UNDERTAKING JT3.9

Undertaking

TO IDENTIFY A POINT IN TIME WHEN THE NEW TALENT SEGMENTATION STRUCTURE CAME INTO EFFECT AND PROVIDE THE NUMBER OF MONTHLY MANAGEMENT VACANCIES AND THE PERCENTAGE OF MANAGEMENT VACANCIES BEFORE AND AFTER THAT CHANGE.

Response

OPG seeks to manage labour costs effectively while ensuring its total compensation positions competitively relative to its target market.[1] As discussed at Ex. F4-3-1, p. 23-24, OPG's former approach to segmentation and applicable compensation structure created certain barriers for OPG's broader talent strategy in support of its work programs and business objectives through a period of significant transformation. These barriers included limiting management's ability to implement desired development and succession strategies for existing talent and encouraging movement across business units and management positions. To address these barriers and ensure better alignment of the compensation programs with transitioning work programs and business objectives, OPG revised its approach to segmentation, which will help to develop and promote talent from within the organization, and support external talent recruitment where required (Ex. L-F4-03-Staff-285, part a)). With the revised management salary structure, the Standard segment base salary by band falls between the previous General Industry and Utility ranges (with the minimum of the band being slightly above General Industry, and maximum of the band slightly below Utility).[2]

The revised compensation structure was effective January 1, 2021.

Chart 1 below provides total OPG regular vacancies for management roles posted during each month from January 1, 2020 to April 30, 2021. Internal movements of management staff through succession planning are excluded from this information as they are not captured as vacancies.

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[1] OPG's target market positioning for purposes of talent attraction and retention continues to be the mid-point (50th percentile) for positions in the Standard segment, and 75th percentile for the Nuclear Authorized segment, with the exception of Nuclear Authorized executive positions which continue to be benchmarked at the 50th percentile.
[2] The Nuclear Authorized compensation structure remains unchanged.

Chart 1

OPG Regular Vacancies	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21
Management[3]	12	10	8	6	11	12	2	4	3	5	10	9	13	11	19	12
% of Total MG	1%	1%	1%	<1%	1%	1%	<1%	<1%	<1%	<1%	1%	1%	1%	1%	2%	1%

[3]Vacancies are defined as approved individual positions and maybe posted both internally and externally. They may not all translate to hiring, as some of the vacancies may subsequently be cancelled. This does not include positions that were filled through succession planning, and certain senior leadership roles that were sourced by targeted external recruitment.