

The TMG Total Compensation Plan Redesign Recommendations Implementation Status Update: April 2019

Legend:
Pending
Requires approval
Completed

Total Compensation			
Description	Target Implementation Timeline	Status and Notes	
1	Total Rewards philosophy for TMG	Summer 2019	In progress Approval required
2	Reduce the number of bands from 15 to 12 by eliminating bands C, D and E and create three main groupings of remaining bands: <ul style="list-style-type: none"> ▪ F to I ▪ J to M ▪ N to Q 	July 2017	Completed
3	Revise the salary range structure by redefining the components of the range and also by narrowing the salary ranges for bands F through I	Narrowing of the salary ranges will be completed using a phased approach <ul style="list-style-type: none"> ▪ Phase 1: July 2017 ▪ Phase 2: July 2018 ▪ Phase 3: July 2019 	Completed Narrowing of the ranges will follow the 3 year phase-in schedule
4	Introduce a new TMG Achievement Program to replace the current performance management program for TMG	Communicated in October 2016 First used for the annual review in Spring 2017	Completed Announced in October 2016 for all TMG
5	Change the annual salary review process by introducing a merit matrix that better connects performance achievement level and position in the salary range to the merit awarded, while maintaining flexibility for managers	July 2017	Completed Introduced as part of the 2017 annual salary review
6	Introduce groupings of departments to better manage the merit pools	July 2016 salary review	Completed Pilot introduction in July 2016 Expanding for July 2017 and ongoing
7	Introduce a calibration process to promote consistency in application of the performance assessment and the allocation of rewards in the annual salary review	To be used for both the performance management and salary review processes	Completed Introduced as part of the July 2017 annual review
8	Introduce a new Performance Excellence Program for Bands F through M	Implementation targeted for July 2019 with first assessment in summer 2020	Design completed Pending approval of pilot introduction in tandem with the Variable Pay Plan program
9	Introduce a Variable Pay Plan program for TMG in Bands N through Q	Implementation targeted for July 2019 with first assessment in summer 2020	Design completed Pending approval of pilot introduction in tandem with the Performance Excellence program
10	Update the approach to maintain P60 relationship to market by amending the definition of comparable organizations <ul style="list-style-type: none"> ▪ Bands F-I: Local (Hamilton, Burlington and surrounding area) ▪ Bands J-M: Regional (Toronto, South Western Ontario, Hamilton) ▪ Bands N-Q: National (All Canada) 	July 2017	Completed
11	Introduce a Compensation Policy and revise the Salary Administration Guidelines	Summer 2019	In progress Approval required
12	Introduce a Pre-retirement Vacation Exchange Program for TMG	July 2017	Completed Program details announced in June 2018
13	Introduce Career Frameworks	Summer 2019	In progress
14	Refine the recognition program by introducing elements specific to TMG	February 2018	Completed Peer to Peer Recognition Program announced in March 2018
15	Explore with Sun Life the ability to provide employees in TMG who are not eligible for post-retirement benefits the option to purchase at retirement an individual benefit plan at preferred rates	Summer 2019	In progress Further discussion required

Job Evaluation			
Description		Target Implementation Timeline	Status and Notes
16	Adopt the standard Hay Guide Charts for Job Evaluation and Expanded Definitions	July 2016	Implemented September 2016 Tool for the Job Evaluation Committee
17	Define job families for TMG	July 2016	Completed Released October 2016
18	Review and update the selection of benchmark jobs	July 2016 and ongoing (collection of current job information will be underway)	In progress Selection of benchmarks completed Communication to managers of benchmark jobs in progress
19	Create job profiles by family which will serve as the backbone of evaluation system	July 2016 and ongoing	Completed Tool for the Job Evaluation Committee
20	Introduce a revised job description and related job posting	July 2016	Completed Released October 2016
21	Utilize generic job descriptions and posting information	Ongoing beginning in Summer 2017	Development of generic job descriptions and postings to begin
22	Introduce band descriptions	Summer 2019	In progress
23	Introduce title guidelines	Summer 2019	In progress
24	Create a job evaluation manual for members of TMG and their managers	July 2016	Completed Released October 2016

Communication and Education			
Description		Target Implementation Timeline	Status and Notes
25	Improve communications to members of TMG and their supervisors <ul style="list-style-type: none"> ▪ Create a highlight summary of the total rewards package ▪ Improve how we explain value by introducing Total Rewards Statements 	Fall 2017 (highlights summary) Fall 2019 (Total Rewards Statements) – subject to capability within Mosaic and BI	In progress
26	Create materials targeted to managers of TMG to promote better understanding and consistency of application of the TMG Total Rewards program elements	July 2016 and ongoing	In progress
27	Review and audit of implementation and application of program changes	July 2017 and ongoing	In progress
28	Amend letters to employees regarding their annual salary increase to reflect all increase adjustments	July 2016 July 2017 (additional updates)	Completed Further updates may be made in future

Other Considerations			
Description		Target Implementation Timeline	Status and Notes
29	Flexible benefits programs: The Sub-Committee agreed that the introduction of a Health Care Spending Account would be positively viewed by TMG and recommend that this be brought forward for future consideration	Not scheduled	Future consideration
30	Program design elements are intended to integrate with other related programs for TMG	Ongoing	Integration with other related programs is a constant consideration

Revised: April 2019