



Our Talent Management Strategy

... focus on people

*We will attract, develop and retain
the best staff.*

Executive Summary

“... a municipality’s most valuable asset is its staff – even though its most expensive asset may be hard infrastructure, like roads or a water treatment plant.” Sandberg, N., Municipal World, April 2012.

This **Talent Management Strategy** is the County of Peterborough’s multi-year strategy for achieving the desired state of people management across all departments. The strategy supports long-term County priorities and objectives by fostering employee growth and development, encouraging on-going feedback on performance, and promoting leadership at all levels. Based on demographic trends and issues, the Talent Management Strategy sets a direction and vision for managing the County’s people and talent, and for human resources management initiatives and activities across the County. It was identified as a key priority in the County’s Strategic Plan 2015-2019.

The Ontario and Federal budget messages continue to perpetuate a difficult macro-context as it relates to public sector workers, their compensation and benefits, and value of service delivery versus investment made. While much of the spotlight is focused on the energy, education and health sectors where the bulk of expenses lie (and compensation levels are much higher than the broader public sector averages), there will continue to be pressure on all public sectors, including municipalities, to hold the line on wage increases and to negotiate on the basis of “total compensation” rather than straight increases to wage schedules.

In such a context it is important for the County to work strategically at both attracting good talent to the organization through recruitment and selection efforts, while also ensuring strategies are in place to both develop and retain the good talent currently on board. This Talent Management Strategy creates a framework through which the work of Human Resources and management at the County will research, develop and implement effective human resource practices and policies over the next 3 – 5 years. Similar to the long term forecasts for roads and bridges, including repairs and replacements, the Talent Management Strategy will assist in identifying the risks, opportunities, investments and savings associated with the “people” employed at the County of Peterborough with an overall goal of maximizing the talents that each employee brings to the workplace.

It is understood that this is a “starting point” from which the Talent Management Strategy will grow and change over time as priorities and context shift.

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Background and Context

Since the late 1990's organizations have been placing increasing emphasis on the importance of strategic management of an organization's most valued assets, its people. The Talent Management strategy supports long term priorities and objectives by fostering employee growth and development, encouraging on-going feedback on performance, and promoting leadership at all levels. Based on demographic trends and issues, the Talent Management Strategy sets a direction and vision for management of the County's people and talent, as well as for Human Resource activities across the County.

What is Talent?

Talent can be described as the skills, knowledge, abilities and commitment of our employees. The County's workforce is our greatest asset, delivering County services and programs to approximately 55,000 residents.

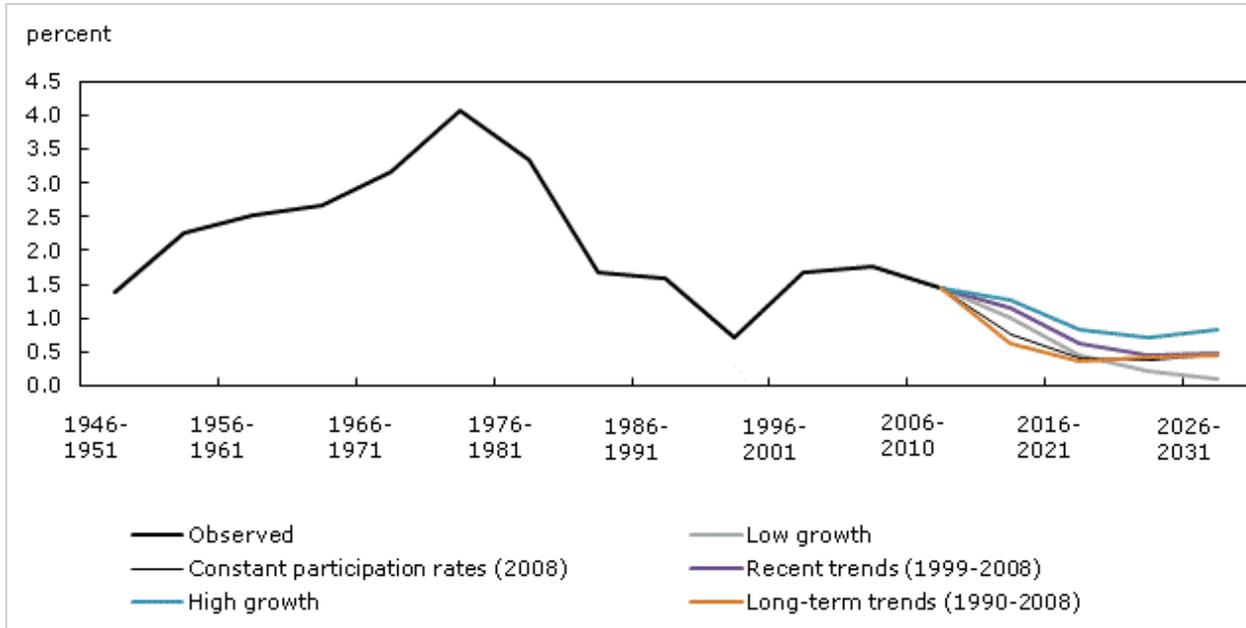
Why Do We Need a Talent Management Strategy?

Why is this Talent Management Strategy a priority for the County of Peterborough? Many researchers over the past decade have been warning of challenges ahead for employers based on predicted labour force growth. Continued research has indicated two mega trends:

- 1) the aging population in Ontario is resulting in lower labour force participation rates over time; and,
- 2) the knowledge economy is requiring a more educated workforce.

As you can see from the chart below, **the labour force is shrinking**. In 2015, it is forecast that the growth rate will be half the rate of the average between 1982-2009, and the growth is expected to be primarily comprised of immigrants per Canada's immigration strategy. What researchers and HR professionals have been stressing over the past several years, is that with this shrinking labour market, and a shift toward more skilled jobs, the labour context will become increasingly competitive and organizations will have to be strategic to ensure they are able to **attract** good talent to their organization, and have well developed internal strategies for **developing** and **retaining** talent within the organization.

Observed and Projected Annual Growth of the Labour Force – Five Scenarios



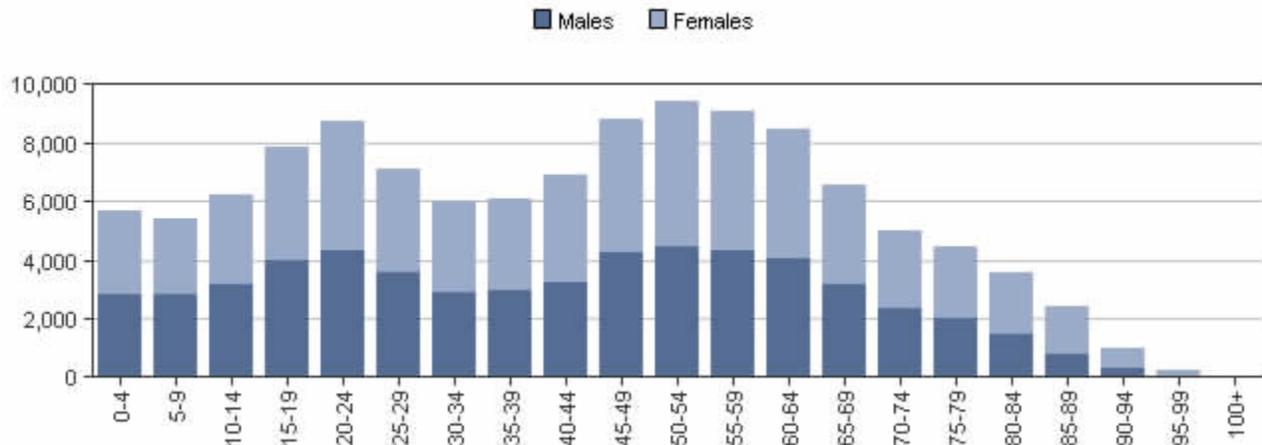
(Source: Statistics Canada – 2012-12-19)

The average annual growth in the labour force between 2010 and 2014 was approximately 1.0%. By 2016, this growth is projected to be less than 1% and moving forward to 2022 could range between 0.2% and 0.7%. By comparison, the annual change in the labour force reached just over 4% during the period 1971-1976, when the large baby-boom cohorts were entering the labour market. In four of the five scenarios, the slowing of labour force growth is projected to be completed after 2026, when most baby boomers will have left the labour force.

In addition, the statistics for the Peterborough area, based on 2011 Census data, indicate that we will also see a shift in the age of workers in our area, as the large number of baby boomers move into the retirement zone. The recent recommendations arising from the commissioned Drummond report would indicate that the government will continue to look for ways to reduce retirement benefits, both through provincial/federal reductions in OAS and CPP, as well as a review of public sector pensions, all of which are expected to have the effect of reducing early retirement income, making it less attractive to employees who had anticipated early retirement. While we cannot be certain to what degree this will unfold, an increasing aging workforce will put pressure on sick leave, LTD, performance management and productivity, requiring increased emphasis on sick leave management and early return to work programs, fully developed performance management processes, alternative working arrangements, wellness initiatives, etc.

Compounding this is the trend of young, recently educated workers leaving the Peterborough area for meaningful employment opportunities. We can expect this to continue until economic development strategies begin to transpire into new employment opportunities locally.

Peterborough – Population by five-year age groups and sex



Source: Statistics Canada – 2011 Census Data

What Employees Value

The County, like most other workplaces, enjoys a diversity in its employee population, Baby Boomers, Generation X, Generation Y and Generation Z, spanning birth years from 1946 to 2000. Extensive surveys have been conducted to identify the differences in the various generations and what they value in a workplace. This is important to understand if we are to develop and deliver a talent management strategy that appeals to the varied generations in place and particularly those beyond the Baby Boomer generation.

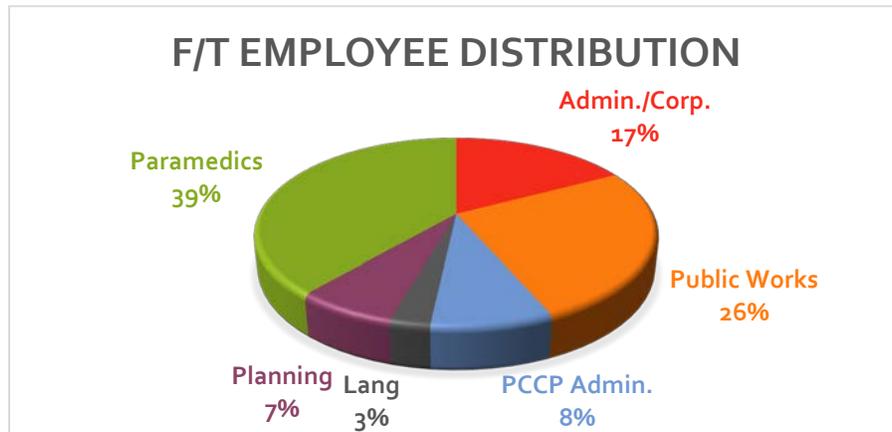
Available research indicates that although there are some differences between generations, there is also some commonality about what employees value most that should be recognized when developing organizational programs:

- ▶ Fair compensation
- ▶ Decent benefits
- ▶ Flexible working hours and work/life balance
- ▶ Flexible working location
- ▶ Paid time off for community service
- ▶ Good communication with their supervisor
- ▶ Team spirit and a sense of camaraderie

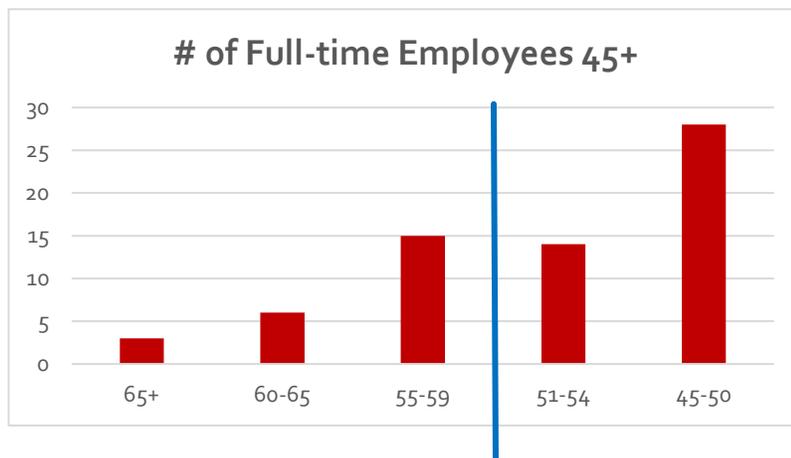
- ▶ Strong and fair management (resolve conflict, address issues)
- ▶ Recognition
- ▶ Opportunities to learn
- ▶ Opportunity to contribute to the organization's goals
- ▶ Feedback/coaching
- ▶ Advancement opportunities
- ▶ Respectful environment

County of Peterborough - Employee Demographics

The County is comprised of several major areas. Breakdown of full-time positions by primary area follows:



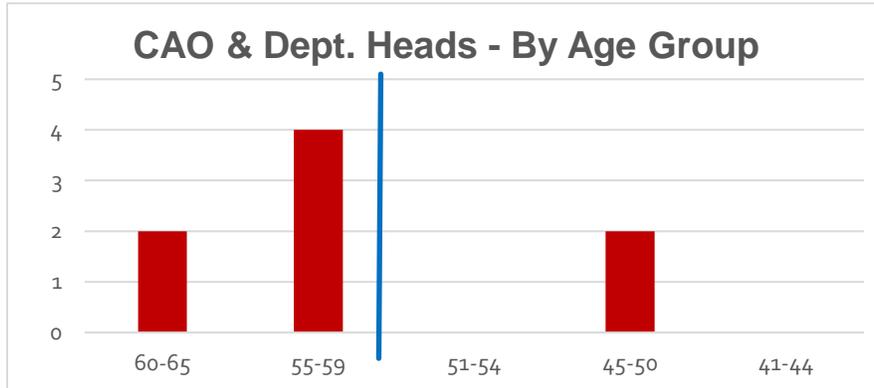
The following data captures the current data (at July 2015) for full-time employees (excluding Paramedics) at the County of Peterborough above the age of 45.



Note:

- 38 employees are currently above the age of 50 and within 5 years of retirement eligibility
- 24 employees are above the age of 55
- OMERS earliest retirement – typically age 55

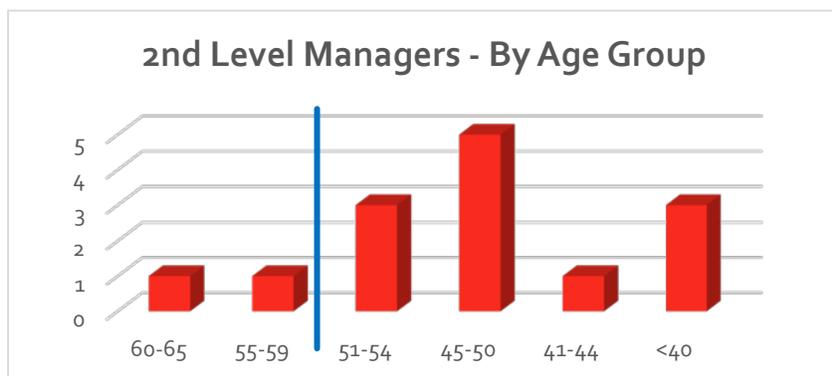
One of the primary areas that is examined for business continuity and risk management considerations is the make-up of the Department Heads. Following is the summary age data for County Department Heads:



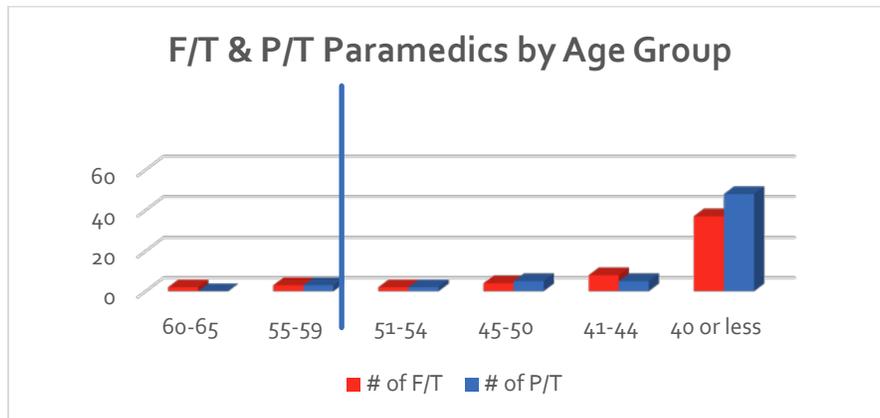
As you can see, the demographics of the Department Heads (includes CAO) suggest that the County needs to be positioned to expect a high degree of turnover in the senior management team over the next 5 year period.

This is not an unusual situation when looking at municipalities across Ontario, and even Canada. Over the past few years there have been a growing number of advertisements searching for CAO’s and Directors across most regions as they too experience the long awaited departure of large numbers of baby-boomers. However, it is a sign that the County of Peterborough needs to plan effectively for transitioning new leadership and effectively managing intellectual capital losses.

Another glimpse at employee data examines the age distribution of second level managers (i.e. those reporting directly to a Department Head). This chart indicates that we have a slightly different age distribution but again with a number of managers (36%) approaching the retirement zone.

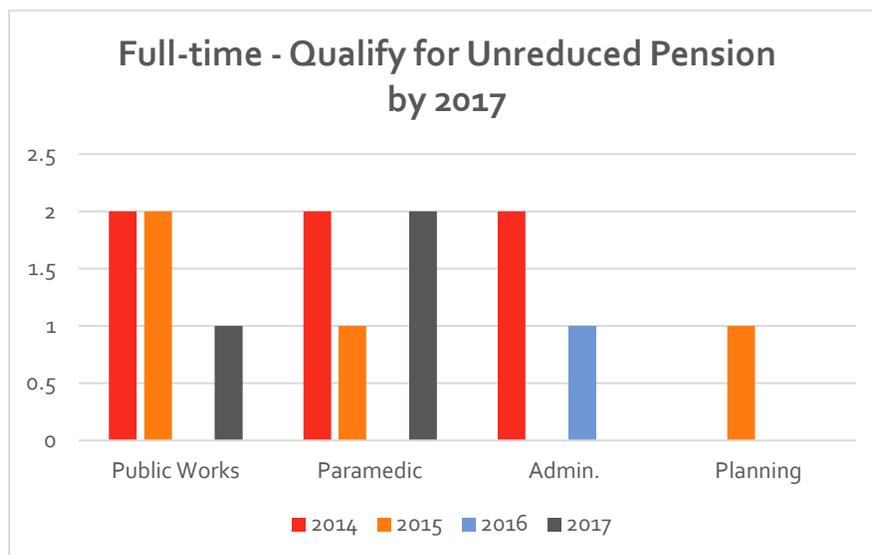


Paramedics are a unique group, comprised of more part-time than full-time employees. Both are represented in the chart below. Given that movement from part-time to full-time is entirely seniority-based (all filling the same position), it is probable that part-time will convert to full-time over time as it currently the situation. Their age distribution is much different than other County units with the majority of age 40 or less.



Potential for Significant Loss of Skills and Knowledge Due to Retirements

Fourteen (14) of the County’s full-time workforce are eligible to retire with an unreduced pension by year-end 2017. The County faces the highest potential losses through retirements in the Public Works, Paramedic and Administration groups.



In addition to the fourteen (14) full-time employees who qualify for unreduced pension, a further twenty-two (22) qualify for reduced pension by Dec. 2017, broken down as follows:

Paramedic	7
PCCP Admin.	2
Public Works	7
Lang	1
Administration	<u>5</u>
Total	<u>22</u>

The combined total of 36 full-time employees who will qualify for retirement by Dec. 31/2017 represents 25% or a quarter of the workforce. OMERS information suggests that for those that qualify for unreduced pension the average retirement age is 58 and almost all those who qualify for unreduced would be over that age in 2017 making retirement a real possibility at any time in the next few years.

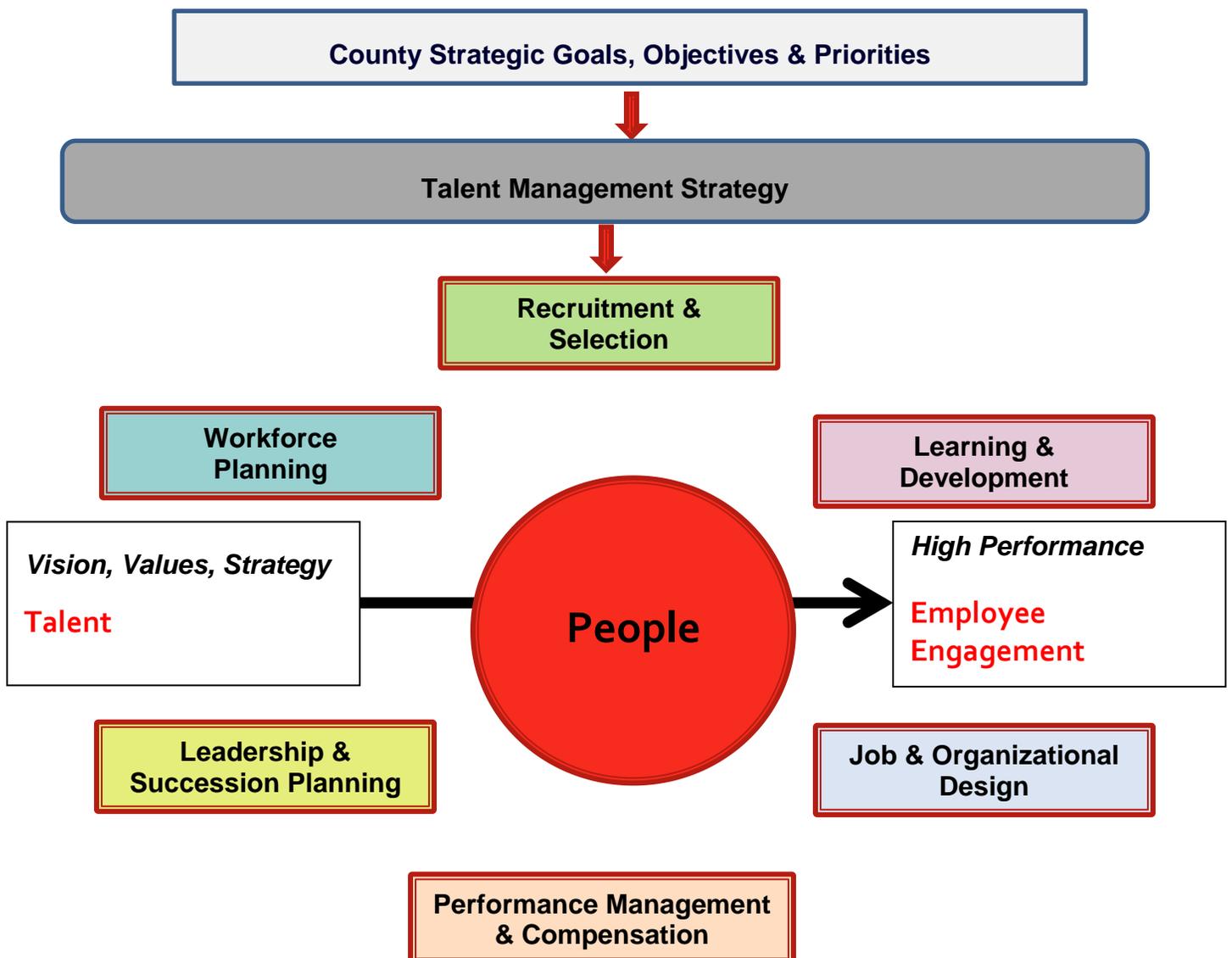
The County's Talent Management Strategy

The County of Peterborough cannot deliver a full range of service excellence if they do not have the right workforce or resources in place. A Talent Management Strategy helps to address this. It recognizes the benefits of having a committed, capable and skilled workforce that is focused on achieving the short and long term priorities, strategies and objectives. It also represents a process through which the County can identify and attach real service enhancements.

Talent Management involves workforce planning, attracting good talent through recruitment and selection, developing leadership and succession planning, developing talent through on-going learning opportunities, managing performance related to productivity/efficiency improvements, compensating appropriately, and recognizing and rewarding high performance.

County's Talent Management Strategy – the Model

The Talent Management Strategy deliberately links the people strategies and HR practices to the strategic goals, objectives and priorities of the County.



County's Talent Management Goals

At the County of Peterborough, our Talent Management Strategy is comprised of the following primary objectives/aims. In articulating each goal we have also attempted to identify the areas in which progress has already been made and/or where development of initiatives will be required. The County does currently provide significant support to its employees in the areas identified and this document gives recognition to this while also identifying where additional resources are required to achieve full implementation.

Recruiting for the Future

The County of Peterborough will be seen as an employer of choice in the Eastern Region. It is known for its welcoming and engaging culture, competitive compensation and benefits, and employee recognition and values proposition.

Legend:



- previous work has been done and we are well positioned



- some work has been done but additional work required



- little progress made to date; focused attention required

How Will We Get There?	Tools/Resources Required?	Current Status
Competitive Compensation & Benefits	Benchmarking Analysis	√
Employee Recognition	Policy revision and expansion	√
Flexible Working Arrangements	Policy development and implementation	X
Recruitment Process Improvements	Hiring Policy revision	X
	Lean Six Sigma Recruitment Process Review	√
	County Core Competencies	X
Recruitment Strategies: ▶ Internships	Relationship Building	√

<ul style="list-style-type: none"> ▶ Co-op Programs ▶ Apprenticeship Programs ▶ Summer Employment ▶ Immigrants ▶ Casual Hires/Pools 	Funding Pursuits	
Onboarding & Orientation	Full implementation of Onboarding & Orientation LSS Process	√
Social Committee	Support opportunities for employee social interaction	√

Developing High Quality Leadership & Management

The County will develop highly effective leaders and managers who will lead, inspire and manage employees in a manner consistent with the County's core competencies and values. We will identify, develop, promote and encourage leaders who can build the hearts and minds of their colleagues and employees to achieve the goals of the County and deliver excellent customer service for the community we serve. We will also ensure that our leaders build a culture which focuses on mutual respect, concern for its people and professionalism.

How Will We Get There?	Tools/Resources Required?	Current Status
Learning & Development Plans	Instructions for development	√
	Template	√
	HRIS - tracking	✗
Performance Management	Policy revision and expansion	√
Coaching/Mentoring	Guidelines for Coaching/Mentoring	✗
	Process for Connecting	✗
Professional Development - Mandated & Technical Skills/Training	PD Policy revision and implementation	√
	Application and Approval Process – Equitable Access	√

<p>Management & Leadership Training</p>	<p>Loyalist Program</p> <p>Harvard Manager's Toolkit</p> <p>Competency Based Ad Hoc Training</p>	<p>✓</p> <p>✗</p> <p>✓</p>
<p>Developmental Opportunities</p> <ul style="list-style-type: none"> ▶ Acting Assignments ▶ Rotational Assignments ▶ Meeting Management ▶ Project Management ▶ Job Rotations ▶ Special Assignments ▶ Coaching/Mentoring ▶ Temporary Roles ▶ Supervisor/Employee Talks ▶ Self-assessment 	<p>Labour Management – CUPE 1306 & 4911</p> <p>Compensation Policy – Non-union</p> <p>Expedited Job Development/Approval Process</p>	<p>✓</p> <p>✓</p> <p>✗</p>
<p>County Leadership Meetings</p>	<p>Management Meetings – Key Updates, Issues, Opportunities</p>	<p>✓</p>

Planning for Succession

We will identify key positions for which succession plans are required to limit the risk to the organization should the positions become vacant for any significant period of time. Through collaborative efforts of managers and Human Resources, a process will be undertaken to identify internal talent and a readiness assessment to move into vacant key positions, accompanied by succession development plans.

How Will We Get There?	Tools/Resources Required?	Current Status
<p>Succession Planning Model</p>	<p>Succession Planning Model Development</p>	<p>✓</p>
<p>Workforce Planning</p>	<p>Environment Scan – 5 year forecast</p> <p>Organizational Review Next Steps</p>	<p>✗</p> <p>✓</p>

Learning & Development	Corporate Learning & Development Plan	√
	Targeted Development Plans for Identified Talent	✗
Reporting, Review & Communication	Embed Process in Annual Planning Cycle	✗
	Update Reports to Council	✗
	Communication to Employees	✗
	Performance/Coaching Feedback	√

Retaining and Engaging

We will attract and retain a skilled, high performing and diverse workforce to meet the current and future needs of the County. We will provide progressive employment and compensation policies, programs and practices for all employees and nurture a culture that values and increases diversity at all levels of the organization.

How Will We Get There?	Tools/Resources Required?	Current Status
Total Compensation	Competitive Salary, Group Benefits & Pension	√
	Vacation & Leaves	√
Flexible Work Arrangements	Policy Development & Implementation	✗
Wellness Initiatives	Corporate Wellness – Annual Plan	√
	Budgetary Resources	✗
Job Enrichment	Develop opportunities for: <ul style="list-style-type: none"> - Special project assignments - Committees, task teams, etc. 	√

	- Mentoring opportunities	
Paid Time for Community Work	Policy Development	
Recognition & Rewards	Policy Revision and Implementation	
Respectful Workplace	Policy Revision – H&D, Violence in the Workplace	
	Conflict Resolution Toolkit Development	
Employee Health & Safety	Conduct Risk Assessments	
	Continue Heavy Emphasis on H&S Procedures & Practices	
	H&S Training as Required	
Exit Interviews	Continue existing practice	

Roles & Responsibilities

Council

- ▶ Approve the County's Talent Management Strategy
- ▶ Actively support the County's Talent Management Strategy through decision-making
- ▶ Provide necessary resources to ensure successful implementation

Senior Management

- ▶ Provide overall direction and oversight of the Talent Management Strategy
- ▶ Ensure that Talent Management is an integral part of the on-going management of the department
- ▶ Create opportunities for employee career growth and development

- ▶ Engage and hold managers accountable for coaching and developing talent, ensuring knowledge transfer, and for differentiating performance and potential
- ▶ Build a talent pool of future leaders by providing current and aspiring managers the opportunity to develop competencies
- ▶ Communicate and champion the importance of effective talent management
- ▶ Evaluate on-going initiatives and results of talent management efforts

Managers (at all levels)

- ▶ Participate in the competency development process for positions reporting to them
- ▶ Promote and apply knowledge transfer
- ▶ Ensure talent management objectives are reflected in work plans as well as individual learning and development plans
- ▶ Link talent management strategies to program and budgetary planning to allocate appropriate resources
- ▶ Assess employee performance fairly and provide constructive and timely feedback to employees regularly
- ▶ Encourage individual career planning and coach employees on appropriate development opportunities
- ▶ Provide effective on-boarding/orientation to new employees
- ▶ Engage in discussions regarding organization talent development by exploring cross-functional or cross-departmental opportunities

Employees

- ▶ Participate in competency development process for own position
 - ▶ Identify career aspirations and create learning and development plans for self-development
 - ▶ Discuss career interests and learning and development plans with managers
 - ▶ Take advantage of opportunities to demonstrate an interest in and be assessed for identified positions
 - ▶ Participate in knowledge transfer and development opportunities
 - ▶ Make every effort to achieve performance goals and objectives
 - ▶ Be open to and act upon feedback provided
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Human Resources

- ▶ Set the direction for the County Talent Management Strategy and provide on-going stewardship
 - ▶ Coordinate the communication required to create awareness of the strategy and engage and enable the organization to achieve the changes needed to implement with excellence
 - ▶ Provide subject matter expertise and advice to departments to assist in developing and executing the talent management strategy
 - ▶ Coordinate and conduct the competency development process
 - ▶ Develop tools, templates and resources to facilitate consistency and promote best practices
 - ▶ Facilitate the development of the County talent pool and talent management
 - ▶ Provide updates on the Talent Management Strategy for Senior Management and Council
 - ▶ Facilitate career development and mobility to provide individuals with growth opportunities
 - ▶ Promote and facilitate performance management activities
-