



Hamilton

# INFORMATION REPORT

<b>TO:</b>	Chair & Members Audit, Finance & Administration Committee
<b>COMMITTEE DATE:</b>	April 25, 2016
<b>SUBJECT/REPORT NO:</b>	Succession Management and Leadership Development Progress Report (HUR16011) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
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## Council Direction:

The Audit, Finance and Administration Committee on April 15, 2013 directed the City Manager to provide an annual progress report on the City's Succession Development Program.

## Information:

### Background

In order to continue to advance the strategic objectives of the City of Hamilton over the next 10 years it is critical to have a high performing workforce. Setting clear goals and expectations along with a continuous learning and development plan will ensure staff at all levels are better supported in their own jobs as well as prepared for future career opportunities.

The City has developed a People Development Strategy (formerly known as our Talent Management Strategy) that integrates 6 programs including Workforce Planning, Talent Acquisition, Engagement and Retention, Performance Accountability & Development, Talent Development, Talent Review & Succession Planning. This report provides an update with a focus on Succession Planning and Leadership Development. Staff continue to work on an integrated corporate-wide progressive approach to our People Plan that can be consistently implemented across the organization.

## **Progress Report**

### Workforce Planning

This is an annual process which considers if we have the right people, with the right skills and knowledge, for the positions required to deliver on our current and future business needs. Forecasting our people capabilities at all levels aligns with and supports the multi-year budgeting process. Leaders first consider how their workplace and business priorities may change in the next four years and the impact anticipated staff turnover will have on delivering current and future services. Having a future focused lens through workforce planning provides a valuable insight to ensure we establish appropriate business plans which take into consideration having the capabilities and capacity to deliver.

The workforce planning process has been deployed across all departments with the focus on divisions with higher staff turnover and anticipated operational changes. Integrating workforce planning into the multi-year budgeting process continues to be on target for 2018.

### Performance Accountability & Development

Significant progress has been made since the launch of a renewed Performance Accountability and Development (PAD) system in early 2014. Each department has an implementation plan to ensure all leaders and all employees have established goals, identified competencies and receive feedback on their performance. The culture value pillars are reinforced through this process to ensure we are clear in communicating what we expect of all our employees.

As of March 31, 2016, all leaders to the supervisor level have been involved in the PAD process and are required to have established their goals for the 2016 performance year. All General Managers report they are on target to have implemented PAD to the front-line staff this year with full implementation by 2018 (with the exception of HSR/Fire).

Significant efforts to build the capacity of our leaders to effectively set goals and provide employees with performance feedback have been undertaken over the past two years. Leaders were supported through the Corporate Leadership Development Pathway with 5 PAD learning modules on the topics of:

- Goal Setting and Performance Expectations
- Career Discussions and Development Planning
- Having Difficult Conversations
- Managing Performance with Different Leadership Strategies
- Assessing and Evaluating Performance

Ensuring that PAD is fully and effectively implemented provides a strong and objective foundation for staff to understand the effectiveness of their current performance, their learning and professional development needs along with their potential to advance into leadership positions. Continuous improvement in raising the quality of the conversations and enhancing the learning and development plans will be ongoing as leaders apply their learning from this training.

#### Talent Review and Succession Planning

Succession Planning is an annual process to reduce the business risk of our organization as well as an opportunity to invest in the career growth of our people. Senior Management Team (SMT) commenced succession discussions in 2011 and in 2012 an annual Risk Assessment of leadership roles was initiated. The Succession Planning policy and program was formally launched to senior leaders in Q4, 2014 with information sessions delivered to all supervisory and above staff in Q2 of 2015. Each General Manager is currently updating their 2016 risk assessment of leadership and other critical positions that are predicted to be vacant within the next two years.

SMT is committed to an annual Succession Planning process and is taking a tiered approach as they roll out the PAD system to their front-line. In 2016, our focus and timelines are very specific to individuals who can be ready for a Director level role across the organization within 1-2 years. The intention is to expand the process to Department Management Teams to identify and develop individuals for Manager and other critical roles within departments. Over time, we will extend consideration to candidates who can be ready for all leadership roles over a 3 to 5 year timeframe so that progressive and deliberate learning and development plans can be put in place for employees at all levels within our organization. Given the number of positions at risk of becoming vacant, our current focus is more on replacement planning than true succession planning.

Human Resources staff and SMT completed the **Leadership Profile** and role delineation for the City Manager, General Manager and Director leadership levels. The Leadership Profile is a statement of what it takes to be a successful leader at the City of Hamilton. It describes 'what good leaders do' (accountabilities and responsibilities), 'how good leaders do their work' (competencies and character) and 'what good leaders commit to' (commitments). Staff are currently reviewing and refining leadership competencies to align with the leadership roles delineated in the Leadership Profile and are workshopping the roles and competencies with the Corporate Leadership Team. The Leadership Profile is an important document for succession management at the City. It provides an appreciation of what it takes to become a great leader for those who aspire to becoming a leader, it provides a performance check for our current leaders, and it provides the foundation for leadership development through our Leadership Pathway. We will use our Leadership Profile as a guide to attract, select, develop, retain, coach and motivate current and future leaders at the City.

### Leadership Development

Staff continue to progress “The Leadership Pathway”, the City’s corporate leadership program as budget and people resources allow. The current development opportunities include:

- **“Leadership On-the-Inside”** – These are on-boarding modules that staff have designed with McMaster Centre for Continuing Education. The learning modules are intended to ease the transition of staff into leadership roles as well as on-board leaders who are new to the City of Hamilton. The learning modules are delivered in a blended format of on-line and in-class and focus on how we do business in Hamilton. Six modules available in 2016 include:
  - Ethics, Trust and Responsibility
  - Creating and Maintaining a Respectful Workplace
  - Recruitment at the City of Hamilton
  - Financial Management for People Leaders
  - Team Leadership
  - Communication in the Municipal Setting – Part 1

Another six modules are currently under development and will be delivered in 2017 as follows:

- Communication in the Municipal Setting – Part 2
- Performance Management
- Administration of the Employee Lifecycle
- Procurement at the City of Hamilton
- Health, Safety and Wellness in the Workplace
- Labour Relations

“Leadership on the Inside” will form the core learning for our emerging and aspiring leaders.

- **Harvard ManageMentor (HMM)** – This on-line learning consists of 18 modules and leaders participate for 12-18 months. One hundred leaders were enrolled in 2015 with an additional 100 leaders engaged in this learning opportunity in 2016. In addition, participants meet regularly to discuss specific content and application to current workplace issues.
- **“Essentials for Success”** – the City selected courses from the McMaster Leadership Essentials Certificate program to be offered in-house at a negotiated corporate rate. Participants have the opportunity to share learning with their peers while gaining a university credit. Topics for the 2016/2017 include: Supervision Essentials, Building High Performance Teams, Creative and Critical Thinking, Emotional Intelligence in the Workplace, Conflict Resolution in the Workplace, Art of Active Listening & Creating Work Life Balance, Strategic Planning Fundamentals, Mini Project Management

- **Ivey School of Business Leadership Program** was introduced in 2015 to 5 participants to ensure that we have a strong talent pool of candidates among director-level employees for future senior leadership positions. Another 4 – 5 leaders will be selected for enrolment in the fall 2016 program.
- **Mental Health Leadership @ Work Certification** plus other mandatory training e.g. health and safety, continues to be provided through our corporate Leadership Pathway.

Human Resources has relied on a Transition Account for program development with McMaster University's Centre for Continuing Education. With the current commitment to the completion of the 12 "On the Inside" modules with McMaster, the Transition Account will be fully expended by 2017. As per Council directive, Human Resources is working with SMT to create a sustainable corporate Learning and Development account for on-going delivery of these programs, through reallocation of department budgets.

Currently some departments have arranged for their own leadership development courses and programs such as Cutting Edge of Leadership in Public Works and Future Ready in Planning and Economic Development. Human Resources will be working closely with these departments to integrate and transition all departmental leadership learning opportunities into the Leadership Pathway for consistency and cost effectiveness.

It is important that the organization has the ability to track and report on training, especially for mandatory courses. A review of our corporate and department requirements has been initiated to identify a technology solution that will:

- i. create a skills inventory which is position specific for compliance purposes
- ii. enable access to staff who have specific skills and/or certification to deploy in emergency situations and or meet peak workload needs, and
- iii. support learning and development plans of individuals aspiring to leadership or other career development roles.

### In Summary

A pre-requisite to having a successful Succession Planning program is having a strong performance accountability system. For our programs to be objective and transparent we need to build the capacity of our leaders to effectively manage performance. This means engaging in conversations about employees' short and long term goals and learning and development needs that will facilitate their career development.

As the corporation progresses to more effective implementation of the PAD, our ability to identify employees with potential to advance will only get better. Being in a leadership role requires a significant personal commitment and a mind-set of continuous learning. The programs that we deliver will need to continue to evolve and develop to ensure they remain meaningful to our employees' development and our organization's service delivery objectives.