

UNDERTAKING JT1.14

Undertaking

To determine whether 2005 relativity study should be produced.

Response

Attached is information from the requested study that OPG believes addresses the facts asserted in the pre-filed evidence.

JT1.14 Attachment 1

The purpose of this document is to provide information about the issues related to a problem attracting staff to Band H Manager roles and its linkage to a compensation structure issue between Society-represented staff and Management Group.

1. Issue to be Addressed

The primary issue at hand is the inability to attract and retain internal candidates to the Band H role.

In Nuclear there are currently 47 out of 293 Band H roles filled by external contractors or Society-represented employees stepped-up to the position on an interim basis. Another 36 Band H roles are currently vacant. The analysis of the underlying causes points to the following:

- The Band H compensation structure is not sufficiently differentiated from the FLM Society-represented supervisory position resulting in an inability to attract the best candidates. In a number of cases, no internal candidate will accept the promotion.
- Society-represented positions in project, work control and outage management (expert technical roles) involving no supervision have equivalent or better compensation. These are being filled by good managerial candidates.

The issue cannot be addressed within the current compensation structure for Band H. Moreover, the existing Band H Section Managers, while remaining engaged, continue to express concern with the continuing situation.

In Electricity Production the issues are similar in nature although the volume is not as large. OPG will undertake to study the situation within the Fossil environment including the impact of the coal plant closure issue.

2. Background

The Band H management position is one of the first level Manager positions in the organization. Band H is the key leadership position overseeing Society and PWU-represented employees.

A similar position to the Band H Manager exists at the MP6 Society-represented level. The MP6 is also a first level manager in the organization but directly supervises fewer employees and therefore has a reduced span of control.

Band H employees generally report to Band G employees. Changes to Band H may also impact on relativities between these two bands and therefore solutions must consider Band G in addition to Band H.

1 The pay compression and attraction issues have been building over the past 5
2 years. The situation has been exacerbated recently by the need for OPG to
3 report earnings above \$100K as part of the Public Services Salary Disclosure
4 Act. The problem has also been compounded by recent reductions to the AIP
5 program for Management Group employees.
6

7 There is no comprehensive short term fix for these problems. Management
8 would like to apply a substantive solution immediately that has minimal
9 organizational impacts.