

# Governing in the Public Interest

HUMAN RESOURCES TRAINING  
FOR BC PUBLIC SECTOR  
APPOINTEES  
May 2019





## MODULE 4 - HUMAN RESOURCES

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## WHAT ARE THE ROLES AND RESPONSIBILITIES WHEN IT COMES TO HUMAN RESOURCES IN THE PUBLIC SECTOR?

As a public sector board member, you play an important role in advancing public policy objectives and protecting the public interest. Oversight of human resources (HR) within public sector organizations is a critical component of a citizen-centred approach to governance.

This includes ensuring that your organization's senior management is equipped to fulfill the organization's mandate, and that the most senior staff person (typically the Chief Executive Officer, Executive Director or President)<sup>1</sup> will lead and support practices that align with the following five principles of *citizen-centred governance*:

### Principles of Citizen-Centred Governance

- Put the interests of citizens at the centre of decision making.
- Behave with integrity, demonstrate strong commitment to ethical values and respect the rule of law.
- Ensure openness and respectful engagement with all citizens.
- Strive for outcomes that support healthy communities in British Columbia, including social, economic and environmental well-being.
- Implement actions to achieve the organization's mandate.

The board has a critical role to ensure that the human resource policies of your organization align with human resources management and labour standards that are set by the Government of B.C. for the broader public sector. As a board member, you also provide strategic direction to the Chief Executive Officer or President in building and maintaining an organizational culture that will support the success of your organization's mandate.

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<sup>1</sup> For the remainder of this report, the term "chief executive officer or president" will be used to denote the most senior staff person. Although the position title may vary across organizations (e.g. chief executive officer, executive director, president), in this manual the term refers to the individual who reports directly to the board of your public sector organization.

Effective human resources is necessary to successfully implement the four governance responsibilities of public sector organization boards:



- 1. Oversight and monitoring in the public interest:** The board is responsible to oversee organizational performance and ensure the activities of the organization align with the mandate.  
*In HR, this includes board members ensuring that the organization has current HR policies in place that comply with statutory requirements established in public sector human resources legislation.*



- 2. Developing the organization's capacity and culture:** Together with the Chief Executive Officer or President, the board is responsible for building a common understanding of an organizational culture and philosophy that will best support your organization's mandate.  
*In HR, this includes board member awareness of staff and workplace engagement levels as well as the organizational practices and programs that are in place that build a strong internal culture of the organization.*



- 3. Effective leadership:** This entails ensuring that the organization's senior leadership has what it needs to succeed. It means there is a robust process for the *recruitment and selection* of the senior staff person that aligns with the current requirements of the organization, as well as ongoing *performance management, and supports* in the form of professional development opportunities, mentorship or coaching. How your board, and you, are involved in supporting the Chief Executive Officer or President should be determined in collaboration with them.  
*This is the most significant area of focus for the board when it comes to human resources oversight in the public interest.*



- 4. External context and perspective:** The board's role is to consider the economic, social and environmental impacts of the organization, and long-term sustainability. In HR, this includes:
  - a. Information and knowledge about current trends*
  - b. Building public trust*

## WHAT ARE THE INDICATORS OF EFFECTIVE GOVERNANCE OF HUMAN RESOURCES?

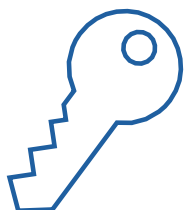
The following indicators are derived from the key responsibilities related to board self-management and effective organizational governance outlined in Module 1 – Governing in the Public Interest.

### Indicators of effective human resource governance

1. A trusting relationship exists between the board and Chief Executive Officer or President, developed through constructive inquiry and dialogue.
2. A relationship with the Chief Executive Officer or President exists that enables the board to ask constructive and strategic questions about the most critical issues facing the organization.
3. The board trusts and empowers the Chief Executive Officer or President and the entire senior management team to make decisions.
4. The board is willing and able to ask the Chief Executive Officer or President difficult questions and engage in difficult decisions.
5. The organization's senior leadership has what it needs to succeed.
6. There is a robust process for the recruitment and selection of the Chief Executive Officer or President aligned with the current requirements of the organization.
7. The board ensures there is ongoing performance management and support for the Chief Executive Officer or President in the form of professional development opportunities, mentorship, or coaching.

It is important for the board, the human resources committee (where applicable), and the Chief Executive Officer or President of public sector organizations to work together to achieve these indicators. The respective role for each of these contributors is described further below.

### KEY MESSAGES



- *Oversight of human resources within public sector organizations is a critical component of governance from a citizen-centred approach.*
- *Ensuring and supporting effective organizational leadership is the most significant, but not exclusive, focus area for the board when it comes to human resources oversight.*
- *There are specific indicators of successful human resources oversight that your board can support by working together with the Chief Executive Officer or President and the human resources committee.*



## WHO IS INVOLVED WITH MANAGING AND OVERSEEING HUMAN RESOURCES IN PUBLIC SECTOR ORGANIZATIONS?

What is the board's role in human resources?

As part of a board for a public sector organization, you are responsible for managing terms and conditions of employment, including termination, of the Chief Executive Officer or President. The terms and conditions of the Chief Executive Officer or President's compensation package must be consistent with the organization's approved compensation plan, which is determined by the Minister responsible for the *Public Sector Employers Act*.

The board is responsible for ensuring that any compensation paid to a departing Chief Executive Officer or President is consistent with the *Public Sector Employers Act* and government policy, which will be discussed in more detail below.

How does a human resources committee support the board?

A human resources committee is a sub-committee made up of board members that recommends decisions to the board related to its HR responsibilities.

Human resources committees are typically responsible for:

1. Overseeing Chief Executive Officer or President compensation and the annual performance management or evaluation, including providing advice to the Board Chair about Chief Executive Officer compensation consistent with government policy;
2. Working with the Chief Executive Officer or President on a succession plan for executives and the development of executives; and
3. Providing leadership on high level compensation decisions of the organization, including:
  - ensuring there are active and robust human resource policies in place;
  - ensuring the compensation plan and philosophy are in alignment with government direction;
  - approving significant structural changes within the organization; and
  - approving the bargaining plan prior to it being presented to the full board.

The board does not determine specific compensation decisions for other staff members within the public sector organization; this is the role of the Chief Executive Officer or President.

## What is the role of the Chief Executive Officer or President?



The Chief Executive Officer or President reports to the board and is responsible for leading the senior management team, developing and implementing the organization's goals and overseeing day-to-day operations of the organization. In human resources, the Chief Executive Officer or President has responsibility for creating a strong, healthy organization culture and ensuring employees are satisfied and committed with their work and the organization overall. The relationship between the board and the Chief Executive Officer or President is crucial to the ongoing success of the organization. Ideally, the relationship is one of trust and mutual respect where each party understands and appreciates the role of the other. The outcome of the Chief Executive Officer or President's effective leadership in human resources is that the organization becomes an "employer of choice"; an organization where staff choose to stay and to which new staff are attracted.

## Does the Public Sector Employers Act apply to our organization?

One of your first tasks as a board member is to gain clarity on whether the *Public Sector Employers Act* applies to your organization. If so, there are specific provisions that must be met when it comes to human resources, described further below and in Appendix 1.

Although many of the practices and responsibilities for public sector board members listed throughout this document reference the Act, the responsibility areas are still applicable for Board members of other Public Sector Organizations not included in the Act.

The *Public Sector Employers Act* applies to employers who meet the definition of the Act, including:

1. Government organizations that have a board with at least 50 percent government appointees.
2. Commercial Crown Corporations; Service Delivery Crown Corporations; School Districts, Colleges, Institutes and teaching Universities; Research Universities; and Health Authorities.

The Act does not apply to self-regulating bodies or independent authorities (e.g. Translink, Technical Safety BC).



## WHAT ARE THE SPECIFIC AREAS OF HUMAN RESOURCES FOR WHICH THE BOARD IS RESPONSIBLE?

The board is responsible for overseeing the following functions, each of which are described further below:

- Recruitment, hiring and performance evaluation;
- Succession planning;
- Compensation management; and
- Compensation disclosure.

*Note: For many public sector organizations, a human resources committee will take responsibility for these functions listed below.*

### Recruiting, hiring and performance evaluation

#### **Recruitment**

Recruiting a new Chief Executive Officer or President is a major undertaking. The Board Chair will lead the recruitment and is the key contact with the Public Sector Employers' Council (PSEC) Secretariat for determining compensation for the Chief Executive Officer or President. Staff should not be delegated this work. Unless the governing legislation provides otherwise (as in the public post-secondary sector) the Chief Executive Officer or President is not normally a member of the organization's board of directors.

The board needs to develop and approve a job description that describes the Chief Executive Officer or President's designated duties and responsibilities as well as the division of responsibility between the Chief Executive Officer or President and the board. This document should also recognize that it is common in the public sector for the Chief Executive Officer or President to have regular contact with government representatives, while making it explicit that the Chief Executive Officer or President remains fully accountable to the board.



## Hiring a Chief Executive Officer or President

Steps to receive approval from government<sup>2</sup>:

1. Prior to posting the position, discuss the total compensation maximum of your organization's Chief Executive Officer or President with the PSEC Secretariat.
2. Understand the compensation items that are required to fall within this total compensation maximum (i.e., car allowance, employer pension contribution, health benefits), and allowing some "runway" for performance-based movement within the maximum.
3. Once a candidate has been selected, ensure your legal council is comfortable with the contract, and provide a draft contract to the PSEC Secretariat for review and approval (prior to the draft contract being presented to your preferred candidate).
4. Provide a total compensation costing to the PSEC Secretariat (including a breakdown of base salary, statutory benefits, health benefits, employer pension contributions, perquisites, taxable benefits).
5. Connect with the Deputy Minister responsible for your ministry and ensure the ministry supports the board's decision.

## Performance expectations and evaluation



The process for setting the Chief Executive Officer or President's performance expectations and their subsequent evaluation should be agreed upon annually *in advance* by the board and the Chief Executive Officer or President. The annual review provides an opportunity for open and frank discussion, and it can allow the Chief Executive Officer or President to talk to the board about past performance assessments and to set goals for the upcoming year. The process should allow opportunity for you and other members of the board to discuss the Chief Executive Officer's performance and provide feedback to the Chief Executive Officer or President. This feedback should be provided professionally, in keeping with the review.

While the evaluation might be managed by the board's human resources committee, it should always involve input from the entire board and especially the Board Chair. Chief Executive Officer or President compensation and tenure is tied to performance and measured against written performance expectations. As a reminder, in the public sector, Chief Executive Officer or President compensation is subject to the executive compensation limits, guidelines and approval process managed by the PSEC Secretariat. More information about the process of performance management and a sample performance review template are provided in the Appendices.

<sup>2</sup> Note that these steps should not be delegated to a staff person. However, the board may request confidential support from human Resources, or the board may wish to retain the services of a third-party recruitment firm. In this case, the board will need to focus its efforts on developing a Request for Proposals for prospective recruitment firms, who could be hired to take on some or many of the tasks outlined.



## Termination

Severance pay for a public sector organization's Chief Executive Officer or President is limited by a regulation in the *Public Sector Employers Act*, which is the Employment Termination Standards. The board is responsible for ensuring that any compensation paid to a departing Chief Executive Officer or President is consistent with the Act and government policy. Again, boards work closely with the PSEC Secretariat before a termination, so you can ensure any severance package is appropriate and in accordance with the Act. Consistent with the "no surprises" principle, the board must alert the PSEC Secretariat (who in turn will brief the Minister responsible for the *Public Sector Employers Act*) in advance of any executive-level termination.

## Succession planning

The board (or human resources committee):

1. Reviews and recommends to the board a succession plan to deal with a planned or unplanned departure of the Chief Executive Officer or President.<sup>3</sup>
2. Provides overall guidance, context and oversight to the Chief Executive Officer or President in their responsibility for succession planning for the organization.
3. Annually reviews and verifies for completeness, succession and development plans for management prior to the Chief Executive Officer or President's discussion of those plans with the board.

## Organizational compensation management

### Chief Executive Officer or President compensation


In B.C., the appointment and compensation of a Chief Executive Officer or President is subject to government compensation policy, including a total compensation maximum for Chief Executive Officer or President from which base salary, benefits (statutory, health and welfare, etc.), employer pension contributions, perquisites (like a car allowance) or taxable benefits (such as a car loan, parking, etc.) must fall within. When a new Chief Executive Officer or President is being recruited, the human resources committee must ensure compensation is aligned in this area.

### Compensation plans for excluded employees

Excluded employees are non-unionized staff who are not the Chief Executive Officer or President. In the B.C. public sector, both excluded compensation and labour relations are regulated by government and implemented by the PSEC Secretariat. Some employers do not have any unionized employees, while some have both unionized and non-unionized.

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<sup>3</sup> For some Public sector organizations, if there are no chief executive officer/president succession candidates internal to the organization, they may consult with an external advisor regarding potential external candidates.



The board is not involved in the day-to-day administration of an organization's compensation plan; this is the role of the Chief Executive Officer or President. When an organization is planning a significant change to its existing compensation plan (such as introducing new salary ranges or new Vice President positions) or an entirely new compensation plan is being proposed, the board has a role in endorsing the changes. The organization is responsible for creating a compensation plan for excluded employees, and, where applicable, this plan must be approved by the Minister responsible for the Act. A compensation plan must align with the compensation philosophy for the public sector, which includes consistency in benchmarking methodology across the B.C. public sector, and four core compensation philosophy principles:

1. **Performance:** Compensation programs support and promote a performance-based (merit) organizational culture.
2. **Differentiation:** Salary differentiation is supported where there are differences in the scope of the position within an organization, or due to superior individual team contributions.
3. **Transparency:** Compensation programs are designed, managed and communicated in a manner that ensures the program is clearly understood by employees and the public while protecting individual personal information.
4. **Accountability:** Compensation decisions are objective and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of public funds.

In addition, the *Guide to B.C. Public Sector Compensation and Expense Policies* contains principles and policies to assist public sector employers in establishing compensation plans for excluded and executive employees. Compensation plans must be within the framework established by government and be approved by the Minister responsible for the *Public Sector Employers Act*.

The board needs to be aware of government's policy for excluded employees and ensure that the common compensation philosophy's four core principles and benchmarking methodology is applied.


#### **Collective Bargaining: Unionized Employees**



For those with unionized employees, it is important for boards to be aware of government's collective bargaining mandate and sign off on the organization's bargaining plan. Once approved by the board, bargaining plans require approval from the Minister responsible for the Act, and the Minister responsible for your organization.

Once a tentative agreement is reached, boards are required to approve or ratify the agreement. This ratification process is done simultaneously with the union, whose members will vote on whether they agree to the new agreement.

For context about the bargaining process, after a new agreement has been approved by the board, public sector employers and employers' associations bargain with their unionized employee groups under the compensation mandate established by government and implemented through the PSEC Secretariat. Ongoing progress of the settlements in public sector collective bargaining is available on the PSEC Secretariat website.



Prior to bargaining, the PSEC Secretariat facilitates the approval of the employer's bargaining plan with the Minister responsible for the *Public Sector Employers Act*, as well as the Minister responsible for the public sector organization. Employer bargaining agents may not discuss monetary items until a finalized bargaining plan has been approved. Bargaining plans may be sectoral, may include all union tables at a single employer, or may be prepared for each individual table.

Once the bargaining plan has been approved, the employer bargaining agent can seek a negotiated settlement in line with the approved bargaining plan. Bargaining plan approval will be confirmed by a written bargaining direction letter from the President and Chief Executive Officer of the PSEC Secretariat.

During bargaining, the PSEC Secretariat coordinates the review and approval of collective agreement proposals. It may seek assistance from the ministry responsible to review and approve specific proposals related to public policy requirements, service delivery objectives or any other contextual matters. Boards, or human resources committees, need to be aware of government's collective bargaining mandate and of the organization's bargaining plan(s). Boards should approve any bargaining strategy prior to a bargaining plan being presented to the Ministers responsible. Boards ratify (approve) the tentative collective agreements.

## Compensation disclosure

### **Disclosure of executive compensation**

B.C. is a national leader in the transparency of executive compensation to the public. This is an area where board leadership helps build trust in public sector organizations. This is fulfilled by having the Board Chair attest to the accuracy of your organization's annual executive compensation disclosure, and to the fact that your organization is adhering to government policy related to executive compensation.

To meet this requirement, your board can:

- Understand the government's current direction about executive compensation and how that applies to your organization.
- Review the disclosure of executive compensation prepared by staff within your organization. Ask questions or request clarification as needed. The intent is for a lay person to understand the compensation that was paid. If it does not make sense to you, it will not make sense to the public.
- Sign an attestation confirming the executive compensation disclosure is accurate, was within approved compensation plans, and complies with disclosure guidelines. Include and emphasize the statutory requirement to disclose pre- or post-employment contracts and disclosure of any compensation paid through foundations, subsidiaries or other organizations.

Disclosure includes total base salary, employer-paid pension contributions, benefits, holdbacks, bonuses or incentive pay, severance or salary continuance, vacation payouts and all other compensation including retirement allowances and administrative leave.

For commercial and service delivery Crown corporations, school districts, universities and health authorities, there are additional requirements related to compensation disclosure for *any* employee who earns more than \$125,000 per year. It is the responsibility of organizational staff to fulfill these responsibilities (outlined in Appendix 1).

See the *Public Sector Executive Compensation Disclosure Guidelines*<sup>4</sup> for additional information.

### KEY MESSAGES



- *It is important for you to know whether your organization is subject to the Public Sector Employers Act.*
- *Key areas to focus on when it comes to human resources oversight by the board include:*
  - *Recruitment, hiring and performance evaluation;*
  - *Succession planning;*
  - *Organization compensation management;*
  - *Labour relations; and*
  - *Compensation disclosure.*

## WHAT ARE SOME OF THE OTHER RULES (POLICIES AND LEGISLATION) THAT NEED TO BE FOLLOWED?

In addition to the specific legislation mentioned above, board are responsible to ensure that their public sector organization complies with statutory requirements established in human resources legislation including:


- *Public Sector Employers Act\**
- *Public Sector Pension Plans Act*
- *The Employment Standards Act*

\*Note: a more detailed description of the *Public Sector Employers Act* is included in Appendix 1.

### Ethical principles and standards of conduct

The *Standards of Ethical Conduct for Public Sector Organizations* outlines ethical conduct principles for directors. Each public sector organization should develop a code of conduct and ethics that fits its own legislative mandate and culture while complying with the minimum standards established by government. Included in the standards of conduct should be a one-year post-employment restriction for

<sup>4</sup> <https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/services-policies-for-government/public-sector-management/psec/public-sector-exec-comp-disclosure-guidelines.pdf>



senior leadership (for vice Presidents or equivalent and higher) of each organization. A sample Code of Conduct is provided in Appendix 4.

What might this look like for you?

Whether or not you are a member of your board's human resources committee, here are some questions to consider:

- *Is there a healthy culture and relationship between the board and the Chief Executive Officer or President?*
- *Are you confident that the organization meets legal requirements when it comes to human resources?*
- *Does your organization have defined policies or procedures when it comes to human resources?*
- *How does your board go about evaluating and supporting the Chief Executive Officer or President?*
- *What is the succession plan for the senior staff members of the organization?*

## APPENDIX 1 – PUBLIC SECTOR EMPLOYERS ACT

The *Public Sector Employers Act* applies to employers who meet the definition of the Act, including: government; organizations that have a board with at least 50 percent government appointees. The *Public Sector Employers Act* establishes the Public Sector Employers' Council Secretariat (PSEC Secretariat) and employers' associations in seven sectors of the broad public sector: health; social services; K–12 public education; Crown corporations; colleges, institutes and teaching universities; research universities; as well as the public service.<sup>5</sup>

The six employers' associations carry out the strategic direction of government in each the seven sectors. While Crown corporations have an employer association, individual Crowns work closely with the PSEC Secretariat to ensure they are in alignment with B.C. public sector compensation policies. In addition, the BC Public Service Agency, established under the *Public Service Act*, acts as an employers' association for the core public service.

Government relies on employers' associations to implement government direction and they must also balance other interests, including:

- Operational directives from employers in their sectors;
- Policy objectives from relevant line ministries; and
- Financial mandates from government.


Crown agencies subject to the *Public Sector Employers Act* are required to:

- Collectively bargain with unionized staff (whether directly or through public sector employers' associations), consistent with strategic human resource and labour relations directions established by government and implemented by the PSEC Secretariat;
- Compensate non-union staff in accordance with applicable compensation plans approved by the Minister responsible for the Act;
- Disclose the terms and conditions of employment relating to compensation for excluded employees earning \$125K or more in base salary and report any changes in these terms and conditions to the Chief Executive Officer of the PSEC Secretariat;
- Publicly disclose the actual compensation paid to the top five decision making positions of the organization earning \$125K or more in base salary annually; and
- When dismissing non-union staff, comply with the Employment Termination Standards established under the *Public Sector Employers Act*.

Some Crown agencies may be subject to the *Public Service Act* as well as the *Public Sector Employers Act*.

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<sup>5</sup> The *Public Sector Employers Act* does not apply to self-regulating bodies or independent authorities.



The *Public Service Act* specifies terms and conditions of employment for union and non-union employees, including managers and executives. Employment termination standards established under the *Public Sector Employers Act* apply to non-union staff of Crown agencies subject to that Act. Most Crown agencies are subject to the provisions of the *Public Sector Employers Act*, which was created to improve communications and the coordination of human resource and labour relations policies and practices among public sector employers and representatives of public sector employees.

The Public Sector Employers' Council (PSEC) sets and coordinates strategic directions in human resource management and labour relations policies and practices; advises government on human resource issues in the public sector; provides a forum to enable public sector employers; and consults with representatives of public sector employees on policy issues that directly affect the employees.

The *Public Sector Employers Act* provides that the Minister responsible for the Act is both a member and the Chair of the PSEC and authorizes government to appoint up to seven additional ministers or deputy ministers (as of December 2008, seven ministers are members of the PSEC in addition to the Minister responsible for the Act). Other PSEC members include the deputy minister of the BC Public Service Agency and a representative from each public sector employers' association.

The PSEC sets mandates for union and non-union compensation in the public sector, and its mandate is implemented by the PSEC Secretariat. The PSEC may employ a Chief Executive Officer and other officers and employees (namely the PSEC Secretariat). The PSEC Secretariat, in turn, supports PSEC and the Minister responsible for the Act in fulfilling their responsibilities under the *Public Sector Employers Act*.

The PSEC Secretariat's functions include managing the development and implementation of the labour relations policies and non-union compensation practices of Crown agencies. The PSEC Secretariat also administers the province's collective bargaining and the non-union compensation mandates. These mandates must be approved by the PSEC, and they govern what Crown agencies may agree to in collective bargaining and what policies they may implement regarding non-union compensation.

Public sector employers' associations are responsible for the coordination of non-union employee compensation, benefit administration, human resource practices and collective bargaining within their sector. With exception of the research universities and Crowns, employer associations act as the bargaining agent on behalf of the sector they represent.

Public sector employers are assigned to a sector under the *Public Sector Employers Act*. Most Crown corporations (commercial and service delivery) are required to belong to the Crown Corporation Employers Association. However, bargaining for Crown corporations is undertaken on an individual rather than sectoral basis.





## Roles and responsibilities of the Minister responsible for the *Public Sector Employers Act*

- Powers and duties range from setting overall funding levels for collective bargaining across the entire public sector, to approving compensation plans for non-union employees in individual Crown agencies.
- Administers and manages the development and implementation of labour relations policies and practices in the public sector.
- Provides proactive and timely information, communications, and labour relations expertise and solutions to government, employers, unions, and other groups.
- Ensures organizations are managed within the parameters of the *Public Sector Employers Act* and other applicable laws, including:
  - Hiring, terminating and setting the terms and conditions of employment for the Chief Executive Officer in accordance with a compensation plan approved by the Minister responsible for the Act; and
  - Fulfilling responsibilities associated with an assigned employers' association, including ensuring tentative collective agreements have been approved by the Minister responsible for the Act.

## Roles and responsibilities of public sector employers' associations

- Coordinates non-union employee compensation, benefit administration, human resource practices, collective bargaining and fostering consultation between an employers' association and representatives of employees. In the case of Crown corporations, the Crown Corporations Employers' Association is generally not involved in collective bargaining.



## Employee compensation – disclosure and reporting requirements

For any employee earning more than \$125,000 per year, Crown corporations are required to<sup>6</sup>:

- Report to the Chief Executive Officer of the PSEC Secretariat all the terms and conditions of employment relating to compensation, including a copy of the contract of employment within 15 days after contract is entered into;
- Report to the Chief Executive Officer of the PSEC Secretariat any change to the employee's terms and conditions of employment relating to compensation within 15 days (including salary increase, bonus payouts, and severance payments); and
- Make available for public inspection a copy of the contract of employment, together with any report filed with the Chief Executive Officer of the PSEC Secretariat pertaining to that contract or related to compensation of the employee.
- Most Crown agencies are subject to the *Financial Information Act* requirements regarding disclosure of supplier payments in addition to employee remuneration.

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<sup>6</sup> It is the responsibility of organization staff to fulfill these requirements. They are listed for board information only.



## APPENDIX 2 – PERFORMANCE MANAGEMENT

Performance management is an ongoing process that involves all parties working together to plan, monitor and review work goals and overall contribution to the organization. It starts with a work plan that identifies what goals the CEO or President is expected to accomplish and how. The plan is followed up with informal, ongoing monitoring and feedback on their progress towards the goals set in the plan. At the end of the performance period – usually a year – members of the human resources committee and the CEO or President meet to summarize the accomplishments and challenges of the past year and document the discussion using a performance management form (template in Appendix 3).

Overall purposes of performance management include:

### Organizational effectiveness

- Ensure that work plans of the employee are directed towards or support the strategic direction of the organization
- Motivate people to do their best

### Performance improvement

- Establish clear communication between the manager and the person about what they are expected to accomplish
- Provide on-going, constructive feedback on performance
- Identify and acknowledge strong performance
- Identify reasons for and areas of below standard performance
- Establish plans for improving performance as necessary

### Identification of strengths

- Identify the skills and abilities of each person so that work assignments reflect and build on strengths
- Identify individuals for more challenging work

### Training and development

- Assist and support people in achieving their goals by identifying training needs and development opportunities

### Administrative decisions

- Support decision-making about promotions, terminations, compensation and rewards

### Strategic/succession planning

- Ensure the right people are in the right role
- Ensure roles critical to the organization's business are covered

### Legal documentation

- Provides a paper trail to prove due diligence for legal challenges related to dismissal or vicarious liability (an employer can be held liable for the acts or omissions by its employees during the course of employment).

## APPENDIX 3 – ANNUAL PERFORMANCE REVIEW TEMPLATE

Employee Name: \_\_\_\_\_  
 Job Title: \_\_\_\_\_

Supervisor: \_\_\_\_\_  
 Review Period: \_\_\_\_\_

Goal and Development Plan Progress Tracking				
Goal or Development Objective	Quarterly Progress Rating			
	End of 1 <sup>st</sup> qtr	End of 2 <sup>nd</sup> qtr	End of 3 <sup>rd</sup> qtr	End of Year
Goal #1				
Goal #2				
Development Focus #1				
Development Focus #2				
<p><b>Rating:</b></p> <p>1 – Activities to support goal achievement / development progress have not been undertaken.</p> <p>2 – Activities to support goal achievement / development progress are underway.</p> <p>3 – Goal / development objective has been achieved.</p>				
Review of Performance in Role				
Key Strengths				
Areas for Improvement				
Review of Performance in Role				
Overall Performance				
<input type="checkbox"/> Does Not Meet Expectations <input type="checkbox"/> Meets Expectations <input type="checkbox"/> Exceeds Expectations				



Values Demonstration		
<input type="checkbox"/> Does Not Meet Expectations	<input type="checkbox"/> Meets Expectations	<input type="checkbox"/> Exceeds Expectations
Comments		
Employee		
Supervisor		

**By signing, both parties are acknowledging that they have read and discussed the contents of the performance review form.**

Employee's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewer's Signature: \_\_\_\_\_

Date: \_\_\_\_\_



## APPENDIX 4 – SAMPLE CODE OF CONDUCT



A great example of a code of conduct is the *Standards of Conduct* for the public service in B.C. This document can be found here:

<https://www2.gov.bc.ca/gov/content/careers-myhr/about-the-bc-public-service/ethics-standards-of-conduct/standards-of-conduct>

Topics within the *Standards of Conduct* linked to above include:

### **Loyalty**

Public service employees have a duty of loyalty to the government as their employer. They must act honestly and in good faith and place the interests of the employer ahead of their own private interests.

### **Confidentiality**

Confidential information, in any form, that employees receive through their employment must not be disclosed, released, or transmitted to anyone other than persons who are authorized to receive the information.

### **Public comments**

BC Public Service employees may comment on public issues but must not engage in any activity or speak publicly where this could be perceived as an official act or representation (unless authorized to do so).

### **Political activity**

BC Public Service employees may participate in political activities including membership in a political party, supporting a candidate for elected office, or seeking elected office. Employees' political activities, however, must be clearly separated from activities related to their employment.

### **Service to the public**

BC Public Service employees must provide service to the public in a manner that is courteous, professional, equitable, efficient, and effective.


### **Workplace behaviour**

Employees are to treat each other with respect and dignity and must not engage in discriminatory conduct prohibited by the Human Rights Code.

### **Conflicts of interest**

While the government recognizes the right of BC Public Service employees to be involved in activities as citizens of the community, conflict must not exist between employees' private interests and the discharge of their BC Public Service duties.

### **Allegations of wrongdoing**



Employees have a duty to report any situation relevant to the BC Public Service that they believe contravenes the law, misuses public funds or assets, or represents a danger to public health and safety or a significant danger to the environment.

### **Working relationships**

Employees involved in a personal relationship outside work which compromises objectivity, or the perception of objectivity, should avoid being placed in a direct reporting relationship to one another.

### **Human resource decisions**

Employees are to disqualify themselves as participants in human resource decisions when their objectivity would be compromised for any reason or a benefit or perceived benefit could accrue to them.

### **Legal Proceedings**

Employees must not sign affidavits relating to facts that have come to their knowledge in the course of their duties for use in court proceedings unless the affidavit has been prepared by a lawyer acting for government in that proceeding or unless it has been approved by a ministry solicitor in the Legal Services Branch, Ministry of Attorney General. In the case of affidavits required for use in arbitrations or other proceedings related to employee relations, the Labour Relations Branch of the BC Public Service Agency will obtain any necessary approvals. Employees are obliged to cooperate with lawyers defending the Crown's interest during legal proceedings.

### **Outside Remunerative and Volunteer Work**

Employees may hold jobs outside government, carry on a business, receive remuneration from public funds for activities outside their position, or engage in volunteer activities provided it does not:

- Interfere with the performance of their duties as a BC Public Service employee; Bring the government into disrepute;
- Represent a conflict of interest or create the reasonable perception of a conflict of interest;
- Appear to be an official act or to represent government opinion or policy; or
- Involve the unauthorized use of work time or government premises, services, equipment, or supplies; or gain an advantage that is derived from their employment with the BC Public Service.

## APPENDIX 4 – STAKEHOLDER EVALUATION OF CHIEF EXECUTIVE OFFICER OR PRESIDENT TEMPLATE

<b>INTERVIEWER:</b>		<b>DATE:</b>	
<b>INTERVIEWEE:</b>		<b>ORGANIZATION:</b>	
<b>CONTACT EMAIL:</b>		<b>CELL #:</b>	

<b>1</b>	<b>COMMUNICATIONS</b>
	<p>Is the President or CEO clear in their expectations, responses and explanations?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A</p> <p>Comments/examples?</p>
<b>2</b>	<b>INTERACTION &amp; RECOGNITION</b>
	<p>Does the President or CEO demonstrate appreciation for what you/and or your organization brings to the relationship?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A</p> <p>Comments/examples?</p>
<b>3</b>	<b>REPUTATION</b>
	<p>How is the organization and its President or CEO perceived in your community? Do they engage with the community?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A</p> <p>Comments/examples?</p>
<b>4</b>	<b>PREPARATION</b>
	<p>Does the President or CEO come prepared to work on the issues identified for the interaction/agenda?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A N/A</p> <p>Comments/examples?</p>



<b>5</b>	<b>ACCOUNTABILITY</b>
	<p>Does the President or CEO fulfill their commitments to you? If not, do they accept responsibility and take remedial steps?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A</p> <p>Comments/examples?</p>
<b>6</b>	<b>RESPECTFUL RELATIONSHIPS</b>
	<p>In your interactions with the President or CEO, do they exhibit strong and respectful relationships with others? Specifically, the staff team at all levels, the broader community and other stakeholders?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A</p> <p>Comments/examples?</p>
<b>7</b>	<b>LEADERSHIP</b>
	<p>Do you consider the President or CEO a strong and effective leader?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A</p> <p>Comments/examples?</p>
<b>8</b>	<b>FINANCIAL OVERSIGHT AND DEVELOPMENT</b>
	<p>Has the President or CEO demonstrated a strong understanding of the financial challenges and the ability to address and plan ahead?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A</p> <p>Comments/examples?</p>



<b>11</b>	<b>CONFIDENCE</b>
	<p>Do you have confidence in the President or CEO to lead the organization forward for the foreseeable future?</p> <p>Scale of 1 – 10 (with 10 highest)? 1 2 3 4 5 6 7 8 9 10 N/A</p> <p>Comments/examples?</p>
<b>12</b>	<b>OTHER</b>
	<p>What else would you add?</p>
<b>13</b>	<b>CONFIDENTIALITY</b>
	<p>Are you willing to be identified when your comments are shared with President or CEO?</p> <p>Yes ___ No___ or with conditions (describe):</p>







## Crown Agencies and Board Resourcing Office (CABRO)

[tinyurl.com/BoardsofBC](https://tinyurl.com/BoardsofBC)