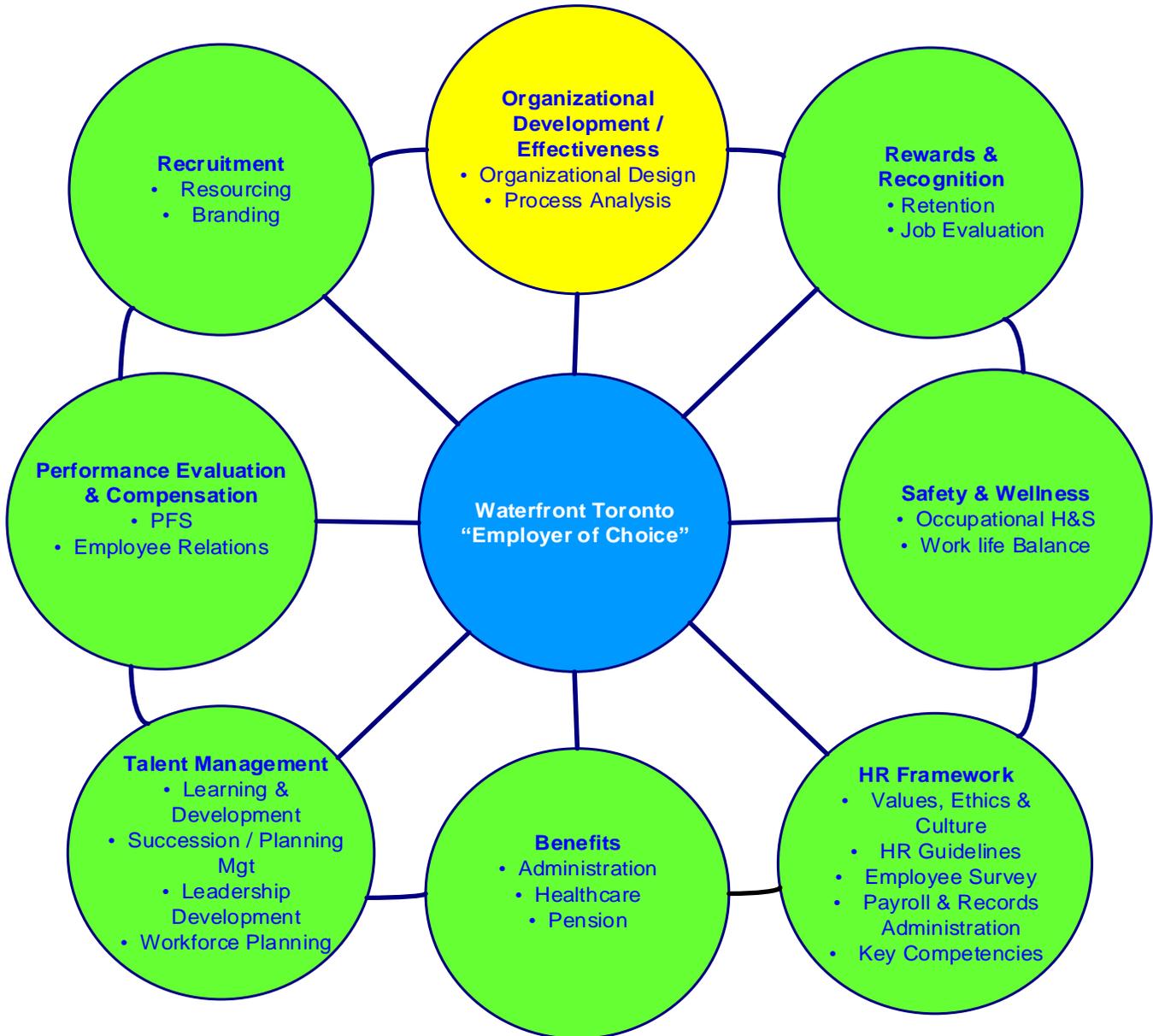


The purpose of this report is to provide an overview of Human Resources (HR) practices at Waterfront Toronto. A key corporate objective of Waterfront Toronto is to provide a work environment that attracts, motivates and retains top talent. The following elements are core to our HR practices:

**Core Human Resources Elements**



The following provides a summary of some of our work with regard to the core elements:

### Recruitment

- As of May 31, 2017, the Corporation's total staff resources is 65, distributed as follows:
  - 59 Full Time Employees (3 of which are currently vacant and the recruitment process is underway)
  - 6 Contracted Employees (includes long term contracts and short term contracts for specific project work)
- A current Organizational Chart as of May 31, 2017 has been included for your reference.
- Our current practice is to conduct all recruitments in-house for positions below the senior management level. Available positions are advertised internally, on our website, LinkedIn and all Waterfront Toronto's social media sites and through professional associations. We reach out to external recruiters for assistance when our process is unsuccessful in delivering the right candidate or when the recruitment requires a quick turnaround.
- When outside recruiters are used to fill positions at the senior management or executive level, they are selected through a competitive RFP process.
- For the past ten years, Waterfront Toronto has had a summer intern program for which we hire three to five students from May to August to assist various departments and provide the students with relevant business experiences and mentoring opportunities.
- Exit interviews are conducted to gather information from employees who leave Waterfront Toronto. The interviews provide a better understanding of areas requiring improvement; the information can also assist in continuing to attract and retain qualified staff.
- Exit interviews are entirely voluntary and confidentiality is always preserved.
- For the period April 1, 2016 to March 31, 2017, Waterfront Toronto's turnover rate for voluntary exits was 9.7%.

### Organizational Development/Effectiveness

- With a new CEO, last year saw Waterfront Toronto undertake a comprehensive strategic visioning exercise aimed at reviewing and refreshing our strategic direction. The exercise included reassessing our key assumptions, challenges and opportunities, and the way in which we work as an organization. As a continuous process, the process is geared to ensure we enter our next phase of work as a credible and effective agency able to deliver on its mandate to build a 21st century city on Toronto's waterfront, and, in doing so, providing lasting economic, social and environmental benefits to the city, province and country. With a refreshed vision and strategy, Waterfront Toronto needs to confirm the organizational strength needed to deliver the strategy and the projects and initiatives we have prioritized. A refreshed 2017/18 Corporate plan, based on an updated vision, key priorities and strategic objectives was developed and approved by the Board last December.
- A parallel organizational review was completed to find efficiencies and streamline functions and operations in order to deliver the Corporation's 2017/18 Strategic Objectives within its current corporate budget constraints. This resulted in the identification of a core staff complement (FTE and Contract positions) being reduced by three and half positions and a total 2017/18 budget of \$9.4M, a reduction of approximately 3.4% of the HR budget for 2016/17 (\$9.7M).

- With more certainty now confirmed around major project timelines and delivery, specifically Port Lands flood protection and Quayside projects, we are putting in place an Organizational Delivery and Risk Mitigation Strategy that focuses on milestones in each of the following areas: organizational transformation, corporate plan execution, risk assessment and reporting and risk mitigation and resources. The strategy will be brought to the Board in September.
- Strong focus has been placed on creating integrated teams for each major project, with the strategic visioning work having shown the importance of a continuous flow of communication within project teams.
- Internal communications is an important component of organizational effectiveness and transparency. We hold Town Hall meetings after every Board meeting to debrief staff and ensure staff are updated on Waterfront Toronto's strategy, priority projects, corporate and organizational changes. We also provide staff with an opportunity to present their projects at the Town Halls, allowing them to improve presentation skills and receive profile for their work.

### Rewards & Recognition

- In late 2012, in response to our continuing constrained ability to provide monetary incentives (since 2010 as part of the Public Sector Compensation Restraint Act) and the ensuing issues of staff retention and morale, we researched employee retention strategies in order to focus on an internal effective retention plan.
- As part of a retention plan, we explored initiatives related to: hours of work, telecommuting, work-life balance, professional development, corporate social responsibility, “above and beyond” recognition and internal communications.
- As a result, we implemented four new guidelines providing flexibility around: Hours of Operation and Work, Working Remotely, Volunteer Leave and Service Awards.
- As part of work life balance, the Hours of Operations and Work and Working Remotely guidelines were created to provide flexibility for employees to schedule their work week to accommodate personal and family commitments, where possible, while still ensuring there is consistency in service and scheduling of hours of work for all departments of Waterfront Toronto. The guidelines also allow for employees to work remotely from time-to-time to accomplish key deliverables or specific tasks in a location that is distraction free and/or to accommodate a flexible work day.
- As part of focusing on learning and development and providing employees the opportunities to learn and grow and acquire new skills and knowledge, we continue to ensure that staff Learning and Development Plans, which are part of the employee performance evaluation program, are met and monitored regularly for progress. We also strive to bring in-house at least two skills development workshops per year.
- As part of recognition and rewards, the Service Awards program was created. Since the program started in May 2014, 1 staff member has received their fifteen-year service award, 15 staff have received their ten-year service awards and 44 staff have received their five-year service awards, which are presented at Staff Town Halls.
- As part of corporate social responsibility, the Volunteer Leave guideline was created to encourage employees to engage in community volunteering activities and corporate social responsibility activities by allowing a leave of absence with pay of one day in a calendar year to volunteer.
- Our CEO also presents staff members with awards that recognize outstanding effort and performance at Town Halls.

- The Service Awards and the CEO's awards are very well received and do much to demonstrate that management wants to recognize the longevity, loyalty and hard work that characterizes so much of the staff at Waterfront Toronto.
- We continuously research more creative ways to broaden our rewards and recognition program for the upcoming year.

### Safety & Wellness

- The Board is provided an update on Health & Safety issues (as part of the CEO report) at every Board meeting.
- The Joint Health & Safety Committee (JHSC) is composed of staff members that together, are mutually committed to improving health and safety conditions in the workplace; the JHSC stimulates or raises awareness of health and safety issues in the workplace, recognizes and identifies workplace risks and develops recommendations for the employer to address these risks.
- To achieve this goal the JHSC continues to meet on a quarterly basis, conducts monthly workplace inspections and makes written recommendations to Management for the improvement of the health and safety of workers.
- There have been no reportable Health and Safety incidents in the Waterfront Toronto office since the last report.
- Waterfront Toronto is deemed to be a large employer in the construction industry under Workplace Safety and Insurance Board (WSIB) policies. Waterfront Toronto therefore qualifies for the WSIB CAD – 7 Experience Rating Plan through which the WSIB tracks employers' health and safety performance.
- Under this WSIB CAD – 7 Experience Rating Plan, Waterfront Toronto has been recognized as an employer "achieving and maintaining zero injury, illness and fatalities," which has resulted in a reduction of our premiums as well as validating our internal health and safety practices by receiving a refund of our WSIB employer premiums paid for the past seven years.
- The first regulation under the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) was the Customer Service standard which became part of the Integrated Accessibility regulations with new legislation that came into effect July 1st. In addition to this there were some amendments to the Customer Service Standards portion of the regulation, which resulted in Waterfront Toronto making the necessary modifications to our guidelines to ensure compliance.
- The AODA requirement for this year is the establishment of design standards requiring the design of public spaces to address specific design elements. These design standards will apply to newly constructed and redeveloped projects.
- Waterfront Toronto is due to file another report at the end of December 2017.

### HR Framework

- As part of our ongoing focus to promote continuous learning/improvement, teamwork and employee satisfaction, Waterfront Toronto conducts Employee Opinion Surveys every two to three years, the last one conducted in 2013.
- With the changes relating to the new CEO, the strategic visioning exercise and changes in corporate priorities, and the impact of these on how staff work together, the next Employee Opinion Survey has been deferred until late 2017.

- Waterfront Toronto currently has 34 Corporate Human Resources guidelines, which clarify working rules for the Corporation and which are developed and updated as required.
- A full list of our Corporate Human Resources guidelines is included for your reference.
- As part of our Organizational Delivery and Risk Mitigation Strategy (discussed earlier) a refreshed values statement will be developed.

### Benefits

- Waterfront Toronto offers a competitive benefits package. This includes, for full time employees, a comprehensive package with medical, dental, life insurance, long term disability, accidental death and dismemberment coverage.
- The Corporation also offers all fulltime employees a matching RSP contribution program to a maximum of 6% of their annual salary or 50% of CRA's annual maximum, whichever is less.
- Waterfront Toronto also has an Employee Assistance Program (EAP) that assists employees with personal problems and/or work-related problems that may impact their job performance, health, mental and emotional well-being. EAPs generally offer free and confidential assessments, short-term counseling, referrals, and follow-up services for employees and their household members.

### Talent/Succession Management - Learning & Development

- As part of Waterfront Toronto's corporate succession management strategy (SMS), we have begun to identify key positions at the Executive and Director levels and whether succession candidates exist internally. Where they do, development plans are created to ensure candidates further develop the skill set required to move into succession positions.
- Work on the SMS continues and is aimed to be completed once our realignment of staff resources is complete.
- We have also conducted in-house training skills development workshops such as developing presentation skills, negotiation skills and on information technology tools such as Office 365 and Adobe Creative Suite.

### Performance Evaluation and Compensation

- In 2005, Waterfront Toronto created a Pay for Performance (P4P) system, which is a method of rewarding strong employee performance by offering incentives such as salary increases. It is a similar concept to merit pay.
- On an annual basis, employee performance is reviewed and evaluated through our Planning for Success (PFS) process, which rates the performance of all employees against corporate and specific personal goals. Waterfront Toronto has always applied the Pay for Performance (P4P) system through this PFS process.
- Our PFS process consists of three steps:
  - Planning (start of fiscal year) - identification of each position's core responsibilities and objectives and the definition of specific goals to be accomplished including performance measures of quality, quantity and time;
  - Continuous Feedback (mid-year) - a review of results achieved to date on required responsibilities and specific objectives, and revision of these if required; and

- Year-end Review (end of fiscal year) – a review of work results for the year against required core responsibilities and specific objectives and assessment of achieved results.
- Our PFS process is structured to evaluate both what an employee achieves throughout the fiscal year as well as how the employee undertakes the work, through evaluation against Waterfront Toronto’s corporate vision, business objectives, code of ethics and key competencies.
- Through this PFS process, final evaluation rating levels are determined by reviewing a combination of the employee’s achievements (what is achieved) for the complete review period as well as the approach the employee used (the how).
- The employees achievements “the what” are assessed against the following five evaluation levels used to assess performance:
  - i) Exceeds Expectations (EE) – for an employee who is consistently exceeding expectations of core position responsibilities and learning objectives, and has achieved significant additional results beyond plan;
  - ii) Achieves Expectations Plus (AEP) – for an employee who consistently achieved all core position responsibilities and learning objectives, and has achieved some additional results beyond plan;
  - iii) Achieves All Expectations (AAE) – for an employee who consistently achieved all core position responsibilities and learning objectives;
  - iv) Achieves Some Expectations (ASE) for an employee who achieved some core position responsibilities and learning objectives, however some key expectations were not achieved; and
  - v) Expectations Not Achieved (ENA) – for an employee who has not achieved the position’s core responsibilities.
- Performance improvement plans are prepared for employees in the ASE and ENA levels.
- As part of our P4P program, in 2008, the Corporation designed and implemented a job evaluation (JE) program for all employees that establishes the relative worth of one job to another by studying and evaluating the content of the job to enhance the pre-established compensation program.
- This JE program:
  - Enables the Corporation to attract, motivate and retain talent;
  - Provides a clear, fair and objective approach for determining the relative worth of a position using a job evaluation tool;
  - Provides a salary grade and range for each position that reflects the 50th percentile of the market;
  - Supports a pay for performance culture; and
  - Complies with Ontario Pay Equity Legislation.
- All positions at Waterfront Toronto are evaluated and graded using Waterfront Toronto’s JE program, which is a point factor methodology that measures skill, effort, responsibility, working conditions, etc., resulting in each position receiving a total point amount which is banded into a 17 salary grade program covering positions from the bottom of the organization to the top.
- The salary ranges are broken into three zones, Zone 1 is the hiring zone (in progression), Zone 2 is for fully competent employees (mid-point) and Zone 3 is for long service, above-average performing employees (above midpoint).

- All employees below the Executive level have an opportunity to receive an adjustment to salary based on his/her performance rating (the PFS process) and progression adjustment (the JE process) which allows employees to progress through their salary grade range, based on individual performance.
- For those employees who are at the top of their salary grade range, any P4P increase will be given as a one-time adjustment as recognition for performance.
- Salary progression within a salary grade and pay for performance are critical for driving a high-performance workforce for optimizing organizational performance and for being able to effectively recruit and retain talent.
- Salary bands for executives and staff are supposed to be reviewed every two years with the assistance of an external consultant(s). However, in 2010, the Government of Ontario introduced the *Broader Public Sector Accountability Act and the Public Sector Compensation Restraint to Protect Public Service Act* and Waterfront Toronto and similar agencies were asked to ensure that agency expenditures were consistent with the provincial Acts. As a result, in 2010, Waterfront Toronto pro-actively instituted an austerity program which included the freezing of salary bands as well as a freeze on base salaries for all executive positions.
- Implementation of Waterfront Toronto's austerity measures has also meant that salary bands have not been benchmarked to market since 2008. The specific *Public Sector Compensation Restraint to Protect Public Service Act, 2010*, expired on March 31, 2012. However, the *Broader Public Sector Accountability Act* issued amendments that came into effect on March 31, 2012 – those amendments continue to restrain compensation for executives at Ontario hospitals, colleges, universities, school boards and other government agencies.
- Waterfront Toronto has had a consistent approach to its austerity program over the past seven years. Only the pre-established P4P program allowing movement within existing salary ranges based on performance has been applied. We have, therefore, been consistent with the intent of the provincial Act(s) which allows for movement within existing salary ranges based on performance.
- The austerity program, froze Executive salaries for six years at 2008/09 rates and excluded Executive level staff from the opportunity to move along salary bands based on P4P.
- As a result, three Executive positions had salaries that were considerably lower than those of other comparable agencies (including Infrastructure Ontario, Metrolinx, Build Toronto and Canada Lands Company). In December 2015, a one-time adjustment was made to the CFO, VP Development and VP Planning and Design positions bringing them in line with comparable agencies. Also adjusted was the application of the P4P program across the organization to include Executive level staff (excluding the CEO). This proposal was approved by the Board in December 2015.
- We intend to update through a benchmarking exercise this fall, the competitiveness of Waterfront Toronto's base salaries, to ensure salary bands are competitive.

### **Committee Action Required**

None - for information purposes only.

### **Motion (if applicable)**

N/A

<b>NUMBER</b>	<b>GUIDELINE</b>	<b>DATE</b>
1	Designated Holidays	January 1, 2008
2	Vacation	January 1, 2008
3	Bereavement	January 1, 2008
4	Jury or Witness Duty	January 1, 2008
5	Overtime Pay or Compensating Time-off	January 1, 2008
6	Gifts	November 26, 2007
7	Maternity and Parental Leave and Income Benefits	Revised December 31, 2013
8	Probationary Period	Revised November 16, 2009
9	Salary Continuance During Illness or Injury	May 15, 2008
10	Special and/or Personal Responsibility Leave	Revised October 20, 2009
11	Learning and Development	Revised November 12, 2009
12	Exit Interviews	August 1, 2008
13	Compensation/Salary Administration	May 2008
14	Code-of-conduct	Revised January 2015
15	Planning for Success (PFS)	June 1, 2009
16	Employee Expenses	Revised October 23, 2009
17	Corporate Mobile Device Use	Revised May 2016
18	Issues and Concerns Resolution	October 27, 2009
19	Human Rights Discrimination/Harassment-free Workplace	Revised January 2011
19A	Workplace Harassment Program	January 2011
19B	Workplace Violence Program	January 2011
19C	Human Rights & Health & Safety Harassment & Violence Complaint Procedure	January 2011
20	Disclosure of Wrong Doing	Revised October 26, 2015
21	Recruitment/Resourcing of Senior Staff	November 12, 2010
22	Health and Safety	January 2011
23	Perquisites	August 2, 2011
24	Corporate Computer Use	Revised January 2015
25	Large File Transfer	September 23, 2011
26	Purchasing Residential Condominium Units on the Waterfront	April 13, 2012
27	Hours of Operations and Work	December 11, 2012

<b>NUMBER</b>	<b>GUIDELINE</b>	<b>DATE</b>
28	Working Remotely	December 11, 2012
29	Variable Compensation Component Payout	November 30, 2012
30	AODA Accessible Customer Service	December 18, 2013
31	AODA Integrated Accessibility Standards Regulation	January 2014
32	Volunteer Leave	April 1, 2014
33	Service Awards	April 1, 2014
34	Recruitment & Due Diligence	October 2015

# Item 4

## Legend

- FTE = 59
- Contract = 6
- Bentway Sr. P.M. not on our payroll

