

Minutes of the Human Resources Committee meeting
 September 17, 2020 | 11:00pm-12:30pm ET | via webinar

Committee members in attendance	
David Lynch, Chair, Past-President, APEGA Jean Boudreau, President, APEGNB Danny Chui, President-Elect, PEO	Ann English, CEO Group Advisor Dawn Nedohin-Macek, Engineers Geoscientists MB Kelly Reid, PEO
Regrets	
None	
Observers	
None	
Staff	
Sylvie Francoeur, Director, HR Christina Mash, Governance Administrator Gerard McDonald, CEO	Emily McParland, Planning, Event, and Change Practitioner Evelyn Spence, Legal Counsel and Corporate Secretary

1. Call to order and approval of agenda

The meeting was called to order at 11:02am ET. D. Lynch welcomed the committee members.

*Moved by D. Chui, seconded by A. English
 THAT the agenda be approved.*

CARRIED

2. Review of last meeting

2.1. Approval of minutes

The committee reviewed the pre-circulated minutes. No feedback was received.

*Moved by D. Nedohin-Macek, seconded by J. Boudreau
 THAT the June 15, 2020 minutes be approved.*

CARRIED

2.2. Review of action table

The action table was reviewed. No areas of concern were raised, and no questions were received.

3. Selection of external consultants

D. Lynch introduced the evaluation summaries, and commended staff for the detailed reporting provided.

3.1. Formal 360 CEO assessment

The committee discussed the findings and the following was noted:

- Two staff members scored the proposals with an additional staff member reviewing the findings.
- Pricing was indicated for each proposal; one proposal provided fixed pricing, with the other two received basing their price on hourly estimates.
- While no references were provided for Odgers, they were strongly recommended via S. Francoeur's HR Network.
- None of the proposals outlined the exact number of one-on-one interviews to be performed. With the budget available, and to maximize the quantity of stakeholders engaged, all proposals indicated they would first compile feedback via an online survey, with interviews performed after, as needed.
- The RFP requested that organizations providing proposals disclose the names of personnel who would be assigned to work on the project.

The committee agreed to move into contract with the highest scoring proposal.

Moved by D. Chui, seconded by J. Boudreau

THAT the HR Committee approve moving into contract with Odgers Berndtson to complete the 360 CEO evaluation.

Carried

The HR Committee will be informed by staff as the work progresses on the project.

ACTION: Staff to record on the reporting documents that Optimum Talent's proposal included hourly fees that had potential to move the submitted proposal out of budget.

3.2. Comprehensive compensation review

The committee discussed the importance of a strong database for this work, in addition to custom surveys that would be performed to fill gaps, as needed. It was agreed to move into contract with the highest scoring proposal, Compensation Governance Partners Inc. (CGP), provided they are able to demonstrate exactly how database requirements will be met to ensure a comprehensive review using quality comparable samples. The second highest scoring proposal, from Korn Ferry, was noted as generic and lacking personal touch. Should CGP not be able to meet database needs, Korn Ferry would need to demonstrate how they would ensure responsiveness throughout the project.

The committee agreed to staff moving into contract discussions with CGP, ensuring they confirm how they will source quality comparable samples. If staff do not feel a comfort level is achieved based on the discussions, the decision will be brought back to the committee for further deliberation.

Moved by D. Chui, seconded by D. Nedohin-Macek.

THAT the HR Committee approve moving into contract with Compensation Governance Partners Inc. to complete the comprehensive compensation review.

Carried

4. Confirmation of 2021 chair assessment

J. Boudreau presented the structure and content of the survey. The process will be very similar to last year, with the following updates implemented based on the results from last year:

- Improving the timing so the feedback gets back to people faster
- Adding messaging to encourage responders to not use "same as above" or similar, this hinders data delivery as the reference is hard to clarify while maintaining confidentiality.
- Ensuring the president-elect is comfortable in delivering constructive feedback. This is a specialized skill that may vary in comfort amongst candidates holding the position, and the HR Committee will discuss annually to determine if support and what is needed.

J. Boudreau noted the added pressure resulting from COVID of delivering feedback in writing, rather than meeting in person. Overall, the 2020 process was successful.

The committee discussed adding an additional survey in future years to capture chair interaction with, and treatment of staff. G. McDonald noted that since committees generally have one staff advisor assigned, this type of survey would compromise confidentiality. It was additionally reported that he is in touch with each chair every year to ask how the liaison has performed and if improvements can be made.

Moved by K. Reid, seconded by D. Nedohin-Macek.

THAT the HR Committee recommend the 2021 chair assessment content for Board approval.

Carried

5. Succession planning

S. Francoeur presented the draft succession plan. The committee complimented the work for its comprehensiveness. Moving forward, the CEO succession plan will be reviewed annually.

Moved by J. Boudreau, seconded by D. Chui
THAT the HR committee approve the CEO succession plan.
Carried

6. Monitoring of strategic risk owned by the HR Committee

The committee discussed the status of risk #3 – *succession planning for the CEO* and considered recommending removing it, to replace it with the “CEO leaving in an unplanned manner” on the register. G. McDonald provided some context to the risk review, noting that the risk’s existence ensures the succession plan document is reviewed and updated annually. The impact score should not adjust, as it is meant to address what the organizational impact would be if no succession plan was in place, but the likelihood score could reduce now that the CEO succession plan document is approved. The Committee agreed by consensus to reduce the likelihood score from 2 to 1.

ACTION: Staff to report to FAR that the HR Committee recommends the likelihood score of risk #3 – succession planning for the CEO reduce from 2 to 1, with the overall score reducing from 8 to 4.

7. Oversight of director professional development

This item was deferred until the meeting reconvenes.

8. Employee engagement improvement work plan updates

This item was deferred until the meeting reconvenes.

9. 2020 CEO objectives amendment

This item was deferred until the meeting reconvenes.

10. Work plan review

This item was deferred until the meeting reconvenes.

11. Adjournment

The meeting was adjourned at 12:32pm ET to be reconvened for one-hour to complete the agenda, on a date to be determined by the results of a doodle poll.

Moved by D. Chui, seconded by K. Reid
THAT the HR Committee adjourn the meeting.
CARRIED.

Continuation of September 17 meeting – October 13, 2020 2:00pm-3:00pm ET (held via webinar)

The meeting reconvened to continue the unfinished business of the September 17, 2020 meeting, with HR Committee members David Lynch (Chair), Jean Boudreau, Danny Chui, Ann English, Dawn Nedohin-Macek, and Kelly Reid present. Staff support included Sylvie Francoeur, Christina Mash and Gerard McDonald, and Evelyn Spence attended as an observer.

1. Call to Order

The meeting was reconvened at 2:03pm ET.

2. Oversight of director professional development

D. Lynch presented the proposed solution, Canadian Nonprofit Academy’s (CNA) Board-on-Board online evergreen program, to meet the development needs of the Board directors as identified in the 2020 Board assessment survey. Additionally, a live session was proposed for February with the founder and chief coach from the Board-on-Board course, which will be deferred until it can be hosted in person.

It was noted that CNA has only been asked to provide quotes for the online course and one in-person session. CNA has not been made aware of the available budget.

Following implementation of the course, it will be important to survey the directors to understand how they are receiving the online programming, and how it can be improved or adjusted to meet their needs.

Moved by K. Reid, seconded by D. Nedohin-Macek

THAT the HR Committee agree to engage in the Canadian Nonprofit Academy's Board-on-Board online evergreen course and an in-person session.

Carried

ACTION: Staff to request from CNA, a list of preferred lessons from within the full course that will directly address the four topics identified for improvement that will be provided to the directors when access details are circulated.

3. Employee engagement improvement work plans

S. Francoeur reported that all three working groups (Performance management, Customer focus/innovation and Organizational vision) remain on target. The committee commended the level of staff engagement in the groups. It was noted that an opportunity for staff to participate in different groups will be available during the implementation phase of the work.

It was clarified that the ADP performance management module is an additional module that will integrate with the human resources information system software already in place.

4. 2020 CEO Objective amendment

D. Lynch presented the proposed amendment, to remove the objective to “Provide an assessment of the long-term financial and operational viability of Engineers Canada”. G. McDonald noted that although amending the CEO objectives mid-year is not a preferred practice, it is currently not recommended in any industry to undergo a long-term forecasting activity due to the lack of clarity around the long-term effects of the pandemic. Any recommendations resulting from this activity may not be in the best interest of the organization.

Discussion was had on the Finance, Audit, and Risk Committee’s (FAR) involvement in contingency planning, given the COVID-related information received from regulators that included their projected vulnerabilities and affects on registrant numbers. G. McDonald noted that this information is considered in the current budget and that FAR has been monitoring the situation closely in preparing the Per Capita Assessment fee recommendation. The projected registrant number information does not indicate a material change at this stage; the larger concern lies with the uncertainty around affinity revenues. To mitigate this risk, FAR is reviewing monthly reporting from TD and are currently recommending that the Per Capita Assessment fee remain at its current level until there is greater certainty on the effects of the market downturn.

The Board will be asked to approve the amended objectives in December, and the reporting will be clear that this objective was on track for completion and was not removed due to an expectation it would not be met, but rather that it was considered to no longer be of value at this specific time. FAR will be consulted on when would it be appropriate to re-consider this objective.

ACTION: Staff to ensure FAR is consulted on when the CEO should provide an assessment of the long-term financial and operational viability of Engineers Canada, as part of the CEO annual objectives.

Moved by A. English, seconded by D. Chui

THAT the Human Resources Committee approve the amended 2020 Objectives for the chief executive officer.

Carried

5. Work plan review

The work plan was reviewed. It was noted that recommendations for CEO compensation, for presentation to the Board in February, will be covered as part of meeting 4, item b.

6. Other business

Additional business was circulated the week before the meeting reconvening, to review the recommendation being proposed by the Governance Committee regarding Board policy 4.12 – *Board assessment*. It is recommended, to reduce confusion, duplication of efforts, and the potential for survey

fatigue, that the annual Board self-assessment survey be incorporated into the governance effectiveness survey. The HR Committee unanimously supported the proposed approach, noting that it should encourage participation rates.

ACTION: Staff to report back to the Governance Committee that the HR Committee is supportive of the recommendation to deviate from policy 4.12.

7. Next committee meetings

The next meetings will take place as scheduled. December will be virtual only, as per the Board's decision in October:

- Dec. 8, 2020 (Virtual)
- Mar. 29, 2021 (Virtual)

8. Closing

With no further business to discuss, the meeting closed at 2:53pm ET.