

## Summary of Proposed Future Vision for Human Resources (HR)

A Regional Human Resources service will provide all staff and management with consistent and efficient access to the full spectrum of high quality HR services. Building on the expertise and HR best practices that currently exist within the individual organizations, a high-functioning regional service will lead to the provision of additional services, access to regional experts and more robust metrics to monitor the effectiveness of HR programs. Hospitals will continue to have access to individualized HR strategic expertise to support their unique organizational culture and strategy. A regional HR service will further support the recruitment, retention and development of health and other professionals, ultimately leading to enhanced patient care delivered by a highly capable and supported workforce.

### **Summary of current state:**

Each of the participating organizations currently has different processes and structures supporting human resources. While there are cases where a specialized resource/expertise is shared between two organizations, it is not common practice. Policies and protocols are not standardized between hospitals and there is variation in the HR services provided to staff and management.

There is significant expertise in specific areas and examples of best practice HR service delivery in each of the hospitals. There is a strong desire to share this capability to create more consistent services, practices and support across the region.

While some of the hospitals use the same information technology (IT) system to support human resources, there are various systems in place across the region with a wide range of capabilities. The hospitals are running multiple IT systems to support learning, scheduling, payroll, occupational health, etc. Some processes are supported by manual systems or peripheral stand-alone tracking mechanisms, creating inefficient processes and workarounds within the individual organizations. Without a common and robust HRIS, current inefficiencies

will be perpetuated and opportunities to enhance workforce analytics and planning will be diminished.

### **Opportunities Considered**

During Phase 1, the HR Working Group had considered a lead agency model as a mechanism for the provision of various services. Over the course of Phase 2 it became apparent that delivering centralized HR services through a Shared Service Organization (SSO) would instead be the preferred model. This would allow for more efficient and equitable access to services and expertise across the region, although there may be opportunities for the SSO to contract with lead agencies in some cases. The SSO model would be augmented by senior HR expertise situated in each organizational structure to ensure HR support is available to support organizational strategic plans, culture and values.

Regional standardization will ensure utilization of best practices and provide a known approach for all sites. This, coupled with a robust regional HR strategy and monitoring, will allow hospitals to maximize the effectiveness of HR resources and expertise.

### **Working Group Process and Engagement**

Since October 2015, a group of HR leaders from the 7 SE LHIN hospitals have been meeting on a regular basis to explore the key priorities and opportunities for a regional HR service, building off the work done in Phase 1 of the Health Care Tomorrow – Hospital Services Project. Their mandate is to develop a business case to optimize a regionalized approach to Human Resources in the South East region.

The HR Working Group (WG) was comprised of a variety of people throughout the course of Phase 2. Members include/d:

- Scott MacInnes (lead) – Chief Human Resources Officer at Hotel Dieu Hospital and Perth and Smith Falls District Hospital;
- Sandra Carlton – Vice President, Mission, Values & People at Providence Care and, recently, Acting Vice President and Chief Human Resources Officer at Kingston General Hospital
- Jan Van Zyll de Jong – Director, Total Rewards & Workforce Planning, People

Services and Organizational Effectiveness at Kingston General Hospital;

- Peter Hass – Director, People Services at Brockville General Hospital
- Shari Sampson (now retired) – Lennox and Addington County General Hospital;
- Christina Detlor (new member) – HR Program Lead at Lennox and Addington County General Hospital;
- Breanne Ricketts-Gaber (new member) – Director, Human Resources & Occupational Health and Safety at Quinte Health Care;
- Indira Naraine (new member) – Director, Human Resources and Labour Relations at Providence Care
- Janine Schweitzer (new member) – Chief of Quality and Risk Management, Hotel Dieu Hospital

The Working Group held nine half-day focus groups, each focused on a different HR functional area. These sessions brought together a mix of over 50 front-line staff and management who were identified as content experts in one or more of the HR fields. These focus sessions ensured the Working Group understood the current state, best practices, future opportunities, benefits, risks and mitigation strategies, as identified by the experts in our region. In addition, feedback in two focus areas was gathered in written format. Many of the focus session attendees were brought back together for a meeting in early March, 2016 to receive an update on the business case development and provide further input.

In addition to these sessions, an overall engagement plan for Phase 2 of the Health Care Tomorrow – Hospital Services project created opportunities for the Working Group to gather meaningful input from all stakeholders between October 2015 and May 2016. This engagement included two surveys for staff from across the region and face-to-face meetings with HR professionals, management representatives, and front-line staff. The input compiled from these engagement activities was discussed at Working Group meetings in order to inform the on-going development of the business case.

The Working Group has also, in addition to ten working group meetings, has held a full-day work day and has another one planned for June.

## Summary of the Analysis Undertaken

The following analysis has occurred on the work-to-date:

- A data template outlining current FTEs and costs was created by the data team and completed for each organization by the members of the HR group. This template allowed the members to make informed decisions about future state, giving particular consideration to what was possible regarding the establishment of more specialized services based on existing resources throughout the region.
- The HR Working Group has engaged with SAP (a business systems software supplier), completing a survey around the current utilization of technologies, volumes, etc. This, along with an SAP visioning day, helped to inform the HR team as to what they needed from a regional HRIS and, to some extent, what SAP could provide. A future session is planned for June 9, 2016.
- Literature reviews have been carried out by the Working Group to help inform them on best practice models and service levels in other jurisdictions and industries.
- KPMG data from Phase 1 was referred to and checked in order to complete the current state data templates, as well as in the review of HR work volumes.

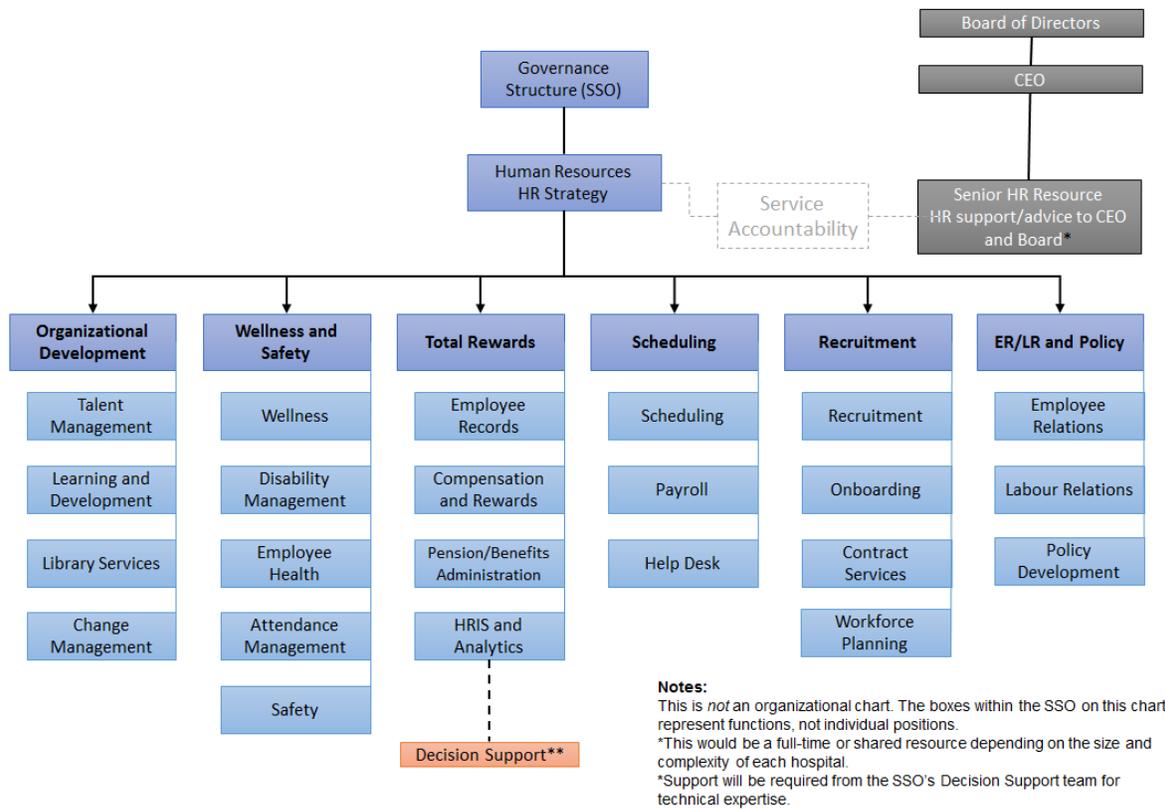
As the HR Working Group moves to finalize its business case along with other Wave 2 streams, it is anticipated that the following analysis will also occur:

- The Working Group is studying data on non-FTE costs related to HR services as there may be efficiency opportunities in bringing contracted services (such as bringing labour arbitration services in-house once an SSO is in place).
- The Working Group is also in the process of gathering human resources staffing level comparator information from Ontario hospitals of a similar size to the total staffing complement within the SELHIN hospitals.

- The data team has established a 'vision state' template for other work streams within this project. The HR Working Group will complete this template in the coming weeks and analyze what the proposed model might look like from an FTE and cost/savings point of view.
- The WG will have a second demonstration session with SAP in June to provide a better understanding of the full range of functionality and services available through SAP. This session will help to firm up the model that the HR Working Group has built by confirming assumptions around the following: what services can be efficiently delivered through SAP; the functionality of the platform; what HR functions would continue to need a separate technology solution; and what (if any) functions would remain largely manual.
- To help verify the model the Working Group is proposing, case studies will need to be reviewed from jurisdictions where HR regionalization has occurred. This may involve a consultative component, where possible.

### **Summary of the proposed future state**

The HR Working Group envisions a standardized approach to the delivery of the full range of HR services through a regional Shared Service Organization (SSO). Each hospital would also be supported by a senior HR resource to provide strategic-level HR advice to the CEO and Board in support of the organization's unique culture, values and strategic priorities. The structure of this resource would depend on the size and complexity of the organization, but it will remain within the organizational structure of each hospital.



While the HR Working Group continues to meet to fully develop the future state, we are envisioning the regional service for Human Resources would have the following characteristics:

- Strategic regional leadership, plus the ability for each organization to access individualized strategic-level advice and support.
- Standardized policies and procedures based on best practices across all the HR functions, while also recognizing there will be cases where delivery of certain programs/services need to be nuanced to meet each organizations' values, culture and strategic priorities. For example, recruitment and orientation will follow a consistent approach, but the actual content and messaging will be customized for each organization.
- A common HRIS, with enhanced automation of HR functions and electronic employee records wherever possible.

- HR practices that support the development of learning organizations, with fair access to opportunities for staff to enhance their capacity and leadership capabilities.
- Programs with a focus on wellness that support the health and safety of all staff, provided by a centralized inter-professional team of occupational health and safety experts. On-site health and safety support would be scheduled to meet the needs of each organization, with standardized policies and procedures and shared access to specialized equipment (e.g., mask fit testing equipment).
- Region-wide recruitment practices that support the successful recruitment, onboarding and retention of qualified staff. Managers would be provided with training and tools to ensure fair interviewing and selection practices. Interviewing support from an HR professional would be provided according to an agreed upon framework.
- Region-wide, longer-term human resource planning to better anticipate and address future staffing needs.
- A common staffing and scheduling team, supported by an electronic scheduling system to ensure adherence to collective agreements.
- Standardization in Employee Relations/Labour Relations/Policy development: tools, processes, bargaining and dispute resolution, with strong relationships maintained between individual organizations and their union partners. There would be reduced reliance on outsourced expertise and legal counsel.
- An HR Help Desk model for all staff and management to efficiently ask questions and access HR services through a single entry-point. This would be combined with enhanced self-service capabilities and more web-based employee forms/tools.

### **Key benefits of proposed future state**

#### Improved patient experience:

- A regional model of HR that is learning-focused and supports employees to enhance their capacity and knowledge will increase the quality of care delivered to patients.

Improve staff services, experience and satisfaction: Enhanced opportunities for learning and professional development across the region;

- Increased access to HR support, advice and services;
- Improved employee wellness and occupational health programs;
- Increase employees' ability to transition easily from one organization to another.

Reduce duplication and standardize processes across the region where possible:

- More efficient use of existing HR resources by reducing current duplication across seven organizations;
- Common and consistent access to best practice-based HR resources and tools, including more specialized services;
- Standardized policies and processes providing consistency and continuity for management, staff and union partners. This frees up management time to devote to other priorities;
- Access to better performance metrics to assess the timeliness, effectiveness and efficiency of HR services.

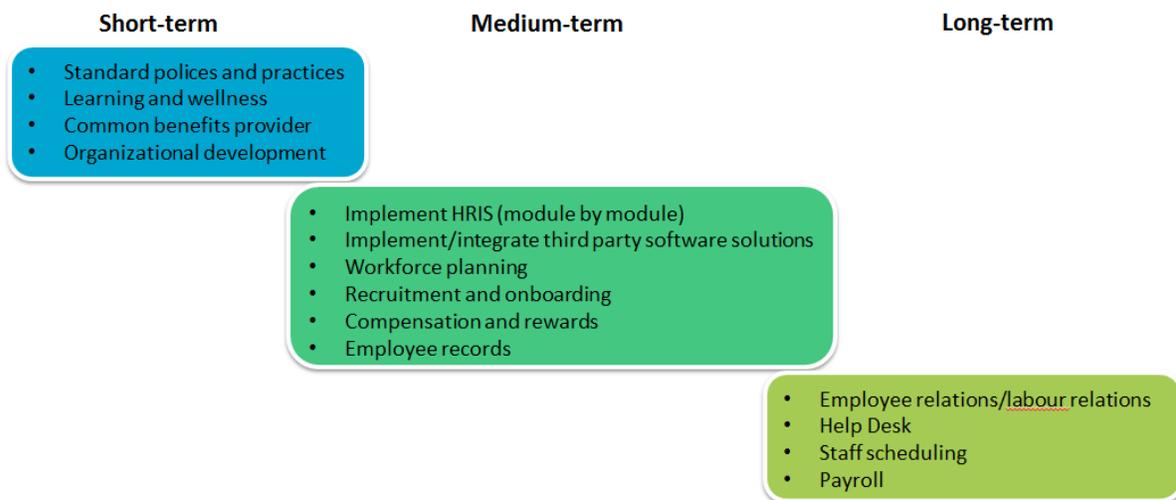
**Key Risks**

Risk	Example	Mitigation
Increased Costs	<ul style="list-style-type: none"> <li>• Implementation costs for a common HRIS system, electronic employee records</li> </ul>	<ul style="list-style-type: none"> <li>• Phased implementation for the HCT-HS Project as a whole is required to keep costs in-line with projections and available resources</li> </ul>
Impact to Culture	<ul style="list-style-type: none"> <li>• Lack of on-site presence may reduce the cultural sensitivity of centralized SSO member providing HR services</li> </ul>	<ul style="list-style-type: none"> <li>• Centralized, regional services can be provided from a multitude of locations, including individual hospitals. On-site presence where necessary</li> </ul>
Confidentiality Issues	<ul style="list-style-type: none"> <li>• The need to share personnel information may pose a challenge to centralization</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate legal consultation moving into Phase 3</li> </ul>
Job Marketability	<ul style="list-style-type: none"> <li>• Ability to continue to recruit HR professionals with the unique skill sets required within the SSO model</li> </ul>	<ul style="list-style-type: none"> <li>• Create job classifications that are consistent with, or vary slightly from, current job market skill-sets.</li> </ul>
Decline in Customer Service	<ul style="list-style-type: none"> <li>• Loss of face-to-face interactions</li> </ul>	<ul style="list-style-type: none"> <li>• Phased approach with incremental, transactional changes, to enhance up-front buy-in</li> <li>• Appropriate change management strategy, particularly for managers and leaders. On-site presence where necessary</li> </ul>

## Anticipated Phasing

The HR Working Group needs to spend more time discussing potential phasing for the implementation of the regional model. A better understanding of the capabilities of SAP and the implementation timing of the shared IT platform is necessary to facilitate this discussion.

Based on recommendations contained in the Phase 1 Report, and an initial discussion of the HR Working Group, the implementation phasing could be as illustrated below. In addition to the need for the common IT platform, the implementation of the regional HR model would require a full HR Labour Strategy and significant Project Management and Change Management Support.



## Approach to Human Resources in the Business Case

Through SECHEP, each hospital has endorsed a set of guiding human resources principles that will influence the development of the business case. These principles include, but are not limited to:

- Treat all impacted people across the region in a fair and respectful manner with transparent processes.
- Manage any potential transitions to ensure the least amount of disruption to patient/client service.
- Promote the retention of key skills and competencies.