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Champion's report : workforce for
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Champion's Report

WORKFORCE FOR THE FUTURE



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Workforce for the Future

This is an outline of a vision for the future of DFAIT as an institution, a workforce and a community.

It takes as its point of departure that the work we do now will continue to be valuable to Canadian society.

The environment in which it will be performed will, however, have changed radically, as will the character of the workforce from which we will draw our members.

The report, though oriented beyond the immediate future, proposes over fifty measures for change to consider now. Some are for immediate implementation, others for the longer term. All will need to take into account our capacity to invest. All are focussed on one objective -- to evolve an institution that is flexible and responsive to the mutating environment and the needs and expectations of its people.

The core recommendations are listed on the next page. They are best understood, however, by reading the report itself including the discussion of our future environment and the detailed recommendations that are set out in the body of the text. Those who are really pressed, might want to read the extracts that follow.

Finally, I should say that this is a champion's report that is different from others, in that, while it represents no constituency except the future, it has benefited greatly from and seeks to extend the work that others have done on the HR strategy.

George Haynal

16443-173

THEMATIC RECOMMENDATIONS

MELD OUR VARIOUS EMPLOYEE GROUPS INTO A FOCUSED, MOBILE AND FLEXIBLE WORKFORCE, BY DEVELOPING:

A SINGLE FOREIGN SERVICE GROUP FROM THE POLITICAL AND TRADE STREAMS

A "MANAGEMENT CONSULAR " STREAM THAT BEGINS AT THE SUPPORT LEVEL

A "HEADQUARTER STAFF" GROUP TO PROVIDE CAREER MOBILITY FOR NON ROTATIONAL PROFESSIONAL STAFF

AN "INTERNATIONAL STAFF" GROUP TO ENHANCE THE CAREERS OF PROFESSIONAL LES

OUR CAPACITY TO BENEFIT FROM THE PARTICIPATION OF OUR PRO-TEM EMPLOYEES

A DYNAMIC PARTNERSHIP WITH THE FOREIGN SERVICE COMMUNITY

RELY ON VALUES, ETHICS, MARKETS AND VERIFICATION RATHER THAN HIERARCHY, TO MOTIVATE PERFORMANCE AND REGULATE BEHAVIOUR

BUILD AN ORGANISATIONAL CULTURE OF SERVICE, ACHIEVEMENT, OPEN COMMUNICATIONS, CONTINUOUS LEARNING AND TECHNOLOGY-BASED AUTONOMY

DEPLOY OUR RESOURCES ABROAD IN A FASHION THAT BEST ALLOWS US TO SERVE CANADIAN INTERESTS IN A MUTATING INTERNATIONAL ENVIRONMENT

BUILD A PHYSICAL WORK ENVIRONMENT THAT ENCOURAGES FLEXIBILITY, OPEN COMMUNICATIONS, TEAMWORK AND THE FULL INTEGRATION OF INFORMATION TECHNOLOGY.

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DFAIT 2010: WORKFORCE FOR THE FUTURE

INTRODUCTION

The Workforce of the Future project served two purposes.

First, to help establish a culture of openness to the future in the Department, which today is coping with so many immediate challenges that we have little time to look ahead.

It is with the hope of implanting a permanent curiosity about the future that the project team established the web site: <http://intranet.lbp/department/spd/workforce/menu-e.asp>, where we have published contributions from members of the Department, studies of how other comparable institutions see their future and reports on consultations with employees, business, media, academic and civil society reps, Information Technology experts. We hope that members of the Department will continue to contribute to the website and that it will be a growing source of interest to all employees.

Second, to produce the report that follows.

The conclusions reflect a wide array of comments and inputs, but, in the end, they are personal. The views of others (often more detailed and thoughtful than mine) are on the WFF website.¹

The Report

The report consists of two sections. The first part sets out some of the background. It tries to describe in general terms the environment in which we will likely work in the future. It then addresses the workforce of the future, i.e. the characteristics of the labour pool from which we will draw our own workforce. Third, it notes some of the features of DFAIT, looked at as the institution that will have to serve Canadians in this environment and employ this workforce.

The second part of the report starting on page 10, proposes some approaches to building a workforce and an institution that are in harmony and that, together, are ready for the future.

¹Acknowledgements:

The report on the workforce of the future would not have been possible had **Louis Simard, Lucille Tellier, Monique Raymond-Dubé, Bernie Etzinger, Kelly Morgan, Robert Desjardins, Ian Clark, Sharon Oikawa** and others, not generously made this project part of their "workload of the present". I am grateful to them for their assistance in bringing life to this project on paper and on the web, and ensuring that so many were able to submit views.

The report owes deeply to those thoughtful members of the Department who took the time to make their views known on how they thought this institution and its workforce should look in the future.

The people that I met with outside government had strong views on Canada, our place in the world, IT, and the nature of diplomacy and the promotion of national interests. Their willingness to help with this process of reflection reinforced for me the idea that Team Canada exists on many levels.

PART I: BACKGROUND

THE INFORMATION DRIVEN WORK ENVIRONMENT OF THE FUTURE: AN ABBREVIATED TOUR

Change (often discontinuous as well as structural change) is the one constant in the environment at the turn of the century. Institutions' success will ever more be defined by their workers' capacity to cope with it.

If anyone has doubts about the likely extent of change in the next 12 years, they have only to review how different the world was twelve years ago. In 1987, the Soviet Union and the Warsaw Pact were in place and the Cold War was the defining feature of the world security. There was one Yugoslavia and two Germanies. The term "ethnic cleansing" was not yet current. The FTA was yet to be concluded. The notion that there were "global issues" was not yet articulated. European construction had stalled, with the EC in the slump of europessimism. Privatization was controversial in much of the world. Japan was, by common consensus, ready to take a dominant and aggressive role in the world economy with the US a fading model. Apartheid was in place and military regimes were just phasing out in Latin America. The Canadian dollar stood at US \$.75 and the failure of Meech Lake was still ahead of us. Bio- engineering verged on science fiction. Most important, the information age was in its infancy, the Internet and the World Wide Web not yet suspected of its power to transform the world.

While much else about the future is unpredictable, the change that **Information Technology (IT)** has already brought to society will continue to accelerate. It is only the limits of change IT will induce which are hard to see.

IT's impact is already dramatic on institutions, particularly large, **hierarchical structures**, built around the vertical flow of information, because levels of management responsible largely for transmitting information up and down, have become redundant. Individuals comfortable with IT increasingly refuse to work in structures that assume information is a commodity to be rationed rather than a form of energy to be harnessed and shared.

Governance

IT is changing the relationship **among public institutions** and **between individuals** and such **institutions**. The advantage in these relationships increasingly goes to those who make best use of IT, not necessarily those who have size or formal power on their side. The **nature of politics** and hence of **policy making** is being transformed by IT - as more players have the capacity to be involved in societal decision making. Individuals and non government entities now have means of collecting, disseminating and managing information and hence shaping opinion that competes with that of governments.

IT is transforming the nature of borders, and hence of state sovereignty. The uncontrollability of information flows is challenging the power of governments to maintain "national" policies, foreign and domestic. Policy is increasingly integrated, or "inter-mestic". As the lines between domestic and external spheres blur, inter-state dimensions are increasingly sensitive to domestic publics, and domestic policy becomes more and more mindful of international standards, expectations and players.

Governments will, as a result of all this, be ever **less able to compel**; they will **have to convince** publics and special interests of policy, for them to be given effect. They have increasingly to deal with "publics" and interests outside their jurisdictions who care about issues that transcend borders, not about the prerogatives of sovereignty. Power is increasingly escaping the existing frameworks of polity. At the extreme of this continuum, criminality is becoming globalized, challenging states to share sovereignty among themselves, if they are to be able to exercise it effectively.

Work and Workers

Large **hierarchical institutions** are under severe pressure, inside and out. They rush to flatten structures to be faster, to be better informed, more flexible and, more responsive, as IT enables unprecedented competition from niche competitors. They are also pressured by shareholders (or taxpayers) to provide greater returns (including through lower costs).

The private sector is layering with various degrees of vision and success. Some companies, looking to the future, have rebuilt their corporate structures to provide both greater flexibility and savings, but also to give the greatest scope to their (reduced) workforce. (see *The Horizontal Organization: What the Organization of the Future Actually Looks Like and How it delivers Value to Customers* by Frank Ostroff as well as the excellent paper on the Workforce Website on this subject by Chris Burton: *Putting Information Policy in Context: Benefits and Drawbacks of the Information Age*)

Knowledge industries locate where the best knowledge workers are available on the best terms. Knowledge workers, for their part, are also increasingly mobile, able to follow opportunities regardless of geography, participating (as medieval stone masons did) in a global market for their skills. Neither work nor workers in the knowledge economy will be as tied as they were, to location or jurisdiction.

Workers' expectations of society, especially the expectations of the best educated, most mobile members of the workforce, are changing in this environment.

Knowledge workers are confident in their autonomy, regarding their career less as a covenant with a single institution than as a series of contracts with those who meet the worker's personal expectations. Job security is not necessarily the most important of these expectations (at least in good economic times). Gratification in the form of mobility, variety, financial compensation and personal validation rate higher.

Other workers, however, are doubly under stress. Many feel threatened by technology as corporations seek maximum economies, often displacing people with technology. They also often feel disempowered by new technology. If they cannot master it, they sometimes become gatekeepers, resisting innovation even when it could provide long term benefits.

All this IT induced environmental turmoil is directly relevant to DFAIT, as later sections will address.

THE WORKFORCE OF THE FUTURE: WHO WILL WORK IN DFAIT

DFAIT's Workforce of the Future is defined by demographics.

- The workforce of 2010 is between 10-43 years old today.
- The likely senior ranks of the Department then are now between 30-43 today, and in all likelihood already working here.
- The likely "working level" of 2010 is now in school, post secondary studies or has recently joined the workforce.

There are significant differences already between the "Nexus" generation of 20-35 year olds and their elders (Chips and Pop: Decoding the Nexus Generation, by Robert Barnard, Dave Cosgrave and Jennifer Welsh).

Nexus is a well educated generation that was acculturated to question established orthodoxies, and witnessed, at a formative stage, the disappearance of belief in the efficacy ideology (and the certainties of the Cold War). It is a generation more self sufficient, less deferential and more mobile than the ones that preceded it, less willing to accept authority, more capable of managing and filtering information, more driven by a sense of serving values, by a balance between personal life and work, enjoyment of mobility and less by the security of steady salary.

The younger cohort of the Nexus generation, especially, is shaped by profound changes in work relations which have eroded the established bond of trust between employer and employee, (indeed the very notion of life-long careers), and, lowered confidence in institutions, public, private, social and religious.

The Canadian workforce is also becoming increasingly diverse, benefiting from the participation of people who bring with them cultures, languages and experience that reflects the world at large.

We will also be working in an increasingly technicological environment which will require the permanent integration of a cadre of technologists into our corporate workforce.

Because of the very nature of our business, we will also be an international workforce, drawing on professionals (who in a globalized environment, will be very likely to share in the Nexus value system) around the world.

DFAIT: WHAT WE ARE AND WHAT WE DO

The Department of Foreign Affairs and International Trade is a remarkably complex institution. It amalgamates a foreign ministry largely forged in the cold war, a diplomatic service patterned on the British model, a trade ministry that had been hived off a domestic department, and a trade service with its own long traditions and culture. It is comprised, in part, of Canadians who spend their careers in a state of permanent mobility, others who fulfill specialized roles in Ottawa, and of employees engaged in over 150 locations around the world.

It is a network of foreign operations, a central agency of government, a policy ministry, and a service delivery provider.

We are Canada's agents, our country's purposeful intermediaries in the world. **Abroad**, we perform **one set of core functions**, whether we are doing political and trade work and whether we are in national capitals, multilateral fora or non-government power centres. To me, these core functions are to:

- act as the Canadian state's authoritative intermediaries with governments and other external centres of power
- generate **intelligence** and advice from information - synthesized, given Canadian perspective and made ready for customized use of Canadian clients;
- build **networks** to be put at the disposal of our clients when they need it. The better we are, the more customizable and available the networks are;
- **promote** the Canadian "**brand**". In all our various domains we seek to create a positive predisposition towards what our clients wish to do in our "territory (selling goods or services, promoting policies, presenting cultural products, seeking business partnerships or investment). The better we do our job as "marketers" of the brand, the easier access is for our clients;
- **impose** the Canadian **brand** (i.e. our values, our perspective, our interests) on institutions of which we are members, lead in building new rules and institutions that reflect our values and interests, and persuade partners to adopt our "brand" as their own.
- **protect** the rights and foster the safety of individual Canadians.

In some cases, we become **actors in our own right**, on the ground inside other societies in the service of the international community. This way increasingly became the case as new ways are put in place to cope with natural disaster and armed conflict.

In Ottawa, we are a multi tasked Ministry:

- a policy ministry with direct responsibility for **management of policy** in a number of domains united only by the fact that they relate to Canada's place in the broader world. As the Foreign and Trade policy Ministry, we are one of the principal clients served by posts abroad, and an important **source of advice** to Canadians about the world.

- a central agency with responsibility for providing **coherence** and **coordination** across the full range of Canada's international engagement.
- an administrative agency responsible for the **management** of Canadian government operations in 153 locations outside the country **and** the delivery in these locations of five diverse programs - trade and investment promotion, conduct of intergovernmental relations, provision of consular services, public advocacy, cultural promotion.

OUR CHALLENGES

We are challenged on three fronts to ensure that we continue to add value in performing our role.

Decentralization of Power:

My working definition of "Diplomacy" (much of what DFAIT does) is that it is society's means of dealing with power beyond its direct control. Traditionally, the only power beyond the control of a sovereign state was that of other sovereign states. Most of our attention as a "Foreign Affairs" Ministry has, as a consequence, been focussed on them. The **nature of "international relations", however, is being changed by the growing power of non-traditional actors.** States increasingly have to develop new partnerships and new forms of accommodation with:

- organized **civil society** which is increasingly able to shape opinion on a global basis
- **MNE's** which are developing a new kind of mobile, virtual economic sovereignty
- **financial markets** which apply a global discipline on economic and social policy
- **subnational jurisdictions** which increasingly play on the "inter mestic" agenda, leaping over national governments to pursue their interests
- evolving **global media** which continue to be the main channel for the dissemination of information around the world.

States also have to develop new "diplomacy" to deal with "a-national" threats such as global crime, and environmental degradation, as well as rogue states and technology empowered terrorists.

We, as an institution, have to keep changing to keep up with this reality, a reality that is **eroding the distinction** between "political" work and "business development", between "policy" and "communication", between "domestic" and "foreign" policy, between "security" and "economic".

Democratization of Information:

Information is now a commodity. We used to add value by reporting home on what was going on in the world. Our comparative advantage was exclusive access to information. This is now greatly diminished. There is now so much information from a vast array of sources assailing Canadians (government, business and civil society), that our role as information gatherers is, in some ways, obsolete. We need to move on with determination, to continue to add value by developing our capacity to generate "intelligence", i.e. usable, deployable knowledge based on reliable information, to put at our clients' disposal in a timely fashion.

We also have to develop a culture of working with other Government Departments, (OGD's), provinces, cities, agencies, indigenous groups, private sector, associations who are increasingly active in many dimensions of Canada's international relations. They already deal directly with their domestic counterparts elsewhere or in "internationalizing" their local interests.

We need, in short, to redefine our value as intermediaries to stay in business in this new environment.

Privatization:

Others are, or claim to be, capable of delivering some of DFAIT's classic services to Canadians cheaper and more satisfactorily than we do. Many question why trade promotion for Canada should be a function performed by civil servants while other countries rely more on the private sector.

Consular type services are already delivered by private entities like foreign travel advisory companies or American Express, or in extreme cases, NGO's like the Red Cross.

International information gathering is being done by global media, Internet portals and specialized firms focussed on niches, providing specific clients with highly specific data and intelligence, which we cannot match.

Most important, **we are competing on the job market** with the private sector for the kinds of individuals whom we seek.

There is no point in exaggerating these trends, but we must not hide from them either. We do add value in all our domains now; we will continue to do so if we develop a self-critical, strategic approach to our responsibilities in the future. But if we are to face these external trends successfully, we have to recognize that the first challenge to our future lies much closer to home.

Our first challenge is ourselves

If we are to shape our future, we will have to ensure DFAIT continues to be an attractive home for the best of the next generations. To do that, we will have to build our strengths and eliminate our weaknesses.

Our strengths are considerable:

- our core values of public service, excellence and community;
- the possibility we offer to our staff, as individuals, to make a difference in the world;
- our capacity to provide careers with mobility, opportunities for learning and room for personal initiative.

Our weaknesses, however, are also real:

- **hierarchy;**
- **compartmentalisation;**
- **regimentation;**
- **an incomplete technological revolution.**

Foreign ministries have historically been hierarchical. It is so pronounced a feature as to be the subject of caricature. (How often have Third Secretaries been asked by friends if they were the secretary's secretary's secretary?) They also tend to be secretive, regarding information as power. All seem to have compartments through which they try to make sense organizationally of a chaotic world. So we are not exceptional. Except that **we are not a classic foreign ministry**; we have a wider mandate and better engagement with the world than many similar institutions.

Why we are in the throes of hierarchy:

Modern External Affairs was shaped in the Cold War, its founders strongly influenced by the British FO, and by the military culture that they personally absorbed in the war. Along with military virtues, like initiative and quick decision making, came the obligation to obedience, compartmentalization and distinctions between "officers" and "other ranks".

External Affairs and Industry, Trade and Commerce both grew dramatically at a time when organizational theory was dominated by the values of large hierarchical corporations. Hierarchy provided opportunity for advancement in both institutions (and the rest of the government), as more and more units were created with more and more people heading them. In the process of building hierarchies, we have built boxed structures in which resources were compartmentalized. These structures now constitute the internal boundaries of the Department.

Hierarchy has also served as our training mechanism especially in the Foreign Service. Like a guild, where master craftsmen pass knowledge to apprentices through journeymen, one generation taught the next "on the job", supervisor to employee.

Hierarchy has also been our "succession planning" mechanism. One generation succeeds another from inside the system. Everyone wants their turn, with seniority an essential qualification for advancement up the hierarchy.

Hierarchy has served similarly as our risk management mechanism. We are in the risk management business. We work in risky environments, are called on to make decisions or give advice with risk attached, we work under Ministerial responsibility and have an obligation to protect our Ministers from mistakes. We rely on successive layers of judgement to ensure that we make no mistakes.

Given the Cold War environment in which our culture was formed, it was logical that we have also used hierarchy to protect information. Our operating assumption has been that information is a scarce good, and in the wrong hands, a danger. People were told what they "needed to know" and no more. Information is aggregated into intelligence at different levels in the hierarchy, compartmentalized vertically as well as horizontally, like rows of boxes.

Hierarchy, in short, has served as an all purpose management tool in the past, but times now demand something more than a **Swiss army knife** to maintain DFAIT in working order.

We should be different from the classic pattern in our culture. While we have made great progress, we are not yet different enough. Excessive hierarchy, compartmentalization and a propensity to hoard information, as well as a misfit between our (large) investment in technology, our (stunted) capacity to use it, make us both a **less congenial environment** than we should be for the workforce of the future, and one **less capable** of performing our role than we should be in the likely environment of the future.

Excessive reliance on hierarchy and compartmentalization will increasingly hurt us, if it:

- inhibits the allocation of resources to priorities as each internal hierarchy seeks to retain the resources that underpin it;
- limits the potential of each employee because scope for action is unevenly distributed;
- teaches what we already know, rather than what a changing environment demands we learn;
- demands respect and deference without necessarily ensuring that it is continuously earned;
- helps perpetuate divisions among workgroups rather than building cohesion among them;
- encourages excessive conservatism and a lack of specific accountability in risk management;
- slows decision making and inhibits the flow of information;
- limits our capacity to learn from each other about best practices;
- inhibits initiative, the acquisition of judgement, balance and a sense of responsibility;
- prevents mobility;
- encourages careerism, and a culture of entitlements based on rank and seniority.

How do we evolve to be an institution better adapted to the future? From excessive hierarchy to responsible flexibility?

PART II: RECOMMENDATIONS

THE FOREIGN SERVICE

STREAMS

We should create a single Foreign Service from the Political and Trade streams. There are four strong arguments for doing so:

First, all FS's perform similar functions, regardless of streams. The tasks of trade and political FS officers are similar now and will be even closer in the future. They require similar skills and personal qualities. They boil down to basic four tasks abroad (**intelligence generation, network building, branding, operational management**). They are three at home (**policy, management and networking**).

The clients will be different, the methods will vary by circumstance, but, in the new global environment, the basic tasks for both political and trade officers are close enough that the same kinds of people should deliver them. **We should therefore be recruiting people who have the requisite skills and qualities to deliver them, and let the internal "market" sort out which particular jobs line officers do at different stages in their careers.**

Second, streaming limits careers.

We have already made dramatic progress towards destreaming by unifying the promotion process and pooling positions at the EX1 level.

We did this because we recognize that the core competencies demanded of senior managers in the Service are uniform. If we do not assure that every officer we recruit has the **potential** to rise to EX and HOM levels, in other words has the same basic qualities on entry and similar opportunities once they are in, we are offering some a stunted career. We should recognize that streams, to the degree that they restrict an officer's scope, are harmful to personal development. We should **open career possibilities as widely as possible to all FS's.**

Third, Mobility is a key motivator; streams limit mobility artificially

Individuals of the quality required now expect a high degree of autonomy and control over their own careers. They expect market forces to determine their progress. A system that offers mobility is far more likely to attract and retain them than one that does not. DFAIT/FS already offers high mobility; streaming contradicts the notion that a DFAIT/FS career is open to individuality and competition.

Fourth, streams compartmentalize our talent pool dysfunctionally, limiting our capacity to assign individuals to priority tasks if their stream affiliation is inappropriate. Merging the FS streams would allow better deployment of scarce talent.

For these reasons, I recommend that the FS streams be merged, to create a consolidated FS group that draws on the best of the cultures and skillsets we have developed.

The Transition

While we should move to recruiting for a consolidated Service now, officers in the present stream structures should be given the opportunity to move into a destreamed environment over time. Only those who choose to leave their stream should do so. All who wish to remain for their careers in their chosen FS stream, should be provided with opportunities for advancement as at present.

LAYERS

We should de-layer the Foreign Service, by increasing mobility from the support to the line level, to help us address two related challenges.

The first of these is that the support function is mutating, with information technology reshaping the need for skills and numbers of rotational administrative personnel. We will need to keep recruiting and motivating an ever more sophisticated group at this level. To do that, we have to offer opportunities for advancement.

Secondly, the Management Stream has not offered the careers that many who joined it find satisfying. The evidence is that despite much experimentation, we have made a mistake in the way we structured our Management Stream. We have recruited individuals of exceptional calibre many of whom in one way or another have often been disappointed in the career that was on offer. We should recognize the structural problem we have created and correct it. We must, as a first step, staff the stream differently in future.

The creation of a career continuum that provides progression from support positions to management would help us manage both challenges.

The Administrative/Management Function of the Future

Perhaps no workers in the Ministry have been challenged with more radical change than those charged with providing support services. Information technology has revolutionized the way we manage communications, finances, human and physical resources (and should transform it further in the future). Tasks have disappeared and new ones created. Enormous adaptability was asked of our staff as they were challenged to acquire new skills, and to take on greater and more diverse responsibilities. The distinction between line and support functions have and will continue to blur as advances in IT continue to change our work environment. Increasingly we will need similar qualities in the workers who perform them. We are already fortunate in the quality of individuals in support roles. We should recognize and develop their capacity to contribute. By doing so, we are going to create a more unified and motivated workforce as well as a larger and more flexible pool of human capital.

We should create and recruit to a consolidated Management/Consular stream that begins at the support level, but offers entry at several points .

Recruitment to the Stream should, in future, be based on internal promotion from the support level as indicated above. Qualifications for the entry level should stress flexibility, a service orientation judgement, IT literacy and demonstrated capacity for continuous learning on the basis of completion of at least CEGEP or community college.

In such a system, administrative employees should advance initially through careers in their own chosen areas of specialisation and then compete, if they choose, for promotion to management functions. Employees in the stream should be encouraged to pursue opportunities for career diversification or intense specialisation (in areas of priority for DFAIT) both within and outside the Department. **Continuous learning opportunities at a fixed minimum level should be guaranteed to employees in order to facilitate opportunities for diversification and advancement.**

We should also keep in mind the career aspirations of rotational staff with highly specialized expertise, for instance, in information technology management. This group of specialists provides a unique contribution to our continuing viability as a network and hence to our capacity to add value. The career path I have described should be open to them, but should stress their vital role as educators, integrators, facilitators, as well as technicians and managers.

The Transition:

Over the course of the next five years, all AS officers who seek them, should be given the opportunity to take assignments in the Foreign Service in other functional areas at their level. If they are assessed as having met the requirements in those other areas, they should be given the opportunity to transfer out of the Consular/ Management Stream.

In the transition to such an internally generated senior management group, recruitment for AS officers should continue, but on the basis of the academic and other qualifications noted here, with career expectations more clearly and candidly outlined than they now are.

THE HEADQUARTERS STAFF (HQS)

Non Rotational Staff should be identified by another name. They are the only group of employees I know who are identified as what they are not. The group (Headquarters staff would be a title that gives a hint of its core purpose) provides an essential element of expertise and continuity of DFAIT as a ministry charged with ongoing programs (e.g. export/import controls), or tasks requiring the input of high levels of expertise that can best be gained in other, more specialised institutions (eg. economics, statistics, industry, sectoral expertise). HQS also manage systems which depend on highly specialized knowledge and a measure of continuity (Information Technology, H.R., Financial and Property management). Senior executives also join the Department to provide invaluable management expertise obtained in other areas of government (for instance from time to time in parliamentary relations, fed-prov relations, cultural promotion, human resources and financial management), and at EX levels, are part of an integrated government-wide pool.

These various groups are integral and essential to the fabric of the Department.

We should develop a coherent approach to the management of Headquarters staff. This will require a long term commitment and a change in our human resources culture.

A significant inhibition for HQS is the lack of opportunities for career advancement in the Department. We have made progress in opening up the EX level to HQS, but this avenue will have its limits. In order to help provide mobility, **we should also actively facilitate the movement of expert staff to and from other Departments** where the pool of specialist opportunities are larger, **creating an informal "international affairs" network within specialized groups across the government.** **We should encourage the development of such a network and charge CFSI with this role.**

Such a network through which expert staff could advance would provide greater opportunities for individuals **and strengthen the Government's capacity to integrate the external and domestic policy environments** (much better than we do today).

Two other measures related to **mobility within the Department** should be introduced in our approach to HQS.

A Foreign assignment requiring specific expertise should be an accepted part of HQS career opportunities, available on a competitive basis.

Internal Recruitment of HQS into the Foreign Service should continue on a competitive and transparent basis.

Note: In the same sprint, we should include FS officers more actively in the process of opening up the Department, systematically encouraging exchanges not just with OGD's, but also provinces, NGO's and the private sector.

We tend to categorize FS's as generalists and permanent staff as specialists. This is a false distinction. FS's are specialists of a unique kind. Their expert speciality consists of hard knowledge of other environments and capacity to work in them. This expertise is of increasing utility in a globalized environment in government and the private sector. We should encourage FS officers to serve outside DFAIT/FS to enrich their own understanding of the **Canadian** environment to spread international expertise, to build networks that we can use, to provide variety of work experience to our workforce. It is my view that **no FS officer should be promoted to the EX level who has not served in Canada outside the Department as some point in their career.**

INTERNATIONAL STAFF (IS)

The larger part of our workforce is now "locally engaged". Labour markets are, however, becoming increasingly globalized. We should therefore expect that the pool from which we draw our "local" workforce will be increasingly global in orientation. We will consequently be challenged to evolve a new relationship with our professional "LES". The following provides suggestions for consideration.

For a start, we should change nomenclature. Our **professional level LES** are increasingly members of a mobile, global workforce. **We should think of them in those terms, and think of them as International Staff (IS).**

Changing the relationship in a meaningful way, however, will take more than terminology.

While Governments operate by different rules than the private sector, we can learn from the example of MNE's in managing international staffs. We hire our professional staff from the same global pool as MNE's. It is worth asking how they do it. If we don't emulate their example, we might lose some of our most effective staff for the future.

For MNE's, the notion of distinguishing employees by where they were hired is increasingly obsolete. The main distinction among staff members is, rather, the individual's degree of **integration** to the institution. Nationality is ever less a factor in making that distinction. The ideal employee is one who works effectively in a particular market, wherever that may be, but does so with a **strong sense of the corporation's objectives and culture**. Such a person can be hired anywhere and **work anywhere**. If given the opportunity to acculturate to the institution, such an employee can be deployed beyond their place of recruitment, and advance in the hierarchy in the field and at Head Office.

Acculturation: We now make sporadic (always welcomed) efforts to integrate IS into DFAIT's corporate culture. Our efforts are responsive, often stimulated by special technical need (FINEX, IMS), rather than the result of strategic commitment to integration of an international workforce.

We have to go beyond this if we are going to build a global workforce (working to common objectives, with similar procedures and shared values.)

Canadians have been extremely successful in US multinationals, due to their particular capacity (language, understanding of American business, but a non-US sensibility) to operate globally and absorb the values of their institutions. Canadians are naturals, but a growing, global, elite of people from all regions now share similar levels of education, linguistic skills, cultural and consumer propensities. MNE's will continue to tap this growing pool of talent around the world. We must continue to do the same.

All IS should be provided with a program of acculturation that could include:

- **a course/at DFAIT in HQ and Canadian government operations.**
- **regular, regionally organized "Canada" seminars to acquaint staff with Canadian history, institutions and values.**

We should also make a commitment to training IS in official languages, information technology and ethics, all of which are vital elements of our institutional culture.

We should also maintain a **system of (web-based) direct communications between IS and the Centre at senior levels** (i.e. a quarterly conversation with the ADM) that takes advantage of our new broadband tele/video-conferencing capacity, a distance education of sorts. This communication would be additional to that which HOM's must continue to develop (and for which they should be held accountable.)

Mobility: While working at a Canadian mission has many advantages that motivate international staff, there is very modest scope for **advancement** or **variety** in an IS career. This may diminish our capacity to continue to attract and retain high quality employees in future, especially where labour markets are competitive. We should move to offer possibilities for mobility to our global workforce.

There may be a variety of ways to increase staff "commitment", through mobility. The first, paradoxically, is to **expand the practice of offering term employment (3 years extendable to 5) for IS**. This would mean that employment at a Canadian office would be part of a diversified career, one from which the employee could gain invaluable experience and competitive remuneration. In turn, Canada would create a new international player with privileged knowledge and attachment to our country.

Different approaches are needed, however, to increase mutual commitment on a **lifetime career** basis. We should assume that outstanding professional **career employees**, wherever hired, will expect advancement and may have aspirations to mobility. The only way that this can be offered is to **provide opportunities for selective "intra service mobility", i.e. the opportunity to work in other posts and at headquarters**. The latter form of assignment will pose (sometimes daunting) immigration and other challenges, none of which should scare us away from thinking through the option.

The possibility of post-to-post movement on a competitive basis by professional staff who desire it will give an IS career a new and positive dimension - it will make us more competitive vis-à-vis MNE's. It will enhance employee commitment to the institution. It will also force us to be more systematic in building a DFAIT culture worldwide, ensuring consistency of standards, values and procedures. It will, in short, be a critical step to treating all employees as corporate rather than branch plant resources.

Structured post to post mobility should already be possible (and is done ad hoc) within two important regions - the USA and the EU, a total of over 30 posts where no legislative inhibitions now exist on the mobility of labour. USA/Canada mobility also, is relatively uninhibited at professional levels. Movement in other regions will be more restricted. Provided it is structured with care, however, I can see the possibility of such mobility within the Americas (starting with the NAFTA region), and to a more restricted degree, elsewhere.

Lastly, we should make working as IS around the world an opportunity for Canadians. We should consider how to engage Canadians abroad more systematically. Young Canadian professionals are **already** living in increasing numbers around the world, ready to work and acquire experience in different environments. They have, by definition, an unusual affinity with both Canada and the foreign environment they have chosen to live in. We should seek systematically to recruit IS from this pool of mobile, internationally motivated Canadian talent around the world. They could be recruited for term appointments where they bring local knowledge (language, academic background, internship or other experience). They would bring energy and innovation to our work, and "graduates" would bring invaluable international know-how and contacts to the Canadian economy. (Experience with such employees in the past bears out this assessment.)

PRO-TEM (VISITING AND TERM) STAFF

Academic and Technical

We should take advantage of the fact that **pro-tem employees** will always be a part of our workforce. They bring an invaluable source of energy, focus and timeliness to our operations. Working on contract will also be a career pattern for a highly qualified part of the Nexus generation - in some cases by necessity, but often as a matter of choice dictated by preference in balancing personal and professional lives.

We should benefit systematically from the contribution that this mobile workforce can bring us. For a start, **we should move systematically to establish contacts with relevant university faculties and other institutions to ensure a constant source of such talent. We should establish and maintain a data base of potential recruits and alumni and facilitate individual staffing requirements for term employment.**

We should go further, and **establish active internship and "fellows" programs in the Department to allow us systematically to gain the contribution of the best young academic and professional talent in Canada, and to help create a community of "alumni" across the country. Internship and fellowship programs should be based in line bureaus, funded jointly with Corporate HR.**

Business

We should also initiate a program of short term exchanges with the Canadian business community to encourage the participation of technical and sectoral experts from the private sector on term assignments. Their contribution would be most valuable in H.Q., or in some centres, where expertise could be made available to a network of posts in a specific region (on a circuit basis) such as the US or EU. The individuals and their corporations would benefit from the exposure to international markets and regulatory environments. Concurrently, Departmental officers should be given opportunities to work in the private sector to gain specific sectoral experience in priority fields.

Recruiting

We should regard our "term" employees as a pool of experienced and tested workers from which we should make special efforts to recruit career employees in several categories - FS, HQS, IS.

Let me move on to a component of our workforce which we have not treated as such -our families, and in that context, our spouses and partners.

THE FOREIGN SERVICE COMMUNITY

FOREIGN SERVICE FAMILIES OF THE FUTURE

The majority of employees, including rotational employees, will continue to have families, people whom we call "dependents". This is not a revelation. What we have to realize, however, is that if we are to have a Workforce in the Future, families, especially Foreign Service families, will have to be viewed and treated differently.

The family unit is a vital source of certainty and safety. This source of stability is especially important abroad, in uncertain, often unsafe environments. The family on post is therefore the opposite of a liability (or necessary burden) which is how, at its heart, the system treats "dependents". It is a vital contributor.

We have to stop "tolerating" and start systematically to foster the family if we are to continue to have viable employees in the field.

We will have to go beyond providing material support (FSD's) if we are to recruit the family as a key Human Resource management partner. The issue demands focussed long term attention. Here are a number of ideas to start the ball rolling.

First, we have to **ensure that we do not send families in harm's way, by not posting them when they are unprepared.**

- we have to ensure that families are ready for postings (as Nortel does with pre posting family assessments).

Second, we should work on the assumption that families with a **shared sense of values and purpose** are the best in fostering resilience in employees. **We should foster a sense of corporate purpose in which families can share. We should invest in outreach aimed at reinforcing a sense of pride among employees and their families, stressing the values we serve and the challenges we face,** i.e., regular LBP open houses for employees families, encouraging the media explore FS life, putting in place a systematic corporate speaking program in NCR school networks, to reinforce of the value of service abroad vis-à-vis the peers of employee children when they come home.

We also have to accept that **family separation** for assignments will also be a reality because of real world factors:

- 2 career families where the spouse is not mobile
- dangerous posting locations
- illness or disabilities or aged dependents in the family

We will have to continue to be systematic in accommodating this reality through such means as:

- shorter postings and hub and spoke posts in difficult regions
- unrestricted and enhanced electronic contact (i.e., virtual family events via video conferencing)

Most critically, we have to **take a more flexible and aggressive approach to coping with environmental hardships that increasingly characterize cities around the world.** We must ensure that we do not jeopardize the health of our staff and take such measures as are necessary to do so, ensuring public support for the expenditures. These measures must be consistent with Canadian standards and should be site specific (for instance, facilitating regular short term absences from environments where respiratory risks are above a certain level). **The Departmental Hardships Committee should be given a new more compelling mandate to deal with these issues, or be disbanded, with significant responsibility for staff welfare transferred to the HOM, subject to guidance and verification from Headquarters.**

FOREIGN SERVICE SPOUSES OF THE FUTURE

In our community of the future, two career partnerships will likely be the rule; follower/leader couples, the exception.

FS spouses, therefore, will have to be better recognized as both a "support system" for the employee (which is the generic, uncompensated recognition they now have), and as independent economic actors in their own right, with their own relationship with the Department.

We will have to make the leap, in other words, from seeing spouses as "dependents" to dealing with them, when they wish, as partners and colleagues.

Elements of such an approach:

We must **intensify, systematize and communicate existing efforts to assist with local employment at posts where inhibitions on employment (language, laws) are not a factor**, and make HOM's accountable for supporting spouses in their job searches. They must make negotiation of appropriate agreements a priority where they do not exist, and engage local professional recruiting services to help identify work opportunities.

We should also consider more radical approaches. One would be to provide more systematic employment at posts i.e. **establish "away" careers for spouses who**

- **wish** to have such assignments as part of their career when they accompany an employee spouse
- **have** the requisite qualifications and training
- **accept** normal appraisals and the consequences

To do so, we must develop a **generic job category** that can be filled by qualified spouses i.e. information management, consular and administrative services. Reserved positions would be identified where a need existed. They would only be filled when a qualified spouse was available. The availability (or lack) of such positions would be part of the calculation employees would make in seeking postings.

We should also develop and pay for **training programs** to provide qualifications for spouses in these areas, as well as others (health care, hospitality, industry, physiotherapy, ESL, FSL) ie areas that should be "marketable" and give spouses opportunities for mobility in the NCR and the broader job market, independent of the Department.

Lastly, **we should establish and staff an HR office responsible only for spousal employment, and fund the program adequately.**

HR CULTURE AND MANAGEMENT

From managing people towards people managing themselves

Beneath all of the foregoing about the way we should approach shaping our workforce is one basic assumption - that we should seek to free our staff from unnecessary structural constraints in shaping their lives and careers, relying more than we do on broader opportunities, market forces and their own individual initiative to do so.

The following section carries this idea further, touching briefly on the non-directive motivations provided by our **culture**, i.e. by our values and ethics, and the **evaluation** and **promotion** processes that implement our culture.

Values and Ethics: Motivate achievement; regulate behaviour

We should focus more corporate attention on the role that values and ethics play in our institutions. Values are and will continue to be a powerful motivator for our workforce; ethics are an indispensable regulator for the behaviour of individual employees around the world.

Ethics: Our workforce is challenged to work in a greater variety of settings, with more complicated issues, and in situations of more ambiguity than those of any other Canadian institution.

Abroad especially, **we often carry great responsibility and are required to make quick judgements without recourse to detailed guidance or advice.** Those of us on posting also conduct our personal lives in an official setting, renting government accommodation, and being **"24/7" representatives of our country.**

We are very much on our own, but **even minute aspects of our daily conduct must meet expectations of probity, diligence, dignity and judgement expected of few others in our society.** This public trust is a great honour, one which the institution must systematically help its employees to earn.

Departmental leaders must, and do set the tone. Families are also a strong source of support. The Regulations give procedural directions on management issues. Strong supervision ensures compliance with the rules. **Ultimately, however, we all rely on an internal compass to guide us in our behaviour.** We all know it. DFAIT should take measures to ensure that this compass points, in all cases, in a similar direction.

As one key step in this direction, I propose that, the Department **appoint an Ethics Advisor, whose first function would be to provide advice, in confidence, to employees faced with issues that have ethical implications (both in the substance of their job or in the conduct of their professional lives).** The Ethics Advisor would also be a source of advice to management in policy and decision making, and an advocate of a shared sense of ethics and priority throughout the Department. **The choice of the individual to fulfill these roles will be critical to the success of the function.**

Courses on ethics should also be provided to all employees. These must be developed in a way sensitive to the multiplicity of cultures we embrace, but reinforce the imperative of behaviour consistent with the values of the country we represent. The courses should be offered in Ottawa and at posts, and be obligatory at the time of hire and promotions.

Values: The opportunity to serve and represent Canada and the values Canadians cherish will be as strong an attraction for members of the Nexus generation as it has been for its predecessors. The value we attach to excellence and accomplishment, to individual initiative, to the exercise of judgement and imagination will also help determine the attractiveness of a DFAIT career.

The articulation and cultivation of these powerful cultural motivators must become an institutional priority. They should be the focus of ongoing work by the Departmental Executive, supported by CFSI.

I have some suggestions for how to do this, mostly focussed on better internal communications:

- **Annual retreats at the bureau and mission level** for all staff to articulate goals, reflect on accomplishments, recognize excellence.

- **A more substantial but selective program of recognition for merit**, with awards that, for instance, include sabbaticals for career advancing education.

- **A regularly scheduled DM's circle**, where all employee would be able to meet with the Deputy (in a group of no more than 20) at an informal session for a conversation about our institutional goals and challenges. Such conversations **could also be conducted electronically** - in chat form and in video conference format when that becomes economically feasible.

- **A process to identify and articulate our Department's mission and values.** The outcome should be a new **Mission Statement** that would form the point of departure for articulating values and objectives in posts and individual involvements in Ottawa.

I have to stress, however, that such values-focussed initiatives will not be enough. **We have to apply and be seen to apply our values on a daily basis.** Doing this will take strategic commitment. We must show at every level, that **less than acceptable behaviour and performance carry real consequences, just as we have to assure that accomplishment carries real rewards.** A critical component of such an approach is a revitalized evaluation system.

Our Approach to Evaluation

One of our corporate perversities, which we are correcting, is that our **evaluation (appraisal) system somehow became subordinate to our system for promotions**. In an intensely competitive environment, evaluations were too often compromised, I believe, by the desire of the employee to be seen as unblemished and the supervisor not to prejudice the subordinate's chances with a promotion board. Once the compromises were stuck in a few cases, inflation inevitably affected the integrity of the system as a whole.

Promotion boards were often left to read between the lines and seek collateral information in making their assessments. The process, in short, worked despite the system. Worse, it caused cynicism.

We have started to correct this corrosive anomaly by introducing "contract" type annual evaluations at the EX level and interview boards for promotions. These are important innovations. They should be perfected and extended as soon as possible to other groups.

The measures we take to reform the evaluation process should have one key objective - **to introduce "maturity" in the relationship between employees (including supervisors) and the institution. We can only build mutual loyalty if we have systems that assure all employees of honest dialogue, transparency, fair dealing and shared purpose.**

Above all, evaluations must reflect real objectives, real attainments, and focus on assessing potential; they should be opportunities for genuine exchanges about performance.

To do that:

- **evaluations at all levels should be based on annual contracts between employee and supervisor, and be reviewed at least once during the year;**
- **evaluations should be the basis for financial rewards and posting and educational opportunities not just for promotion, ie the reward and recognition system must be expanded, and more closely tied to merit;**
- **supervisors should be rated for the quality of their evaluations;**
- **EX level supervisors should be the subject of 360 degree evaluation.**
- **Promotion processes should increasingly involve interviews and references focussed on potential for advancement, as well as paper reviews to assess performance.**

Last Thoughts on HR: From Problem Management to Corporate Priority:

The sum of what I have sketched out here does not constitute a revolution. Moreover, we have started down this road in the last year. It does, however, imply a much greater emphasis on the management of our human resources than we have given it in the past. The appointment of an ADM to take charge of HR is an important signal, but it is only the beginning.

I realize that the vision for our future that I am suggesting here will require a substantial investment, probably beyond our present means. What is essential to our future, however, is to act on the basis that a much greater expenditure of funds and effort on HR can be justified by DFAIT. We have only one product - the output of individual employees. Like in any corporation, our infrastructure costs go in support of the delivery of the product. Our expenditures on HR is that investment.

To manage that investment:

We should:

- **continue to encourage individuals to take significant responsibility for their careers and diminish the constraints placed on our internal labour "market";**
- **ensure that line managers spend more time and pay more attention to the recruitment and cultivation of their workforce;**
- **staff and resource the HR function adequately to ensure a service oriented approach including to career and succession planning, to ensure satisfying the needs of employees and the institution;**
- **expand central support systems for the management of our international and expert staff; and,**
- **make internal communications much more of a priority, starting at the top.**

Lastly, if we are to think boldly of the uniqueness of our institution, we might consider moving the Department to a special status within the government for purposes of H.R. Management - freeing us to adapt to the special challenges we face in managing diversity around the world.

CORPORATE MANAGEMENT

Changes in the way we approach our **Human Resources**, including those I have outlined, will be critical to our future. **BUT, they cannot be implemented in isolation from other aspects of how we conduct our business.** The following sections touch on related issues: our relationship with information technology, our management culture, our approach to learning, the way we deploy resources abroad, and the ergonomics of the workplace.

INFORMATION TECHNOLOGY: TOOL OR MASTER?

We must make a commitment to better flows of information between DFAIT and others. We must also establish a more positive approach to information technology within the Department. Doing so is essential to making the culture of the institution more compatible with that of the Nexus generation, which takes free flows of information for granted.

The first thing we must do is to **complete the process of integrating information technology into our working culture.**

We have invested heavily in IT. SIGNET, IMS, WIN and other systems have, at great cost, allowed new ways of managing certain functions. Apart from SIGNET, which everyone uses for e-mail and web-access, most of our **IT systems are either under-exploited, because most of us do not know their full functionality, or are for use of traditional specialized groups only.**

To be fully in tune with the next generation of workers who expect technology to be provided in their working as well as personal lives, and to get returns on our capital, we must move beyond this point. **We should make a corporate commitment to ensuring that all employees use all (relevant) IT resources. Our ideal should be the "AUTONOMOUS EMPLOYEE", a worker who can use IT to perform all functions relevant to both their line responsibilities and their own personal administration. An important consequence of such a change will be that a much larger proportion of our human resources can be devoted to line, rather than support functions.**

To start in this direction, we need to commit to three things:

First, **we must insist on the continuous training of our present workforce, to allow it to exploit the full functionality of IT we now have, and to be receptive to advances that will inevitably come in the market.** Our IT training effort at present seems to me inadequate in this sense, both because of the way it is structured (come if you want, to structured courses) and because we have not articulated and insisted on the priority of training. In the face of constant competing pressures, and, frankly, the lack of example set by senior management, we do not train nearly enough to allow us to capture the benefits of the investment we have made in IT. We don't use it well enough, we don't think enough about how to use it better. IT still belongs to the technologists whom we have not yet integrated sufficiently into our line operations. We must educate ourselves to take possession or we run a real risk of intergenerational conflict between older (and more senior) staff and the generation under 30.

Second, we must ensure that we make the technology that we do have, respond to our operational needs, rather than the converse.

To do that, we need to make structural change so that information technology becomes integral to the way we do everything. **For instance, we should do simple things like simplifying our E-mail addresses. We should also change the way we manage our administrative procedures, leave forms, travel and FSD claims, which now are processed through a hybrid chain of electronic and paper forms. They could all be on line. Employees should be enabled to be responsible for their own personal administration subject to verification after the fact.**

To accomplish this, we need a new partnership between our general workforce and our technical experts. The latter are teachers, innovators - indispensable partners to the rest of us, who should be working at the heart of our business at the delivery level.

One initiative in this sprint would be to assign to each bureau a full time technologist or create in each bureau at least one "super user" whose normal responsibilities would include teaching others in the use of information technology.

Third, we must systemize how we use IT to do operational research.

We have an excellent investment in SIGNET which has given us good research and communications architecture. **We now need to put more emphasis on the content. We must take advantage of the technology we have to update the methodology for research in the Internet age.**

I have a few suggestions to start the process:

- **We should enhance the role and resources of the Library/Information Services Centre and stress its role in teaching research skills and techniques. An environment characterized by the overload of information, challenges all our staff to be able to manage, sift and package data. "Research" can no longer be a boutique subject in such an environment - all officers must have the skills to do it, if the quality of the intelligence and advice we provide is to be at a standard that competes with advice coming to our clients from other sources. The Research Centre should be associated with CFSI to serve this purpose.**
- **We have to build a reliable comprehensive electronic archiving capacity to allow us to retain a corporate memory and build our capacity to use it. The present transitional stage cannot hold for long. The challenge will be to build a system that allows us to retain information, gives usable access and encourages sharing.**

MANAGEMENT: CULTURE:

Elements of the way we manage our affairs also need to be updated if we are to attract and retain the best of the next generation. **We need to reinvigorate our management culture.**

Trust and verify: Our hierarchal structures are intended to avoid mistakes. They do so, by and large. We pay the price of stultifying initiative, stunting self confidence and decoupling accomplishment from gratification.

Rather than relying so heavily on superiors to exercise responsibility on behalf of subordinates, we should rely more on the individual employee's judgement and sense of responsibility. Doing so will enhance both. Lessons will be better learned, the propensity to consult and engage others enhanced. To make such an approach workable, we will have to foster a value system (notions of expected performance, acceptable behaviour, standards of interpersonal relations, levels of risk taking, etc.) that helps individuals guide their own behaviour, rather than relying on the constant reinforcement offered by layers of supervisors.

The resources saved in the process should be transferred to our capacity for evaluation. Enhanced attention to assessment after the fact, drawing conclusions, identifying best practices will contribute to a more flexible, responsible institution congenial to the culture of the workforce we want to attract.

The Inspector General should be mandated and given resources to fulfill a role that builds an active educational component into the audit and evaluation system.

Build Task driven organizations. We appear to be our very best in times of crisis. It is also only then that we take it for granted that **function must dictate form**, and we go into task force mode. Otherwise, every effort is made to contain tasks within existing structures, meaning that too often, a small number of people are over-tasked and the majority are deprived of the opportunity to learn about and contribute to issues beyond their immediate responsibilities. **We should move increasingly to encourage task-driven forms of organization.**

This could be initiated through a **Deputies Reserve Group** to be available for priority tasks (based on the SWAT team model we have established for the Team Canada follow-up). More generally, we should encourage the formation of task groups, involving staff in a way that allows movement across hierarchies. Task groups need not occupy members full time; nor require inflexible commitment. They would give greater opportunities for staff to exercise leadership skills (staff at otherwise junior levels), provide diversity of experience, help cope with pressures that would otherwise overload parts of the institution. They would also provide us with better opportunities to involve OGD's and others with a contribution to make.

Network to be smarter

Our external communications with nodes of expertise in Canada need badly to be upgraded. Maintaining two-way information flows with outside sources of expertise, opinion and

influence is our daily work abroad. We are slow to pick up this role in Canada, and forego the potential for improved intelligence and influence, as a result.

We should build on the work of CCFPD, and develop systematic expert networks. CFSI, in cooperation with CCFPD, should take on, as a central mission, the leadership of this process of enriching our pool of expertise and making our expertise available to wider circles within Canada.

Initiatives under this process could include the **systematic commissioning of outside studies** (such as the excellent paper from Andrew Cooper that was produced as part of this project), **teleconferences** of the kind Oxford Analytica organizes, **regional seminars** organized on a regular schedule at identified centres of excellence, **short term study exchanges, fellowships and internships** with academic and other expert institutions. The goal of our efforts should be to extend the expertise and hence the quality of the intelligence that we are able to put at the service of our clients.

We should also use CFSI systematically to establish networks with the private sector.

We are in a unique position to offer advice and training on the international environment, i.e. country briefings, seminars on international regulatory issues, preposting programs; conversely CFSI could bring to us access to private sector training institutions and expertise.

We should **network better amongst ourselves** to ensure that we learn best practices from each other.

We should establish a series of annual awards for best practices innovation. We should establish an Intranet site for the trading of best practices across the system.

Value Diversity: We need to attach less value to uniformity in our culture.

- We have regarded FS careers especially, as being for life. We need to recognize that the more diverse the experience of FS's, in terms of their knowledge of Canada, the better they will be at doing their work. We should not only not discourage our staff from pursuing other temporary careers or academic opportunities, we should actively encourage such breaks at least once in a career.

- Canada is a uniquely multicultural society which benefits from the participation of workers with backgrounds that make them uniquely able to work in the international environment. We should be actively seeking out exceptional individuals who are able to bring this diversity to our workforce.

Outsourcing: Let others do it: DFAIT is an almost completely self-contained and vertically integrated institution. Though we make increasing use of contracted services, we have not made a strategic commitment to explore outsourcing functions that might be more effectively delivered by others (the Hay system, Ryder travel, the cafeteria and RBC/Pearson being some exceptions, and with mixed results). We must open to this possibility if we are to remain viable in an age when outsourcing and virtual organizations are increasingly the mode of corporate organization.

LEARNING

Our approach to learning is now starting to evolve away from the notion of "on the job training", that was characteristic of medieval guilds and our Department.

Intergenerational learning will continue to have great value for us. It will help perpetuate central values, teach classic skills, transmit invaluable empirical knowledge. But carried to excess, it will tend to perpetuate the past. We risk knowing only what we already know, even if it's obsolete.

So if the traditional system alone no longer serves, what does? **We should institutionalize continuous learning as a central function of the Department.** There are at least seven good reasons to do so:

1) **Knowledge flows in both directions in the Information Age.** The younger cohorts of the Nexus generation is intimately at ease with **information technology**. Many older employees, including those at the senior levels are not, and yet IT is changing the entire environment in which DFAIT/FS fulfills its role. (The older generation should be looking to the young for learning and leadership in this area, as much as the reverse is true in many other areas.) **We must invest continuously in our IT skills to be able to capitalize on our massive investment in technology.**

2) The range and **complexity of issues** in the international domain is growing and **will continue** to do so with globalization. We need to be aware of this changing environment to be effective in it. Learning must be a constant part of professional life for every employee.

3) We will be better able to **transmit central values** than relying only on the hierarchy to do so, because that traditional method is idiosyncratic and occasional.

4) As a learning-directed institution we will be able to **offer value to the broader community** in government and the private sector and be better able to gain the benefit of the community's knowledge and networks.

5) We are increasingly competing with others who are able to offer intermediation at all levels, as experts deal with experts, companies with companies, NGO's with NGO's. **We will have to be more expert ourselves, if we are to add value in such circumstances.**

6) A culture of continuous learning will enable us to approach the **sharing of best practices** in a strategic fashion. Our craft requires and permits constant innovation. We will do this best if we remove barriers within our system, and actively encourage employees to learn from each other around the World.

7) Most important, the assured opportunity for **continuous learning is a powerful motivator** for the Nexus generation, whose expectations for mobility (voluntary or not) dictate that they possess the maximum "employability" skill sets at all times. The guarantee of continuous learning will help staff achieve **mobility inside the institution**, as well as a level of personal improvement that should be a sought-after reward for our WFF.

The Head of CFSI should be given the formal role of Chief Knowledge Officer (CKO), and be supported by Senior Management in developing and implementing a program that will require a minimum of two weeks of career relevant training per annum for every employee.

DEPLOYMENT

Our representation abroad, while evolving, is based on accepted, if sometimes challengeable, notions of where diplomatic missions should be. We should be ready to adjust our presence to ensure we are in the right places, and more radically, to conform to a paradoxical environment where physical presence may both be necessary in more places, as power gravitates to more centres, and not be necessary at all, as the demands of representation mutate as business is conducted in virtual domain, to perform some of our core functions.

It was largely at the seats of other governments (or organizations that we shared with them) that we set up our embassies. The fact that state capitals are often also the centres of national economies have made it easy to locate both political and trade promotion together. The exceptions (i.e. the US consulates, Milan, Osaka, Shanghai) tend to prove the rule.

This pattern of deployment has, by and large, served as well. Our network of embassies has grown in the last years because the Government responded to the dispersal of power among states in the wake of the Cold War. But that increase in our network was incremental. Despite shrinking resources we have closed no embassies, not even when substantial power was drained from national governments (in the case of EU members).

Missions, in such circumstances, are increasingly refocusing their efforts away from government to government relations to economic, cultural and other spheres where Canada's interests are more directly affected. This trend should be intensified. Several deeper changes are called for, however, if we are to do our job and "be close to power".

First, **we must be better able to shift resources across regions to reflect our interests and vulnerabilities.** I am not arguing that we eliminate our presence anywhere that we now are. **We should be in more settings rather than less as power continues to be redivided in the world.** This does not mean that the scale and mode for our presence is immutable, however. Recognizing that resources will always be an issue, we should be expanding mini mission and consulate networks and developing "virtual diplomacy", as we rescale elsewhere.

Consulates

Given the real challenges in a globalized environment, **Embassies and Consulates will be less and less distinguishable.** That being the case, we should treat them much more alike. **Judgements about resources should be based on the scale of power resident in any particular location and the vulnerability of Canada to that power, not just whether a city is a national capital.**

We should also examine more in-depth the purposes to be served by our network of honorary consulates. I believe that more such "part-time" presence spread more broadly could serve us well in a world of diffracting power.

Mini Missions

We should encourage the growth of our network of mini missions. They allow officers to exercise independent responsibility internationally early in their career (they are the corvettes of our fleet), and they allow us, at modest cost, to get close to a wider range of power centres in the world. They serve to de-construct heavy hierarchy, give us greater flexibility to deploy where our interests are engaged, and help us give our clients better intelligence, networks and branding.

Hub and Spoke

We have already gone some way in instituting regional approaches, for management purposes, largely in difficult environments. I believe there would be great value in applying the concept more globally, particularly to provide first rank sectoral and technical expertise in areas where this is required but cannot be provided at every post. A "circuit" approach which we already employ, (eg. for RCMP, defence and immigration), could provide a model.

Virtual diplomacy

Power in the hands of MNE's, financial markets and special interest groups does not necessarily have "location" in the traditional sense. It is often best approached "sectorally", rather than geographically. If we were to decide say, that Microsoft (or Greenpeace) was a sufficient power to merit a relationship (which it might), an Embassy to Microsoft would look like no office we now have. It would be much more akin to the structures for global relationship management that banks have, with an "ambassador" in Seattle who speaks not just our official languages, but the technology that is the language of Microsoft. The Ambassador's role would be the usual: to gain "intelligence", build networks and build the Canadian brand. His/her "embassy" would be spread around the world and consist of officers with a special responsibility for relations with major Microsoft centres wherever they may be. The embassy "office" would be "virtual", in that it would exist in cyberspace - contact lists, reporting, networking all done on the Net, the desk officer a sector specialist. Similar "virtual" structures could and probably will need to be considered for other key non state power centres. They will require us to build new literacy (sectoral languages), new flat and virtual structures, and allow us to build new networks of clients in Canada.

The sum of the foregoing is that our **deployment abroad should reflect a "task orientation" rather than a hierarchical/compartment driven bias.** We have to put our resources in communion with real power wherever it resides, rather than just where the formal patterns of international relations and our own compartmentalization demand it. This is not a radical suggestion, but it will require tough minded corporate decisions, where the example of others such as EU foreign ministries who have adjusted to the reality of power in their area, might be helpful.

Let me turn to the last issue in this treatment of our institutional structures - the physical environment in which our workforce will function - to the ergonomics of the workforce.

WORKPLACE OF THE FUTURE

We have to reflect on what constitutes the best workplace for a less hierarchical and compartmentalized, more task driven, information based workforce for the future.

Headquarters:

We are now deployed in four buildings around the NCR because LBP is overcrowded. It is, furthermore, cut up into a rabbit warren of offices spawned by short term pressures rather than a vision of what constitutes a working environment. It has few meeting spaces and virtually no flexibility for task specific temporary units.

Radical changes are probably required if our physical environment is to reflect a new institutional culture. Such space would foster:

- personal responsibility
- individual enterprise
- teamwork
- flexibility; and
- transparency

On these criteria the present layout in LBP building and its various satellites is dangerously dysfunctional.

This present physical plan emphasizes:

- **hierarchy**
- **isolation**
- **institutional rigidity**
- **informational opacity**

There is no magic bullet to solve this mismatch, but I believe an **institutional consensus is possible on something better than we have.**

That "something" should provide for the following minima:

- **flexibility to enable ad hoc team formation**
- **privacy, as needed, for intellectual work**
- **meeting space for small, medium and large groups consultation**
- **a sense of institutional "levelness" while providing the representational facilities consistent with the functions of the institution.**
- **maximum utility of IT**
- **"remote" friendliness, ie. the accommodation of non traditional work arrangements (home/office, office hoteling for TD, job sharing)**

Abroad:

A number of our missions serve as showplaces for Canada, physical expressions of the Canadian "brand". Others serve a more utilitarian function of providing office space to our employees.

All, to one degree or another, are sensitive to security challenges

All will need to be reviewed in the context of accrual accounting rules being contemplated by the Government. We will need to decide whether owning or leasing is the more effective and economical option.

Rent or own, we should ensure that our office layouts are consistent with the institutional culture we wish to foster: their design should take into account the "democratization" of international relations, i.e. the increasing role of others than DFAIT in pursuing the Canadian interest internationally (i.e. EDC, CEC, CTC, provinces, universities, municipalities, corporations, NGO's). **Our offices should be designed to accommodate such partnerships.**

We should not be tied to our desks in the field; the reason we are on post is to develop local knowledge and networks to place at the service of Canadians. **Offices should reflect this reality, but do so more systematically than now, for instance by incorporating specific hospitality and meeting areas in office design, and allowing for more remote, off-site work and connectively.**

Canadians expect and have a right to have easy access to their representatives abroad. The locations we chose and the design of the layout should reflect this, with more, rather than less space devoted to consular affairs. **As advances in technology make it increasingly possible and economical to "meet" electronically, our offices should be designed to allow more direct electronic contact with our clients in Canada and amongst ourselves i.e. through video conferencing.**

Threats to the physical security of our personnel will in all likelihood increase around the world. None of the objectives I have outlined above should be implemented at the cost of assuring the **safety** of our people. Security, however, should not unduly detract from these objectives. In particular, the distinctions we draw in terms of access between our Canadian and international staff, should be the subject of more intense and detailed judgement in the future.

The Executive should make a long term commitment to building the Workplace of the Future. A senior champion for the Workplace of the Future should be appointed to head an inclusive team to explore options and prepare recommendations. In the meantime, work should proceed to pilot new innovative work space in the spirit outlined above.

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