

**STRATEGIC INITIATIVE AND UPDATE****Human Resources Business Model****Report Purpose**

To share information regarding the Human Resources business model, including services and how they are delivered, staffing levels and use of contracted services.

**Our Strategic Goals**

Goal 4 - Municipal Excellence  
Governance Requirement

Goal 4 Priority - A workplace culture that is connected, inclusive, diverse, and promotes employee development

**Report**

Strathcona County utilizes a centralized service delivery model for all Human Resources (HR) services with the exception of Occupational Health and Safety (OHS) that is centre-led, and scheduling and time entry management that is done at the department level. These services are provided for all employees (~2500) along with the Library (~100) and Alberta's Industrial Heartland Association (AIHA) (10).

The current approved permanent FTE number for HR is 65.2. The total number of staff currently working in HR is 70.8, to support the implementation of Oracle HCM. The majority of the workforce at Strathcona County is non-unionized, however there are two unions, Alberta Union of Provincial Employees (AUPE) and the International Association of Firefighters (IAFF) that represent components of the workforce. These multiple separate groups have differing terms and conditions and total compensation/benefits models that lead to complexities for HR. There are also various shift schedules that operate 24 hours per day, and every day of the year. This creates complexities for HR to manage, such as averaging agreements, shift leveling, administration of statutory holidays, benefit application, etc.

There are a multitude of service delivery options available for organizations to deliver their HR function. At Strathcona County, HR is accountable for the provision of the following services:

- Talent Acquisition
- HR Service Centre – employee records, employee inquiries
- Payroll (full cycle) and Benefits and Pension
- Reporting, Analytics and HR Systems
- Business Partnering (employee and labour relations)
- Talent Development (people plan, culture, engagement, performance review, recognition, leadership development)
- Classification, Policy and HR Projects (organizational development and design, job evaluation)
- Total Rewards (compensation, benefits, terms and condition of employment)

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- Disability Management and Wellbeing
- Occupational Health and Safety (OHS) (centre-led)

The following image reflects the HR services provided and associated staffing. The centre circle is what would be considered “core HR” and is typical/consistent in other organizations to deliver basic HR service requirements. The outer circles highlight functions and staffing that could be structured in other departments or potentially delivered through contracted services.



The HR department at Strathcona County delivers services that are not always typical when comparing against other organizations:

- Payroll (Finance or outsourced)
- OHS (structured in other departments)
- Disability Management (insurance agencies)
- Strathcona County Emergency Services (SCES) medical and fitness
- HR program development (consulting agencies)
- Talent Acquisition (recruitment agencies)
- Compensation analysis (consulting agencies)
- Facilitation of courses and event coordination (consulting agencies)

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In addition to this, there are positions in HR that report to other departments in other organizations:

- Communications Specialist
- Financial Analyst
- Emergency Services Program Coordinator for mandatory medical and fitness
- HR Systems Analysts (five)
- Dedicated OHS representative for Fleet and Facility Management

This increases the FTE count in HR, but not the overall FTE for the organization as these positions are required for ongoing work, but report into HR due to efficiencies gained with that reporting relationship.

### **Municipal Comparison**

In a review of municipalities, the following information reflects how many HR staff to 100 employees when comparing the same services offered:

#### **City of Red Deer:**

- Population 100,844
- Total of 1,500 employees (1,200 permanent, 300 temporary/seasonal/casual)
- HR Department has 29 FTE's plus 0.7 temporary

Business Partner - Labour Relations	OHS	Talent Acquisition	Talent Development	Total Rewards	Payroll	HR Admin/ Service Centre	HR Systems	Disability Mgmt/ Wellbeing	Director Office
6	8.2	2	1	2	5	3	0	1	1.5 (D&I)

- Disability Management is outsourced
  - No Financial Analyst, Communications, Systems (done by other departments)
  - Outsource pre-employment checks, recruitment supports by Business Partners
- This works out as 2.0 HR FTE per 100 employees in Red Deer

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Strathcona County:

Business Partner - Labour Relations	OHS	Talent Acquisition	Talent Development	Total Rewards	Payroll	HR Admin/ Service Centre	HR Systems	Disability Mgmt/ Wellbeing	Director Office
8	8	7.6 + 0.6 temp	4	8	6 + 2 temp	6.6 + 3 temp	4	8	5 (D&I + Comm.)

- Utilizing a "like to like" comparison, Strathcona County HR has 56.8 FTE, which equates to 2.3 HR FTE per 100 employees
  - Removed disability management staff plus the Financial Analyst, Communications and System employees from Strathcona County HR staff count (14 in total)
- Red Deer is working to implement a new HR system – will impact staff numbers

### Regional Municipality of Wood Buffalo (RMWB):

- Population 106,059
- Total of 1,500 employees (1,400 permanent, 100 temporary/seasonal/casual)
- HR Department has 60 FTE's plus 4 temporary

Business Partner - Labour Relations	OHS	Talent Acquisition	Talent Development	Total Rewards	Payroll	HR Admin/ Service Centre	HR Systems	Disability Mgmt/ Wellbeing	Director Office
12	13	6	9	6	6	6	1	3	2

- All OHS is centralized
  - Indoor Parks and Recreation employees are contracted out
  - No Financial Analyst, Communications, Systems, SCES specific role
  - Job evaluation is contracted out
- Overall this works out to be 4.1 HR FTE per 100 employees

Strathcona County:

Business Partner - Labour Relations	OHS	Talent Acquisition	Talent Development	Total Rewards	Payroll	HR Admin/ Service Centre	HR Systems	Disability Mgmt/ Wellbeing	Director Office
8	8	7.6 + 0.6 temp	4	8	6 + 2 temp	6.6 + 3 temp	4	8	5 (D&I + Comm.)

- Utilizing a "like to like" comparison, RMWB has 52 FTE's in HR which works out to be 3.5 HR FTE per 100 employees
  - Removed OHS as it is centralized
- For the same services, Strathcona County is 55.8 FTE which equates to 2.2 HR FTE per 100 employees
  - Removed Financial Analyst, Communications, Systems, SCES role and OHS positions

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### City of Lethbridge:

- Population 101,482
- Total of 2,002 employees (1,361 permanent, 641 temporary/seasonal/casual)
- HR department has a total of 39 FTE's plus 8 temporary in HR
- Overall this works out to be 2.4 HR FTE per 100 employees

Business Partner - Labour Relations	OHS	Talent Acquisition	Talent Development	Total Rewards	Payroll	HR Admin/ Service Centre	HR Systems	Disability Mgmt/ Wellbeing	Director Office
4 + 2 temporary	8	4	3	3	7 + 1 temp	3	1	4 + 5 temporary	3 (1 D&I)

- Indoor Recreation staff is contracted out except some arena staff
  - No Financial Analyst, Communications, Systems, SCES specific role

### Strathcona County:

Business Partner - Labour Relations	OHS	Talent Acquisition	Talent Development	Total Rewards	Payroll	HR Admin/ Service Centre	HR Systems	Disability Mgmt/ Wellbeing	Director Office
8	8	7.6 + 0.6 temp	4	8	6 + 2 temp	6.6 + 3 temp	4	8	5 (D&I + Comm.)

- For the same services, Strathcona County is 67.8 HR FTE which equates to 2.7 HR FTE per 100 employees
  - Removed Financial Analyst, Communications, SCES specific role

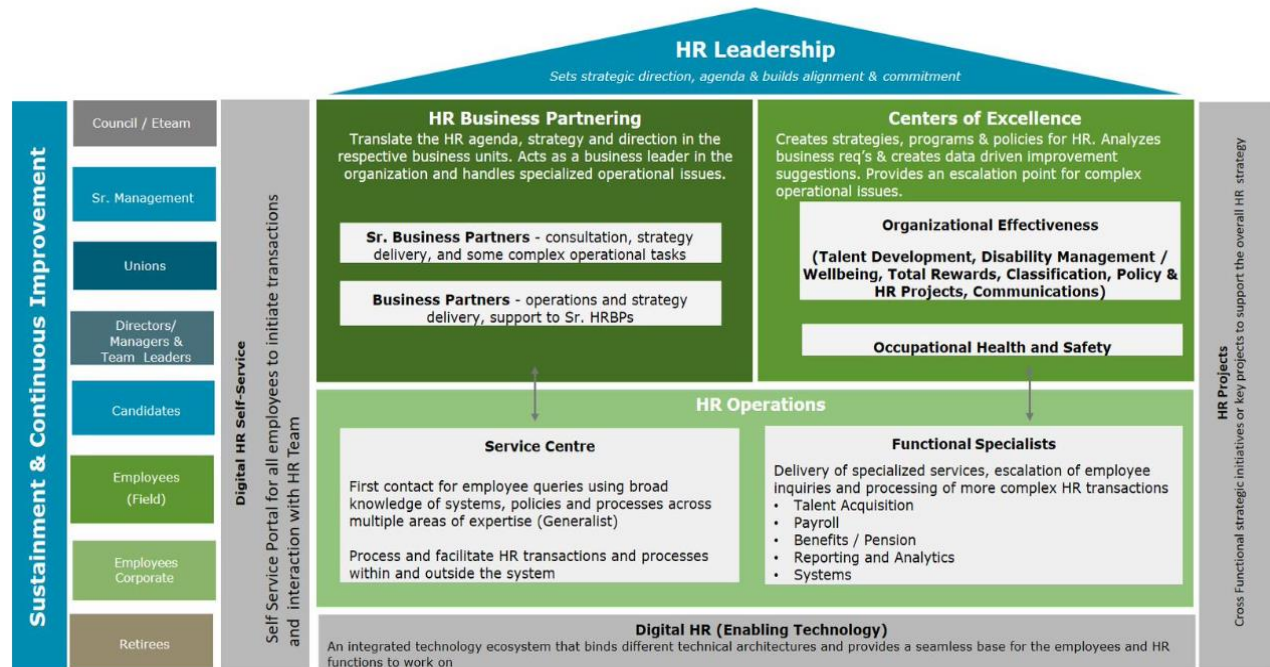
### Summary when comparing similar services provided:

City of Red Deer	2.0 HR FTE per 100 employees	Strathcona County	2.3 HR FTE per 100 employees
Regional Municipality of Wood Buffalo	3.5 HR FTE per 100 employees	Strathcona County	2.2 HR FTE per 100 employees
City of Lethbridge	2.4 HR FTE per 100 employees	Strathcona County	2.7 HR FTE per 100 employees

## **Previous Review on HR Service Delivery Model**

Throughout 2019 and 2020, PwC was retained to evaluate the HR service delivery model at Strathcona County and provide recommendations for changes as part of the County's business transformation. The methodology that PwC used to evaluate Strathcona County's HR model was the "Global People Process Framework." The conceptual HR Service Delivery Model, as outlined below, was approved and fully implemented in 2022 as per their recommendations.

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The model was used to define, deliver and measure people and HR strategies, and ensure alignment between strategy, delivered capability and executed activities that enable the workforce. It allowed Strathcona County to establish a vision for the future HR operating and service delivery models based on leading practices that would support accelerated definition and implementation of policies, processes, business rules, systems, and organization structures. The model is comprised of three functional process families and 13 relevant process groups that are typical in a HR department:

- **Strategy Process Family:** direction setting and design based process groups covering organizational governance, policy management and people strategy:
  - People strategy, culture and policies
  - Organizational development and design
  - Workforce analytics
- **Strategy Through Execution Process Family:** workforce and talent life cycle based process groups covering those typical to people and HR based service areas
  - Talent sourcing (recruitment)
  - Learning and development
  - Performance and career development (talent management)
  - Total rewards (compensation, benefits, terms and conditions of employment)
- **Execution Based Process Family:** supporting, enabling, delivery and transaction based process groups typical to service delivery centre, outsourcing or shared accountabilities
  - Employee and labour relations
  - Workforce environment
  - HR technology

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- Time and payroll
- Workforce administration
- HR function

### **Current HR Organizational Structure**

Staffing numbers are consistent with recommendations from PwC's organizational review. The following outlines a summary of HR's organizational structure, which consists of five branches:

1. Operations and Talent Acquisition (total of 25.2 permanent FTE positions plus 5.6 temporary staff):
  - Talent Acquisition is responsible for providing advice and guidance to leaders on recruitment, hiring and staffing processes including managing all competitions, strategies, sourcing, pre-screening, interviewing, assessments, pre-employment requirements, offers, and onboarding. The volume of recruitment activity has continued to grow with the additional complexity of challenges to attract qualified candidates to certain occupations in the current market.
  - The HR Service Centre supports employee inquiries and delivers HR services throughout the employee lifecycle from hire to retire, including position management, organizational structure updates, compensation and benefits administration, leaves management, job management/job descriptions and employee files. The Service Centre was launched with business transformation, to ensure a consistent and coordinated response for employees.
  - Payroll and Benefits is responsible to manage and process full cycle biweekly and monthly pay for Strathcona County employees (up to 2500) plus the Library and AIHA employees, and administer all benefits including pension plans.
  - Reporting, Analytics and HR Systems is responsible for Oracle HR system troubleshooting, support, maintenance and release of new features and functionality based on Oracle's quarterly release cycle along with reporting, and analytics in the new cloud based system for all HR related information.
2. HR Business Partnering (total of 8 permanent FTE):
  - HR Business Partners partner with leaders to provide expertise in employee and labor relations, championing and deploying HR programs, rules, policies, and procedures within the business to influence strategic people practices and future workforce needs. Work in this area has grown in volume and complexity and this team is relied upon for their interpretation, guidance and delivery of service to departments.
3. Organizational Effectiveness (total of 13 permanent FTE):
  - Talent Development partners with departments to design, develop, implement and monitor programs and initiatives that engage, retain, support and prepare employees to succeed in their roles and meet the organization's goals. Programs this team leads include the learning and development program, new employee



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- orientation and onboarding, performance planning and review (PPR process), employee engagement, succession planning, and recognition.
- Total Rewards is responsible to design, develop, implement and educate leaders and employees on the terms and conditions of employment for all employees in the organization, including collective agreement terms, pay structures and grids, programs such as the Earned Day Off (EDO) program, and the pension and benefits plan. This work has grown in complexity with numerous legislative changes with Employment Standards, ERP readiness activities and our growing workforce.
  - Classification, Policy and HR projects is responsible for the job evaluation system at Strathcona County, all HR policies, consultative work on organizational reviews, and all emergent projects. This team has led initiatives such as diversity and inclusion, hybrid work, harassment prevention campaigns, and code of conduct updates.
4. Disability Management and Wellbeing (total of 8 permanent FTE)
- This team supports overall health and wellbeing of employees on a proactive and reactive basis through timely and effective case management, stay at work strategies, and health promotion education and initiatives such as peer support. This team also leads the mandatory medical and fitness work at SCES. The work within this team has significantly grown in volume and complexity.
5. Occupational Health and Safety (total of 8 permanent FTE)
- OHS is centre-led at Strathcona County, with HR having a core accountability to ensure the OHS program is effective and being consistently delivered, meeting all legislated requirements, staying current with OHS legislation and audit requirements and ensuring a healthy and safe workplace to prevent psychological and physical injuries and illnesses.

In addition to the branches identified, the Director's office consists of three staff.

**Other Considerations**

Although HR accountabilities have not changed over the last 8 years, the complexity of the work environment and supports required by the organization to effectively attract, retain and engage a competent and healthy workforce, and to ensure compliance with legislated requirements coupled with ensuring consistent, effective and fiscally responsible employment policies and practices have erupted to create the growth in staffing required in HR.

Work that is being led by HR reduces organizational risk and results in direct cost savings for Strathcona County. Examples of this include rebates for maintaining our Certificate of Recognition in OHS (\$310,000 in 2022), WCB cost savings as a result of progressive disability management (72% lower than other like municipalities in Alberta), costs for insurances such as long-term disability as a result of the proactive case management, and costs of turnover due to retention strategies led by the department. Part of "active case



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management” that Disability Management (DM) does involves seeking opportunities for cost relief (WCB). From 2018 to 2022 DM initiated and was successful in attaining \$415,204 (claims costs removed from experience rating) in cost relief.

To provide insight as to the volume of daily work, in one year (from May 1, 2022 to April 30, 2023), HR led the following:

- 1,215 positions filled
- 531 resignations/terminations
- 2,877 T4's issued in 2022
- 116 unpaid leaves (complex business process)
- 261 labour/employee relation files
- Over 700 cases managed (includes WCB, mental health, general illness, injuries, illness)
- Over 200 courses/sessions delivered by HR such as Personality Dimensions, New Employee Orientation, Wellness, Alcohol and Drug, etc.
- Coordination of 29 external courses
- 425 incident investigations (9 reported to the province) plus 128 Near Miss investigations
- 647 facility inspections
- 353 audiometric tests
- 680 respiratory fit tests

Although much research, analysis, program design and delivery is completed internally versus utilizing consulting services, there is still a need for specialized contracted services. Contracted services are used in HR as follows:

- Benefits actuary analysis
- Facilitation of specialized training programs
- Complex investigations
- Specialized OHS services
- Specialized Oracle technical assistance

### **Council and Committee History**

May 16, 2023	Council approved: THAT the Information Technology Services Business Model report be prepared for Council by the revised due date of October 31, 2023.
February 28, 2023	Council approved: THAT Administration prepare a report for Council's consideration by the end of July 2023 on the Human Resources and Information Technology Services department business models, with information on how the services provided are delivered, including staffing levels and the use of contracted services.

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**Other Impacts****Policy:** n/a**Financial/Budget:** n/a**Legislative/Legal:** n/a**Interdepartmental:** n/a**Master Plan/Framework:** n/a**Enclosures**

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| 1 | Human Resources (HR) Business Model presentation |
| 2 | PwC Operating Model presentation 2021            |
| 3 | Human Resources Organizational Chart 2023        |