

Table of Contents

Executive Summary	
Summary of Recommendations	
Review Process	1
Consultation With Staff	1
Review of Key Documents	1
Focus of the Review Process	2
Mandate of Human Resources	3
Analysis	4
Staffing	4
Budget	5
HR Roles, Responsibilities and Alignment With Corporate Objectives	6
Staffing the Organization	9
Managing/Developing Performance	13
Training and Educating Employees	18
Compensating Employees	21
Providing Benefit Entitlements To Employees	24
Managing Labour Relations	26
Managing Human Relations	29
Providing For Employee Health & Safe Work Practices	32
Planning/Developing Business Effectiveness	34
Summary of Results and Findings	36
Direction For The Future of HR in Timmins	39
Develop Consolidated Policy & Procedure Manual	40
HR Organizational Roles and Responsibilities	41
Recommended Changes in HR Strategy, Roles and Responsibilities	43
Business Partner	44
Center of Excellence	44
Administrative Centres	45
Resource Requirements - Benchmarking	47

Executive Summary

Efforts were made during the last reorganization to merge the leadership responsibilities of the CAO and Human Resources to create efficiencies within the organization. Given the large and diversified work force, exceeding 800 employees with 12 separate bargaining units, this has proven to be a significant challenge. As much as 60% of the CAO's time is currently allocated to HR related activities, putting at risk the roles and responsibilities of the CAO. With no dedicated HR manager, there are insufficient resources to address the strategic needs of the corporation from an HR perspective. As shown in external benchmarking, the City's HR resources are lower than other comparable organizations.

Human Resources plays a key role in the overall operations of the City. This includes playing a leadership role in establishing policies impacting staff performance, appraisals, and compensation systems, labour relations and career planning. The Department is operating effectively in providing the majority of the HR administrative and operational necessities to the organization. The review of Human Resources identified a number of areas that would improve the overall effectiveness of the organization, improve accountability and reduce risk. To do so will require a realignment of some of the existing positions and the addition of a dedicated Manager of Human Resources.

There may be an opportunity to create synergies between payroll and benefit functions currently provided by Treasury and Human Resources as there is a significant degree of overlap and inefficiencies in these processes. These opportunities should be explored as well as the opportunities to reduce consulting services through the addition of a Manager of Human Resources. It is anticipated that there would be no net budgetary impact as a result of these changes.

Some of the key roles and responsibilities of the Manager of Human Resource position would be to lead the development of Human Resource policies and procedures, much of which are outdated or not currently developed. This position would also be chiefly responsible for developing a performance management strategy to incorporate performance measures for the City that are validated and organized accordingly with the job descriptions. These should be aligned with the departmental/corporate objectives, and prioritized and include measurable and specific results. The position would also play a lead role in the development of a training needs analysis and proceed to train all managers and supervisors on how to manage human resources issues, especially on the performance appraisal system.

Summary of Recommendations

That a Recruitment and Selection policy and process be formalized which will encourage HR to play a leadership role in designing a staffing process based on recruitment best practices. It is further recommended that the recruitment process define the timeframes for hiring staff to ensure that undue delays are avoided and that there is a clear understanding corporately of the department expectations. Responsibilities in this regard need to be defined within the Department as the current HR job descriptions do not clearly identify any one person to be responsible for these activities.

That the HR Department play a leadership role in designing a performance appraisal system for the City that are validated, organized accordingly with the job descriptions, aligned with the departmental/corporate objectives, and prioritized and with measurable and specific results.

That a design team be established, responsible for the successful completion and implementation of the new performance appraisal system.

That once the performance appraisal system has been developed, HR conduct a training needs analysis and proceed to train all managers and supervisors on how to manage human resources issues, especially on the performance appraisal system – ensuring that everyone understands how to proceed with this important but delicate activity.

That competency profiles be established for each critical management position.

That systems be developed to plan for quickly filling crucial vacancies at all levels.

That the Director of Finance and the CAO review the opportunity to create synergies by merging Payroll and Benefit processes to avoid duplication in entries and inefficiencies.

That some of the existing HR resources be redeployed to other areas of importance within HR that are under-resourced.

Summary of Recommendations

That the following steps be undertaken to update job descriptions:

- ◆ ***Build and validate business plans***
- ◆ ***Validate the accuracy of the job fact sheet tool used to collect job information. Update as necessary***
- ◆ ***Conduct a job description workshop with current employees to validate each and every job description document***
- ◆ ***Conduct a prioritization exercise in order for each employee to be clear about what is the most important activity that they have to perform with excellence in order for the organization to advance***
- ◆ ***Redesign the job description template to accommodate changes***
- ◆ ***Update each and every job description with the new priorities, functions, responsibilities and accountabilities***
- ◆ ***Update the performance appraisal system to reflect these changes.***

That an attendance management strategy be designed and implemented by HR.

That training be provided to front line staff in labour relations to reduce the workload on the HR Department.

That a formal employee recognition program be established.

That an employee wellness program be developed in accordance with the recommendations outlined in the recent Workwell Audit.

That Human Resource policies and procedures be developed and the appropriate staff be assigned to update the policies and procedures as required.

That the function of the HR roles in the City be aligned with the needs of the organization to increase effectiveness. This will require a departmental business plan for the HR Department aligned with the strategic direction of the organization. There is also a need to determine the activities/roles/functions/accountabilities that will be assigned to the positions and new job descriptions will need to be created for some of the positions. As part of this process, it is important to assign accountability on the most important issues as identified such as developing a performance appraisal system and updating the job evaluation process.

Summary of Recommendations

That a Human Resource Manager position be created to address key strategic roles within the corporation and the HR Department

That an HR organization be developed that is focused on best practices in creating “value add” to the effective management of its people. This will require a review of the existing organization to:

- ◆ ***Anticipate and forecast staffing needs and influence future sources of employment for the City***
- ◆ ***Align the HR function to meet “business” needs by developing the following capabilities:***
 - ◆ ***Knowledge of City’s “business” and political dynamics***
 - ◆ ***Organization change expertise***
 - ◆ ***Strategic problem solver/influencer***
 - ◆ ***Valued business advisor/member of leadership team***
- ◆ ***Utilizing technology and integrating with technology by developing the following capabilities:***
 - ◆ ***Translation of HR needs into IS specification***
 - ◆ ***Aggressive vendor management***
- ◆ ***Developing existing talent to build organization capabilities:***
 - ◆ ***Training and development needs analysis***
 - ◆ ***Training/development design and sourcing***
 - ◆ ***Capability measurement***

Review Process

Consultation With Staff

A meeting was held with the CAO as well as the HR Administrator and the Health and Safety Administrator to discuss:

- ◆ Policies, procedures and practices
- ◆ Compliance with legislation/regulations
- ◆ Financial management
- ◆ Human reporting
- ◆ HR processes effectiveness and efficiency
- ◆ Organizational structure
- ◆ Performance Management
- ◆ Key roles and responsibilities
- ◆ Major projects and priorities

Review of Key Documents

Key documents were reviewed including:

- ◆ Organization Chart
- ◆ 2004 Operating Budget
- ◆ 2003 FIR
- ◆ Job Descriptions for HR Employees (Job Fact Sheets)
- ◆ Workwell Audit
- ◆ Retirees—10 year forecast
- ◆ Long Service Information
- ◆ Select Policies
- ◆ WSIB Summary Statements
- ◆ Sick Leave Information

Focus of Review Process

The review of Human Resources focused on answering the following questions:

- ◆ What are the current programs and services?
- ◆ Why was the program/service introduced?
- ◆ What are the objectives of the program/functional area?
- ◆ Does the program/service support the municipality's priorities?
- ◆ Are the objectives currently being met?
- ◆ What are the future challenges?
- ◆ Is this a core vs. non-core process and service?
- ◆ What are the annual resources/costs to support the program/services?
- ◆ What are the staffing resources deployed to provide this service?
- ◆ How is performance currently measured/tracked?
- ◆ Are the service levels and standards defined? What are they?
- ◆ Are there opportunities to re-align priorities?
- ◆ How is technology used to meet the demand for services?
- ◆ What are the policies and practices?
- ◆ Are there alternate service delivery options?
- ◆ Are there partnering opportunities, service devolution, outsourcing etc.?
- ◆ What processes are in place to manage assets?
- ◆ Are there discretionary elements?

In doing so, observations/recommendations have been made in the following areas:

- ◆ Operational and administrative systems
- ◆ Policies, procedures, practices
- ◆ Program effectiveness
- ◆ Organizational structure
- ◆ Compliance with legislation
- ◆ Employee work assignment
- ◆ Administrative, financial, human resource management
- ◆ Information systems and use of technology

The City's current range of services addresses all the key operational and administrative services of a municipal Human Resource Department.....as will be discussed further in the report, there are some additional strategic needs of the corporation that have been included in the analysis for future consideration

Mandate of Human Resources

The following provides a high level overview of the mandate of Human Resources as identified in the Council Orientation package:

Labour Negotiations and Administration of Collective Agreements

- ◆ Corporate Policy Development and Implementation
- ◆ Collective Bargaining
- ◆ Labour Relations
- ◆ Labour Arbitration and Disputes Resolution

Human Resources Administration

- ◆ Recruitment and Selection
- ◆ Job Posting and Advertising
- ◆ Administration of Employee Benefits
- ◆ Administration of Retirements and OMERS
- ◆ Employee Training and Development
- ◆ Job Evaluation and Pay Equity Programs

Disability Management

- ◆ Early and Safe Return to Work
- ◆ Policy Development and Administration
- ◆ WSIB Appeals
- ◆ Ongoing Requirement to Minimize WSIB and Absence Costs

Health and Safety

- ◆ Accident Prevention—Policy and Programs
- ◆ Accident Investigation
- ◆ Inspection/Compliance
- ◆ Joint Health and Safety Committees
- ◆ Ongoing Requirement to Prevent Workplace Accidents

Legislative Compliance

- ◆ Labour Relations Act
- ◆ Employment Standards Act
- ◆ Pay Equity Act
- ◆ Workplace Safety and Insurance Act
- ◆ Occupational Health and Safety Act
- ◆ Human Rights Code

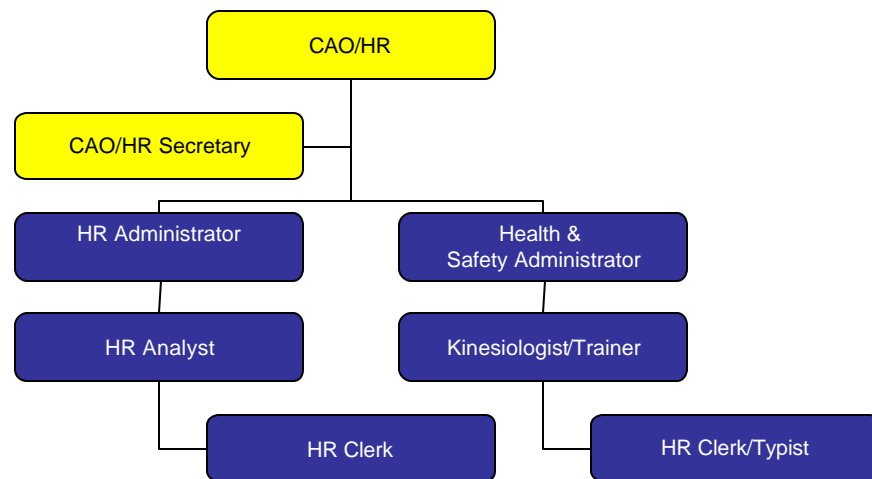
HR plays a key role in the services of the City

Analysis

Staffing

The City’s organization structure combines the CAO office with that of Human Resources as the CAO is responsible for both functions. As such, there is a degree of overlap in the two areas. The following chart reflects all staff involved in Human Resources.

- ◆ CAO (Joint responsibilities with Human Resources)
- ◆ CAO/HR Secretary (Joint responsibilities)
- ◆ HR Administrator
- ◆ HR analyst
- ◆ HR Clerk
- ◆ HR Clerk typist
- ◆ Operational Health and Safety Administrator
- ◆ Kinesiologist/Trainer



In total, there are 6 full-time staff dedicated to the provision of Human Resources, with two shared staff resources. As will be discussed later in the report, the majority of the positions are operational in nature. There are limited dedicated resources available to provide strategic leadership for the Human Resource Department due to the sharing of responsibilities between the CAO’s office and HR. It is estimated that 60% of the CAO’s time is spent on HR related activities, mainly dealing with time consuming activities such as labour relations and managing grievances. In addition to the internal resources, approximately \$85,000 is annually spent on consulting services in the area of HR.

HR plays a key role in the services of the City....the Department negotiates and oversees a wide range of complex collective agreements

The HR Department are collectively responsible for managing approximately 840 people. This includes approximately 509 full-time positions, 178 part-time positions and in excess of 150 seasonal and contract employees. In addition, there are approximately 140 volunteer fire fighters.

The City is responsible for negotiating and administering numerous collective agreements including but not limited to the following:

- ◆ Senior Officers' Association of the Timmins Police Service
- ◆ Timmins Police Association
- ◆ Timminis Professional Civilian Members
- ◆ Timmins Professional Firefighters' Association
- ◆ Ontario Public Service Employees Union, Local 649
- ◆ CUPE, Local 434
- ◆ CUPE, Local 434-1 (Library)
- ◆ CUPE, Local 1544 (Transit)
- ◆ CUPE, Local 1140 (Golden Manor)
- ◆ CUPE, Local 210 (outside workers)
- ◆ ONA
- ◆ Public Service Alliance of Canada (Airport)
- ◆ Non-Union Group

According to the City's FIR ending December 31, 2003 – the City spends some \$37.7 Million on Salaries, Wages and Benefits. This is equivalent to almost 50% of the City's total expenditures in 2003.

HR Budget

The following summarizes the HR budget.

Activity	2003 Budget	2004 Budget
CAO Budget Allocation at 60%	\$ 140,460	\$ 154,440
Personnel (HR Admin)	\$ 263,300	\$ 256,300
Health & Safety	\$ 181,700	\$ 273,100
Total Estimated HR Budget	\$ 585,460	\$ 683,840

As expected, the majority of the HR expenditures are associated with salaries and wages and training expenses.

Human Resources plays a key role in the overall effectiveness and management of the organization...there are a number of key areas of responsibilities that HR plays a lead role

Human Resource Roles, Responsibilities and Alignment With Corporate Objectives

The operational review in HR has been structured to focus on the efficiency and effectiveness of nine key Human Resource activities as identified in best practice research to analyze the current operations:

1. Staffing the Organization
2. Managing/Developing Performance
3. Training and Educating Employees
4. Compensating Employees
5. Providing Benefit Entitlements to Employees
6. Managing Labour Relations
7. Managing Human Relations
8. Providing For Employee Health & Safe Work Practices
9. Planning/Developing Business Effectiveness

To better understand the allocation of time by HR staff in each of these key areas of focus, a survey was developed and sent to each person responsible for HR. Staff were asked to allocate their time to each of the above noted nine areas as well as identify their roles and responsibilities within each activity as reflected on the following table.

Type of Activity	Description
Plan/Design	Refers to all types of planning, designing, and strategizing required for the process including time spent researching and analyzing. It does not include planning daily tasks, but rather complete processes or programs
Supporting customers/colleagues	Refers to all types of direct contact with “customers” (employees, managers and external agencies) in the delivery of processes. Includes advice and counsel on alternative actions, answering customer’s technical questions, answering standard questions, etc. in an interactive fashion. Includes all activities for serving or supporting HR/Payroll colleagues, (i.e. answering their questions, explaining processes, etc.).
General Administration	Includes coordinating, arranging, scheduling, general typing or clerical activity, secretarial activity, mailing, distributing, doing correspondence, memos, general phone message activity, etc. Includes time spent making employees lists, completing forms, passing on forms, copying reports/forms, reviewing forms for accuracy/policy, authorizing forms, inputting data, maintaining employee data, building systems, generating reports, etc.

Effectiveness measured the degree to which the HR process was being met in a satisfactory manner

This was then compared against a survey that was completed by Directors, Supervisors and Managers across the organization to rate the current **effectiveness** of the HR processes and also the **level of importance** of each of these processes to their respective operations.

EFFECTIVENESS

This refers to the effectiveness of each of the nine identified processes/activities.

Using a scale provided, staff were asked to rate how well they believe each of the HR processes meets their needs and the needs of their customers/employees. The rating was done on the effectiveness of the process, not the performance of any individual in the process.

Effectiveness - Rate how well you believe each of the human resource activities meets your needs:

1. Does not meet my needs
2. Barely meets my needs
3. Meets some of my needs
4. Meets most of my needs
5. Meets all of my needs

N/A – you are not involved in this process and can not judge its effectiveness

Importance identified how important various HR processes were to the success of the department's and their business

IMPORTANCE

This refers to how important each of the HR processes is to the department and their customers/employees. Using a scale provided, staff rated each of the nine processes as to how valuable the processes are to management and employees and/or business success at the City.

Importance - Rate each process as to how valuable the activity is to the management of your employees and/or your "business" success:

1. Not important to "business" success at all
2. Barely important to "business" success
3. Somewhat important to "business" success
4. Very important to "business" success
5. Critical to "business" success

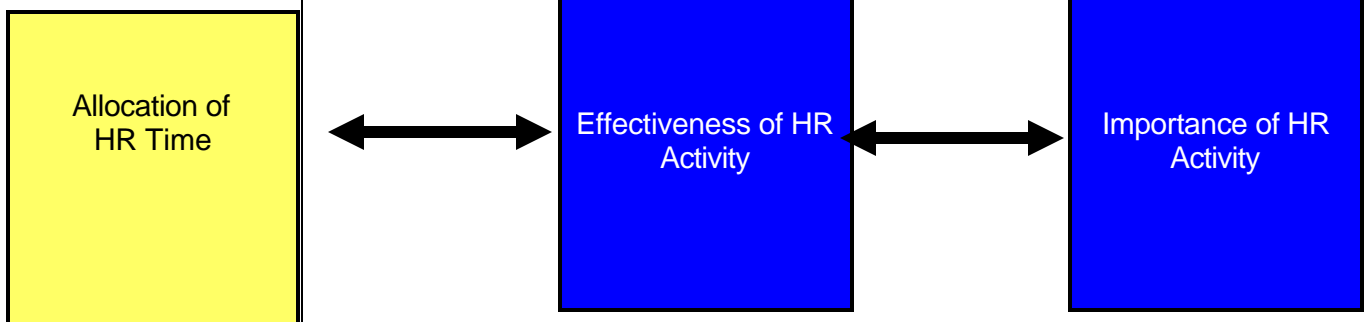
N/A – you are not involved in this process and can not judge its importance

There was a good response rate to the HR survey

By reviewing, in tandem, where HR allocates their time against the importance of these tasks and the effectiveness of HR in delivering services to the departments:

- ◆ Areas of strength were identified
- ◆ Areas where gaps in service existed
- ◆ Areas where there may be a need to realign/reallocate existing resources
- ◆ Areas that may need additional resources to meet specific service gaps
- ◆ Areas of corporate priorities in the success of business operations

The survey was sent to in excess of 60 Directors, Supervisors and Managers across the organization, with a response rate of approximately 70%.



The following summarizes the results of each survey and provides observations/recommendations on each major activity.

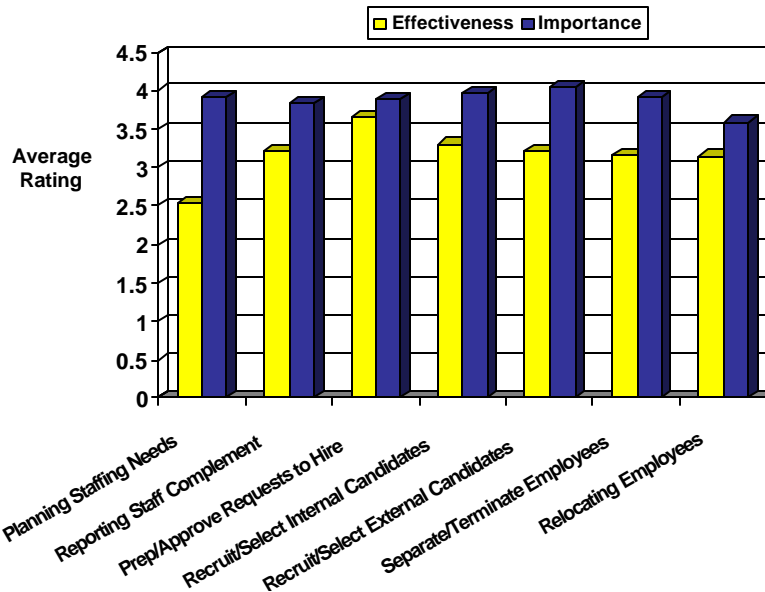
1. Staffing the Organization

This includes HR’s role in assisting department’s in the following activities:

- ◆ Planning staff needs
- ◆ Reporting staff complement
- ◆ Preparing/Approving requests for hire
- ◆ Recruiting/selecting internal candidates
- ◆ Recruiting/selecting external candidates
- ◆ Separating/terminating employees
- ◆ Relocating employees

In terms of importance, on average staffing the organization rated as very important to the business success of the departments...there appears to be a need for additional focus on planning staffing needs within the organization as well as recruiting efforts

Staffing The Organization – Results of Survey



Effectiveness Rating on Average: 3.18, “Meets some of my needs”
 Importance Rating on Average: 3.88 “Very Important to business”

For the most part, while there were some gaps noted between the effectiveness of the department and the importance of the activity, the gaps were not significant. Additional focus appears to be needed at the strategic level in assisting departments in planning staffing needs.

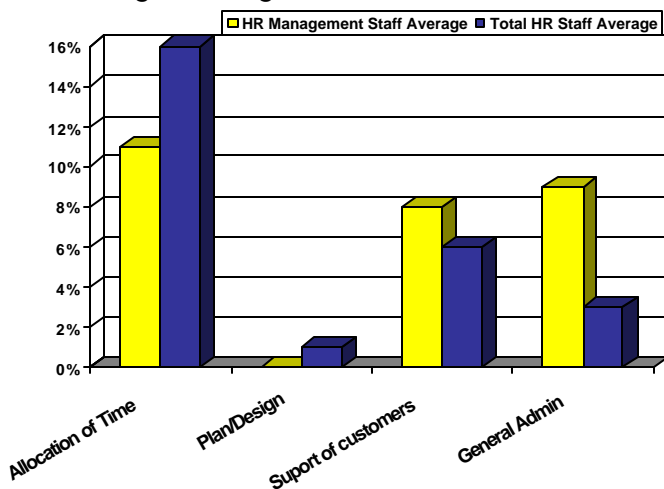
Concerns were identified with the timeliness of HR's hiring processes, which at times results in inconsistencies in hiring practices across the corporation

Supervisors, Managers and Directors comments included the following:

- ◆ Generally HR is not involved in staffing except for scheduling interviews and notifying candidates
- ◆ Concern with respect to HR staff competency in assisting in the process of recruitment and selection
- ◆ Concern with respect to the timeliness of notifying candidates when they are unsuccessful in getting a position – examples were sited where the person hired has been working before the other candidates are notified that they did not get the position
- ◆ Processes are typically too slow and not responsive to department's needs, therefore tend to be taken over by departments
- ◆ Lack of consistency across the corporation in handling separation/ termination – sometimes this is handled by HR, while other times it is handled by supervisors in the departments
- ◆ Need more staff support in CAO's office and HR
- ◆ HR does not plan staff needs or staff complement
- ◆ Problem with respect to nepotism – numerous examples were sited of management hiring family members—a new policy has been developed

The HR Department allocates approximately 16% of their time

Staffing The Organization – HR Staff Time Allocation



to “staffing the organization,” the majority of which is spent providing general administrative support to customers. Limited time is allocated to planning and design. While it is appropriate that most of this time is spent in either supporting the internal “customer” or colleagues, based on the comments above, additional focus is needed on planning and designing the recruitment process to ensure consistency across the corporation and timeliness in managing the process.

As issues arise, new policies are being drafted...to improve morale a more proactive approach is recommended which would include reviewing all policies and identifying areas where policies are needed

Internal Versus External Hiring Practices

Based on information received during the review process, some of the issues appear to be caused by a lack of internal policy or procedure to guide the staffing process. For example, there are no formal policies for recruitment that would address the process.

While there is a policy on nepotism, there were numerous examples cited where this was not adhered to or events resulted in the policy being circumvented. In discussions with HR, non-compliance to the policy appears to be the result of:

- ◆ Not being able to ask on the interview if a person is related to an employee' or
- ◆ Transfers after the individual has been hired and HR not being notified by the Department

Due to limitations within the existing policy, a new draft nepotism policy has been developed which will address many of the concerns noted by staff.

The recruitment and selection process is of paramount importance in order to recruit staff with the necessary skills and attributes to enable the municipality to fulfill its corporate aims and objectives. Recruitment and Selection Policy and Procedures aim to provide clear guidance to managers in relation to both the selection and appointment of staff. This will promote and support good practice for those with responsibility for recruitment.

While it is difficult to determine the exact cost of hiring a new employee, research in this area estimates that it costs the average organization between \$8,000 and \$12,000 to hire and train each new employee. This expense cannot be ignored as these costs directly impact productivity, effectiveness and the overall cost of operations. This becomes particularly costly if additional resources must be hired to augment the existing skill sets that did not meet the position requirements.

While there are examples where the City has successfully undergone external searches for some senior management positions, recruitment and selection processes appears to favour the selection of internal candidates rather than looking for the best qualified person for the job. Examples exist where key positions have been filled from within the City or positions have been created for individuals, potentially beyond the requisite skill set or experience to successfully perform the job.

HR needs to play the leadership role in setting standards for staffing the organization

While this provides for career opportunities for staff at the City and can increase morale, it does not necessarily ensure that the best possible candidate has been chosen for the position or that the person promoted has the skills or education to meet the requirements of the position.

In addition, when the person promoted is not perceived to be qualified, this can lead to morale problems within the organization as was sited during the review process.

Because different managers in the organization are not trained in staffing and recruitment and since HR largely functions in an administrative/clerical role rather than a planning/design role, the current recruitment process is at risk for costly mistakes in the hiring process. Training resources are required to improve line managers knowledge of the recruitment process.

As municipalities recognize the importance of effective recruitment to the bottom line, the need for clear and concise policies that outline how new staff are treated will also become paramount.

A number of Departments within the City indicated a lack of resources within the HR Department to effectively carry out recruitment activities on a timely basis. This results in problems for the line departments and delays in filling positions.

Recommendation

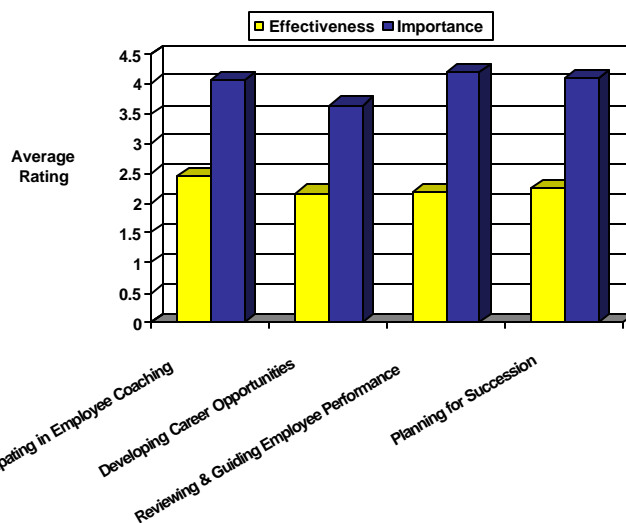
That a Recruitment and Selection policy and process be formalized which will encourage HR to play a leadership role in designing a staffing process based on recruitment best practices. It is further recommended that the recruitment process define the timeframes for hiring staff to ensure that undue delays are avoided and that there is a clear understanding corporately of the department expectations. Responsibilities in this regard need to be defined within the Department as the current HR job descriptions do not clearly identify any one person to be responsible for these activities.

2. Managing/Developing Performance

This includes the following key activities:

- ◆ Participating in Employee Coaching
- ◆ Developing Career Opportunities
- ◆ Reviewing and Guiding Employee Performance
- ◆ Planning for Succession

Managing/Developing Performance – Results of Survey



Managing and developing performance has not been a priority for the HR department due to limited resources....there unmet needs within the organization for HR support in this area

Effectiveness Rating on Average: 2.26, “Barely meets my needs”
Importance Rating on Average: 3.98 “Very Important to business”

As shown above, there is a gap of approximately 1.5 in the ranking whereby the importance of these activities outranked the effectiveness in the current delivery of service. On average, Directors, Supervisors and Managers rated HR’s role in managing and developing performance as “very important to business success”, with an effectiveness rating of “barely meeting staff’s needs”.

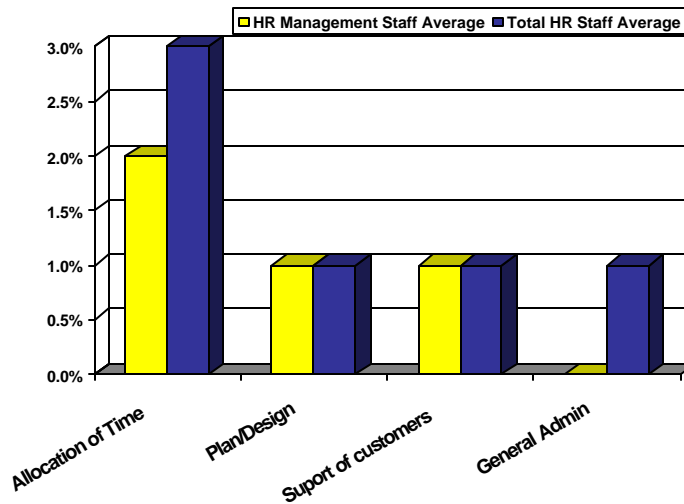
As will be shown on the next page, it is not surprising that there are gaps in effectiveness given that very limited resources are allocated to performing these activities. Given the limited management resources, this has not been a priority for the organization at this time and these activities were not identified as core to the HR Department.

Supervisors, Managers and Directors comments included the following:

- ◆ Limited evidence that HR plays any role in managing or developing performance
- ◆ Numerous situations where the new employees are hired after the experienced incumbent has already retired. There are particular areas of concern in terms of future scheduled retirements in Water Plant, Clerks Dept
- ◆ Hours of operation for the HR Department must be seriously looked at. At times staff find it hard to contact HR during lunch and in late afternoon.

Approximately 3 % of HR staff time on average is spent on managing/developing performance

Managing/Developing Performance– HR Staff Time Allocation



As shown above, limited HR staff time is allocated to managing/developing performance. Little time is spent on developing career opportunities, guiding employee performance evaluations or in developing succession plans. As will be discussed in further detail later in the report, with limited resources, staff are focusing on the daily tasks that must be done (core) such as benefits administration and managing collective bargaining/negotiations, with very little time available for strategic/planning activities.

A performance appraisal system is needed corporately .. This has a number of benefits including allowing for an exchange of information to improve the overall performance of individuals and the departments

Guiding Performance Management

Based on our understanding from meetings with staff and in reviewing the Workwell audit, the City needs to develop a consistent format upon which to undertake regular performance evaluations for employees. With the exception of the Police Department, performance evaluations are not consistently performed at the City and there is not a consistent format upon which Departments undertake performance appraisals.

Performance appraisals provide a periodic opportunity to communicate between the person who assigns the work, and the person who performs it -- to discuss what they expect from the other and how well those expectations are being met.

The performance appraisal accountabilities and objectives should be determined using "Annual Objectives" that will be reviewed and updated on an annual basis.

A well designed performance appraisal system allows the employee, the manager and the HR personnel to intervene with appropriate actions to improve performance. In addition, appropriate performance measures provide the basis to determine salary increases and promotions. Some of the benefits of developing a performance appraisal system are that the work climate is more conducive to productive employee performance appraisals; performance discussions encourage an exchange of information and produce better results and the process facilitates the identification of training needs that are many times causes of poor performance.

Well designed performance measures provide the basis for an impartial and objective assessment of the contribution that an individual makes to organizational objectives and organizational success.

As part of the design process, it may be helpful to perform a needs assessment of the actual knowledge, issues, and concerns of all the managers and supervisors of the City. This input will be of assistance in designing and developing a training program that not only teaches how to perform a correct, accurate, fair and consistent performance appraisal, but also includes the actual issues of the line managers and is filled with examples that can provide better understanding.

There are many benefits associated with a formal performance appraisal system

HR should play a lead role in monitoring the application of the performance appraisals to ensure that a fair system is being applied throughout the organization.

It is anticipated that the benefits of moving to a formalized performance appraisal system will include the following:

- ◆ Enhanced understanding and capabilities of the management/leadership team in dealing with HR issues and practices, so that they can leverage the human capital of their respective divisions;
- ◆ Increased knowledge of the management/leadership team in a new discipline, which will allow them to perform on a more holistic basis;
- ◆ Fair, accurate and consistent performance appraisal system throughout the organization;
- ◆ Reduction in the risk that some managers may actually reward people for performance which is against the needs of the organization; and
- ◆ An opportunity to hear about the issues that managers and supervisors face concerning the performance of their people, along with input on on-going improvements for the City.

Recommendations

That the HR Department play a leadership role in designing a performance appraisal system for the City that are validated, organized accordingly with the job descriptions, aligned with the departmental/corporate objectives, and prioritized and with measurable and specific results.

That a design team be established, responsible for the successful completion and implementation of the new performance appraisal system.

That once the performance appraisal system has been developed, HR conduct a training needs analysis and proceed to train all managers and supervisors on how to manage human resources issues, especially on the performance appraisal system – ensuring that everyone understands how to proceed with this important but delicate activity.

Moving forward, it will be important for the City to capitalize on the intellectual capital it has developed

Develop Strategy for Succession Planning and Staff Training

As a result of limited succession planning across the Corporation, the City is not building a knowledge management system, therefore, there is an increasing risk of knowledge gaps when staff leave or retire. There is a cost to provide succession planning, however, there is a significant corporate benefit. To introduce such a plan will require the support of Council.

There is no current program in place to capitalize on the intellectual capital of the City or measure the “return on investment” of training programs. No formal policy or procedure for training follow up or education evaluation is in place, nor is new knowledge transferred along the organization.

The following table summarizes by department future planned retirements:

Department	Number of Employees Retiring in Subsequent Years											Total
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Airport	1				1		2			1		5
Building									1			1
Clerk's								1				1
Engineering	1							1	1			3
Fire	1	1		2	2							6
Golden Manor	2	1		2			5	4	6	1	6	27
Library									2		1	3
Mayor's Office	1											1
Parks & Recreation	1				1	1		1				4
Personnel										1		1
POA											1	1
Police	2				2	3		3		5	1	16
Public Works	2				1		2	1	1	2	1	10
TEDC								1				1
Transit	2		1				1	1	2			9
Treasury		1			1							2
Waste, Water											1	1
Total	13	3	1	2	10	5	10	14	11	10	13	92

As shown above, given the limited number of planned retirements between 2005-2007, there is an opportunity to develop a strategic training and development program for succession planning.

Recommendations

That competency profiles be established for each critical management position.

That systems be developed to plan for quickly filling crucial vacancies at all levels.

3. Training and Educating Employees

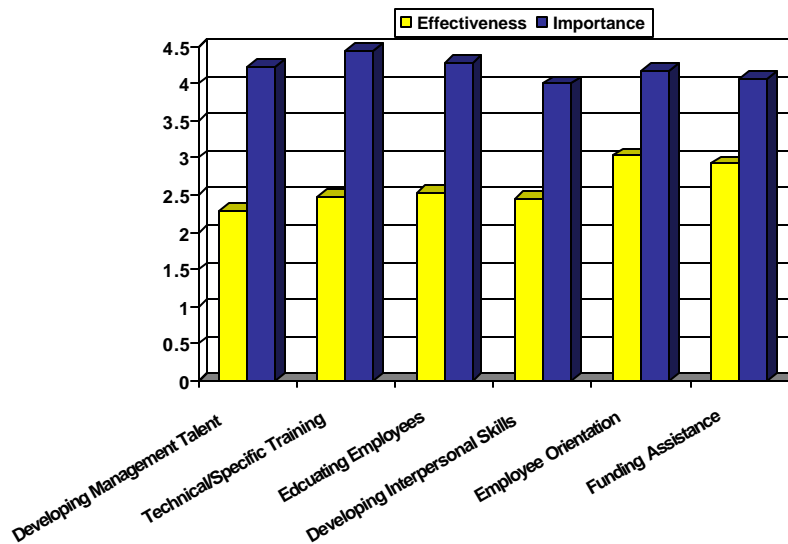
This include the following activities:

- ◆ Developing management talent
- ◆ Technical Job/Discipline Specific Training
- ◆ Educating Employees
- ◆ Developing Interpersonal Skills
- ◆ Employee Orientation
- ◆ Funding Assistance

The following graph reflects the average results of the survey of supervisors and managers with respect to the effectiveness and importance of training and educating employees.

In comparison to “Staffing the Organization”, there were more significant gaps with respect to “Training and Educating Employees”

Training & Educating Employees – Results of Survey



Effectiveness Rating on Average: 2.62, “Barely/meets some of my needs”

Importance Rating on Average: 4.20 “Very Important to business”

As shown above, there is a significant gap between the effectiveness and importance of these services. The most significant gaps were noted on developing management talent and educating employees. This is not surprising as this was not clearly identified as a core function of the HR Department.

Comments focused on the need for HR to take a leadership role in training and educating employees

Supervisors, Managers and Directors comments included the following:

- ◆ Appears to be very little long term planning, training, development.
- ◆ Lack of organized data in files on staff training
- ◆ HR department plays limited role—this is usually done by department heads
- ◆ Training is considered one of the weakest areas of HR. As a result each Department goes their own way therefore not realizing co-ordinated efforts and economies of scale. Also results in some departments becoming more advanced in terms of training (therefore inequities).
- ◆ More time should be allocated to spend with new supervisors in regards to the Corporation's policies.
- ◆ There is a need for all employees (part-time and full-time) to undergo all training and orientation sessions.
- ◆ Ongoing education and support from employer is essential.
- ◆ The majority of the staff are career employees with the City therefore should train suitable candidates for upcoming vacancies and challenges

As shown on the graph, between 6%-7% of HR staff time is allocated to training and educating employees. Based on the

feedback from Supervisors, Directors and Managers across the corporation, the City would benefit from a co-ordinated and consistent approach to training and developing management talent. The benefits of additional management training would likely translate into improved overall employee –management relations. Training and educating employees is not defined as a core function of HR, however as illustrated, there is a need for service to be provided in the future.

Training & Educating Employees– HR Staff Time Allocation



Improve HR Management Skills at the Departmental Level

Due to a shortage of resources, relatively little time is spent on developing management talent and on conducting job or management specific training.

Based on discussions with staff across the organization and within HR, the average manager does not know how to perform a correct employee appraisal and some have a poor understanding of basic human resource practices. This runs the risk of causing a misalignment in the internal equity of the organization.

Recommendations

That Human Resources conduct a training needs analysis and proceed to train all managers and supervisors on how to manage human resources issues, especially on the performance appraisal system.

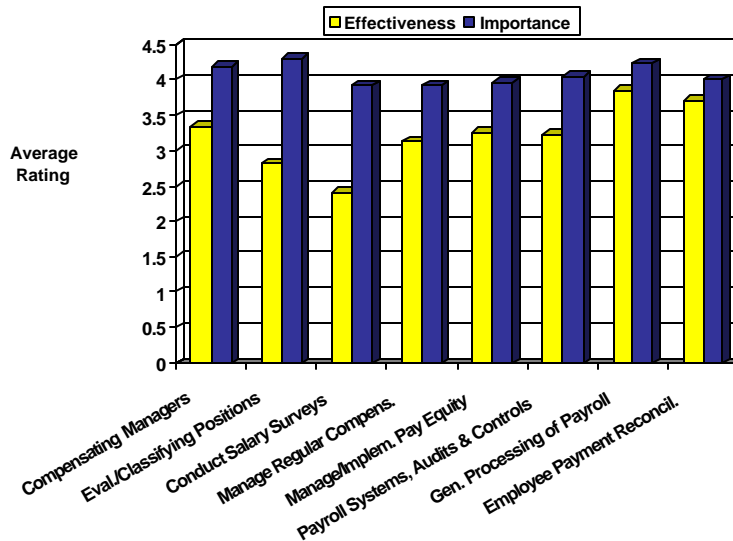
Compensating employees is listed as a core service by the HR department however, limited resources are dedicated to managing these processes

4. Compensating Employees

This includes such roles and responsibilities as:

- ◆ Compensating senior managers
- ◆ Evaluating and classifying positions
- ◆ Managing regular compensation
- ◆ Managing/implementing pay equity
- ◆ Payroll system audits & controls
- ◆ General processing of payroll
- ◆ Doing employee payments reconciliation

Compensating Employees – Results of Survey



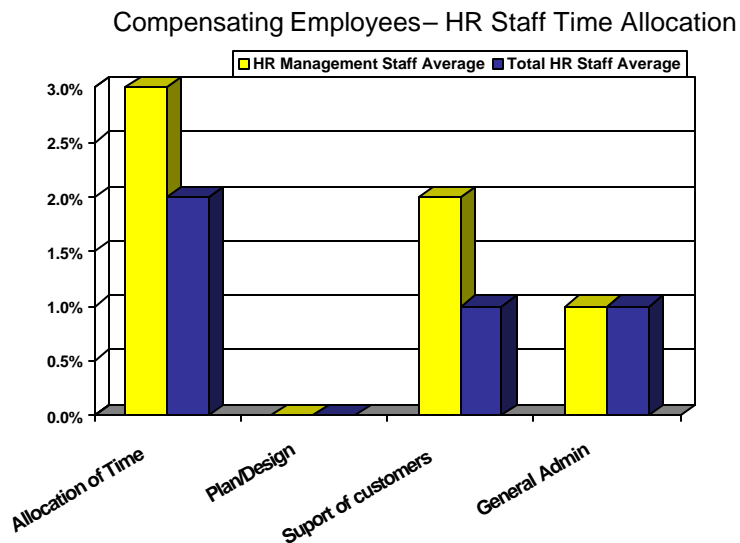
Effectiveness Rating on Average: 3.22, “Meets some of my needs”
 Importance Rating on Average: 4.07 “Very Important to business”

The chart above reflects staff’s perception on the effectiveness and importance of HR’s role in compensating employees. Of particular concern were the roles and responsibilities associated with evaluating and classifying positions as well as conducting salary surveys. While this is listed as one of the cores services by the HR Department, limited resources are dedicated to managing these processes.

Supervisors, Managers and Directors comments included the following:

- ◆ Lack of co-ordination with payroll on attendance management – results in employees getting paid incorrectly
- ◆ Changes are always ongoing, never evaluated properly in the first place
- ◆ Generally compensation is extremely fair and payroll is handled well
- ◆ Concern with respect to senior managers being overpaid and not having the requisite knowledge in their portfolios
- ◆ Job descriptions and evaluations should be updated on a regular basis

Approximately 3% of HR time is allocated to compensating employee related activities



As shown in the table above, limited resources are allocated to tasks associated with compensating employees. No time is currently allocated to planning and designing processes. This appears to be due to a lack of resources available within the department, not a lack of understanding of the benefits of sound policies and practices.

**Job descriptions
need to be updated**

There is currently a division in responsibilities between Finance and Human Resources with respect to payroll and employee benefits. As discussed in the Information Technology report, there are gaps in terms of the information being shared between the departments as well as duplication of efforts, resulting in inefficiencies. There is currently no integration between payroll and HR requirements.

Recommendations

That the Director of Finance and the CAO review the opportunity to create synergies by merging Payroll and Benefit to reduce duplication of efforts and inefficiencies.

Update Job Descriptions

As indicated across the organization, many of the job descriptions are outdated, inaccurate and are not focused on measurable results, competencies, accountabilities, level of authority and reporting structure of the different positions.

There is no clear procedure and no person accountable for keeping the job descriptions updated. As such, it is difficult to demand employee accountability for the achievement of results when the functions they are carrying away are not clear and updated.

There appears to be a need to reinforce the process to ensure that all employees are aware of the how jobs are evaluated and how to determine when a reclassification is needed.

It is recommended that the following steps be undertaken to update job descriptions:

- ◆ ***Build and validate business plans***
- ◆ ***Validate the accuracy of the job fact sheet tool used to collect job information. Update as necessary***
- ◆ ***Conduct a job description workshop with current employees to validate each and every job description document***
- ◆ ***Conduct a prioritization exercise in order for each employee to be clear about what is the most important activity that they have to perform with excellence in order for the organization to advance***
- ◆ ***Redesign the job description template to accommodate changes***
- ◆ ***Update each and every job description with the new priorities, functions, responsibilities and accountabilities***
- ◆ ***Update the performance appraisal system to reflect these changes.***

HR excels at providing benefit entitlements to its employees

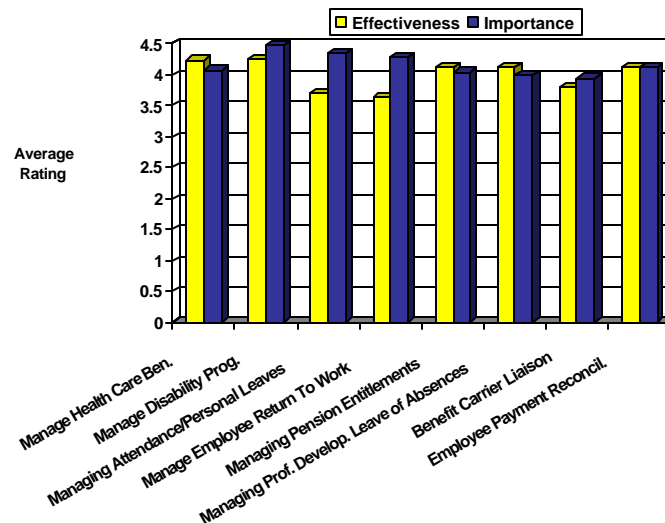
5. Providing Benefit Entitlements To Employees

This section focuses Human Resources role in:

- ◆ Managing Health Care Benefits Programs
- ◆ Managing Disability Programs
- ◆ Managing Attendance and Personal Leaves of Absence
- ◆ Managing Employee Return-to-Work and Job Accommodation
- ◆ Managing Pension Entitlements
- ◆ Managing Other Entitlements
- ◆ Managing Professional Development Leaves of Absence
- ◆ Benefit Carrier Liaison

No concerns were cited by respondents in this area of the survey.

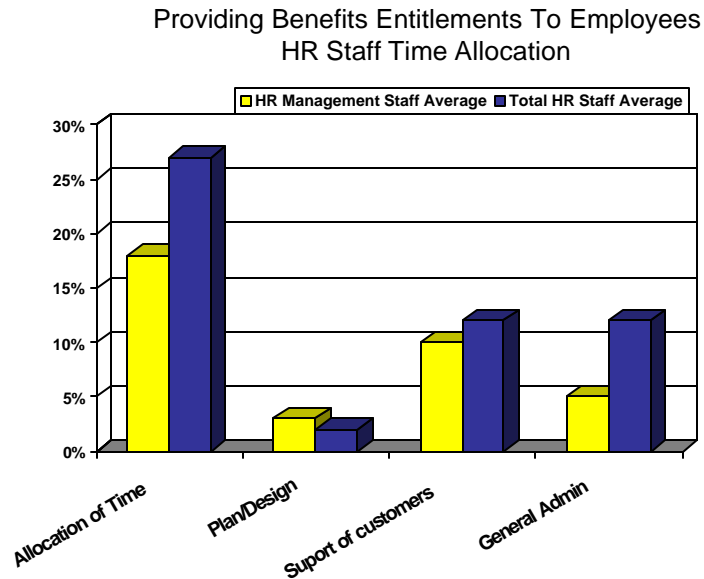
Providing Benefits Entitlements To Employees
Survey Results



Effectiveness Rating on Average: 4.00, “Meets most of my needs”
Importance Rating on Average: 4.17 “Very important to business”

As shown above, there are no concerns to identify within respect to benefits entitlements. In fact, in some cases, the effectiveness exceeded the importance rating. Overall, benefit entitlement administration rated as very important and effectively provided. As shown on the next page, this is largely due to the significant amount of resources allocated to providing these services.

Approximately 27% of the HR staff time is devoted to managing employee benefits. This activity is allocated more staff time than any other HR activity.



Of the eight HR staff, six are currently allocating 15% or more of their time to benefits entitlements related activities.

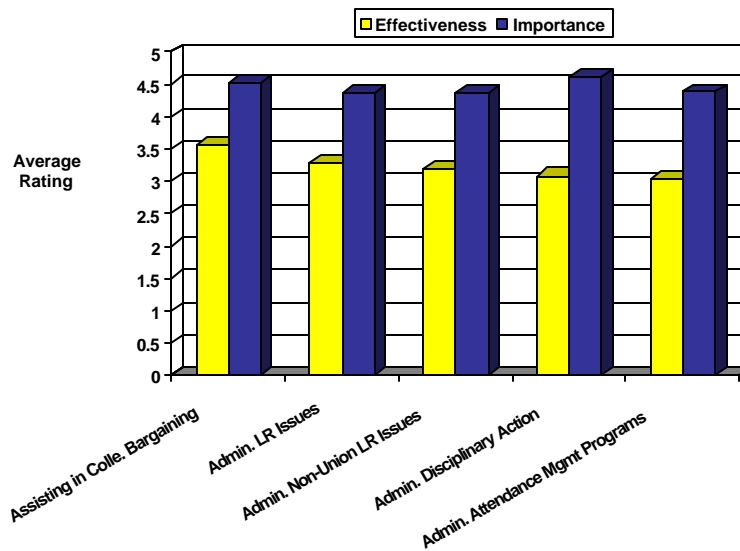
Recommendations

That some of the existing HR resources be redeployed to other areas of importance with HR that are under-resourced.

6. Managing Labour Relations

- ◆ Participating/Assisting in Collective Bargaining/Negotiations
- ◆ Administering Organized Workforce Labour Relations Issues
- ◆ Administering Non-Union Workforce Labour Relation Issues
- ◆ Administering Disciplinary Action
- ◆ Administering Attendance Management Programs

Managing Labour Relations – Survey Results



The availability of skilled resources trained in labour relations appears to be an issue for the corporation

Effectiveness Rating on Average: 3.23 “Meets some of my needs”
Importance Rating on Average: 4.45 “Very Important to business”

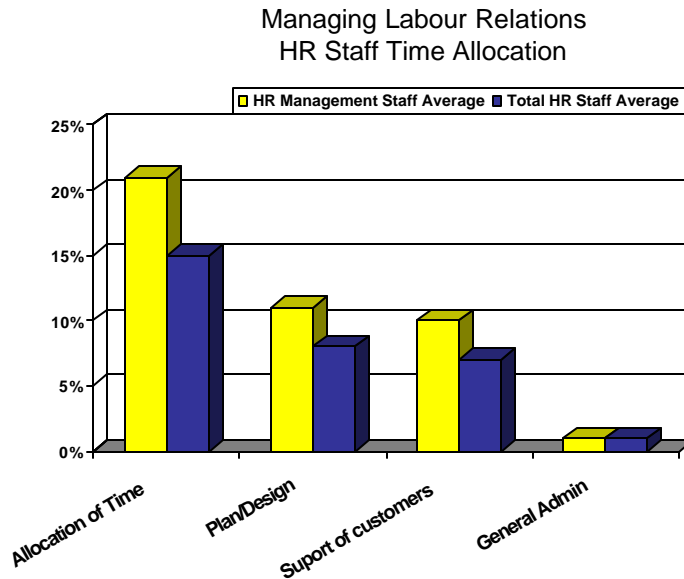
There were some notable gaps in terms of the Directors, Supervisors and Managers perception of the effectiveness and importance of managing labour relations. Managing labour relations rates second highest in terms of importance of all HR roles and responsibilities surveyed. Gaps were noted in administering many of these programs.

Given the significant importance of labour relations to the departments, the availability of additional resources will be explored in this area.

Supervisors, Managers and Directors comments included the following:

- ◆ Right now, concern with respect to too many people involved in the process
- ◆ Managing employment equity - done by outside review (very questionable)
- ◆ During recent negotiations there was no input from middle management with regards to collective agreements
- ◆ Providing a good service

Improved training across the corporation would reduce the resource requirements in managing labour relations on a day-to-day basis



A significant portion of HR management's time is allocated to managing labour relations, the majority of which is spent planning and designing processes. Approximately 21% of HR management's time is devoted to managing labour relations.

Based on discussions with management across the organization, more supervisory training is needed across the corporation to reduce the number of grievances and improve the overall work environment within the City. This would reduce the burden currently being placed on HR resources.

The indirect costs of absenteeism such as staffing, scheduling, re-training, cost-productivity and diminished morale, often exceeds the direct costs

Attendance Management Policies are designed to help managers and organizations make sound decisions when faced with attendance issues. Municipalities must know how to manage attendance effectively. Without a corporately approved policy, there is the risk of inconsistent treatment. It was noted during the course of the study that attendance management is done on an ad hoc basis, there is no policy or protocol in place.

The cost of absenteeism is greater than the **direct** payment of wages and benefits paid during the absence. Municipalities must also consider the **indirect** cost of staffing, scheduling, re-training, lost productivity, diminished moral, turnover, opportunity cost. The indirect costs often exceed the direct cost of absenteeism. Effective supervisory efforts in attendance management will affect a relatively small percentage of employees but will generate substantial savings, increased productivity and morale.

Decrease in Productivity

- employees may be carrying an extra workload or supporting new or replacement staff
- employees may be required to train and orientate new or replacement workers
- staff morale and employee service may suffer

Financial Costs

- payment of overtime may result
- cost of self-insured income protection plans must be borne plus the wage costs of replacement employees
- premium costs may rise for insured plans

Administrative Costs

- staff time is required to secure replacement employees or to re-assign the remaining employees
- staff time is required to maintain and control absenteeism

Costs of Absenteeism

Recommendations

That an attendance management strategy be designed and implemented by HR.

That training be provided to front line staff in labour relations to reduce the workload on the HR Department

7. Managing Human Relations

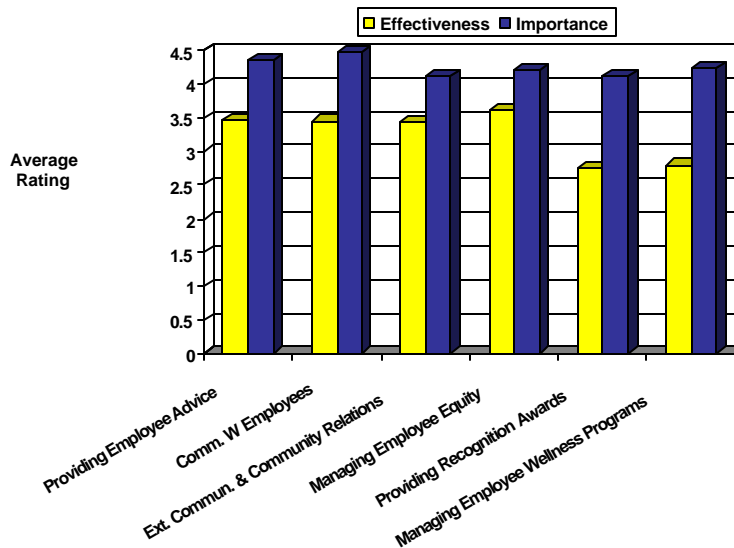
This section focuses Human Resources role in:

- ◆ Providing Employee Advice and Counsel
- ◆ Communicating With Employees
- ◆ External Communications and Community Relations
- ◆ Managing Employment Equity
- ◆ Providing Recognition and Service Awards
- ◆ Managing Employee Wellness Programs

The following chart reflects the degree of effectiveness and importance of HR's role in managing human relations. On average, staff rated the role of managing labour relations as meeting some of the staff's needs and rated it very important to business success.

For the most part, management across the corporation is satisfied with HR's efforts in managing human relations....focus is needed in managing employee wellness

Managing Human Relations – Survey Results



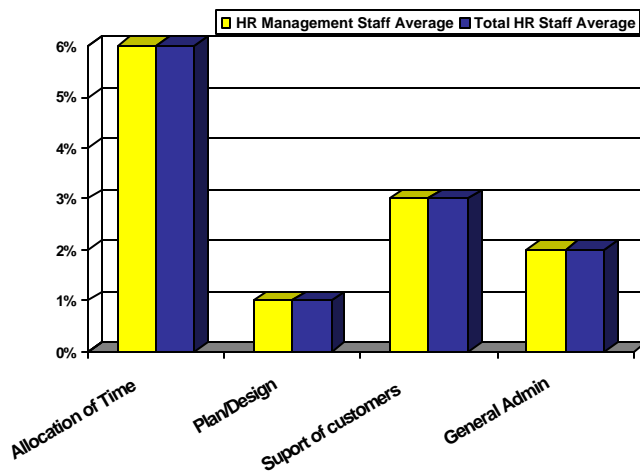
Effectiveness Rating on Average: 3.25 "Meets some of my needs"
 Importance Rating on Average: 4.25 "Very Important to business"

In general, gaps were not significant in managing human relations, with the exception of the provision of recognition and service awards as well as managing employee wellness.

Supervisors, Managers and Directors comments included the following:

- ◆ There is a need for improvements in the area of internal communications
- ◆ There is a need to share information better and to have easier access to policies and procedures
- ◆ These areas must be addressed if the City is to project a positive community image.

Managing Human Relations
HR Staff Time Allocation



The HR department allocations approximately 6% of their time to managing human relations, the majority of which is supporting its customers.

The City underwent a Workwell audit which clearly identifies areas that require additional attention. One of the areas identified is that the City should develop a formalized system to recognize accomplishments. As stated in the audit, this can be accomplished by the introduction of a formal appraisal system.

Wellness programs provide economic benefit by reducing absenteeism, reducing on the job injuries and workers' compensation and disability management costs. Studies show employee absenteeism is reduced when wellness programs are implemented. Intangible benefits such as increased productivity, help to recruit and retain the most effective, productive employees and improved morale.

Employee wellness programs can vary in scope and cost. It could range from a good health/fitness newsletter to a full blown program including gym memberships, health screening and full time employees dedicated to employee wellness.

In a corporation the size of the City of Timmins, there is no communications department as such, which poses some challenges in terms of ensuring that key information is communicated to staff. There does not appear to be an individual within HR that is responsible for communications with departments.

Recommendations

That a formal employee recognition program be established.

That an employee wellness program be developed in accordance with the recommendations outlined in the recent Workwell Audit.

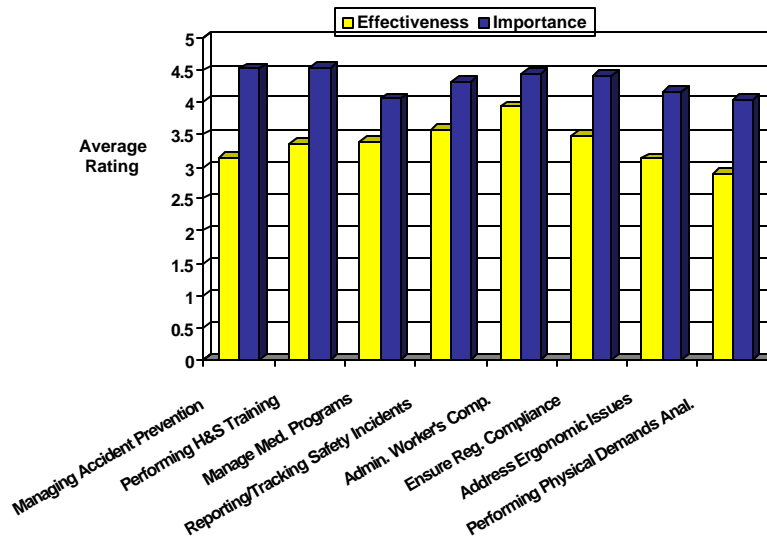
8. Providing For Employee Health & Safe Work Practices

This section focuses on Human Resources role in:

- ◆ Managing Accident Prevention Programs
- ◆ Performing Health & Safety Training
- ◆ Managing Medical Programs
- ◆ Reporting/Tracking Safety Incidents
- ◆ Administering Worker's Compensation
- ◆ Ensuring Regulatory Compliance
- ◆ Addressing Ergonomic Issues
- ◆ Performing Physical Demands Analyses

Providing For Employee Health & Safety Practices –
Survey Results

While gaps were identified, some areas such as administering workers' compensations and ensuring regulatory compliance met most of the needs of management



Effectiveness Rating on Average: 3.37 "Meets some of my needs"
Importance Rating on Average: 4.31 "Very Important to business"

Comments from staff indicated significant improvements in H & S practices in the past several years

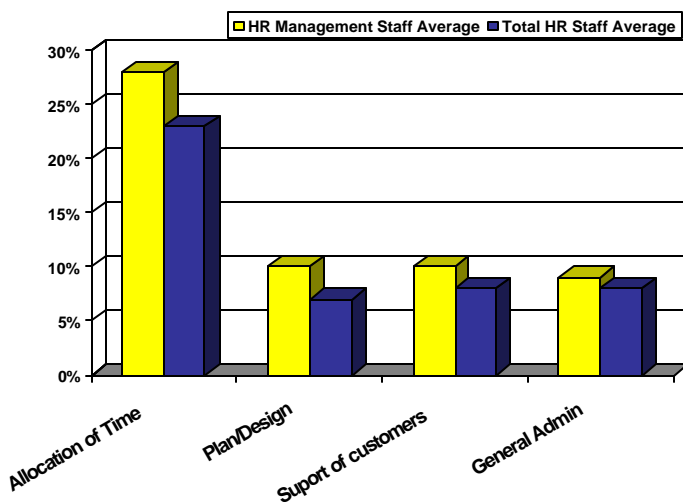
There are a number of areas where staff ranked the program effectiveness close to the importance of the program including reporting and tracking safety incidents as well as administering worker's compensation.

The most notable gaps were in managing accident prevention and performing health and safety training. Overall staff rated the effectiveness of service delivery as meeting some of the department needs and rated these HR services as very important to business success. While there are gaps, comments from staff indicated that significant improvements have been made over the past two years.

Supervisors, Managers and Directors comments included the following:

- ◆ Weak, but making great strides to improve
- ◆ Training program getting better
- ◆ HR does very well in these areas and should be commended
- ◆ Until about 2 years ago this area was non-existent – the addition of dedicated resources has improved this

Providing For Employee Health & Safety Practices
HR Staff Time Allocation



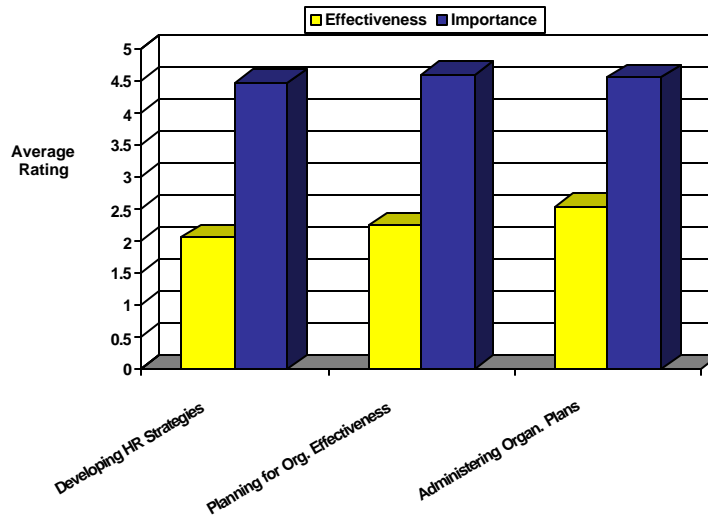
Based on discussions with HR staff, additional resources were added in the past several years, which appears to be making strides toward addressing some of staff's concerns regarding health and safety. More management resources are allocated to this area of service than any other HR activity.

9. Planning/Developing Business Effectiveness

This section focuses Human Resources role in:

- ◆ Developing Human Resource Strategies
- ◆ Planning for Organizational Effectiveness
- ◆ Administering Organizational Plans

Planning/Developing Business Effectiveness
Survey Results



While rated the most important activity in HR by management across the organization, this rated the lowest in terms of the effectiveness of HR

Effectiveness Rating on Average: 2.21 “Barely meets my needs”
Importance Rating on Average: 4.53 “Very Important/Critical to business”

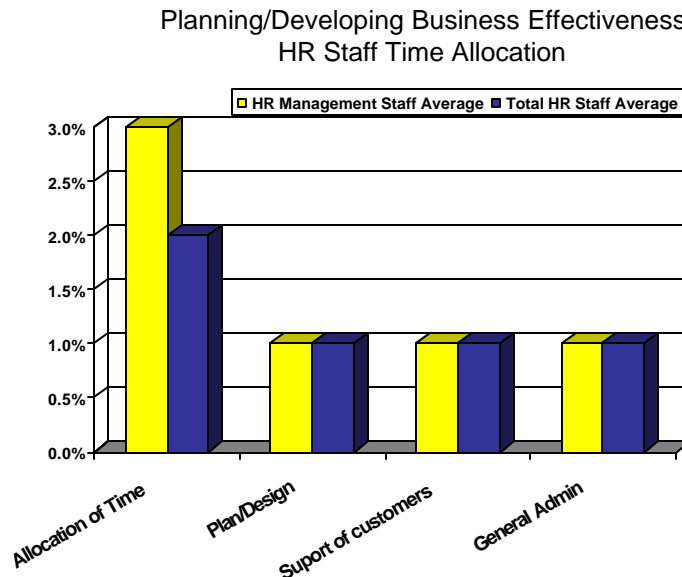
Planning and developing business effectiveness was rated as being critical to business success, receiving the highest overall rating in terms of importance. However, this area rated the lowest in terms of meeting the department’s needs. The average respondent indicated that HR is barely meeting the needs of the departments in this area. When resources are stretched, this is typically the area in an organization that suffers. Focus tends to be on keeping the basic programs running, leaving no time for future planning. This was not identified as part of the core services of HR, but was identified as being a key to success by the CAO at the onset of the study. Other HR staff echoed this sentiment, indicating that there are only enough resources to “put out fire,” also known as crisis management, leaving no time for planning.

There is a need for senior level resources to be dedicated to planning and developing business effectiveness

Supervisors, Managers and Directors comments included the following:

- ◆ They are currently too busy to plan or develop
- ◆ Policies are weak and not formalized
- ◆ Staffing levels in some departments have increased dramatically and not rationalized – e.g. Tourism, Clerks, By-Law, Leisure

As shown below, very limited time is allocated to planning and developing business effectiveness.

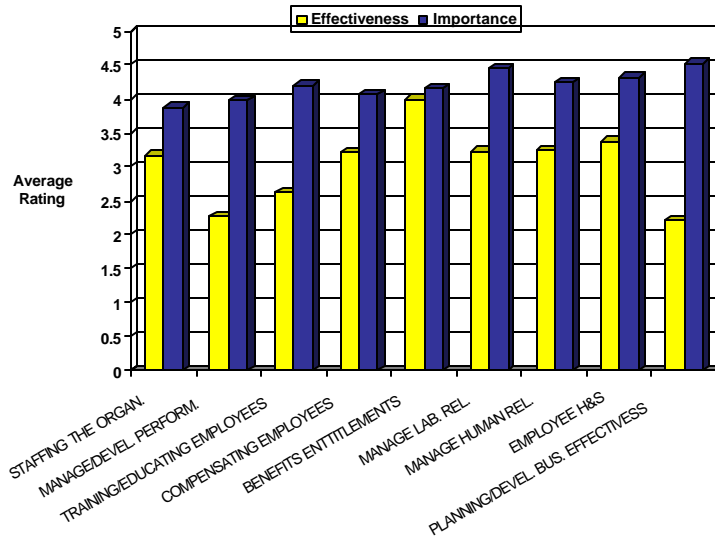


The results suggest that HR needs to realign the emphasis focus of the programs it offers. Clearly the management within the organization see value in planning and developing business effectiveness. This will require senior level leadership in the area of HR to move the organization in the right direction towards improved organizational effectiveness.

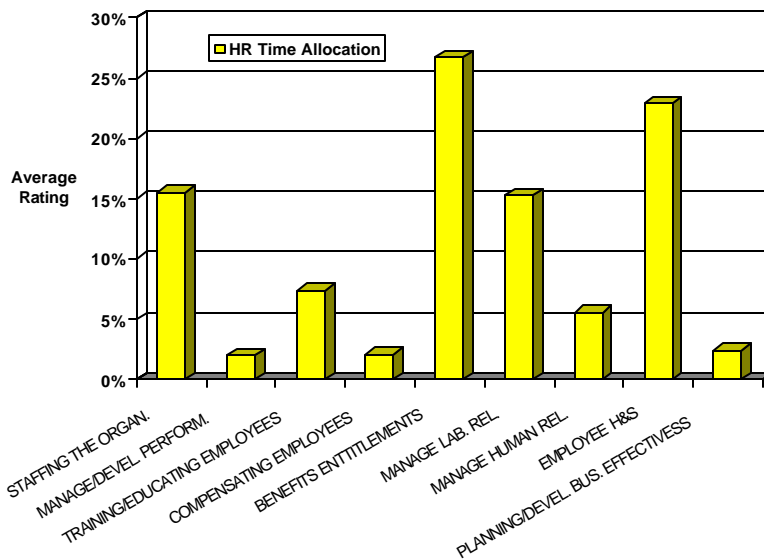
Summary of Results and Findings

As shown in the two summary charts, areas where the largest gaps occurred such as managing/developing performance and planning/developing business effectiveness are the areas where HR is allocating the least amount of their resources

Summary of Survey Results



Summary of Results



Summary of Results and Findings

Main Human Resource Activities	Total HR Staff	Supervisor/Manager Average Rating Effectiveness	Supervisor/Manager Average Rating Importance	Difference
STAFFING THE ORGANIZATION	16%	3.18	3.88	-0.71
MANAGING/ DEVELOPING PERFORMANCE	2%	2.26	3.98	-1.72
TRAINING and EDUCATING EMPLOYEES	7%	2.62	4.20	-1.58
COMPENSATING EMPLOYEES	2%	3.22	4.07	-0.85
BENEFIT ENTITLEMENTS TO EMPLOYEES	27%	4.00	4.17	-0.17
MANAGING LABOUR RELATIONS	15%	3.23	4.45	-1.21
MANAGING HUMAN RELATIONS	6%	3.25	4.25	-1.00
EMPLOYEE HEALTH & SAFETY PRACTICES	23%	3.37	4.31	-0.95
PLANNING/ DEVELOPING BUSINESS	2%	2.21	4.53	-2.32
TOTAL	100%	3.04	4.20	-1.17

The above table provides a numerical summary of the results. The highlighted areas are the one in which there was the most significant gap in terms of the ranking by Director, Supervisors and Managers of the effectiveness and HR staffing fulfilling these roles and the importance to the departments.

Areas considered of highest priority to the management staff include:

- ◆ Planning/Developing Business Effectiveness
- ◆ Managing Labour Relations
- ◆ Employee Health & Safety Practices

Areas that require limited additional attention include:

- ◆ Benefit Entitlements To Employees
- ◆ Compensating Employees
- ◆ Employee Health & Safety Practices

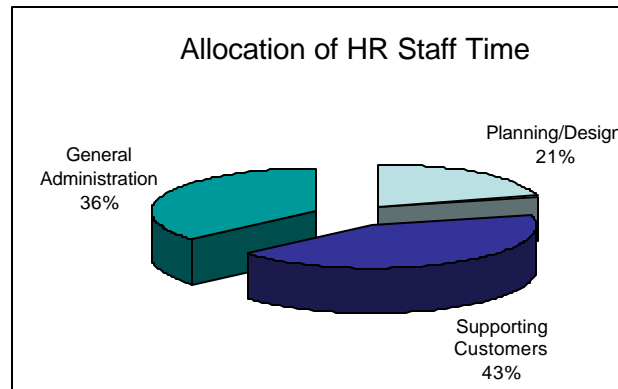
Areas that should be treated as high priorities include:

- ◆ Planning/Developing Business Effectiveness
- ◆ Training and Educating Employees

Most time is spent in supporting customers and providing general administration

The following table summarizes how HR staff allocate their time between:

- ◆ Planning/Design
- ◆ Supporting Customers
- ◆ General Administration



As shown above, the majority of time is allocated to supporting customers (43%), followed by general administrative responsibilities (36%).

The least amount of time is spent on planning and design. Based on the findings of the survey and the analysis undertaken during the operational review, there is a need for additional focus/attention in this area.

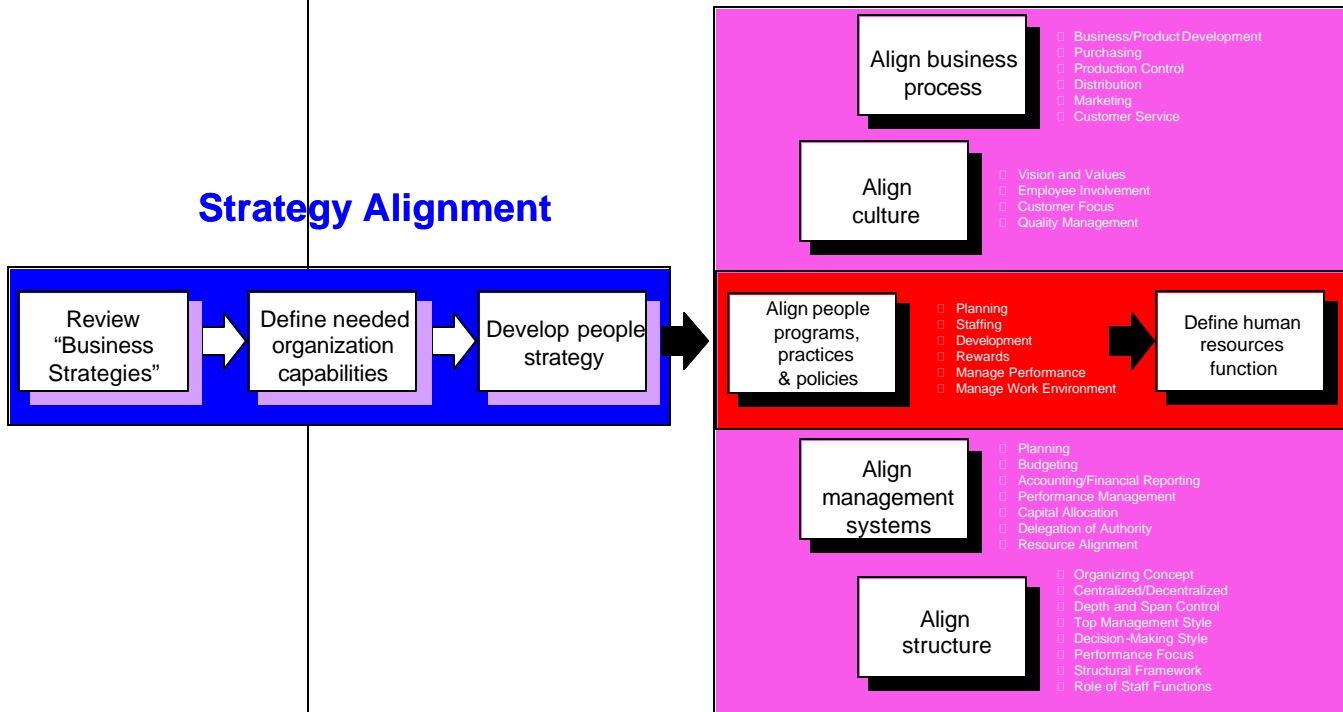
A review was undertaken to determine whether there is a misalignment of resources within the department, whether there are the requisite skills to address planning/design needs or whether there is an overall shortage of senior level skills to provide the leadership required to bring the City of Timmins to best practices in the provision of HR services.

Direction For the Future of HR in Timmins

There are a number of elements/processes that must be aligned in the development of a highly effective organization. Human Resources plays a key role in the success of an effective organization.

Once the business strategies are clearly defined and there is an understanding of the needed organizational capabilities, HR plays a vital role in developing the people strategies. This requires an alignment of people, programs, practices and policies. Some of the key elements where HR will play the lead include planning, staffing, development, rewards, managing performance and managing the work environment.

Strategy Alignment



The following summarizes some of the additional recommendations and findings of the operational review to move the HR Department toward a higher level of effectiveness.

Develop Consolidated Policy and Procedure Manual

The Department recognizes the need to develop a consolidated policy and procedure manual. This is required as part of the overall Human Resource Strategy and to meet the needs of the organization.

Staff were asked to identify from a policy inventory, which policies currently exist, which policies, require updating and which policies they feel are needed. The following summarizes the results.

As shown in the table, there are a number of policies that currently exist, some of which require updating. In addition there are a number of areas where no policy exists and should be created to increase the effectiveness of the organization.

To complete an exercise of this nature will require allocated resources at the senior policy analyst level or above, with in depth knowledge of HR best practices.

Recommendations

That Human Resource policies and procedures be developed and the appropriate staff be assigned to update the policies and procedures as required.

Policy Name/Inventory	Current Policy			Needs Updating
	Yes	No	Needed	
Employee Definitions	C.A.			
Recruitment Policies and Forms		✓		
Staffing Temporary/Seasonal and PT Positions		✓	✓	
Hiring Relatives of Current Employees	✓			
Pre-Employment Medicals		✓		
Probationary Period	C.A.			
Disclosure of Employee Data		✓		
Internal Applications for Posted Positions	C.A.			
Contract Employment Agreements		✓		
Pre-Employment Criminal Record Information Check		✓		
Employee Code of Ethics		✓		
Compensation Administration		✓		
Dispute Resolution		✓		
New Employee Information/Salary and Wage Revision		✓		
Employee Appraisals		✓	✓	
Sick Leave	C.A.			
Short Term Disability	C.A.			
Long Term Disability	C.A.			
Tuition Assistance	✓			
Municipal Expenses and Travel	✓			
Health & Safety - Worker's Compensation Board	✓			✓
Health & Safety	✓			✓
Smoking in the Workplace	✓			✓
Payroll and Attendance Reporting		✓		
Hours of Work and Overtime	C.A.			
Weekly Attendance Reporting		✓		
Overtime (Management Employees)		✓		
Alternate Work Arrangements		✓		
Discipline and Dismissal	✓			
Employee Irregularities		✓		
Alcohol and Drug Policy			✓	
OMERS Membership Eligibility				
OMERS Beneficiary and Status Changes				
OMERS Broken Service				
Pregnancy/Parental Leave	C.A.			
Handling Confidential Material		✓		
Harassment in the Workplace	✓			✓
Service Awards	✓			
Pregnancy/Parental Leave - ONA S.U.B. Plan	C.A.			
Alleged Abuse of Clients by Employees		✓		
Dress Code	✓			
Bereavement Leave	C.A.			
Email, Internet, Voice mail and Computer Use	✓			
Job Descriptions		✓	✓	✓
Employee Assistance Program	✓			✓
Employment Equity	✓			
Employee Benefits	C.A.			
Payroll Deductions		✓		
Telephone use	✓			
Summer Students	✓			
Blood Born Pathogens - Communicable Diseases	✓			
Orientation			✓	
Workplace Violence Prevention			✓	

Note: C.A. is collective agreement

Human Resources Organizational Roles and Responsibilities

A review was undertaken of the existing job descriptions within the Human Resource Department, with a focus on senior positions to identify roles, responsibilities associated with strategic planning, policy development and organizational effectiveness; the areas where some gaps were identified.

General Observations

The City of Timmins, organizational structure is somewhat unique in that the CAO is also Department Head for the Human Resource Department. There is also no manager of HR. Given the size of the organization, with a full-time staff complement of 509 and an additional 330 part-time and temporary employees, overseeing all municipal operations, there appears to be insufficient senior level resources to oversee the strategic and planning aspects of Human Resources.

There are essentially two other management positions in the department that supervise staff and are responsible to some degree to set policies including:

- ◆ HR Administrator
- ◆ Operational Health & Safety Administrator

HR Administrator—based on the most current job description, this position is largely responsible for overseeing administrative activities associated with the department and providing assistance to the CAO. Approximately 40% of this position's time is allocated to personnel duties which includes recruitment, performance appraisal system, LTD, maintenance of all training and long term service and retirement. Based on discussions with the Administrator, limited time is available to meet all of these responsibilities as evidenced in the effectiveness survey and the absence of a performance appraisal or training system. Approximately 20% of time is spent on day to day administration of collective agreements and assisting, on an administrative level in negotiations. Another 20% of time is allocated to Payroll and Benefits Administration—responsible for the overall administration of all job evaluations and employee benefits as well as monitoring salary practices. Another 20% for administrative responsibilities.

*There are
insufficient senior
level resources in
Human Resources*

The focus of the HR positions tends to be on administration and operations rather than strategic planning for the organization

According to the job description, there is very limited involvement in negotiation of programs, policies or agreements on behalf of the Department or the organization.

Operational Health & Safety Administrator—key activities include WSIB Administration (40%), Modified Work Coordinator (20%), Employee Assistance Program Co-ordinator (15%) and Health & Safety Consultant (20%). According to the job description, there is no involvement in negotiation of programs, policies or agreements on behalf of the Department or the organization, in which co-operation is difficult to achieve. This job description is outdated (2000) and is in need of updating based on changes in responsibilities and supervisory roles. The job descriptions of HR positions place a lot of emphasis in the administration and operations and very little emphasis on the strategic HR planning. This is consistent with the findings of the survey, where gaps were identified in strategic planning and policy.

As evidenced in the survey, from the Workwell audit, discussions with staff and the allocation of time of the staff, the HR Department is more of a labour relations unit, where an enormous amount of time is invested in collective bargaining, on-going labour relations and operational aspects associated with benefits management.

In addition to this, most of work that is done in the HR field is composed of administrative or clerical level tasks, leaving little time to meet the advisory/consultative roles that the HR mandate commands. There is little or no time allocated to human resources strategic issues. This is costly for the City and takes away valuable resources that should be utilized in leveraging knowledge and improving the effectiveness of the City.

Recommendations

That the function of the HR roles in the City be aligned with the needs of the organization to increase effectiveness.

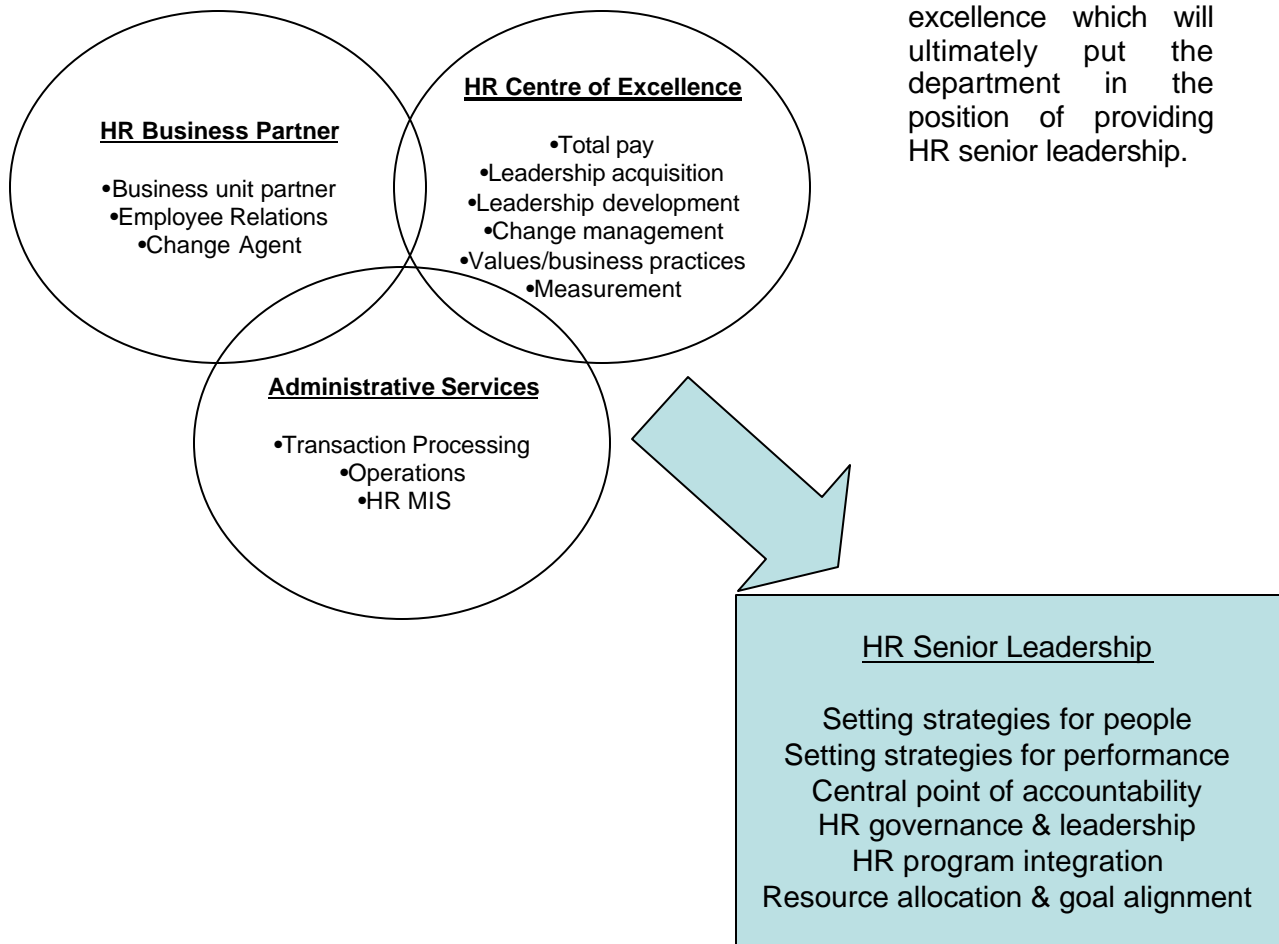
This will require a departmental business plan for the HR Department aligned with the strategic direction of the organization. There is also a need to determine the activities/roles/functions/accountabilities that will be assigned to the positions and new job descriptions will need to be created for some of the positions. As part of this process, it is important to assign accountability on the most important issues as identified such as developing a performance appraisal system and updating the job evaluation process.

Recommended Changes In Human Resource Strategy, Roles and Responsibilities

Effective human resource management is key to the success of an organization. Human resource management is responsible and accountable for managing and leading the human resource practices of the organization affecting employee recruitment and retention strategies for the purpose of achieving the mission and goals of the organization.

According to best practices in Human Resource management, there are three key roles, from the organization’s perspective, that have been mapped below to help focus attention on key strategic and operational roles of the department in terms of leadership and support. While the HR Department is doing an excellent job in terms of administrative services and is meeting many of the needs as a business partner, additional focus is recommended on providing support for the organization in terms of

developing a centre of excellence which will ultimately put the department in the position of providing HR senior leadership.



The HR “**Business Partner**” role consists of the following:

- ◆ Providing high-value added expertise, coaching, advice and execution support to line managers
- ◆ Locating and using HR expert knowledge to meet City needs
- ◆ Delivering essential employee relations functions
- ◆ Supporting the implementation of people strategies – lead the change effort through people
- ◆ Assisting business unit leadership in developing explicit strategies to address top and bottom performers
- ◆ Ensuring legal and ethical compliance

HR within the City already provides for some of the HR “Business Partner” role in areas such as labour relations and the delivering essential employee relations functions as well as ensuring legal compliance of its programs and policies. Additional focus is now needed on developing high-value added coaching and advice to support line managers. As discussed during the interview process, it is thought that more supervisory training would help in the areas of overall management to reduce the number of grievances as well as in providing performance appraisals. This is an area where, with the right resources, HR could play a leadership role and work with its business partners.

The HR “Business Partner” role requires the following competencies:

- ◆ Knowledge of the City’s mandate and “business”
- ◆ Organizational behavior
- ◆ Broad technical expertise
- ◆ Expert skills resources
- ◆ Leadership development, and
- ◆ People strategy

The HR “**Centre of Excellence**” role consists of the following

- ◆ Ensuring the municipality is operating with best practices in terms of developing appropriate processes for determining appropriate compensation for employees
- ◆ Developing ways to measure success of the corporation in terms of HR management such as absenteeism, reward etc.
- ◆ Working with senior management to play a role in managing change in strategic plans and directions and identifying the impact from the HR perspective
- ◆ Developing programs that will groom future leaders in the corporation and address succession planning

The HR “**Centers of Excellence**” role requires:

- ◆ Leading edge technical knowledge
- ◆ Consulting skills (diagnosis and design)
- ◆ Expert knowledge sharing, and
- ◆ Integration with business strategies and other HR programs

The “**Administrative Service Centres**” role is to:

- ◆ Deliver low cost, highly automated transaction processing and quality assurance
- ◆ Eliminate, simplify and redesign administrative processes
- ◆ Ensure legal and ethical compliance
- ◆ Establish a human resource information platform for decision-making support and legal/audit compliance

The “**Administrative Service Centres**” role requires the following competencies:

- ◆ In-depth process knowledge
- ◆ High volume transaction
- ◆ Team skills
- ◆ Customer communications
- ◆ Use of expert systems

As stated previously, for the most part, the department is functioning well in these areas. However, as was discussed previously, there is room for improvement in terms of duplication of efforts between HR and Payroll activities as well as the full and effective use of technology available.

With these skills, HR can then become a senior leader for the corporation in fulfill the following roles:

- ◆ Designing core HR processes for corporate wide usage
- ◆ Providing high-value expertise to line partners
- ◆ Educating line partners in key HR disciplines as necessary
- ◆ Leveraging best practices by sharing learning internally and externally
- ◆ Encouraging careful spending of both line and HR budgets
- ◆ Measuring success with a best-in-class economics approach

Recommendations:

That an HR organization be developed that is focused on best practices in creating “value add” to the effective management of its people. This will require a review of the existing organization to:

- ◆ ***Anticipate and forecast staffing needs and influence future sources of employment for the City***
- ◆ ***Align the HR function to meet “business” needs by developing the following capabilities:***
 - ◆ ***Knowledge of City’s “business” and political dynamics***
 - ◆ ***Organization change expertise***
 - ◆ ***Strategic problem solver/influencer***
 - ◆ ***Valued business advisor/member of leadership team***
- ◆ ***Utilizing technology and integrating with technology by developing the following capabilities:***
 - ◆ ***Translation of HR needs into IS specification***
 - ◆ ***Aggressive vendor management***
- ◆ ***Developing existing talent to build organization capabilities:***
 - ◆ ***Training and development needs analysis***
 - ◆ ***Training/development design and sourcing***
 - ◆ ***Capability measurement***

Resource Requirements– Benchmarking

The City of Timmins has a large and diversified work force exceeding 800 employees operating under complex collective agreements. There are 12 separate bargaining units and the non-union group. The City of Timmins is one of the few municipalities of its size that has employees across such a wide range of services. Many municipalities of similar size are not responsible for Homes for the Aged or Police.

Direct benchmarking is difficult, however, the following information provides some comparative information on other municipalities, number of employees and HR staffing levels.

Municipality	Population	# of FT Staff	# of PT	# of Seasonal	Total Staff	HR Staff	# of Bargaining Units	Comments
Stratford	29,676	335	69	98	502	3	6	No Homes for the Aged
Sarnia	70,876	554	36	112	702	5	7	Does not include Homes for the Aged
St. Thomas	33,236	356	114	73	543	5	6	Includes payroll
Timmins	43,686	509	178	150	837	6.5	14	
Peterborough	71,446	694	245	26	965	7	5	Does not include Homes for the Aged
Sault Ste. Marie		866	314	38	1,218	7	6	Does not include Homes for the Aged
Belleville	45,986	449	105	41	595	7	5	Includes payroll
North Bay	52,771	521	178	102	801	7	6	No Homes for the Aged
Cornwall	45,640	731	145	132	1,008	6	4	
Kawartha Lakes	69,179	606	289	967	1,862	9	5	Staff does not include Payroll but will in near future
Norfolk	60,847	488	132	-	620	11	5	Includes payroll, note no police or transit
Brantford	86,417	927	397	124	1,448	11	12	Includes payroll, no Homes for the Aged

Municipalities included in the chart above ranged in population from 29,000 up to 86,000 with full time employees ranging from 335 up to 927. The table is data sorted by number of HR dedicated staff.

- ◆ Timmins has a significantly higher number of bargaining units than any of the other municipalities surveyed
- ◆ Timmins tends to have a slightly lower level of HR resources in relation to other municipalities - for example Norfolk and North Bay have comparable full-time employees as Timmins, fewer bargaining units and more HR staff.
- ◆ A number of the other municipalities included in the survey do not have some of the labour intensive services such as Homes for the Aged, Police and Transit
- ◆ Some of the other municipalities surveyed have combined their payroll and benefits functions which increases the staffing levels overall but may create synergies

Human resources management is at the heart of such initiatives as cultural change, total quality management and business process re-engineering. Therefore, in order to address the strategic challenges that the City is facing, additional resources are required at the senior level. This will free up the CAO to focus more directly on the corporate strategy, while still providing leadership to the HR Department. It is recommended that a Manager position be created with the requisite skills to address the gaps noted in the analysis including:

- ◆ Planning/developing business effectiveness
- ◆ Managing and Developing Performance
- ◆ Developing an appropriate performance appraisal system
- ◆ Managing the job evaluation process
- ◆ Provide management support for labour relations

It is anticipated that the addition of this position may be offset by the synergies that should be created through reducing the duplication between payroll and benefits administration as well as the reliance on external consulting services.

Recommendation

That a Human Resource Manager position be created to address key strategic roles within the corporation and the HR Department