

# City of London Internal Audit

## Recruitment and Selection Audit – Final Report

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## 1.0 BACKGROUND

The City of London (“CoL” or “City”) is a rapidly growing municipality with a population of approximately 422,000 (as of 2021) providing various community support services to residents including neighborhood support programs, infrastructure services, recreational amenities, and cultural facilities. In February 2022, the City was cited as the fastest growing city in Ontario and the fourth fastest growing city in Canada.

The City is focused on the continuous improvement of its operating efficiency, effectiveness, and transparency for the benefit of its residents. As the nature of the City’s work consistency to evolves, it continues to manage several key risks. One of these key risks is related to ensuring the City is an equitable and inclusive employer of choice that can attract and retain a talented workforce to deliver on Council’s strategic direction, community expectations and operational requirements in a competitive workforce market. The importance of effective, efficient and discrimination free recruitment and selection procedures is a key strategic objective for the City.

There are a number of complex challenges that HR functions within organizations need to address post-pandemic because of the changing expectations of the workforce and external applicants. These include but are not limited to increased expectations from candidates such as the ability to work remotely, increased compensation, career management support and workplace flexibility. Internally, organizations are experiencing challenges due to early or deferred retirements, accelerated desire for career mobility and digitization of people processes and systems, all of which require innovative strategies and advancement of existing tools. Given all these pressures and evolving challenges, it is an excellent time to review approaches to recruitment and selection, to better position organizations with an employment brand and work environment that attracts diverse and talented applicants while creating a positive employee experience.

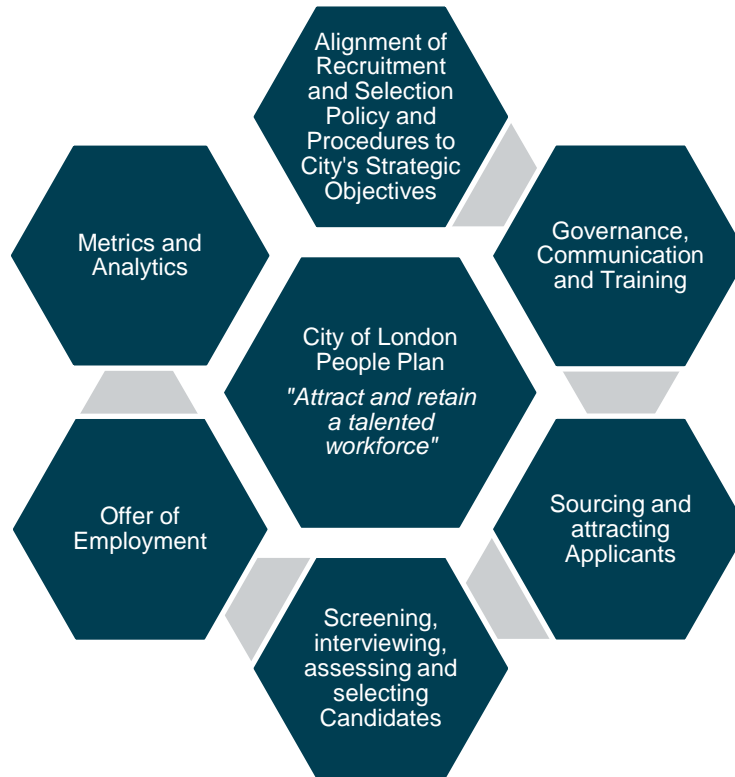
The City’s People Services team and functions continue their transformation fuelled by a dynamic post-COVID job market and organizational restructuring. This includes but is not limited to the modernization of key People Services functions and the establishment of an Anti-Racism and Anti-Oppression (“ARAO”) function. Furthermore, there are various People Services and ARAO initiatives in progress and planned for 2023-2024, which are focused on the continuous improvement and alignment of people processes, programs, and systems with the City’s business priorities and strategic initiatives.

With this awareness and in accordance with the City’s FY2022 internal audit plan, an audit was performed to review the recruitment & selection processes, with ARAO lens, to help evaluate if these processes are effective in supporting the City to source, attract and select a diverse and talented workforce that can execute on the delivery of quality services to City residents.

## 2.0 OBJECTIVE AND SCOPE

The objective of this audit was to review the Recruitment and Selection Procedures at the City, with an ARAO lens, to assess if the organization is well positioned to support strategic objectives that contribute to the attraction and retention of a talented workforce using processes, tools and systems which are both barrier and discrimination free. The Recruitment and Selection Framework below identifies the key components which were reviewed as part of this audit.

## RECRUITMENT AND SELECTION FRAMEWORK



Specifically, the audit followed a structured approach to review the recruitment and selection procedure with an ARAO lens.

1. An evaluation of the City's sourcing and recruitment policies, procedures, and processes to help assess if the City has the methods to attract talent to deliver on the Council's strategic direction, community expectations and operational requirements and to ensure effective ARAO processes have been embedded within the sourcing and recruitment process in order for the City to support its equity, diversity, and inclusivity objectives.
2. Identification of leading practices to support the City with the development and implementation of a modernized succession management program.

**Scope Exclusion:** It was agreed with the City that, for the purposes of this audit, the recruitment and selection process ends once an employment offer is accepted by a candidate. Therefore, onboarding, performance management and termination documentation were not reviewed as a part of this audit.

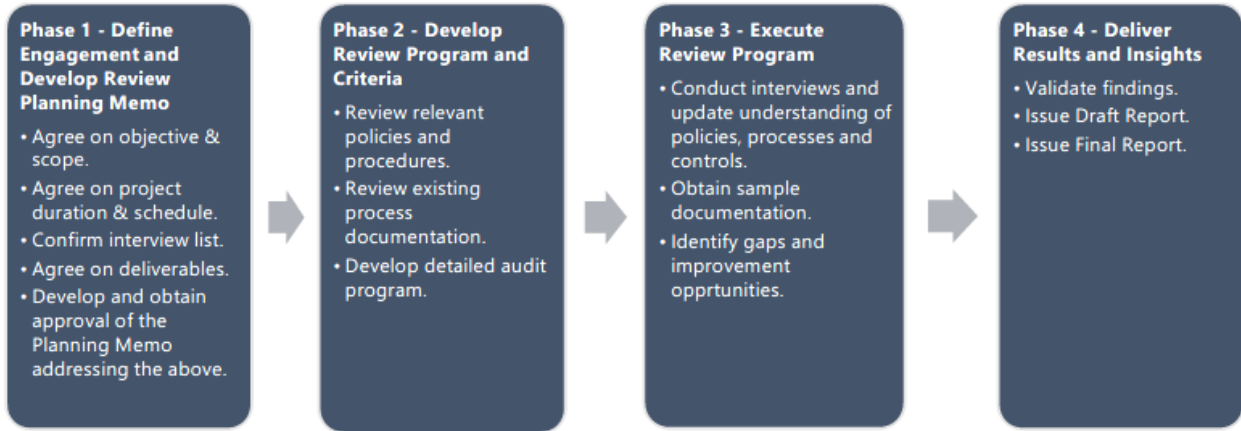
### 3.0 RISKS

Given the stated objectives, listed below are the key inherent risks considered in the planning of this Recruitment and Selection Audit:

Recruitment and Selection Framework	Risk(s)
Alignment of Recruitment and Selection Policy and Procedures to the City's Strategic Objectives and ARAO Framework	<ul style="list-style-type: none"> <li>Without an aligned, common, and consistent set of terms, there could be confusion and misunderstanding among leaders and staff as to the meaning, purpose, and intent of the words related to diversity, equity, and inclusion.</li> </ul>
Governance, Communication and Training	<ul style="list-style-type: none"> <li>Without clear accountability and decision rights, there could be misaligned efforts, lack of understanding as well as risk of discrimination, bias, and Human Rights liabilities.</li> </ul>
Sourcing and Attracting Applicants	<ul style="list-style-type: none"> <li>Without identification of effective sourcing channels which attract diverse applicants, the City's goal of a diverse and talented workforce will not be achieved and there is the potential for misdirected budget and resources.</li> <li>Without an articulated commitment to equity and inclusion, applicants may not understand or be aware of the City's strong commitment to diversity, equity, and inclusion.</li> <li>Without an articulated employee value proposition, applicants may not know or understand the City's total rewards and may not be inclined to apply.</li> </ul>
Screen, Interviewing, Assessing and Selecting Candidates	<ul style="list-style-type: none"> <li>Without a cadence for reviewing and assessing whether tests measure required skills, there is potential to unintentionally create barriers for external candidates or hire underqualified candidates.</li> <li>Without a formal job evaluation to determine if a police record check is a requirement, there is the potential to create an application barrier for some candidates.</li> </ul>
Offer of Employment	<ul style="list-style-type: none"> <li>Without clear controls to govern the review and communication of this important document, which directs an employment relationship, Managers may not be aligned with conditions of employment which could impede the success of the employee/employer relationship.</li> </ul>
Metrics and Analytics	<ul style="list-style-type: none"> <li>Without the ability to identify effective and efficient ways to source required and diverse talent, the City may not attract desired candidates and could fail to meet its equity and inclusion strategic objectives.</li> </ul>

## 4.0 APPROACH

In accordance with MNP’s Internal Audit methodology, the high-level work plan for the audit included the following phases:



## 5.0 ACKNOWLEDGEMENT OF INITIATIVES

People Services continues its focus on the modernization, standardization and continuous improvement of the Recruitment and Selection Procedure, processes, tools, and systems. These initiatives include ongoing discussions with ARAO to ensure an equitable, inclusive, and fair approach to sourcing, attracting, assessing, and selecting a diverse and talented workforce. They are committed to proactive strategies that reflect a dynamic labour market, both internally and externally.

The table below outlines a sample of the key initiatives that have been completed to date and some of the work in progress for the upcoming few years. These initiatives are aligned with the key strategic initiatives of the City.

City of London Completed Initiatives	City of London In Progress Initiatives
<p><b><u>Development of People Plan</u></b></p> <p>The City has developed a People Plan which informs the tools, programs and the infrastructure needed to create a respectful, inclusive, and collaborative organization that can attract, and retain a talented workforce. It also identifies the priorities and initiatives that will help shape the City’s workplace for years to come.</p>	<p><b><u>Digitization of Recruitment and Selection</u></b></p> <p>SAP Success Factors Recruiting Module will be implemented by October 2023. Success Factors is an innovative digital solution designed to increase efficiency and effectiveness through automation, standardization, and modernization of people processes. The system functionalities will enable real-time tracking and reporting of hiring and selection metrics as well as data analytics to inform workforce planning at an organizational level.</p>

<p style="text-align: center;"><b>City of London Completed Initiatives</b></p>	<p style="text-align: center;"><b>City of London In Progress Initiatives</b></p>
<p><b>Review and Updating of Recruitment &amp; Selection Procedure – First Step</b></p> <p>People Services collaborated with Anti-Racism and Anti-Oppression (“ARAO”) team members to review the content and language of the Recruitment and Selection Procedure to better align with the City’s ARAO Framework and Equity Outcome tool.</p> <p>An output document was generated which identifies the areas for continuous improvement which will be used by People Services to guide revisions to the Recruitment and Selection Procedure, process, and tools.</p>	<p><b>Review and Updating of Recruitment &amp; Selection Procedure – Work in Progress</b></p> <p>People Services are addressing various aspect of the recruitment and selection process and tools which include but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• Providing candidates with interview questions in advance so they can prepare.</li> <li>• Revamping the application process to include applicant self-identification.</li> <li>• Reviewing the requirement for police checks.</li> <li>• Reviewing job-related tests and other requirements to ensure they are bona fide.</li> <li>• Increasing participation in sourcing strategies to increase attraction of diverse applicants.</li> <li>• Enhancing the City’s social media presence.</li> </ul>
<p><b><u>Establishment of Anti-Racism and Anti-Oppression (ARAO) Function</u></b></p> <p>We noted the City’s strong support of and commitment to Anti-Racism and Anti-Oppression (“ARAO”). An ARAO division, reporting to the City Manager, was established in 2021.</p> <p>An Anti-Racism and Anti-Oppression Framework with an Equity Tool has been developed to support the assessment of City policies, procedures, processes, and programs.</p>	<p><b><u>Equity and Inclusion Survey</u></b></p> <p>The ARAO function will use the results of the City’s most recent Equity and Inclusion Survey to inform the development of an Equity and Inclusion Action Plan. The survey results will be used to create a baseline set of metrics which will be used to assess progress and opportunities for continuous improvement.</p>
<p><b><u>Bias Awareness Training for Managers</u></b></p> <p>This training was developed and implemented to ensure Hiring Managers have awareness and skills to conduct effective, non-biased interviews with applicants. This training program continues to be offered twice a month and is mandatory for Hiring Managers to complete prior to interviewing applicants.</p>	<p><b><u>Equity and Inclusion Survey Data</u></b></p> <p>The insights of this survey which is distributed to all City employees will be used to inform any required updates to the recruitment and selection procedure, process, roles, and responsibilities, tools &amp; systems. This data will also be used to create a baseline measure for setting future goals and initiatives to support the City’s equity and inclusion objectives.</p>

## 6.0 SUMMARY OF OBSERVATIONS

Based on our review, the City recognizes the importance of ensuring recruitment and selection processes, tools and systems are efficient, effective, equitable and inclusive to attract and retain a diverse, talented workforce. As noted above, there are various initiatives that have been completed, are in progress and are planned. However, we note there are also some opportunities for continuous improvement.

The following table presents a summary of observations identified, recommendations, and their respective risk rating based on the rating scale identified in **Appendix B**. These observations and recommendations were discussed with the City's Management responsible for the respective control area. Management has agreed with the observations and provided action plans to address the recommendations. A full list of the observations identified, and the detailed associated recommendations and management action plans are included in **Section 7.0** of this report.

Ref.	Recruitment and Selection Key Component	Finding	Risk Rating
7.1	Alignment of Recruitment and Selection Policy and Procedures to City's Strategic Objectives and ARAO Framework	<p><b>Observation</b></p> <p>During our review of the hiring policy and related procedures, it was noted the City uses a variety of different terms, within each document, to refer to barrier-free, bias-free, equity, inclusion, diversity, anti-racism and anti-oppression.</p> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>Align the language and terms of the hiring policies and the recruitment and selection procedures to the ARAO Framework.</li> </ul>	Low
7.2	Sourcing and attracting Applicants	<p><b>Observations</b></p> <ul style="list-style-type: none"> <li>Online job postings, social media, and the City's Website, do not explicitly communicate the following: <ul style="list-style-type: none"> <li>The City's visible commitment to equity and inclusion as a leading Employer in Public Service in language that is aligned with the City's current ARAO terms.</li> <li>The City's employee value proposition or total rewards.</li> </ul> </li> </ul> <p><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>Communicate the City's commitment to equity and inclusion and employee value proposition in all job postings and on social media.</li> </ul>	Medium



Ref.	Recruitment and Selection Key Component	Finding	Risk Rating
7.3	Screening, interviewing, assessing, and selecting Candidates	<p><b>Observation</b></p> <ul style="list-style-type: none"> <li>Skill-based testing where required is administered to employees and external candidates. However, tests do not have a review date to ensure they are current and measure the essential job skills and knowledge required to ensure tests are barrier and bias free.</li> </ul> <p><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>Conduct a review of each skill-based test to ensure it measures essential job requirements and ensure all tests are barrier and bias free in accordance with the City's ARAO Framework.</li> </ul> <hr/> <p><b>Observation</b></p> <ul style="list-style-type: none"> <li>The City has a blanket policy of requiring a police record check from a final candidate who is expected to assume the financial cost undertaking this check. This practice can create application barriers for some candidates and there may be roles within the City that do not require a police check as an essential job requirement.</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>As a position becomes vacant, conduct a job evaluation to assess whether a police check is an essential job requirement and whether all stated job requirements are essential, barrier and bias free in accordance with the City's ARAO framework.</li> </ul>	<p><b>Low</b></p> <hr/> <p><b>Medium</b></p>
7.4	Offer of Employment	<p><b>Observation</b></p> <ul style="list-style-type: none"> <li>We note the Recruitment and Selection Procedure does not state whether Hiring Managers need to review and sign off on the verbal and written employment offer prior to its extension, to the final candidate.</li> </ul> <p><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>Clearly state the role of the Hiring Manager in the Recruitment and Selection Procedure with respect to</li> </ul>	<p><b>Low</b></p>

Ref.	Recruitment and Selection Key Component	Finding	Risk Rating
		review and sign off on the verbal and written employment offer, prior to extension to the candidate.	
7.5	Metrics and Analytics	<p><b>Observation</b></p> <ul style="list-style-type: none"> <li>TalentLink does not have the functionality to identify the effectiveness of sourcing strategies to track the diversity of applicants.</li> </ul> <p><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>Ensure the sourcing strategy functionality, which tracks and reports on the diversity of applicants, is enabled in the new HRIS.</li> </ul>	Low

### 6.1 ACKNOWLEDGEMENT OF COOPERATION AND EFFORTS

Internal Audit would like to express our appreciation for the cooperation and efforts made by the People Services and Anti-Racism and Anti-Oppression Teams as well as the business leaders who shared their relevant insights and experiences. Their contributions assisted in ensuring a successful audit.

### 6.2 LIMITATIONS AND RESTRICTIONS

This report is intended solely for the information and use of the City of London and should not be distributed to third parties without MNP’s prior written consent. Any use that a third party makes of this report, and any reliance or decisions made based on it, are the responsibility of such third party. MNP accepts no liability or responsibility for any loss or damages suffered by any third party because of decisions made or actions taken based on this report.

## 7.0 DETAILED OBSERVATIONS AND RECOMMENDATIONS

7.1 Alignment of Recruitment and Selection Policy and Procedures to City's Strategic Objectives and ARAO Framework		Audit Rating: Low
Observation	Recommendation	Management Response
<p><b>Observation:</b></p> <p>The City has documented both a Hiring of Employees Policy and Recruitment and Selection Procedure which align with the City's Strategic Objectives to "attract and retain a talented workforce" as well as "increase diversity of the City's workforce". These important documents govern the City's approach to building a culture of equity and inclusion and are reviewed every two years to ensure necessary updates are completed and then communicated within the organization to ensure consistent, equitable and fair administration.</p> <p>During our review of the hiring policy and recruitment and selection procedures, it was noted the City uses a variety of different terms, within each specific document, to refer to barrier-free, bias-free, equity, inclusion, diversity, anti-racism and anti-oppression.</p> <p><b>Risk:</b></p> <p>Without an aligned, common, and consistent set of terms, there could be confusion and misunderstanding among leaders and staff as to the meaning, purpose, and intent of the words related to diversity, equity, and inclusion.</p>	<p>Management should consider:</p> <ul style="list-style-type: none"> <li>Aligning the language and terms of the hiring policies and the recruitment and selection procedures to the City's ARAO Framework.</li> </ul>	<p>Civic Administration concurs with this recommendation. Work to align terms in People Services documents is progressing with a completion date of Q2 2024.</p>
<b>Responsibility</b>	Lisa Workman, Municipal Policy Specialist	
<b>Target Date</b>	Q2 2024	

7.2 Sourcing and attracting Applicants		Audit Rating: Medium
Observation	Recommendation	Management Response
<p><b>Observation:</b></p> <p>Sourcing and attracting diverse and talented applicants has become more challenging after the pandemic and expectations of candidates are increasing. Understanding the most effective sources to recruit diverse talent and adopting a “marketing” approach to attraction, by selling the City as an Employer of Choice, will help increase the number of applicants and reducing the “time to fill” vacant positions.</p> <p>It was observed through reviewing online job postings, social media, and the City’s Website, that there is no explicit communication of the City’s visible commitment to equity and inclusion, as a leading employer in language that is aligned with the City’s current ARAO terms and of the City’s employee value proposition or total rewards.</p> <p><b>Risks</b></p> <p>Without an articulated commitment to equity and inclusion, applicants may not understand or be aware of the City’s strong commitment to diversity, equity, and inclusion.</p> <p>Without an articulated employee value proposition, applicants may not know or understand the City’s overall competitive total rewards and may not be inclined to apply.</p>	<p>Management should consider:</p> <ul style="list-style-type: none"> <li>• Articulating and promoting the City’s commitment to equity and inclusion, front and center on all job postings.</li> <li>• Communicating in detail the City’s compelling employee value proposition in all job postings, on social media and the City’s website including: <ul style="list-style-type: none"> <li>i. Well-being and safety initiatives</li> <li>ii. Vacation, sick days, and flex time</li> <li>iii. Pension and health benefits</li> <li>iv. Professional development programs</li> <li>v. Internal mobility opportunities</li> <li>vi. Career management</li> <li>vii. Employee recognition</li> <li>viii. Promotion of the City as a beautiful place to live</li> </ul> </li> </ul>	<p>Civic Administration concurs with this recommendation.</p> <p>People Services will develop the value proposition for working at the City of London and work with Strategic Communications on how best to promote this within our recruitment processes with full implementation targeted for Q1 2024.</p>
<b>Responsibility</b>	<b>Moira Barnes, Manager, Employee Relations &amp; Recruitment</b>	
<b>Target Date</b>	<b>Q2 2024</b>	

7.3 Screening, Interviewing, Assessing, and Selecting Candidates		Audit Rating: Low
Observation	Recommendation	Management Response
<p><b>Observation</b></p> <p>As one input to the selection decision, the City administers job-based skill testing to external applicants to assess their level of proficiency for essential job requirements.</p> <p>However, it was noted that tests did not have a “revision or review” date to ensure they are current and measure the essential job skills and knowledge required to ensure they are barrier and bias free.</p> <p><b>Risks</b></p> <p>Without a cadence for reviewing and assessing whether tests measure required skills, there is potential to unintentionally create barriers for internal/external candidates or hire underqualified candidates.</p>	<p>Management should consider:</p> <ul style="list-style-type: none"> <li>• Conducting a review of each skill-based test to ensure it measures essential job requirements and ensure the test is barrier and bias free in accordance with the City’s ARAO Framework.</li> <li>• Documenting and tracking the review date of the test and reviewer name.</li> <li>• Updating the Recruitment and Selection procedure to reflect this practice and the cadence.</li> </ul>	<p>Civic Administration concurs with this recommendation.</p> <p>Beginning immediately, these improvements will be implemented as vacancies prompt the use of various tests. Civic Administration will report progress on a semi-annual basis.</p>
<b>Responsibility</b>	<b>Moira Barnes, Manager, Employee Relations &amp; Recruitment</b>	
<b>Target Date</b>	<b>Semi-Annual</b>	

7.4 Screening, Interviewing, Assessing, and Selecting Candidates		Audit Rating: Medium
Observation	Recommendation	Management Response
<p><b>Observation</b></p> <p>Any type of organizational “blanket policy” can unintentionally create barriers or bias in the recruitment and selection policy for some candidates. The City has a blanket policy of requiring a police record check from a final candidate who is also expected to bear the financial cost of undertaking the police check.</p>	<p>Management should consider:</p> <ul style="list-style-type: none"> <li>• As a position becomes vacant, conducting a formal job evaluation to assess whether a police check is an essential requirement and whether all the stated job requirements are essential, barrier and bias free in accordance with the ARAO framework.</li> </ul>	<p>Civic Administration concurs with this recommendation. Civic Administration will undertake a review, including looking at municipal comparators, barriers and financial costs, etc., aiming to have a new procedure in place by end of Q4 2023.</p>

7.4 Screening, Interviewing, Assessing, and Selecting Candidates		Audit Rating: Medium
Observation	Recommendation	Management Response
<p>It was noted that these practices can create barriers for some candidates and there may be roles within the City that do not require a police check as an essential job requirement.</p> <p><b>Risk</b></p> <p>Without a formal job evaluation to determine if a police record check is a requirement, there is the potential to create a barrier for some candidates.</p>	<ul style="list-style-type: none"> <li>Where a police record check is required, consider reimbursement to the candidate for the expense incurred for the police check to reduce the potential financial barrier. Also, ensure this is part of the job posting criteria, so applicants are aware early on of this requirement.</li> <li>Where required or practical obtaining legal advice and guidance from an employment lawyer to better understand how to incorporate specific assessment criteria into the job evaluation system to ensure Human Rights implications and risks of mandatory police checks are better understood.</li> </ul>	

7.5 Offer of Employment		Audit Rating: Low
Observation	Recommendation	Management Response
<p><b>Observation</b></p> <p>The Offer of Employment is a foundational document that governs the employment relationship and outlines the essential elements of the role including but not limited to annual compensation, job title, start date, probationary review terms, benefits, non-disclosure, and non-competition. Hiring Managers typically know and sign off on the contents of the offer as they are accountable for</p>	<p>Management should consider:</p> <ul style="list-style-type: none"> <li>Clearly stating the role of the Hiring Manager in the Recruitment and Selection Procedure with respect to review and sign off on the verbal and written employment offer, prior to the offer extension to the candidate.</li> </ul>	<p>Civic Administration concurs with this recommendation. This change to the Recruitment and Selection procedure will be implemented by Q3 2023.</p>

7.5 Offer of loyment		Audit Rating: Low
Observation	Recommendation	Management Response
<p>managing th day -to-day relationship with the emyee.</p> <p>It was noted at the Recruitment and Selection Proedure does not state whether HirinManagers need to review and sign off n the verbal and written employment oer prior to its extension, to the final cndidate, by People Services.</p> <p><b>Risk</b></p> <p>Without cletrols to govern the review and comunication of this important doument, which directs an employment rlationship, Managers may not be alignewith conditions of employment h could impede the success of the mployee/employer relationship.</p>	<ul style="list-style-type: none"> <li>Ensuring the Hiring Manager’s role, in the review and sign off of the employment offer, is included in the agenda for the recruitment planning meeting held with People Services.</li> </ul>	
<b>Responsibiliy</b>	<b>Moira Barnes, Manager, Employee Relations &amp; Recruitment</b>	
<b>Target Date</b>	<b>Q4 2023</b>	

7.6 Metrics and Analytics		Audit Rating: Low
Observation	Recommendation	Management Response
<p><b>Observation</b></p> <p>Some recruitment and selection data is currently being manually tracked using Excel. Examples include but are not limited to time to fill, voluntary turnover and positions filled by internal staff.</p> <p>However, it was observed that TalentLink does not have the functionality to track and identify the effectiveness of sourcing strategies with respect to the diversity of applicants.</p> <p>It was noted that the new SAP Recruiting module will have the functionality to</p>	<p>Management should consider:</p> <ul style="list-style-type: none"> <li>Ensuring the sourcing strategy functionality, which tracks and reports on the diversity of applicants, is enabled in the new HRIS.</li> <li>Working with the ARAO team to identify other metrics which could be tracked related to diversification of applicants to facilitate the City’s ability</li> </ul>	<p>Civic Administration concurs with this recommendation, and it is already being addressed as part of the implementation of the new HRIS system which will be in place by end of Q4 2023.</p>

7.6 Metrics and Analytics		Audit Rating: Low
Observation	Recommendation	Management Response
<p>identify sourcing strategies and report on effectiveness.</p> <p><b>Risk</b></p> <p>Without the ability to identify effective and efficient ways to source required and diverse talent, the City may not attract desired candidates and could fail to meet its equity and inclusion strategic objectives.</p>	<p>to be an equitable and inclusive employer.</p>	
<b>Responsibility</b>	<p><b>Moira Barnes, Manager, Employee Relations &amp; Recruitment</b></p>	
<b>Target Date</b>	<p><b>Q4 2023</b></p>	



## APPENDIX A – SUCCESSION PLANNING BEST PRACTICES

As part of the scope of the Recruitment and Selection Audit, the City requested an addendum which focused on “Succession Planning Best Practices” to support their success in implementing this strategic initiative. The City of London is digitizing their people processes and tools in 2023 / 2024. The SAP Success Factors Recruiting Module, which is anticipated to be implemented in October 2023, which will support and facilitate workforce planning at an organizational level. In addition, a Succession Planning module is targetted to be implemented in 2024 to support the development of the City’s first formal Workforce Plan.

The Workforce Plan will contain important information which includes but is not limited to the City’s sourcing and recruiting challenges, internal workforce data & insights, mission critical roles including leadership, sourcing tactics, organizational competency strengths and gaps, etc. A key component of the workforce planning is succession planning which ensures mission critical and key leadership roles have successors who are “ready, willing and able” to ensure organizational continuity. Workforce planning also ensures that the processes, controls, and systems are in place so that the development of key leadership competencies is ongoing so the organization’s’ objectives can still be achieved in the event of an anticipated or unexpected vacancy in a key role.

This integrated and proactive approach will ensure a “future” ready and competent leadership pipeline that can effectively and efficiently execute on the City’s strategic initiatives. The focus of succession planning is the City’s ability to identify, develop and retain skilled leaders within mission critical and key roles.

The chart below identifies the core elements of Succession Planning Best Practices as well as key features. We note the City has several of these core elements already in place to support the formalization of this important business process within the organization.

Key Element	Best Practice: Key Features
<p><b>Succession Planning Policy and Procedure</b></p>	<ul style="list-style-type: none"> <li>• Are formally documented and well communicated through all channels – onboarding, website, leadership programs, etc.</li> <li>• Outline the purpose and objectives of Succession Planning and its link to the City’s values, mission, and strategic initiatives.</li> <li>• Align with the City’s People Plan and ARAO including equity, inclusivity, diversity.</li> <li>• Are transparent to Leaders and staff as to what succession planning is, why it exists, how it relates to career goals / mobility.</li> <li>• Clear governance, accountability, roles, and responsibilities for all stakeholders.</li> <li>• Clear criteria and guidelines for promotion to</li> </ul>

Key Element	Best Practice: Key Features
	<p>leadership roles such as upward career mobility is dependent on a combination of performance, competency readiness, and opportunity.</p> <ul style="list-style-type: none"> <li>Identify key succession planning terms and definitions i.e., mission critical leadership role, ready for leadership promotion, leadership potential.</li> </ul>
<p><b>Succession Planning Process and Tools</b></p>	<ul style="list-style-type: none"> <li>Process map which outlines the end-to-end succession planning process steps and time cycle.</li> <li>Tools to assess leadership potential or readiness such as the 9 box Performance Potential Grid.</li> <li>Identify who is responsible versus accountable for each step.</li> </ul>
<p><b>Leadership Competency Model</b></p>	<ul style="list-style-type: none"> <li>Identify the required key leadership competencies in the areas of business, technical and people skills / knowledge.</li> <li>Establish a “City specific” definition for each leadership competency.</li> <li>Describe the levels of proficiency which will help aspiring or current leaders assess their own proficiency levels (strengths and gaps) to inform their learning &amp; development plan.</li> </ul>
<p><b>Leadership Job Descriptions</b></p>	<ul style="list-style-type: none"> <li>Contain clear competency requirements with respect to business, technical and people skills / knowledge.</li> </ul>
<p><b>Leadership Learning &amp; Development Plans</b></p>	<ul style="list-style-type: none"> <li>Ensure “mandatory” learning &amp; development plans are in place.</li> <li>Include a career goal section so individuals can declare their aspiration to be or remain in leadership roles.</li> <li>Ensure a competency development approach is based on the City’s Blended Learning Model <ul style="list-style-type: none"> <li>70% experiential (on the job)</li> <li>20% feedback and coaching / mentoring</li> <li>10% formal training and learning programs</li> </ul> </li> </ul>
<p><b>Leadership Skills Assessment</b></p>	<ul style="list-style-type: none"> <li>Standardized and valid assessment tools which measure strengths and opportunities for improvement based on the City’s Leadership Competency Model.</li> </ul>

Key Element	Best Practice: Key Features
	<ul style="list-style-type: none"> <li>• Use talent calibration process to facilitate the discussion of existing and emerging leadership talent.</li> </ul>
<p><b>Leadership Development Program</b></p>	<ul style="list-style-type: none"> <li>• Professional development program which is aligned to the City's Leadership Competency Model.</li> <li>• Clear course descriptions which include leadership competencies.</li> </ul>
<p><b>Leadership Performance Evaluation</b></p>	<ul style="list-style-type: none"> <li>• Align performance evaluation system / tool to include required leadership competencies.</li> <li>• Align performance rating system with proficiency levels established for competency model.</li> </ul>
<p><b>Key Performance Indicators</b></p>	<ul style="list-style-type: none"> <li>• Establish and communicate succession planning success measures to assess progress and address emerging issues.</li> <li>• Examples of measures: <ul style="list-style-type: none"> <li>○ Percentage of Leadership roles filled by internal versus external talent pool.</li> <li>○ Time to fill leadership roles.</li> <li>○ Percentage of leadership roles filled with diverse internal or external candidates.</li> </ul> </li> </ul>

## APPENDIX B – RISK RATING SCALE AND DESCRIPTIONS

The findings outlined in this report have been assessed based on a risk rating scale defined below:

Rating	Description
Low	The finding is not critical but should be addressed in the longer term to improve either internal controls, efficiency of the process, or mitigate a minor risk.
Medium	The finding represents a control weakness or risk that could have or is having an adverse effect on the ability to achieve process objectives and/or a significant impact to the City's residents. The finding requires Management action within the short-to-intermediate term.
High	The finding represents a significant control weakness or risk that could have or is having a major adverse effect on the ability to achieve process objectives and/or a material impact to the City's residents. The finding requires immediate Management action.

# APPENDIX C – REPORT DISTRIBUTION LIST

This report was distributed to the following parties:

City of London	
<b>To:</b>	
Audit Committee	
Lynne Livingstone, City Manager	
Michael Goldrup, Director, People Services	
MNP LLP	
Geoff Rodrigues, Engagement Partner	
Deepak Jaswal, Engagement Leader	
Fiorella Callocchia, Subject Matter Expert	