

When Lightning Strikes: Addressing the Impact of Compromised Leadership on Values and Ethics (V&E) Programs



How did the Privacy Commission rebuild its organization after the "Radwanski Affair"?

Robert Marleau

Integrity Commissioner of the City of Ottawa and former Canadian Interim Privacy Commissioner

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1

Star date June 23 2003...



Who is Radwanski?

- George Radwanski was appointed [Privacy Commissioner of Canada](#) in late 2000 for a seven-year term. As Privacy Commissioner of Canada, Radwanski was a vocal and determined advocate protecting the privacy rights of Canadians.
- Under fire from the House of Commons Committee on Government Operations and Estimates for misleading the committee with incomplete expense reports on his travel and hospitality expenses." he resigned on June 23, 2003.

(source: About.com)

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What did Radwanski allegedly do?

- financial statements were falsified to cover up overspending of \$234,000 by the Office of the Privacy Commissioner.
- George Radwanski received two payments of \$15,000 "without justification," only one of which has been repaid.
- senior officers, including George Radwanski, took vacation time but didn't claim it, and then took cash for unused vacation. Radwanski himself received about \$56,000 in payments for vacation leave which the Auditor General believes were not justified.
- spending on hospitality and travel by the former Privacy Commissioner was unreasonable and extravagant, and on many international trips Radwanski and the Senior Director General conducted "minimal business."
- the office did not report some taxable benefits, and neither made the appropriate deductions nor paid tax to the Canada Customs and Revenue Agency on these items.
- the office broke rules on the hiring, promotion and compensation of employees. George Radwanski "abused his discretion" in hiring and compensation matters

(source: About.com)

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Who is Marleau?

- Robert Marleau has had a distinguished career working in Parliament, and was Clerk of the House of Commons of Canada for 13 years.
- In June 2003 with the sudden resignation of [George Radwanski](#) as Privacy Commissioner of Canada, Robert Marleau stepped in as Interim Privacy Commissioner to ensure that the Office of the Privacy Commissioner could operate until Parliament had time to appoint a new Privacy Commissioner.

(source: About.com)

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Star date July 2003

What did Interim Commissioner find?

- Weaknesses and corruption of internal governance arrangements
- Human resources gross mismanagement
- Financial management and control breakdown
- Travel and hospitality abuses
- Contracting abuses
- “ **See no evil**” attitude by central agencies (PCO, TBS, PSC)

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What did Interim Commissioner do?

- Called in the Auditor General for an emergency audit.
- Held an all staff meeting to announce a new era of transparency and accountability
 - Committed personally to consistency/predictability in his own actions, decisions, communications
 - Declared he would be a fearless leader grounded in reality but with fairness
 - Set up a Union/Management Committee for renewal initiatives
 - Acknowledged there were more victims than perpetrators
 - Reaffirmed OPC role in protecting privacy of Canadians
- Conducted 103 voluntary staff interviews out of 110 staff
- Released 5 of 6 executives (special leave and retirements)
- Seized all severance pay entitlements of those involved
- Demanded reimbursement of improper annual leave cash outs within 30 days
- Recruited professional crisis HR firm for staff
- Called in the RCMP re possible fraud

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Star date August 2003

Interim commissioner holds second all staff

- Provided full disclosure of Consultants report on HR crisis management which found
- "A profound distrust of management's capacity to be fair and just"
- "A deep mistrust in the TBS & PSC statement of values and ethics"
- OPC offers group and confidential personal counselling to assist in the employee grieving and healing process
- Interim Commissioner introduced a new Code of Conduct for all employees, including management.

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OPC Code of Conduct

Rules of the Sandbox

- Share your toys
- Play Fair
- Don't hit people
- Put things back where you found them
- Clean up your own mess
- Say you're sorry when you hurt somebody
- Don't tell lies
- Live a balanced life
- Learn some and think some and draw every afternoon
- When you go out into the world, watch for traffic, hold hands, and stick together

(Article Source: <http://EzineArticles.com/910453>)

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Star date September 2003

What did the Auditor General find?

Systemic failure

- "Our audit identified many examples of wrongdoing and a failure to follow federal laws and Treasury Board policies, leading us to ask how and why this occurred at the Office of the Privacy Commissioner and why it continued unchecked for so long.
- First, the former Commissioner did not fulfil a key obligation as Deputy Head of the organization: he failed to ensure that his office was—at a minimum—managed reasonably well.
- Second, the OPC's senior executives failed to fulfil their management obligations. Some turned a blind eye to obvious wrongdoing.
- Finally, the Treasury Board Secretariat and the Public Service Commission failed to respond decisively when they became aware of problems in the Office of the Privacy Commissioner."

(Source OAG report on OPC 2003)

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Star date September 2003

What was Interim Commissioner's response ?


Six guiding principles to direct action and decision-making:

- Made it the primary objective of the renewed management team to ensure ethics and values and a harassment-free work environment.
- Maintain and develop a strong operational capacity to ensure that the OPC continues to deliver on its legislative mandate
- Appointed an external governance advisory body as oversight to ensure modern comptrollership
- Restore the overall well-being of the OPC's workplace by improving management practices, encouraging innovation, and engaging employees and the union
- Sustain a process of organizational learning aimed at all levels of employees to ensure that the lessons learned will be shared

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The Radwanski Affair is not a unique event in the history of the Public Service. But scandal is not the norm. Public service is and remains a noble calling.

- “I am both outraged and saddened by what we found. Outraged because of the environment of fear and arbitrariness that lead to the major failure of the controls over human resources management, financial management, contracting, and travel and hospitality expenditures—and saddened by the treatment of employees.
- The human cost has been significant. I am also concerned that an even greater harm may be done if this case is generalized to all the employees of the Office of the Privacy Commissioner and the entire public service. This would be wrong—and a great disservice to the thousands of honest and dedicated men and women across this country who faithfully serve Canadians.”

Sheila Fraser, Auditor General of Canada