Internal Audit Report

1. Audit overview

1.1	Date	7 March 2007
1.2	Department	Human Resources
1.3	Auditor	Greg Ross-Sampson
1.4	Person being audited	Larissa Foster
1.5	Date report was issued	9 March 2007
1.6	Observations Made	1
1.7	Non conformities Issued	0

2. Audit information

The audit was conducted with Larissa Foster – Director of HR

What is the structure of the Human Resources team?

Split between Employees and Partners

Employees	Partners
HR Manager	Partner Manager
Team Administrator	Team Administrator

What are the responsibilities of the team?

Responsible for all HR matters as they relate to employees and partners of HPC.

What is the role of the HR Director?

Responsible for the HR Department and all HR matters as they relate to employees and partners of HPC.

How does the Human Resources Manager know what to do?

General tasks are in Human Resources Manager.
Also hold weekly team meetings however, by the nature of HR, our priorities change hourly, certainly daily, I verbalise those changes to my team.

What are the specific responsibilities of the Human Resources manager?

A lot of the tasks that the Director of HR does are also "farmed" out to the HR Manager. These include :-

- Exit process
- Incapability
- Sickness/absence
- Payroll
- Recruitment
- Employee relations – poor performance, disciplinary, grievance etc
- Training
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What is the role in the recruitment process?

- The departmental Manager/Director completes recruitment authorisation form
- CEO, Finance Director and Human Resources Director approve budget

How do managers know they need the form?

From is:
- On Springfield
- Managers are told about it at induction
- Required for the rest of the process
- Required before the next step in the process happens

Human Resources and Manager discuss the timescale/adverts and interviews

- The advert is created by the Manager and HR if needed
- The advert is checked against the legislation
- The advert goes to publications/agencies with the closing date
- Applications are received
- HR annonymise the short-listing forms
- Short-listing is done with HR and Manager and possibly one other employee
- Short-listing forms come back
- The number of people to be interviewed depends on the standard of the applicants and number of roles being advertised
- Depending on the time frame call or write to successful candidates
- Write to those candidates that are unsuccessful
- Interview (questions are prepared by the Manager in advance and approved by HR)
- Interview assessment forms are used to mark candidates against the assessment criteria for the job description
- The panel chair (the departmental manager) decides who should be offered the position and there is agreement from the panel (HR can escalate to the CEO if they feel the right decision was not reached).

- Human Resources and Manager meet to discuss the start date/salary point
- Human Resources phones the successful candidate to make a verbal offer

What happens after an offer has been made?

1. The candidate accepts the terms offered and a contract and letter are sent

2. The candidate asks for more money and this must be escalated to the Manager. Once the matter is resolved a contract and offer letter are sent

3. The candidate may reject the offer

So say an employee accepts the contract.

Does the contract make up the new employees terms and conditions?

Yes. They also have to abide by the policies outlined in the employee handbook.

There a quite a lot of processes and procedures in the handbook, does does an employee access these?

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How do you know that the handbook is up to date? What is the process in ensuring the handbook processes and procedures are current and relevant?

They are updated on an ad-hoc basis either when the policy is know not to be working or if there is a change in legislation.

Recommendation 1 – Employee handbook policies not reviewed regularly.

Review handbook employee policies on a regular, frequent basis.

Place in work plan as specific-project piece of work for HR.

3. Resources

People, Environment, Equipment, Tools, Communications and Services

- 1x HR Director
- 1x HR Manager
- 1x Partner Manager
- 1x Team Administrator

4. Criteria

Criteria (Legislation and Regulation, Corporate Policy, Local Policy, Customer requirements and Procedural Requirements)

- HPC Order 2001
- HR legislation
- CEO and HR approval on Recruitment Authorisation
- Panel agreement on selected candidate
- Manager approval on additional budget (if required)

5. Records

- Job descriptions
- Quality Management system
- Springfield
- Recruitment authorisation forms
- Job adverts
- Short listing forms
- Interview letters
- Interview assessment forms
- Job offer letter
- Contracts

6. Measures

7. OBSERVATIONS AND NON CONFORMITIES

This is information regarding any observations and non conformities recognised during the audit.

As a result of this audit there were 0 observations (see below) and 0 non conformities.

Observations

Reference	Observation	Proposed action	Responsibility of
Observation 1	Recommendation 1 – Policies not reviewed regularly.	Review handbook employee policies on a regular, frequent basis. Place in work plan as specific-project piece of work for HR.	HR Director