

# The TMG Total Compensation Plan Redesign Recommendations Implementation Status October 2016

<b>Legend:</b>
Pending
Requires approval
Completed

Total Compensation			
Description		Target Implementation Timeline	Status and Notes
1	Total Rewards philosophy for TMG	<ul style="list-style-type: none"> <li>January 2017</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>Approval required</li> </ul>
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"> <li>F to I</li> <li>J to M</li> <li>N to Q</li> </ul>	<ul style="list-style-type: none"> <li>January 2017</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Pending approval</li> </ul>
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	<ul style="list-style-type: none"> <li>Narrowing of the salary ranges will be completed using a phased approach               <ul style="list-style-type: none"> <li>Phase 1: January 2017</li> <li>Phase 2: November 2017</li> <li>Phase 3: November 2018</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Pending approval</li> </ul>
4	Introduce a new TMG Achievement Program to replace the current performance management program for TMG	<ul style="list-style-type: none"> <li>Communicated in October 2016</li> <li>To be used for the annual review in Spring 2017</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>To be released in October 2016 for all TMG with reminder to complete objective setting now</li> </ul>
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	<ul style="list-style-type: none"> <li>July 2017</li> </ul>	<ul style="list-style-type: none"> <li>Design completed</li> <li>To be introduced for the 2017 annual salary review</li> </ul>
6	Introduce groupings of departments to better manage the merit pools	<ul style="list-style-type: none"> <li>July 2016 salary review</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>Pilot introduction in July 2016</li> <li>Expand for July 2017</li> </ul>
7	Introduce a calibration process to promote consistency in application of the performance assessment and the allocation of rewards in the annual salary review	<ul style="list-style-type: none"> <li>To be used for both the performance management and salary review processes</li> </ul>	<ul style="list-style-type: none"> <li>Pending</li> <li>To be introduced in Spring 2017</li> </ul>
8	Introduce a new Performance Excellence Program for Bands F through M	<ul style="list-style-type: none"> <li>Due to 'performance pay envelope' restriction, will likely be held over until July 2018</li> </ul>	<ul style="list-style-type: none"> <li>Design completed</li> <li>To be submitted for approval in tandem with the Variable Pay Plan program</li> </ul>
9	Introduce a Variable Pay Plan program for TMG in Bands N through Q	<ul style="list-style-type: none"> <li>Due to 'performance pay envelope' restriction, will likely be held over until July 2018</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>To be submitted for approval in tandem with the Performance Excellence program</li> </ul>
10	Update the approach to maintain P60 relationship to market by amending the definition of comparable organizations <ul style="list-style-type: none"> <li>Bands F-I: Local (Hamilton, Burlington and surrounding area)</li> <li>Bands J-M: Regional (Toronto, South Western Ontario, Hamilton)</li> <li>Bands N-Q: National (All Canada)</li> </ul>	<ul style="list-style-type: none"> <li>July 2017</li> </ul>	<ul style="list-style-type: none"> <li>Draft completed</li> <li>Approval required</li> </ul>
11	Introduce a Compensation Policy and revise the Salary Administration Guidelines	<ul style="list-style-type: none"> <li>January 2017</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>Will require approval</li> </ul>
12	Introduce a Pre-retirement Vacation Exchange Program for TMG	<ul style="list-style-type: none"> <li>January 2017</li> </ul>	<ul style="list-style-type: none"> <li>Draft completed</li> <li>Approval required</li> </ul>
13	Introduce Career Frameworks	<ul style="list-style-type: none"> <li>November 2017</li> </ul>	<ul style="list-style-type: none"> <li>Work to begin in January 2017</li> </ul>
14	Refine the recognition program by introducing elements specific to TMG	<ul style="list-style-type: none"> <li>To be determined</li> <li>Tentative for November 2017</li> </ul>	<ul style="list-style-type: none"> <li>Not started</li> </ul>
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	<ul style="list-style-type: none"> <li>November 2017</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>Further discussion required</li> </ul>

Job Evaluation			
Description		Target Implementation Timeline	Status and Notes
16	Adopt the standard Hay Guide Charts for Job Evaluation and Expanded Definitions	<ul style="list-style-type: none"> <li>July 2016</li> </ul>	<ul style="list-style-type: none"> <li>Implemented September 2016</li> <li>Tool for the Job Evaluation Committee</li> </ul>
17	Define job families for TMG	<ul style="list-style-type: none"> <li>July 2016</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Released October 2016</li> </ul>
18	Review and update the selection of benchmark jobs	<ul style="list-style-type: none"> <li>July 2016 and ongoing (collection of current job information will be underway)</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>Selection of benchmarks completed</li> <li>Communication to managers of benchmark jobs scheduled for November</li> </ul>
19	Create job profiles by family which will serve as the backbone of evaluation system	<ul style="list-style-type: none"> <li>July 2016 and ongoing</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>Tool for the Job Evaluation Committee</li> </ul>
20	Introduce a revised job description and related job posting	<ul style="list-style-type: none"> <li>July 2016</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Released October 2016</li> </ul>
21	Utilize generic job descriptions and posting information	<ul style="list-style-type: none"> <li>Ongoing beginning in March 2017</li> </ul>	<ul style="list-style-type: none"> <li>Not started</li> <li>Development of generic job descriptions and postings to begin in November 2016</li> </ul>
22	Introduce band descriptions	<ul style="list-style-type: none"> <li>November 2016</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> </ul>
23	Introduce title guidelines	<ul style="list-style-type: none"> <li>November 2016</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> </ul>
24	Create a job evaluation manual for members of TMG and their managers	<ul style="list-style-type: none"> <li>July 2016</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Released October 2016</li> </ul>

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

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	<ul style="list-style-type: none"> <li>Not scheduled</li> </ul>	<ul style="list-style-type: none"> <li>Future consideration</li> </ul>
30	Program design elements are intended to integrate with other related programs for TMG	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Integration with other related programs is a constant consideration</li> </ul>