

# TOP LEVEL APPOINTMENTS COMMITTEE (TLAC)

FIFTH REPORT TO THE MINISTER FOR PUBLIC EXPENDITURE & REFORM

2016 DEVELOPMENTS & TRENDS



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## **Part 1: Foreword**

*This report is prepared for the Minister for Finance and Public Expenditure & Reform, Paschal Donohoe T.D.*

*On behalf of my colleagues, I am happy to present the Fifth Report of the Top Level Appointments Committee (TLAC) for the period January – December 2016. My predecessor, Dr Dorothy Butler-Scally was Chair of TLAC until November 7th of 2016 and so this is a report of the work of TLAC under her stewardship.*

*In 2016, TLAC experienced another busy year, with 18 competitions held and 18 appointments made. The report highlights a number of features of TLAC competitions. It also mentions work we have done to assess the efficacy of our interview process.*

*Deep appreciation is due to Dr Scally for her significant contributions to TLAC as a member and then as Chair. I would also like to express my appreciation to Mr. Kevin Empey and Mr. John Murphy who also retired from TLAC during 2016, for their generous support and wisdom during their terms on TLAC.*

*TLAC is pleased to welcome a number of new members who joined the committee in 2016: Ms Bride Rosney, Mr Phillip Matthews, Mr Conor Brady, and Mr Mark Griffin.*

*I would like to acknowledge the commitment and contribution of all colleagues who continue to give generously of their time, energy and expertise in meeting the considerable demands of TLAC.*

*I would like to express my thanks to the staff of the Public Appointments Service for their professionalism and ongoing support to TLAC in the execution of its remit, together with my sincere appreciation of the dedicated service of Ann Higgins, Secretary to TLAC.*

*Jane Williams*

*Chairwoman*

*November 16th 2017*

## **Executive Summary**

The number of vacancies for TLAC level posts decreased in 2016 dipping to 18 after a record year in 2015 with 32 competitions.

Of the 18 recruitment competitions in 2016, three were at Secretary General Level, four were specialist posts and 11 were Assistant Secretary posts. From all of these, 18 appointments were made. As in previous years, PAS carried out the final interview process, with representation from TLAC, for the 4 specialist posts.

TLAC had the support of the executive search function of the Public Appointments Service for a number of campaigns to ensure the widest possible pool is available for the most senior Civil Service positions.

The use of an in-depth assessment as an input to the TLAC process was mainstreamed in 2016 for Secretary General Posts, following a trial basis in 2015. This has enhanced the interviewing and assessment process and its use has proved valuable for these most senior positions.

TLAC undertook self-assessment on its interview process. This included objective inputs including a survey of applicants and interviews with a sample of receiving Secretary Generals and, for Secretary General posts, the receiving Minister. The review confirmed the efficacy and credibility of the TLAC interview process, while also identifying areas for further development.

Review of the data for campaigns completed in 2016 identified the following trends:

- There was an overall increase in the average number of applications for TLAC posts in 2016. While the number of applications varied considerably from post to post, each TLAC level post advertised in 2016 attracted an average of 29.2 applications compared with an average of 24.6 in 2015 and 29.1 in 2014. Overall there were 526 eligible applications for the eighteen posts advertised in 2016.
- Reflecting a significant trend change, an increased proportion of appointments went to candidates currently working outside the hiring Department than in previous years: 61% of TLAC appointments in 2016 went to candidates from the civil service, with 50% of all appointments coming from within the hiring Department or an Agency of that Department. This compares with the rising trend in previous years of 46% in 2012, 57% in 2013, 60% in 2014, and the substantial increase to 80% seen in 2015
- The numbers of women both applying for and succeeding at the different stages varied when compared with previous years, with 24% of all applications in 2016 from women, a decrease from 29% in 2015; 27% in 2014 but above the 21% in the 2013 level. Women accounted for 29% of those shortlisted for Preliminary interview,

37% of those being sent forward to the final TLAC interview and 33% of the successful candidates, the latter being the same as the previous year. The trends for preliminary and final are increases over previous years.

- The proportion of applications from the private sector recovered significantly in 2016, with 32% of applicants, compared with 22% in 2015 and heading towards the 45% outcome of 2014.
- The number of appointments of candidates from outside the Civil Service rose significantly in 2016 (39%), changing the trend from previous years with 20% of appointments being non-Civil Service candidates in 2015, 23% of appointments in 2014 and 24% of appointments in 2013.

For the future, a number of issues need to be addressed:

- The declining proportion of female applicants is a cause of concern. Though in line with the pattern, evidenced elsewhere, of greater success at TLAC of female applicants, it is a concern that more women are not putting themselves forward for these important senior positions, thus improving gender balance in line with policy and drawing on the full leadership talent pool available.
- The increased number of applications per competition is welcome. It will be important to encourage that trend where possible, particularly in the face of strong growth in employment in the private sector and increasing salaries there. Any additional actions, whether requiring adjustments to remuneration and employment packages or otherwise, needed to ensure that all TLAC level campaigns continue to attract enough high-quality candidates to maintain a competitive process, will need to be considered.

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### **The Role of TLAC**

- The role of TLAC is to support the Government objective that the recruitment and selection process for the most senior Civil Service positions is accessible to the widest pool of qualified candidates from all sectors.
- TLAC identifies the best candidate(s) for each position and makes recommendations to the relevant Minister or Government as appropriate.
- TLAC operates under the Code of Practice of the Commission for Appointments in accordance with the principles of merit, consistency, accountability, probity, best practice and professional confidentiality.

- TLAC operates in an independent manner and strictly on the basis of open competition and merit.
- Subject to certain exceptions, TLAC deals with all posts at and above Assistant Secretary level or equivalent in the Civil Service.

### **TLAC Structure**

The membership of the Top Level Appointments Committee (TLAC) comprises seven external members and six internal members, maintaining a majority of non-civil servants. The thirteen members are comprised of, (i) the Secretary General, Department of Public Expenditure and Reform; (ii) the Secretary General to the Government; (iii) four other senior civil servants appointed for three year terms and; (iv) seven members from outside the Civil Service appointed for three year terms, one of whom is the chairperson,.

### **The Membership of the TLAC Committee in 2016 was as follows:**

- Dr Dorothy Scally, Professional Development Consultant (Chairperson); (term ended on 7 November 2016)
- Mr Kevin Empey, Director, Willis Towers Watson (term ended in November 2016).
- Ms. Jane Williams, Managing Partner, Sia Partners (took up as Chair of TLAC on 8<sup>th</sup> November 2016)
- Mr. Tony Keohane, former CEO & Chairman, Tesco Ltd (with effect from 1st September, 2015).
- Ms. Brid Horan, Former CEO of the ESB and Non Executive Director (with effect from 1st September 2015).
- Mr. Charles Dolan, Director, Consulting Ltd (with effect from 1st September 2015).
- Mr Robert Watt, Secretary General, Department of Public Expenditure & Reform
- Mr Martin Fraser, Secretary General to the Government
- Ms. Niamh O'Donoghue, Secretary General, Department of Social Protection (with effect from 12 January 2015)
- Mr. John Murphy, Secretary General, Department of Jobs, Enterprise and Innovation (term ended on retirement on 30 September 2016)
- Mr. Maurice Quinn, Secretary General, Department of Defence (with effect from 1<sup>st</sup> September 2015).
- Mr. Jim Breslin, Secretary General, Department of Health (with effect from 1<sup>st</sup> September 2015).

- Mr Mark Griffin, Secretary General, D/Communications, Climate Action & Environment (with effect from 6<sup>th</sup> December 2016).

### **The TLAC process consists of:**

- Shortlisting of candidates, on the basis of the information contained in the candidates application, to identify those most likely to attain the standard required at the interview stage;
- Competitive preliminary interview;
- Completion of an online questionnaire(s);
- In-depth executive assessment for Secretary General level posts;
- Competitive interview, which includes a presentation, conducted by the Top Level Appointments Committee (TLAC).
- Recommendations to Minister/Government.

The process is explained further in the Appendix to this Report.

### **Developments during 2016**

TLAC conducted a performance self-evaluation of its final interview process in 2016. TLAC considered commissioning an external provider for this process, but instead undertook the work itself, assisted by independent inputs. This decision was based on the confidentiality of the interview process and candidate identities, together with the likely costs involved. TLAC included five inputs to this assessment: Candidate Survey; Interviews with receiving Secretaries General and Ministers; Qualitative de-brief of PAS staff who attend the TLAC interviews; a Best Practice report; and TLAC member self assessment survey. The report of the key findings was published in October 2016. The conclusion was that 'From all the inputs, the evidence suggests that the TLAC final interview process is strong, respected, valued and in line with best practice'. The self-evaluation suggested some potential enhancements to the current practice.

TLAC, in conjunction with the Public Appointments Service, continued to review its selection methodology in order to maintain practices in line with the Code and good practice. Innovations trialled in previous years have been integrated into TLAC practice.

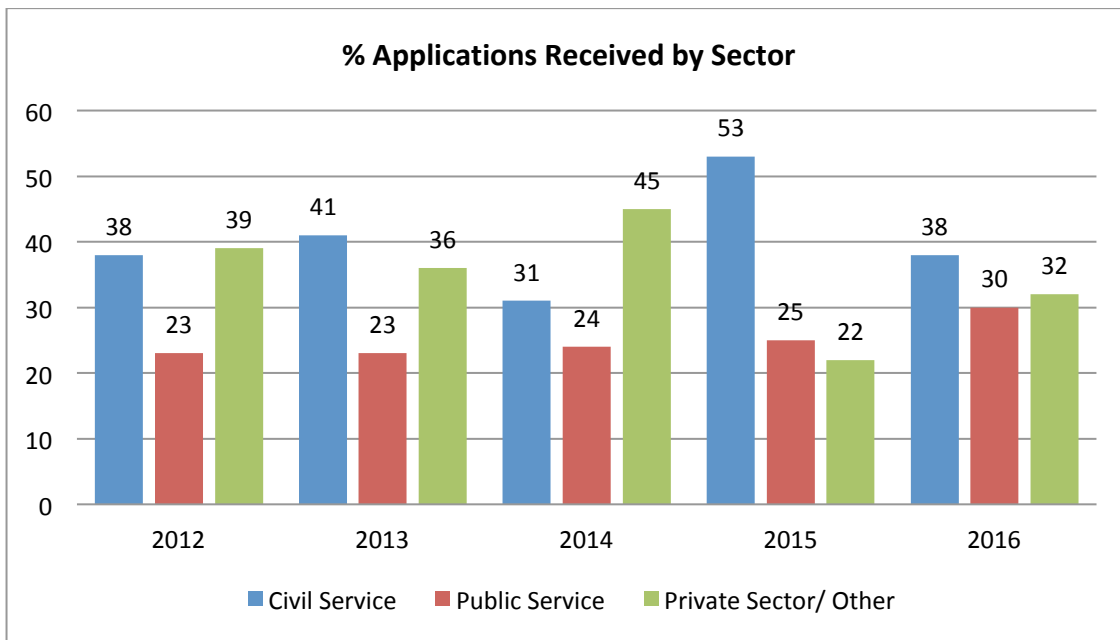
## PART 2: 2016 Statistics

### A. Breakdown of Candidates by Sector per Stage in the TLAC Process

In 2016 there were 526 applications received for eighteen TLAC posts in comparison with 789 applications received for thirty-two TLAC posts in 2015. The average number of applications per post, therefore, increased from approximately 24.7 in 2015 to 29.2 in 2016. The number of applications per campaign varied considerably. It is challenging to draw a pattern from which to explain the variations.

The proportion of applications from the private sector increased significantly from 22% in 2015 to 32% in 2016, recalling that the proportion was 45% in 2014. Representation of civil servants among the overall applicant group fell back to the figures close to the last 5 year average, indicating that 2015 may have been an outlier in this respect.

The proportion of applications from public servants increased to 30% (from 25% in 2015), in line with a five year average.



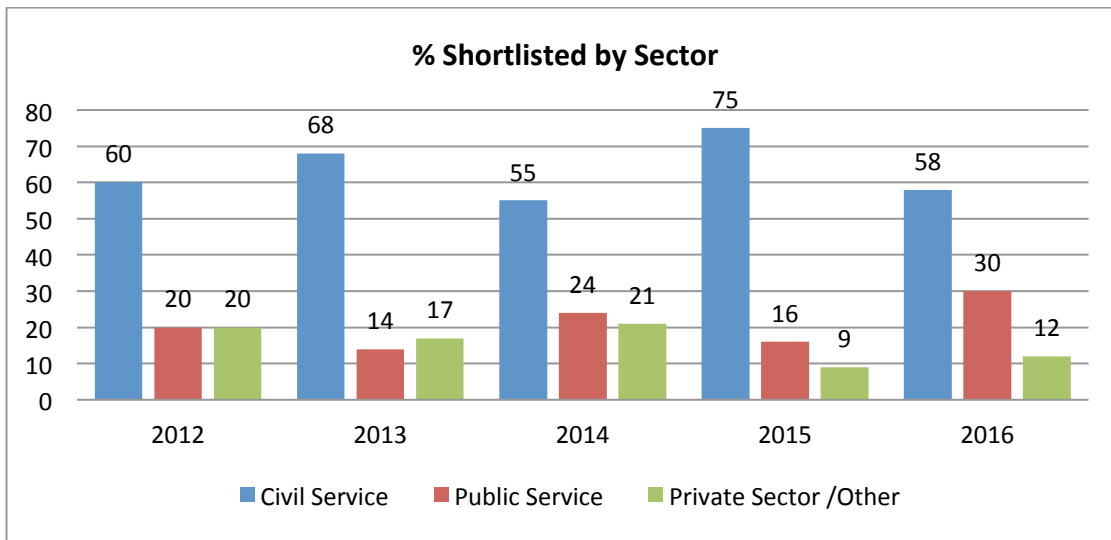
### Shortlisting

The first stage in the TLAC process is shortlisting, which is carried out by a selection board convened by PAS under an independent chair and includes a member of TLAC. The



board, following a briefing by the Secretary General of the hiring Department agrees shortlisting criteria consistent with the skills, experience and competencies required for the post. Based on the information provided in the candidates' applications, the board assesses each candidate's suitability using the agreed criteria to determine a shortlist of candidates to go forward to the preliminary interview.

There has been a fall in the proportion of civil servants being shortlisted for interview in 2016, compared with 2015 (58% compared with a peak of 75%). Applicants from the Public Service accounted for 30% of the shortlisted group, an increase over the 16% in 2015 and over the 24% in 2014, while the private sector applicants among the shortlisted group decreased over the five year period with a meanrepresentation of 15.8%.

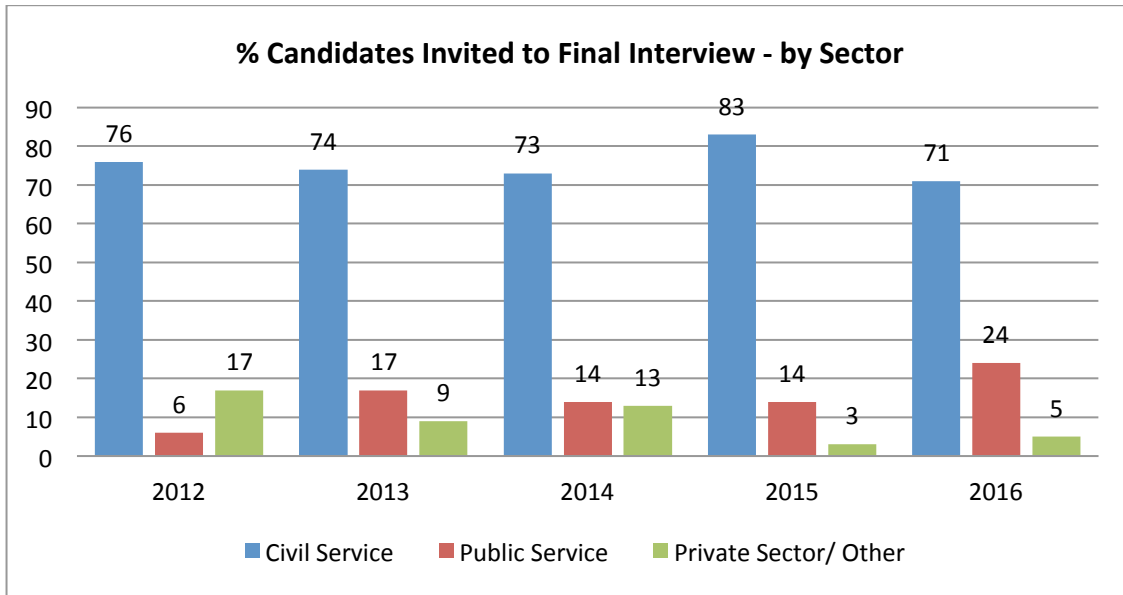


### Preliminary Interview

The preliminary interview focuses on exploring the candidates CV, track record and competencies to demonstrate suitability for the post under consideration. Following a comprehensive interview and consideration of the applications from candidates, the interview board identifies those candidates who, in its judgement, should progress to the next stage of the process. These candidates then proceed to the TLAC final interview. Generally, no more than five candidates proceed to TLAC final interview.

Civil servants were more likely than candidates from other sectors to be successful at preliminary interview and accounted for 71% of candidates who qualified at preliminary interview and were sent forward to the TLAC interview stage, returning to average of the five year period.

The proportion of candidates from the broader public service who qualified at preliminary interview increased significantly at 24%, compared with a four year average to 2015 of 12.75%. Significantly fewer candidates from the private sector qualified at preliminary stage as they were not considered to be at an appropriate level. Only 5% of all candidates going forward to the TLAC stage interview were from the private sector, a substantial decrease over the years 2012-2014.



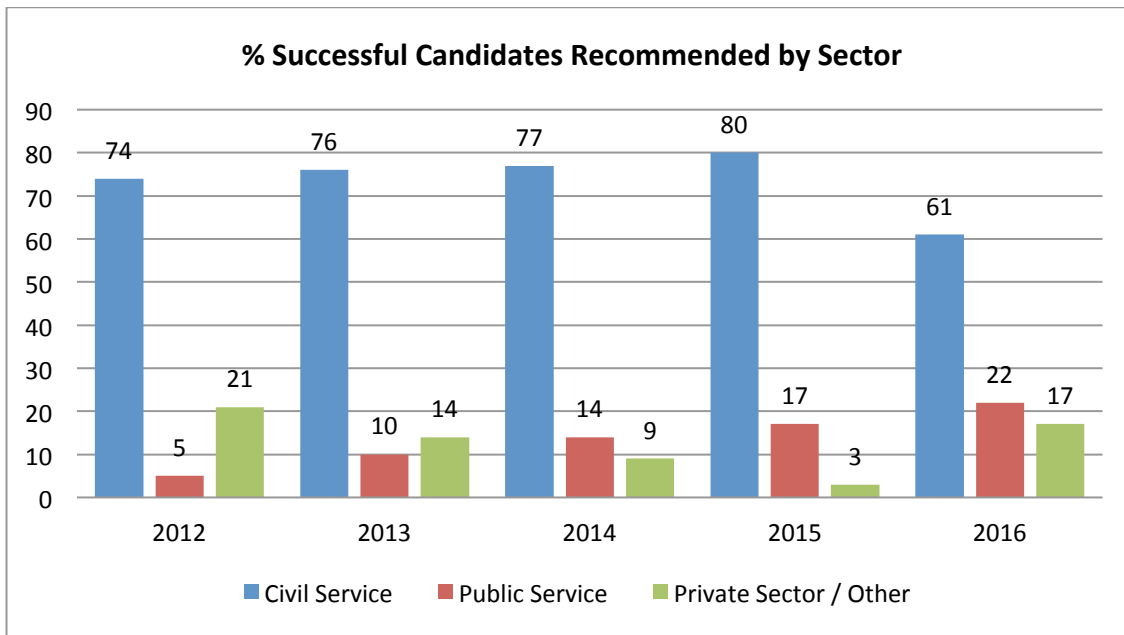
### Successful at Final Interview

The TLAC interview is conducted by a sub-panel of the Top Level Appointments Committee, which is focused on identifying the most suitable candidate/s to be recommended to the Minister/Government for a particular post.

Civil servants were more modest in their success at final interview, relative to previous years, with 61% of those succeeding being from this sector. This is less than the rates of 74% to 80% seen in the preceding four years.

Of the public sector applicants who progressed to final interview, 11% were appointed.

Of the four private sector candidates (5%), who progressed to final interview three were appointed, or a success rate at final interview of 75% which compares favourably with the average success rate of 30.5%.



The data for 2016 in the preceding tables, from percentages of applications received to percentages recommended for appointment, can be summarised as follows:

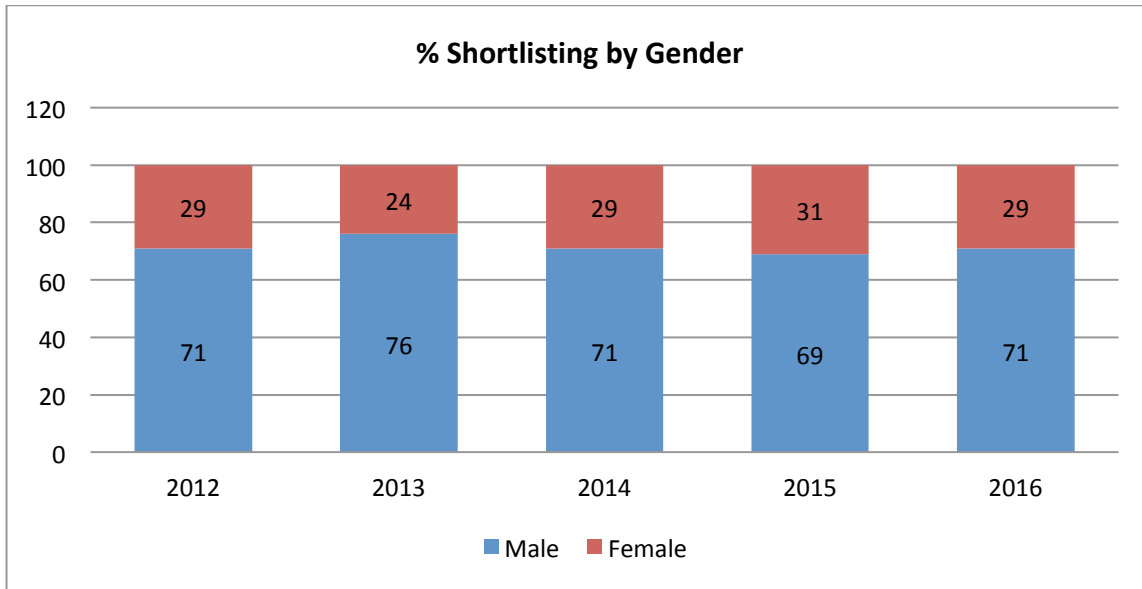
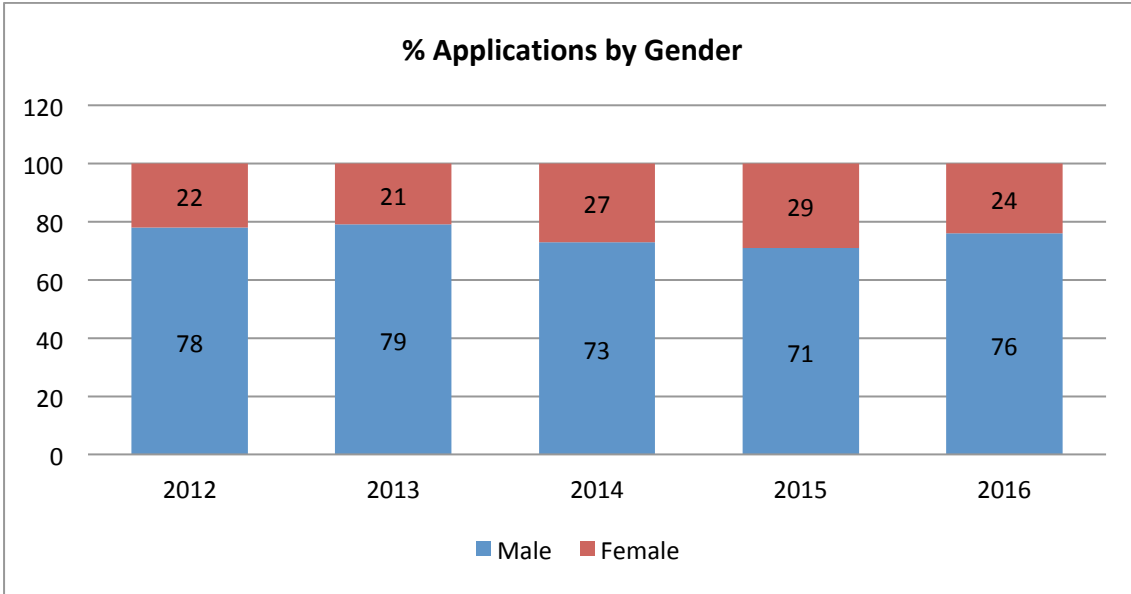
**% Applicants recommended for Appointment 2016 – by Sector**

	% Applicants	% to TLAC Final Interview	% Recommended for Appointment
Civil Servants	38%	71%	61%
Public Servants	30%	24%	22%
Private Sector	32%	5%	17%

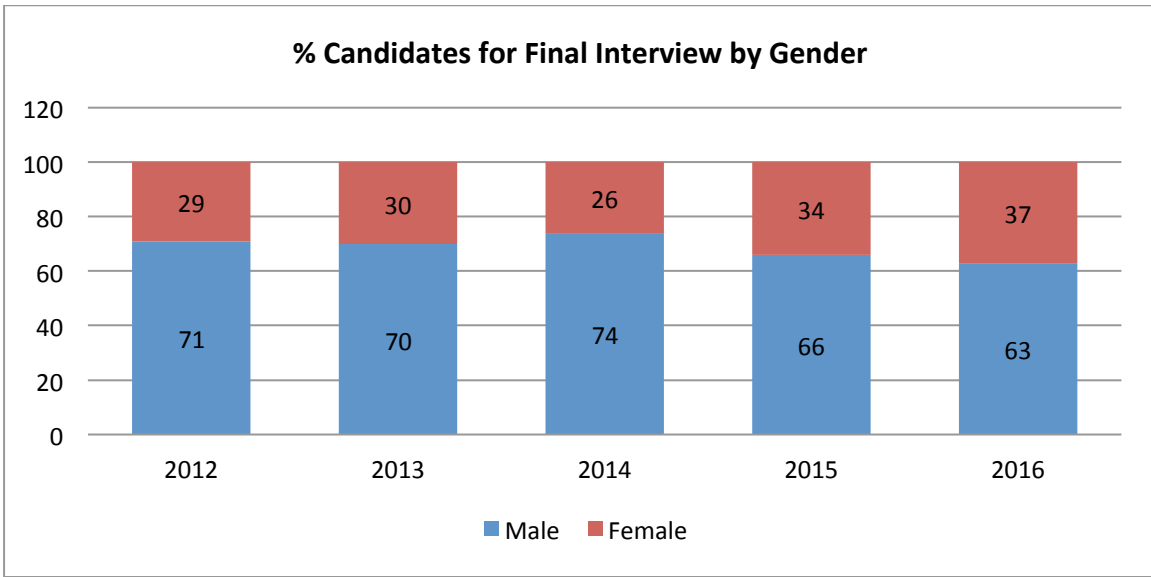
**B. Breakdown of Candidates by Gender per stage in TLAC Process**

The proportion of applications from female candidates fell back in 2016 with a decline to 25% of the total applications, after a continued increase from 2013 – 2015 with, in 2015, females making up 29% of all applications in comparison with 27% in 2014 and 21% in 2013.

Females were also slightly more likely to be shortlisted and represented 29% of the shortlisted group in 2016, a decrease from 31% in 2015.

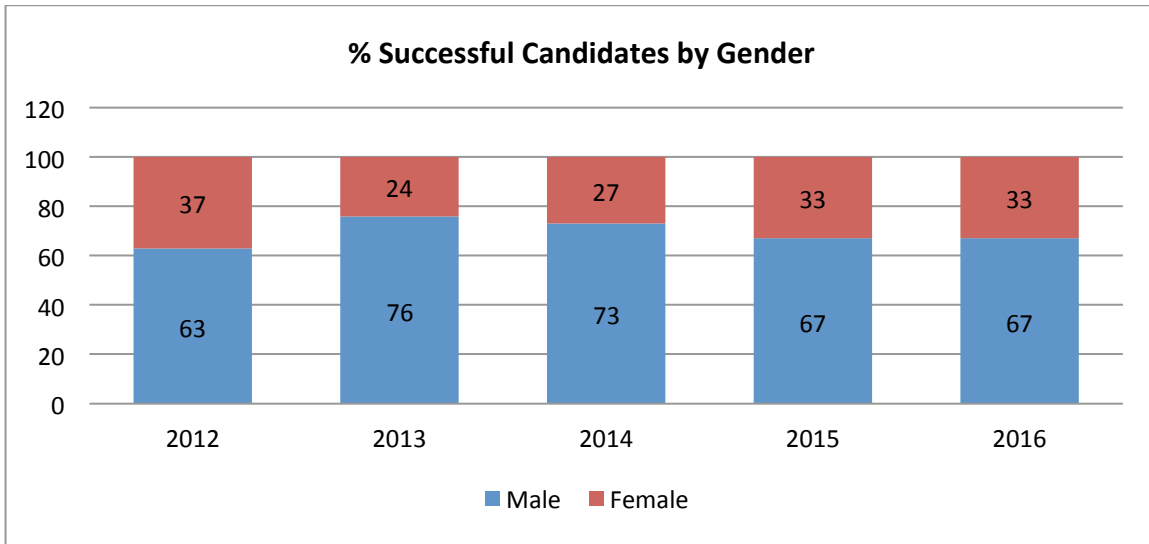


Female applicants were slightly more likely than males to be successful at preliminary interview and to be sent forward to the final TLAC interview, with 37% of the candidates going to TLAC in 2016 being female. This compares with 34% in 2015, 26% in 2014 and 30% in 2013.



### % TLAC Successful Candidates – by Gender

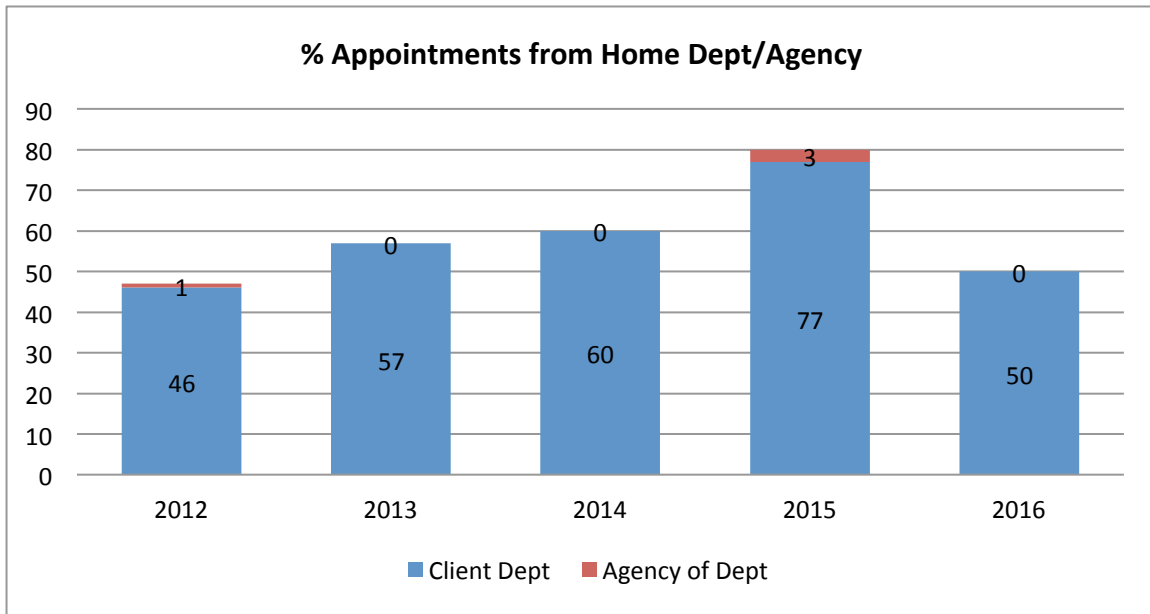
33% of TLAC appointments made in 2016 were female candidates, which is the same as the previous year but not as high as the 37% in 2012.



### C. Percentage of TLAC appointments from Home Department or Agency

The increasing trend from 2013, of appointments from the 'home' Department/Agency of that Department, has been reversed in 2016 with the lowest proportion since 2012, at 50%. By 'home' Department is meant the hiring Department. This pattern must be monitored in 2017 to see if the trend is holding.

**% Appointments from Home Dept./Agency of HomeDept.**



## Trends

### **A. Open Recruitment**

*While there was an increase in Civil Service applicants for TLAC level vacancies in 2016, there was a significant decrease in the number of applications from the private sector.*

*Applicants from the private sector were also less likely to be shortlisted for interview. However, the success rate of private sector candidates at final interview has significantly increased to 75%. The numbers are small but noteworthy.*

*In 2016, nearly 40% of candidates appointed by TLAC were from outside the Civil Service., almost equally spread between the broader Public Service and the private sector.*

The experience of those participating in shortlistings is that a proportion of private sector candidates appear to underestimate the seniority and complexity of the positions on offer. Fewer private sector candidates applied in 2016 and a smaller number made it through the shortlisting and preliminary interview stage. However, analysis shows that those who do have a high chance of succeeding in being appointed.

While the majority of TLAC posts advertised in 2016 attracted a good number of applications to ensure a highly competitive process, the average number of applicants per competition varied quite considerably with some posts not attracting as many candidates as would be hoped for.

### **B. Gender Representation.**

*Both the number of applications from women and the proportion of female TLAC appointments in 2016 falls short of the policy intent in encouraging women to apply for and achieve on merit the top level positions in the civil service.*

2016 saw a reversal of the upward trend in applications from women with 24% of applications compared with 29% in 2015 and 27% in 2014. Women also accounted for 33% of all appointments made in 2016, the same as 2015.

The participation and success of women in securing appointments at this level is improving. TLAC welcomes the initiatives underway in the Civil Service to encourage and develop talented females. Efforts to encourage more applications from women could be intensified.

### **C. Appointments to candidates from within the Department:**

*The number of appointments of candidates from outside the hiring Department increased substantially.*

In 2016, a trend for an increasing proportion of appointments of candidates from the 'home' or hiring Department or an agency of that Department abated significantly. In 2012, 47% of appointments were from the hiring Department or an agency of the Department; this rose to 57% in 2013, to 60% in 2014 and to 77% in 2015. The figure fell back to 50% in 2016.



## **Considerations**

- **Ensuring a competitive selection process for all TLAC posts.**

The objective of a robust recruitment process is to maintain the leadership of the Civil Service commensurate with the challenges that are faced. A core pillar of that is strong applications from a diverse talent pool. As highlighted in previous reports, there is concern that the demands and public exposure of the senior roles is acting as a deterrent to some of the potential candidates. Smaller numbers of candidates making it to Preliminary and final interview may be another indicator of this.

The strength of the economy and the vibrant market for senior leadership positions may explain the reducing number of applicants from the private sector. In addition, there are indications that the remuneration packages available in the private sector are more competitive. Though civil servants have demonstrated their motivation to be influenced by a broader set of considerations than the remuneration package, it is likely that the disparity is and will continue to influence the applicants for top level positions in the civil service.

In addition, the fixed 7 year term contract at Secretary General level may be unattractive to those with more than 10 years left in their career or still raising a young family, or those with more flexible terms in the private sector.

An assessment of the factors that are likely to influence both civil service and non-civil service applicants is needed to provide evidence and informed opinion on this position, as a basis for potential necessary action.

- **Gender and Top Level Appointments.**

The pace of change in female participation in the top level competitions in the Civil Service, as set out in the analysis on pages 12 and 13 above, is slower than the senior leaders in the Civil Service expect. The pace is indicative of the challenges faced in other spheres of employment. The Civil Service has been a leader in fairness and anti-discriminatory practices. The success of many initiatives in improving the situation is testimony to that. The impact of further initiatives, currently being introduced, will be monitored as they achieve their intended effect.

TLAC welcomes the different initiatives that have supported greater participation by women in top level competitions. In its interview practice TLAC members carry awareness of issues, such as unconscious bias, as a key way of ensuring talent and skills are identified and valued. TLAC wishes to ensure that it is supporting policy in this area by all appropriate means.

The trends will be examined at the end of 2017 and options within its remit explored to underpin better outcomes in the area of female participation in top level appointments.