management Officers and Stage Technicians, and agree/finalise with the CSB on the way forward for the positions at an early date (para. 4.15(a)).**

Response from the Administration

17. **The Administration agrees with the audit recommendations.**