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## **Administrative Response and Timelines – PwC – Human Resources (HR) Health Check Engagement**

### **Recommendation**

That the report of the General Manager, Corporate Performance Department, dated March 5, 2018, be received as information.

### **Topic and Purpose**

The purpose of this report is to provide the Administration's overall assessment and response to the recommendations contained in the Internal Auditor's report, "Human Resources (HR) Health Check Engagement."

### **Report Highlights**

1. Phase 1 of the audit identified six recommended key priority areas for consideration for Phase 2 of the audit.
2. Talent acquisition is an area with a large maturity gap that was identified as a top priority and an area in which the City needs to excel.
3. The HR Strategy developed in Phase 2 of the engagement includes a vision for HR and three key areas of focus; Talent Acquisition, Leadership Development, and Talent and Performance Management.
4. The HR Health Check Engagement identified the need for HR to be a strategic business partner as well as the need for alignment and an enterprise-wide approach to HR.

### **Strategic Goals**

This report and audit support the Strategic Goal of a Culture of Continuous Improvement and the priority of attracting the best available talent as well as developing and retaining employees over the long-term.

### **Background**

The City of Saskatoon (the "City") Strategic Risk Register contains risk CI-2, which is that "The City's existing strategies may not be attracting, managing, developing and retaining top talent to support existing and future operations". This risk was identified as a medium priority for City Council and, based on the risk rating exercise conducted by the Corporate Risk Committee, has a residual risk severity of 4.6 (which represents "high" residual risk).

An audit of the City's processes with respect to strategies being utilized to attract, develop, and retain talent was included in the approved 2017 Internal Audit Plan.

The Statement of Work provided by PricewaterhouseCoopers LLP (PwC) for the HR Function Health Check Audit was approved by the Standing Policy Committee on Finance on August 14, 2017.

Phase 1 of the audit report was submitted to the Administration for review in October 2017, after which Phase 2 was completed and the final report was submitted to the Administration for review in December 2017.

## **Report**

### Phase 1 Recommends Six Priority Areas for Consideration

Phase 1 of the HR Health Check Audit identified six key priority areas to consider for Phase 2 of the audit: HR Strategy, Talent Acquisition, Workforce Planning, Succession Planning, Performance Management and Leadership Development. Talent acquisition was identified by stakeholders as a top priority and an area in which the City needs to excel.

PwC's recommendation was to begin with development of an HR Strategy as a foundation and then work on the five other priority areas over time.

### HR Vision and Areas of Focus for Next Three to Five Years

The City's HR and Labour Relations professionals worked with PwC to develop the main elements for the HR Strategy and Roadmap during Phase 2 of the engagement. Four teams came together to develop an overall Vision for HR and to focus on three key areas that are integral foundations of an HR Strategy: Talent Acquisition, Leadership Development and Talent and Performance Management. A three-year roadmap was developed, breaking out specific activities and deliverables within each focus area. Attachment 1 provides the HR Strategy and Roadmap to Implementation.

### HR as a Strategic Business Partner

Staff who participated in the engagement identified the need for HR to be more of a strategic business partner. An HR Strategy crafted as an enterprise-wide approach to HR will be key to HR's ability to meet the needs of the business. The Health Check Engagement also recommended the need to identify key skills and capabilities necessary for HR to be a credible and effective partner, adding value to the business.

Attachment 2 provides an update on the current status, next steps and timelines for each of the seven actions/recommendations in the Internal Auditors' Human Resources (HR) Health Check Engagement report. Since the time of the audit/engagement work, progress has been made in several areas noted within the PwC Report and a number of initiatives have been identified and targeted for completion in 2018.

## **Stakeholder Involvement**

Voice of the Customer sessions involved managers and directors from across the organization participating in discussions about the current and future state of the HR functions. An HR Stakeholder Survey was also issued to directors and department heads requesting input on several key HR functions. Focus group sessions were held with staff HR functions within the organization and involved a detailed look into and analysis of current and future state HR functions.

### **Communication Plan**

An internal communication plan will be developed to share the outcomes and HR Roadmap with staff across the organization. The communication plan will ensure the overall HR Strategy is understood by all divisions and highlight the alignment of the HR Strategy with the overall organizational strategy.

### **Other Considerations/Implications**

There are no options, financial, environmental, privacy, or CPTED implications or considerations.

### **Due Date for Follow-up and/or Project Completion**

In addition to the various specific reports that will be brought forward on action items, a specific follow-up report on the status of all Audit recommendations will be brought forward in co-operation with the Internal Auditor in approximately one years' time.

### **Public Notice**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

### **Attachments**

1. HR Strategy and Roadmap to Implementation
2. Administration Response – Current Status, Next Steps and Timelines

### **Report Approval**

Written by: Kim Matheson, Director of Employee Experience and Performance  
Reviewed by: Marno McInnes, Director of Strategic Negotiations, Total Rewards and Workforce Analytics  
Reviewed by: Nicole Garman, Director of Corporate Risk  
Approved by: Dan Willems, Acting General Manager, Corporate Performance Department

CP Finance Admin Report – Administrative Response and Timelines – PwC - HR Health Check Engagement

*“Approved by Dan Willems, Acting GM, CP Department, February 26, 2018”*

# HR Strategy and Roadmap to Implementation

“ Our people matter. Human Resources is a trusted partner, providing expert guidance to support a workplace that is healthy, inclusive and productive. ”

## Our vision

“ Our people matter. Human Resources is a trusted partner, providing expert guidance to support a workplace that is healthy, inclusive and productive. ”

## Our focus

### Talent Acquisition

We are an employer of choice. We attract and build a high performing and inclusive workforce.

### Leadership Development

Our leaders are trusted role models. We inspire others to achieve their full potential.

### Talent & Performance Management

We connect with our People. We engage employees to optimize performance.

## Our services



Organizational  
Development



Diversity and  
Inclusion



Health &  
Safety



Labour  
Relations



Total Rewards



HRIS



Workforce  
Analytics

## Our focus



## Key initiatives



## Metrics



## Support

### Talent Acquisition

To capitalize on this advantage we need to...

- Implement an Applicant Tracking System.
- Establish consistent recruitment service model; including competency-based recruitment and selection process for managers, directors and general managers.
- Develop Corporate Onboarding Program

### Leadership Development

- Develop Balanced Scorecard (City Manager, GM & Director Level)
- Implement and train on competency framework (City Manager, GM & Director level)
- Implement an executive coaching and mentoring program for City Manager and General Managers.

### Talent & Performance Management

- Implement and train on competency framework (ESA/SCMMA employees)
- Onboarding resource for new Managers/Supervisors
- Implement and train on IDP's (all forms)
- Transition to electronic forms

We will know we are winning when...

- Survey Data (annual and pulse surveys)
- Recruitment cycle time
- Number of diversity candidates applying versus amount of qualified diversity candidates
- Website visits-google analytics

- Balanced Scorecard metrics
- Engagement Scores
- Number of IDP's completed

- Number of IDP's completed on time
- Percentage of managers who have received Competency Training
- Engagement Scores
- New Hire/Exit Interview results
- Percentage of managers who have received IDP Training

We will know we are winning when...

- Funding for technology
- Consistent resources for Seasonal Recruitment
- Communications

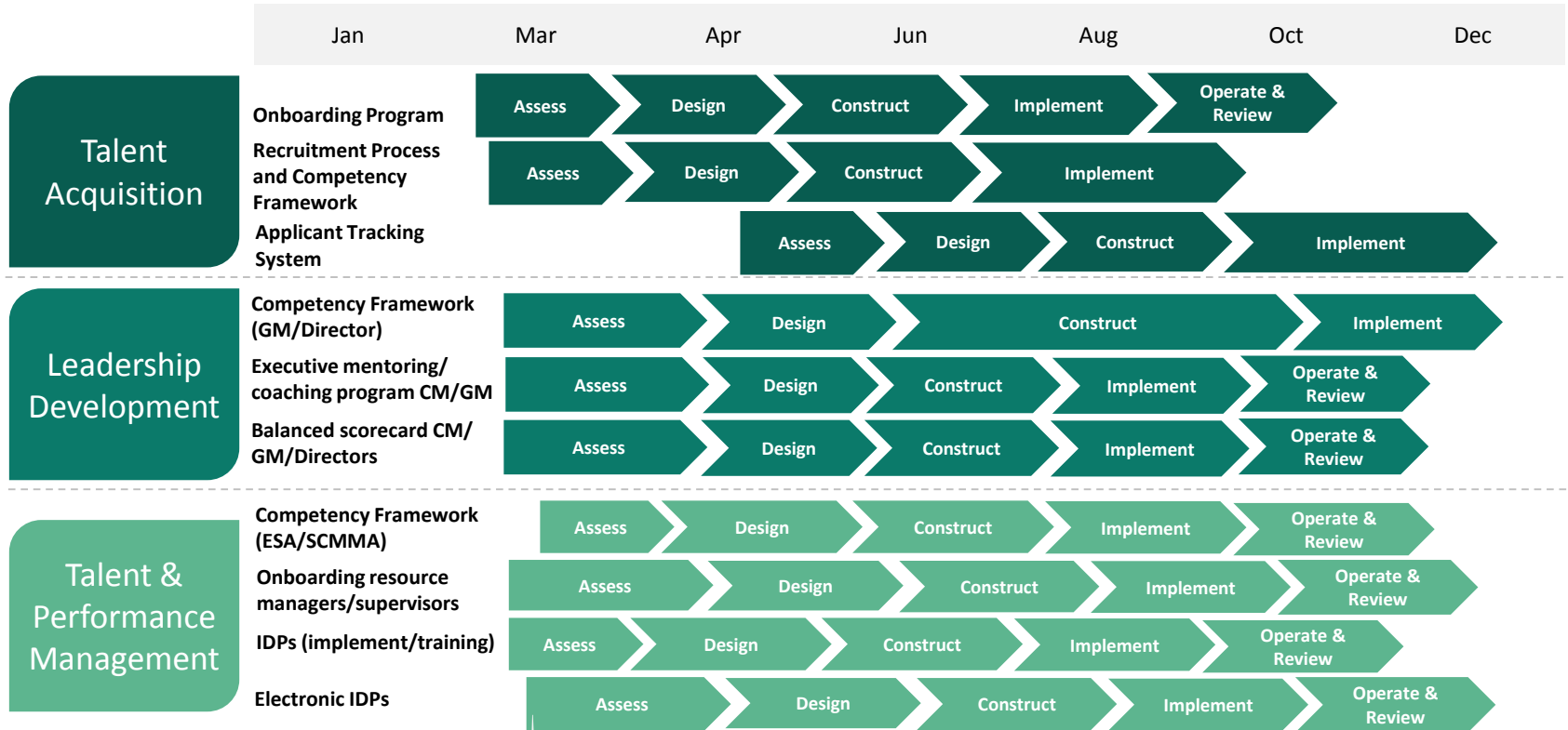
- LMS/IT Support
- Personnel Subcommittee of Council and City Manager buy in to Balanced Scorecard approach.
- Communications

- LMS/IT Support
- Communications

# City of Saskatoon: HR 2022

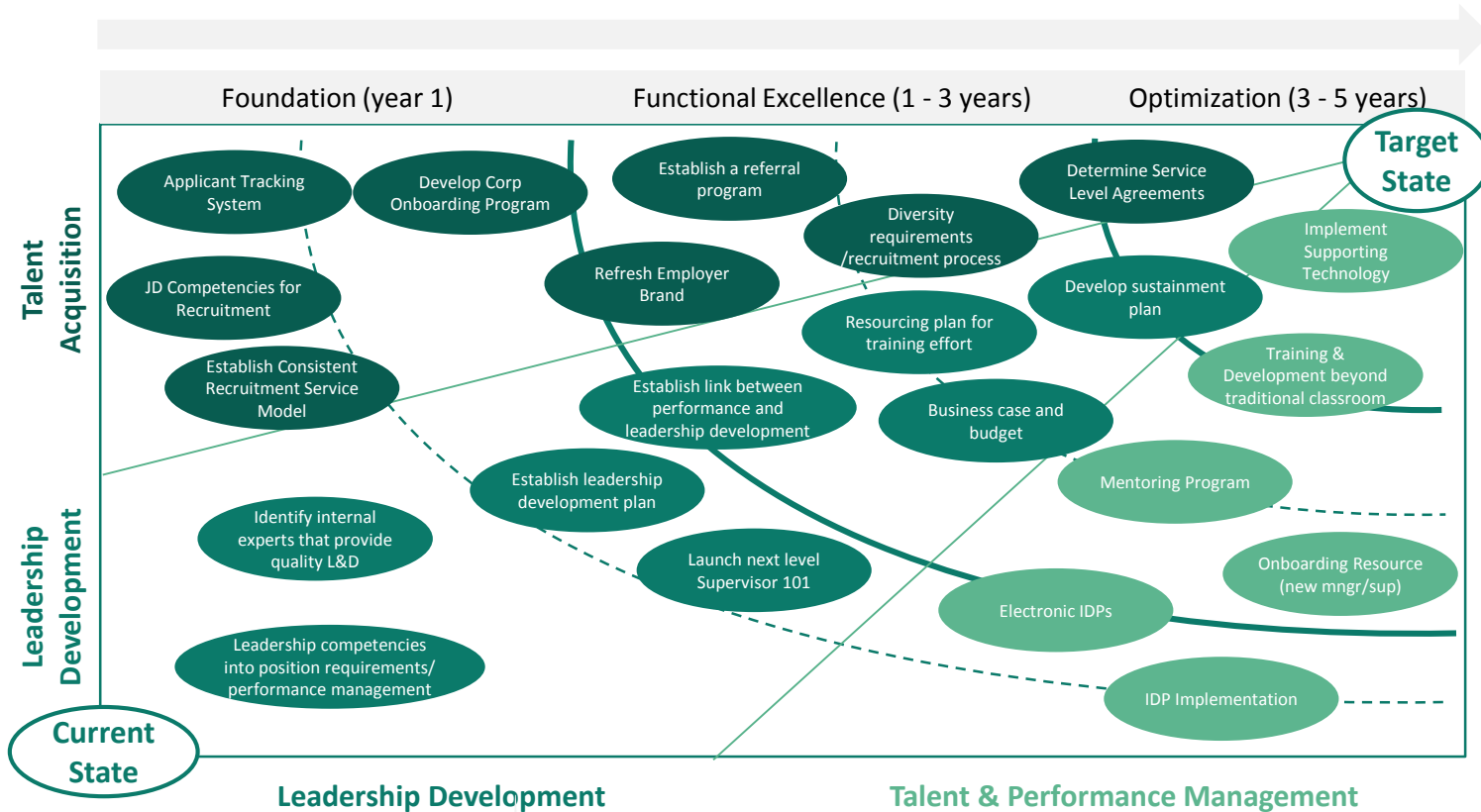
Our focus 

2018 strategic roadmap



# City of Saskatoon: HR 2022

## 3 – 5 year strategic roadmap





Theme	#	Action/Recommendation	Current Status	Next Steps	Owner	Timeline
<p>Historically HR has struggled with successful project execution and change management.</p> <p>Lack of a project governance structure, effective change communications, and effective business cases results in a lack of understanding and support for HR initiatives in the organization.</p>	1	Implement a governance structure for project delivery across all HR processes.	<b>In Progress</b> - Governance structure developed.	Roll out to Administrative Leadership Team (ALT) and Senior Management Team (SMT).	Director	December 2017 - February 2018
	2	Upskill employees on change management and project management, including business case development.	<b>In Progress</b> - Tools currently being developed. Change Management SharePoint site created for easy access to information and tools related to Change Management Framework.	Following development of tools and finalization of Change Management Framework, training will be developed for applicable staff.	Performance Improvement Coordinator	November 2017-March 2018
	3	Update change project and change management processes, tools, and templates to enable new skills.	<b>In Progress</b> - Change Management Framework created; tools and processes currently being developed; rolled out to SMT and Project Management Community of Practice group in December 2017.	Design training for tools and processes.	Performance Improvement Coordinator	November 2017-March 2018
<p>The lack of integrated technology and lack of standardized processes is resulting in more time spent on reactionary, transactional activities.</p> <p>This leaves less time for the HR function to action on strategic HR priorities and coach the business on talent solutions.</p>	4	Review areas of the new strategy that can be enabled by the upcoming technology implementation; plan and integrate the new system accordingly	<b>In Progress</b> - While the Enterprise Resource Planning (ERP) is in progress and will result in improved technology for HR in the future, work is currently underway to enhance the new hire onboarding process and create efficiencies within existing technology systems. Work includes: automation of a standardized offer letter template, combining multiple forms into one so it is completed at once instead of at various times throughout onboarding, and transitioning the hiring requisition form from paper to digital so that data is collected and fields are mandatory.	Test the automated forms and processes and begin utilizing for all new hires by March 2018.	Division staff and Performance Improvement Coordinator in partnership with IT Business Relationship Manager	Ongoing and in conjunction with ERP Project
	5	Continue efforts to review core HR processes to streamline, improve and document processes.	<b>In Progress</b> - The current state of recruitment cycle has been reviewed for corporate consistency and opportunity for improvement. Onboarding program utilizing SharePoint is currently under development which will provide information for employees, supervisors and managers to when starting a new position or bringing a new employee on to a team.  Individual Development Plans (IDP) for employee development and performance are being finalized and converted to fillable pdf forms.	Continue to identify opportunities to reduce and/or eliminate manual HR processes including: applicant screening and tracking, seasonal recruitment, new hire and exit surveys, onboarding process, etc. A focus group will be formed to assist in development of the onboarding process.  Roll out and implement annual IDP process for all staff across the organization and transition to an automated process as soon as part of technology enhancements.	Division staff and Performance Improvement Coordinator	September 2017 - April 2018

<p>The HR's organizational structure has not evolved in a systematic way to support HR service delivery or execute the HR Strategy, resulting in work silos and blurring of responsibilities across jobs and departments.</p>	6	<p>Review inefficiencies of current organizational structure and design new model to align with the new strategy, as well as people and processes, to best deliver to the priorities of HR and their customers.</p>	<p><b>In Progress</b> - In order to free up capacity for the senior Human Resource Consultants, junior level Human Resource Consultants have been added to the team temporarily. The addition of these temporary positions will allow the team to continue to meet the daily, transactional needs of their clients while also allowing for increased focus on much needed strategic, transformational HR initiatives.</p>	<p>Review seasonal recruiting process to further identify opportunities to streamline the process and increase capacity of senior HR staff to focus on strategic initiatives such as talent and performance management and leadership development.</p> <p>A review of best practice talent acquisition practice is also planned to ensure the City is competitive and attracting the best talent possible.</p>	<p>Acting Employee Experience Manager and Director</p>	<p>January - April 2018</p>
<p>The City's business leaders are looking for HR to be a more strategic partner, bringing insights and perspective that they may not have to solve important issues and add more value.</p> <p>This can result in HR not being consulted for decision-making where HR expertise could add value.</p>	7	<p>Identify key skills and capabilities for HR to be a credible and effective partner to the business. Conduct skills and capabilities gap analysis with current HR specialists and develop plan to close gaps.</p>	<p><b>In Progress</b> - The Employee Engagement Survey results were reviewed with all staff, including those in HR functions. Increased employee engagement will lead to increased productivity and help to achieve the HR Vision.</p>	<p>Competencies will be developed for Human Resource staff to ensure the team has the knowledge, skills and abilities of a high performing human resource team. Identified gaps will be assessed and development plans created as needed to address gaps between current level and desired level of competency for staff in HR functions at the City of Saskatoon.</p>	<p>General Manager of Corporate Performance, Director and Acting Employee Experience Manager</p>	<p>December 2017 - April 2018</p>