PEO 2022 AGM Member Motion

Council Member Succession Planning

WHEREAS: The Succession Planning Task Force (SPTF) recommended, in its 2019 final report to Council, that PEO move towards a competence-based selection process for candidates running for positions on Council.

WHEREAS: Council accepted the SPTF Recommendations 1 and 2A-H (C-532-2.6, Appendix A)* and directed the EXE Committee to develop an action plan to implement the recommendations.

WHEREAS: Council has mostly completed the governance improvements specified in its governance review roadmap, including establishing a Governance and Nominations Committee.

WHEREAS: PEO's election process remains open and ungoverned, resulting in candidates running on platforms that are not aligned with the needs of a regulatory body focussed on serving and protecting the public.

WHEREAS: It is imperative that the effectiveness of Council be strengthened by a robust succession plan.

MOTION: That by the next election cycle Council implements both the short-term recommendations of the SPTF and takes steps to update its election procedures to include a competency selection process to ensure competent members of the association are elected to represent the interests of the public.

* attached following this motion

Date: 2022 April 18

Moved By: Rob Willson, P. Eng

Seconded By: Paul Ballantyne P. Eng

PROFESSIONAL ENGINEERS ONTARIO

SUCCESSION PLANNING TASK FORCE (SPTF)

<u>REPORT AND RECOMMENDATIONS</u>

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March 3, 2020   Rev 0

TABLE OF CONTENTS

SUCCESSION PLANNING TASK FORCE REPORT

1. *MANDATE*

On June 23, 2017, PEO Council passed a resolution to establish the Succession Planning Task Force (SPTF). The SPTF is a successor task force to the Council Term Limits Task Force (CTLTF), whose recommendations to Council were approved in 2017. Council approved the SPTF's Terms of Reference in June 2018, and its membership in September 2018.

The SPTF's key duties are to:

1. Develop an Implementation Plan for Council succession planning, based on CTLTF succession planning recommendations 1 to 13. These can be found in the attached Laridae report pages 9 and 32 to 41 (Appendix 1).

2. Prepare Terms of Reference (ToR) for the Succession Planning Committee (SPC), as per CTLTF recommendation 16, to establish and maintain a Council succession program and manage its evolution in future years.

3. Engage key stakeholders through meetings and a peer review process. Stakeholders include the Central Election and Search Committee (CESC), the Human Resources Committee (HRC), the Advisory Committee on Volunteers (ACV), the Legislation Committee (LEC) and the Equity and Diversity Committee (EDC).

4. Utilize the services of a governance consultant to assist the task force in determining best practice for succession planning at PEO. The consultant will also support the SPTF in drafting its report and in providing expert opinion to Council during presentation of the report.

Key deliverables of the SPTF include the above noted Implementation Plan and ToR for the Succession Planning Committee. The Implementation Plan includes key recommendations, a schedule, a maintenance and oversight process, and potential operating expenses. The Task Force has prepared this covering report to explain our process and to review the recommendations of the consultant's report.

2. *TASK FORCE PROCESS AND RESULTS*

A key duty from our Terms of Reference was that the SPTF was to use the services of a consultant to conduct research and prepare our report and recommendations. This would allow the SPTF to focus its expertise on providing guidance to the consultant on the specific practices and needs of PEO Council. The first action of the SPTF was to prepare a request for proposal and issue it to consultants with expertise in the governance of non-profit organizations. Following proposal reviews and a decision, PEO hired Laridae Management Consultants to fill this role.

Subsequently the SPTF has worked closely with Laridae, reviewing its research

and ultimately its report in a series of meetings. The SPTF met with four of the five peer review committees to solicit feedback on its preliminary findings, except the HRC as it was not available at that time. The SPTF also provided a "Best Practice" briefing to Council at its February 2020 meeting.

The result of this process is the SPTF Report that includes the final report from Laridae, attached as Appendix 1. Although the SPTF supports most of the Laridae report's recommendations, this covering report will provide some commentary on these and guidance to Council to assist in assessing them. The Laridae report, along with the SPTF's draft covering report, were circulated to the committees for peer review. Comments were received from some committees and relevant material has been incorporated into the draft report.

In order to better understand succession planning, Councillors should read the Laridae Report in its entirety. The report's fifty (50) pages can be broken down as follows:

i)   The Executive Summary on pages 3 and 4 provides an overview of the issues addressed in the report and its main conclusions and recommendations.
ii)   Background information is provided by Laridae on pages 5 to 14 and a review of best practices on pages 15 to 24.
iii)   The recommendations are presented on pages 25 to 30.
iv)   The Implementation Framework is included on pages 31 to 35 and Tools & Templates follow on pages 36 to 41. Both of these sections will be valuable resources for the future Succession Planning Committee's initial work.
v)   Citations are referenced on pages 42 to 44, and Appendices are included on pages 45 to 49.

At the very least items i) Executive Summary and iii) Recommendations should be read. Item ii) Background Information will be of great benefit to those wishing to understand the rationale for the recommendations.

TO FULLY UNDERSTAND THE SPTF RECOMMENDATIONS, THEY MUST BE READ IN CONCERT WITH THE LARIDAE RECOMMENDATIONS.

3.   *GENERAL CONCLUSIONS*

Although our long-term intention is to implement succession planning for Council, our review of PEO's and other regulators' succession practices indicates that under the current election-based system full implementation of best practice succession planning is not possible. To accomplish this, further changes would be required to how councillors are selected, which would require more extensive changes to PEO's governance than the SPTF can recommend. A full governance review would be necessary to propose these. Progress towards full succession planning will require important advancements to be fully effective and to arrive at a "best practice". Until this is completed, a number of interim improvements to the existing

system have been recommended.

Key to Council succession planning, as previously endorsed by Council, is the establishing of the Succession Planning Committee (SPC). As almost three years have elapsed since this committee was originally approved, Council is encouraged not to delay its creation of this committee any further. Term limits were established in 2017 and can only be successful with proper succession planning.

Once established, the Succession Planning Committee will oversee the execution of the Implementation Plan, liaising with Council and the peer review committees, to make the interim improvements. The SPC will update Council on its progress on a regular basis and solicit ongoing direction and approvals in developing areas of succession planning. The objective is to start making an impact on Council succession as soon as possible.

Some interim best practices are:

- Potential Candidates must be educated as to the required skills and commitment before running for a Council position.

- Candidate's competencies should fill some of the estimated gaps in Council through the next election cycle.

- The electorate must be educated as to the skills and experience that each candidate brings to the Council table and how that may fill potential gaps.

- New councillors should be provided with further education to prepare them for their Council duties.

4.   REVIEW OF LARIDAE RECOMMENDATIONS

4.1   Recommendation 1 – Governance Review

Laridae's first recommendation calls for a full governance review to achieve the full benefits of best practices and an effective succession plan. Changes to the way Councillors are selected (appointed or elected) and even the structure of Council may be needed. This will require a more complete review of Council governance than the SPTF can provide.

Laridae has also provided a best practice review of other professional regulatory organizations, some of which are changing their governance structures to improve their succession planning. While there has not been sufficient time since these changes were made to fully evaluate their impact, what can be stated is that the current direction in some regulatory organizations is towards smaller boards made up of appointed members, with a balance between professional members and lay appointees. It is imperative that PEO investigates the efficacy of making similar changes to see if they could improve the effectiveness of Council.

4.2   *Recommendation 2 – Interim Improvements*

Laridae's Recommendation 2 contains nine specific recommendations, all of which are interim succession planning practices. These must be seen as building capacity and strengthening governance to facilitate the full implementation of succession planning, and not as implementing succession planning itself. For this reason, Council must proceed on two fronts, to improve its election process while also reviewing its governance. The former can be managed by the SPC, and the latter will require a separate task force or committee of council to oversee the work of a governance specialist.

The remainder of this report will address the specific sub-recommendations made under Laridae's Recommendation 2.

4.2.1 Recommendation 2A – Establish SPC

This point (2A) specifies the formation of the SPC. Formation of the SPC was previously approved and it will replace the Central and Regional Election and Search Committees, leaving a single committee to deal with succession planning and election procedures rather than the current six committees. As the SPC's mandate contains many departures from current practices, it is not practical to incorporate it into the existing committee structure.

4.2.2 Recommendation 2B – Purposes, Objectives and Principles

This recommendation defines high-level objectives for the SPC and can be taken as a starting point for its work.

4.2.3 Recommendation 2C – Competency Based Succession Plan

PEO's current election structure is actually eight distinct elections for different Council positions. In this situation, it is not possible to ensure that any set of elected councillors will have the diverse set of skills required to govern a regulatory body. Also, given the open nomination process, the qualifications and knowledge of candidates cannot be controlled, only guided.

Laridae's recommendation 2C identifies the need to implement a "competency-based" selection process for candidates. Since this will depend on self-assessment by candidates it is unlikely to deter unqualified candidates from running. At best, this process could be used to inform the electorate of what each candidate brings to the table. Its success will depend on whether the voters take the time to review the material and become cognizant of the needs of PEO.

4.2.4 Recommendation 2D – Green Light Assessment

Further control of candidate competencies is provided in Recommendation 2D, which calls for a "green light" process for the approval of candidates' qualifications and skills. However, the listed competencies are at a very high level and do not include specific skills. Even after getting a green light, there is no guarantee of any level of competence.

It is clear that even after implementing Recommendations 2C and 2D, PEO will still be at a very preliminary stage in the implementation of succession planning.

4.2.5   Recommendation 2E – Election Oversight

This recommendation extends the direction PEO is currently proceeding towards in tightening up its election publicity rules. At present, candidates have the alternative of following a structured format or using their own free form approach. Implementation of 2E would eliminate the alternative of not following the prescribed format. From a succession planning perspective, this goes towards ensuring that candidates must be evaluated on how they will support regulation of the profession, rather than relying on name recognition or election promises in their campaigns. Council would have to consider this change in light of previous Council motions that eliminated format restrictions, as there are a number of PEO members who support a more open approach.

4.2.6   Recommendation 2F – Preparing Candidates and Councillors

This recommendation deals with providing support for candidates and newly elected councillors. This was recommended by the CTLTF and approved by Council in 2017, but never implemented. It would be one of the first initiatives for the SPC to pursue once it has been established. Newly elected councillors will be more valuable and effective when they join Council and have a shorter learning curve.

4.2.7   Recommendation 2G – Enhance Member Awareness

The goal of this recommendation is to enhance member awareness of the role of Council and its succession requirements through taking a mandatory learning module. It was also recommended by the CTLTF but not implemented to date. Laridae's recommendation makes enhancing awareness more mandatory for members by requiring them to document their review of material, such as the required competencies of candidates, as an additional PEAK training module. If such a module is made a mandatory requirement of license renewal, the exercise will improve members' knowledge of Council and how its members are selected. It is hoped that this will result in an increase in voter participation during elections, since the present participation rate is unacceptably low.

4.2.8   Recommendation 2H – Maintaining Council Diversity

This recommendation supports PEO's efforts to ensure Council reflects the diverse backgrounds of its membership. It recognizes that Council currently has diversity, but it must continue to maintain this by developing a robust pipeline of candidates. Central to this approach is ensuring that committees and chapter boards are equally diverse, as these groups are the main source of future councillors. In addition, PEO needs to work through the government to ensure that appointed LGA councillors fill any gaps that may form. The Equity and Diversity Committee should continue to provide guidance to Council for achieving this objective.

4.2.9 Recommendation 2I – Election of President and VP

The final recommendation is to elect the president and vice president from within Council, since it is a best practice for regulatory boards. However, this practice has caused controversy in the recent past at PEO. The SPTF recognizes the political ramifications to recommending implementation of this at this time and agrees with Laridae's suggestion that it be postponed until after the governance review is completed.

Implementation of this recommendation would result in the election of more councillors at large and provide greater scope to recommend those with specific skills to fill gaps in Council. Such an approach reflects the needs of a regulator with a mandate to protect the public and moves away from the current member driven arrangement, as was pointed out in the recent Regulatory Review of PEO.

5. CONCLUSION

The Succession Planning Task Forces encourages PEO Council not to delay formation of the already approved Succession Planning Committee to begin implementing succession planning. We understand that Council is very engaged in improving PEO's regulatory performance in response to the Professional Standards Authority's review (the "Cayton Report"). However, it is also imperative, and overdue, that the effectiveness of Council be strengthened by a robust succession plan. Therefore, the SPTF highly recommends to Council the immediate implementation of the recommendations presented here and in the Laridae report, to help PEO become more focussed on serving and protecting the public.

APPENDIX 1: Consultant Best Practice Document

Council Succession Best Practice Report, Recommendations & Implementation Framework, February 26, 2020

LARIDAE

Professional
Engineers Ontario

Council Succession Best
Practice Report,
Recommendations &
Implementation
Framework

February 26,
2020

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TABLE OF CONTENTS

EXECUTIVE SUMMARY

In February 2016, PEO Council created the Council Term Limits Task Force (CTLTF). Its purpose was to research and analyze practices at other self-regulating organizations and engineering associations across Canada. The ultimate result of this work was the adoption of term limits for Council members as well as the recommendation to establish a Succession Planning Task Force (SPTF). Council then passed a motion to create the SPTF and establish a budget for its work. In February 2019, the STPF issued an RFP to contract with an external consulting firm to assist with the work of the task force. Laridae, a management consulting firm, was hired for this work in April 2019.

The goal of the SPTF is to develop a comprehensive implementation plan for a succession planning committee, based on best practice research, that ultimately enhances governance of PEO Council. This document details the culmination of Laridae's work with the SPTF.

The document has been organized as follows:

> **PART A** is comprised of an assessment of PEO Council, best practice research and recommendations.

> **PART B** is comprised of the Implementation Framework, including a draft annual work plan, and tools to aid with implementation.

A best practices review was undertaken to better understand succession within the context of a regulatory body in the Province of Ontario. This review explored trends related to regulatory authorities. Globally, there has been increased external scrutiny of regulatory authorities resulting in structural changes to governance for many organizations. In general, regulatory bodies are moving towards having smaller councils, equally comprised of qualified applicants from the profession and the public, following a robust, transparent appointment process. The Ontario College of Teachers and the College of Nurses of Ontario recently conducted reviews, resulting in many comprehensive recommendations, including improvements to Council and Committee structure and composition. Likewise, with the adoption of the new Professional Governance Act in BC, Engineers and Geoscientists British Columbia have since implemented a new election process for their Council.

Based on the best practice research and an assessment of PEO Council current practices, Laridae is making the following two recommendations:

> **Recommendation 1: Undertake a Full Governance Review**
> Based on best practice research we recommend that PEO undertake a full governance review to examine structural changes that could be made to strengthen Council's ability to govern the organization. It is especially timely given the recent adoption of term limits and the implementation of recommendations from the regulatory review. A governance review would ensure that the Council is in alignment with regulatory changes.

> A governance review would have the necessary scope and mandate to properly consider, and make recommendations, in line with changes at other regulatory bodies—indeed, it was beyond the mandate of the SPTF to do this work. That said, interim actions with the goal of more closely aligning PEO Council with best practices are being recommended here. This will better prepare PEO for significant changes to structure if they do occur in the future.

Recommendation 2: Implement Interim Succession Planning Practices

In advance of a full governance review, this recommendation includes interim actions that will help strengthen succession planning for the organization. The recommended actions are based on best practice, and when best practice is not yet feasible, includes interim measures that can be taken.

Interim actions include the following:

2A	Establish the Succession Planning Committee to oversee ongoing succession work for the Council.
2B	Identify the purpose, objectives and principles to guide succession planning.
2C	Implement a competency-based succession process.
2D	Implement a 'green light' pre-election assessment process for all candidates.
2E	Increase oversight of the election process, creating stricter standards for materials candidates are able to publish.
2F	Enhance candidates and Councillors' understanding of their roles and responsibilities.
2G	Enhance member awareness of the role of Council and the new succession program.
2H	Maintain a diverse and robust pipeline of candidates.
2I	Appoint Council officer positions from within elected Councillors to ensure sound leadership succession.

To be sure, Council has much before it and, as such, succession planning can feel less urgent than other items. However, we see these recommendations as incremental and implementable—building capacity and strengthening governance in small steps results in an easier change process down the road, and prepares PEO for larger, structural changes (such as an appointment process) if and when they occur in the future.

INTRODUCTION

Project Background

Professional Engineers Ontario (PEO) is the licensing and regulating body for professional engineers in the Province of Ontario. PEO is a regulatory authority, operating under the authority of the Professional Engineers Act. All engineers operating in Ontario must be licensed by PEO.

The overall mandate of PEO is to govern the engineering profession in the public interest by ensuring the people of Ontario are served by engineers who meet high stands of learning, competence, and professional conduct; by upholding the independence, integrity, and honour of the engineering profession; and for the purpose of advancing the practice of engineering and public well-being. The PEO is governed by an elected Council, comprised of professional engineers and others appointed by the Office of the Attorney General of Ontario. The Council provides overall direction for the association and the profession.

In February 2016, the PEO Council created the Council Term Limits Task Force (CTLTF) to research and analyze practices at other self-regulating organizations and engineering associations across Canada. The ultimate result of this work was the adoption of term limits for Council members as well as the recommendation to establish a Succession Planning Task Force (SPTF). Council then passed a motion to create the SPTF and establish a budget for its work.

In February 2019, the STPF issued an RFP to contract with an external consulting firm to assist with the work of the task force. Laridae successfully bid and was hired in April 2019.

Project Scope:
- Assist the SPTF in determining the best approach to succession planning for the PEO council, utilizing best practices for non-profit organizations.
- Provide background information, best practices research, and recommendations for the PEO to the SPTF.
- Attend meetings of the SPTF to discuss best practices and to provide recommendations for implementation.
- Prepare the draft report of the SPTF to Council. The report will include Terms of Reference for the Succession Planning Committee and a draft implementation plan.
- The draft implementation plan will include key recommendations, a schedule, a maintenance and oversight process, and communication, and will identify potential operating expenses for candidate searches and training.
- Work with the SPTF to finalize the documents for submission to peer reviewers and the PEO Council.
- Assist the SPTF in presenting its report to Council by preparing presentation materials and attending the Council meeting to provide expertise during the presentation.

Project Timeline

Feb-April 2019: RFP issued & Laridae hired.

May-September 2019: Best practice research, PEO document review, comparative analysis and development of preliminary recommendations.

September 2019: Full day retreat with the SPTF to review the preliminary recommendations and discuss next steps.

September 2019: Laridae attendance at the September PEO Council Meeting.

September - December 2019: SPTF presentations to Peer Review Committees.

November - December 2019: Consolidation of research, feedback from SPTF & Committees into Final Report and development of the Implementation Framework.

January - March 2020: Peer review of Final Report and Implementation Framework. SPTF presentation to PEO Council.

Report Organization

This report has been divided into two sections.

PART A: PART A is comprised of an assessment of PEO Council, best practice research and recommendations. Much of the content of PART A was presented to the SPTF as preliminary recommendations in the July 03 Report. Feedback from the committee has been incorporated into this report, as well as additional research conducted since July, resulting in updated recommendations.

PART B: Part B is comprised of the Implementation Framework, including a draft annual work plan, draft communications framework and tools to aid with implementation.

PART A

PEO SUCCESSION ASSESSMENT, BEST PRACTICE RESEARCH & RECOMMENDATIONS

This section of the report outlines:
- Current PEO succession practices
- A Best Practice review of succession practices
- A comparative analysis of Engineering Regulatory Bodies across Canada
- Recommendations

CURRENT PEO SUCCESSION PRACTICES

The current state analysis involved a review of PEO documents, a review of current council make up, and current succession practices.

Document Review

As part of the assessment, a review of existing PEO documents was undertaken. This included a review of existing policies and procedures, committee terms of reference, and reports. A list of reviewed documents can be found in Appendix A.

One report that is of significant value to this project is the **Council Term Limits Task Force (CTLTF) Report and Recommendations** (Professional Engineers Ontario, 2017), discussed during the June 2017 PEO Council Meeting.

The CTLTF was created to analyze the practices of other self-regulating organizations and engineering associations in Canada, specifically related to term limits and succession planning for Council positions, and to provide a report to Council. The report describes the history of PEO Council membership, provides best practice research and provides a series of recommendations related to term limits and succession planning.

Overall, the committee recommended that term limits be established for Council positions and that a Succession Planning Task Force be implemented. These recommendations were approved by Council.

Succession planning best practices identified in the CTLTF report include:

- Strategic Committee: Establishing a committee charged with the task of developing a recruitment strategy is important. The committee must utilize a continuous process, looking at both current and future vacancies.

- Board Assessment: A list of skills, competencies and experiences needed for effective board governance should be established by the committee. A board member assessment should be completed annually that studies personal competency, skills assessment, and board efficacy needs. A director competency matrix can then be developed to describe the competencies, skills and experiences of the current directors and the key competencies required for new directors. In developing the matrix, existing needs should be listed alongside the competencies each current director has. From this, the skills gaps are determined.

- Board Orientation Manual: It is very important that prospective candidates and new board members have an up-to date board manual.

- Board Training: This should be provided for all Board members, not just for new members. It is important to think outside the box with new innovative methods: online courses, podcasts, conferences, workshops, mentoring, etc. Sharing experiences and knowledge not only helps members but produces a sense of collegiality on the board.

- Board Composition: In addition to skills and competencies, it is also important to select candidates based on their fit with the organization's core values. When there are external appointments, a succession planning program should be conducted in concert with the external body. The primary purpose of such a program is to ensure the board contains directors with skills and experience relevant to the organization's strategic directions and operating environment; the knowledge and ability to work with colleagues and deliver a high standard of

governance performance; and to ensure that some directors have general governance qualifications and other specialized content knowledge to ensure the board is well-balanced.

- Succession Planning for Elected Boards:
  - o It is important that any succession process be transparent and well-communicated to members.
  - o Some organizations implement a pre-election assessment process, where an independent panel assesses each candidate against the skills and competency requirements and provides a ranking to help members with their vote.

Succession planning recommendations identified in the CTLTF report include:

1. Council must identify the skills and experience that the best Councillors would exhibit.
2. The search committee should employ the defined skills list to find suitable candidates in the engineering community.
3. PEO must develop a leadership program and provide training opportunities for interested candidates to upgrade their skill sets in the areas that are deemed of value.
4. A Future Leaders Symposium should be held yearly or bi-annually to introduce PEO, the organization and leadership possibilities within the organization, to young volunteers.
5. The electorate must be educated on the necessary skills and competencies to look for in Council candidates.
6. Council should undertake a gap analysis on an annual basis to identify weaknesses in current council make-up and identify appropriate criteria for strengthening the team.
7. The engineering public must be educated in the importance of Council's role in regulating the profession. This may increase the interest of suitable candidates to aspire for service to their profession.
8. PEO must work with engineering companies to encourage ways to facilitate their employees to consider service to the profession.
9. Determine if it is possible to remove barriers that impede certain volunteers of a specific demographic (specifically age and family status) from serving on Council.
10. PEO must set aside money for training and possibly employer compensation.
11. The Council Manual should be updated and made more complete so that it can be used for information and training.
12. A mentorship program should be set up for new Councillors.
13. HRC must communicate to the Public Appointments Secretariat our skills/ competencies guideline for Lieutenant-Governor Appointed Councillors. These appointments (if staggered in time) may also assist in fulfilling our gap analysis.

PEO recently undertook a governance review limited to its role as a regulator. The following excerpt is relevant to the work of the SPTF and our recommendations:

> *3.23 Volunteers have significant control of PEO but are not held to account in the same way as professional staff. Elected volunteers are accountable to their electorate not the public. Those members' interests are reflected in many candidate statements at election time. Candidates aim to 'empower the members', 'improve communication with chapters', and ensure there is 'no membership fee increase'. Only rarely is there mention of protecting the public or improving regulation of engineers.*

Another relevant PEO document is the organization's 2018-2020 Strategic Plan. Clearly, it is important that any succession program be tied to organization strategies, as well as its mission, vision and values.

Developed after two years of stakeholder consultation, the plan focuses on nine strategic objectives, covering three priority areas: protecting the public interest, engaging stakeholders and advancing PEO's mission.

Current Council Make-Up

The PEO Council is currently made up of elected and appointed members for a maximum number of 29 members (includes 12 LGA members). Excerpts from Section 7.2 of the Council Manual (Professional Engineers Ontario, 2011) are shown below (in italics):

Composition of Council-Elect Members
The composition of Council is prescribed by section 2 of Regulation 941 under the Act. Fifteen of PEO's Councillors are elected by PEO members as follows:
- *a President-elect, who assumes the position of President the year following his/her election;*
- *a Vice President;*
- *two members who are elected in each of PEO's five regions–a total of 10 **; and*
- *three members who are elected from the members-at-large *.*

There is no restriction regarding who may be elected or appointed as an officer of PEO other than the requirements to be a member of PEO and to be nominated for election to Council as President-elect, Vice President or a Councillor-at-Large by no fewer than 15 other professional engineers, including at least one resident in each Region.

The only qualification members must meet to be eligible for election to Council as Regional Councillor is that the member must be nominated by no fewer than 15 other professional engineers and must reside within the Region in which he or she is to be elected.

Each year, Council appoints a Central Election and Search Committee. Its purpose is to encourage members to seek nomination for election to Council as President-elect, Vice President or a Councillor-at-Large. Council also appoints Regional Election and Search Committees and their purpose is to encourage members in each region to seek election as Councillor for their region. The election procedures are reviewed and approved by Council annually.

Composition of Council–Appointments (Lieutenant Governor Appointees)
In addition to Councillors elected by the membership, up to 12 PEO Councillors are appointed by the Lieutenant Governor of Ontario and are known as Lieutenant Governor-in-Council Appointees, or LGAs.

Some LGAs are professional engineers appointed to ensure representation of all major engineering disciplines, something that can't be guaranteed through the election process. Others are lay people who represent the broader public, and provide Council with the perspective of non-engineering practitioners. This helps give balance to Council deliberations. Lay LGAs play an important role in ensuring the association takes full account of the public interest in its deliberations and decision making.

As noted in By-Law No. 1 (sections 28 and 29), Lieutenant Governor Appointees are equal members of PEO Council and carry the same responsibilities as elected members. Under the Act

and its Regulation, certain roles within the regulatory process related to the Registration Committee and the complaints and discipline processes must be filled by LGAs.

Information about the Appointment process for PEO is available from the Government of Ontario at https://www.ontario.ca/page/public-appointments and specific to the PEO at https://www.pas.gov.on.ca/Home/Agency/435. According to the website there are currently three LGA vacancies.

LGA Term: In each year, the persons to be appointed by the Lieutenant Governor in Council are appointed for one year, two year or three-year terms in order that one-third, or as nearly as possible, are appointed in each year. A person whose term has expired is deemed to have been reappointed until his or her successor takes office.

Committees with Requirements for Council Members as Members
The Registration Committee shall be composed of not fewer than two members of Council who were appointed to Council by the Lieutenant Governor-in-Council.

The Complaints Committee shall be composed of at least one member of Council who was appointed to Council by the Lieutenant Governor-in-Council.

The Complaints Review Councillor shall be appointed by and from among the members of Council appointed by the Lieutenant Governor-in-Council who are not members of PEO and is not eligible to be a member of the Complaints Committee or the Fees Mediation Committee.

The Discipline Committee shall be composed of at least one person from among the members of Council elected to Council and a member of Council appointed by the Lieutenant Governor-in-Council.

PEO Regions
For PEO electoral purposes, the province is divided into five regions. The boundary descriptions are described in Schedule 1 of Regulation 941 under the Professional Engineers Act. The boundaries are based on postal forward sortation designations, municipal boundaries, and fixed geographic features. Copies of the regional maps may be found at section 12.8 (Reference Material).

Each region includes a number of chapters, and is represented by two Councillors, elected in alternate years to two-year terms with the result that half the Regional Councillors may turn over every year. There are at present 36 chapters located throughout Ontario.

The five regions are: Northern Region (seven chapters); Eastern Region (seven chapters); Western Region (nine chapters); East Central Region (six chapters); and the West Central Region (eight chapters).

Regional Councillors have dual roles: They are part of PEO Council, and they also sit on PEO's Regional Councillors Committee (RCC), which is responsible for representing chapter and regional interests to PEO Council and taking Council's perspectives to the chapters and regions.

The Regional Election and Search Committee for each region is responsible for encouraging at least one member residing in that region to stand for election as Regional Councillor. The

Regional Election and Search committees are chaired by the Junior Regional Councillor in each region and members are the serving chairs of each chapter in the region.

Regional Councillors Committee/Regional Congresses
The RCC is a formal mechanism for bilateral communication between PEO and the regions, established within the governance model of the association.

Through By-law No. 1, a committee of chapters, known as the Regional Congress, has been established in each region. Three Regional Congresses are held a year in each region, in February, June and September.

Chapters
PEO maintains a system of geographically-based chapters as forums for grassroots participation, professional development/affiliation, and planning of community events.

Chapters are recognized as an integral part of PEO. They are considered to be a subcommittee of the Regional Councillors Committee (RCC). PEO chapters are the local presence for Professional Engineers Ontario and are tasked with the responsibility of assisting PEO in meeting its objectives. This formal recognition was confirmed with the establishment of Terms of Reference for the chapters that were approved by Council in June 2004. These can be found in section 12.6 (Reference Material).

Chapters host ceremonies welcoming new PEO members into the profession and presenting license certificates. The chapter system is a training ground for volunteers interested in seeking election to PEO Council and participating in PEO committees and task forces. It is a dynamic model of volunteer organization.

Current Succession Practices

As per the CTLTF report, prior to 1999, PEO had a nominating committee that specifically nominated candidates for election to the Council. In 1999, PEO shifted its election preparations from nominating qualified candidates to searching for and encouraging candidates to run for positions on Council, with the rationale to democratize the process and to ensure open competition for the positions.

Recent changes include the adoption of term limits as well as opening up the president-elect and vice-president positions to those without prior Council experience. Term limit recommendations, as approved by PEO Council, June 2017, are included in Appendix B.

The Central Election and Search Committee (CESC) is currently responsible for seeking out qualified candidates for nomination. As per their 2018/2019 work plan, they are to encourage members to seek nomination for election to the Council as president-elect, vice-president, or a councillor at large (at least two candidates for one or two positions), review complaints, review the election process, as well as to develop a broader election communications plan to increase voter participation. They have also worked to develop a greater understanding of why members are not engaged in the election process, for example by undertaking research through an Ipsos Reid survey (Ipsos Reid, 2013). In addition to the CESC, each of the five regions has its own Regional Election and Search Committee to help identify potential candidates for election.

Two pipelines to search for candidates currently exist – through committees and the chapters. There is no requirement that candidates be a member of a chapter board prior to running for council.

Three documents exist to guide candidates through the election process: The Election Voting Procedures, Council Election Guide, and the Elections Publicity Procedures. These documents provide comprehensive information about the Council election process, as well as information for candidates about the duties of Councillors, term limits, time expectations and competencies (based on values). All three documents are updated on an annual basis.

Once the election is in process, the Chief Electoral Officer deals with complaints and monitors the process.

Succession planning has been implemented for committees—HR work plans are developed on an annual basis to understand current and future needs of each committee. The HR work plans identify current and target core competencies, experience level, gender/diversity, geographic representation, etc. The Council Manual outlines the process for committees very clearly.

Diversity
Diversity is a concern for many governing boards. Currently, the PEO council is quite gender diverse. This is partly due to concerted efforts to recruit women to run as candidates in the previous election, resulting in more female Councillors elected. Diversity of Council has also been assisted by the government through the LGA appointment process. An Equity and Diversity Policy, approved in 2013 (contained within the Volunteer Manual and on the PEO website), outlines the organization's equity and diversity expectations, though there are no clear guidelines on how to achieve diversity or specifically what diversity means. Council has recently approved a revised work plan for the 30 by 30 Task Force - created to support Engineers Canada's 30 by 30 initiative, a commitment to raising the percentage of newly licensed engineers in Canada who are women to 30% by 2030, and to develop and act on a plan for PEO to help resolve gender inequity.

Training and Orientation
As outlined on the PEO website, a Volunteer Manual has been developed for volunteers. The manual is comprehensive and outlines information about PEO's regulatory role, its governance structure and volunteer policies and procedures. In addition, three training modules are available to assist in the onboarding process. There is also a PEO Council Manual for Council members.

Current State Analysis

Based on information gathered through the document review, conversations with SPTF members, and key informant interviews, the following succession related issues have been identified:

Low Member Engagement
- There is, historically, low member engagement and voter turnout for Council elections despite attempts to increase turn out (candidate webcasts and e-blasts, town halls). From the most recent Dimensions magazine (PEO, 2019), 12.4% of PEO Membership voted in 2019, a downturn from 2018, when 13.2% voted.

Limited Candidate Pool
- The two pipelines for searching for and identifying potential candidates are insufficient. In some geographic areas, candidates are acclaimed. Council committees (which is one of the pipelines)

tend to be populated by experienced, dedicated volunteers who have already sat on other Council committees. Some younger members who have expressed a desire to be on a committee, and have applied, have not been selected.

- There are difficulties for new candidates to run against incumbents due to name recognition.
- Larger chapters tend to naturally provide more votes.
- Prospective candidates lack the knowledge to fully understand the roles and responsibilities, and the time requirements, of Councillors. Training is provided to the leadership of committees and chapters to develop leadership skills, but not for governance or regulatory competency.
- Due to the recent implementation of term limits, there is concern that there will be insufficient individuals to fill gaps left by Council vacancies.
- There is little employer engagement with regards to Council membership. There are opportunities to improve communications to employers so they understand the value of having an employee on council (and understand time requirements).
- Councillors are expected to spend significant time on committees, of which there are many. The time requirement is likely a deterrent to some.

Board Composition
- Core competencies for council positions have not been developed. Council members are not selected based on their competencies. Attempts to cover perceived gaps may be made by the government through the LGAs. However, the LGA process is opaque. At times, Councillors who fail to be elected go through as LGAs instead.
- There is a lack of role clarity in regards to Council's role to govern a regulatory body. Some Councillors seem to feel their role is instead to represent member interests.
- Council tends not to be representative of the membership's true diversity. For example, there has been difficulty recruiting younger engineers and female engineers.
- LGA appointees' terms may change with changing government, leaving terms unfulfilled.
- President and President-Elect are not required to serve on Council prior to running for these positions. In addition, there is potential for Council Chair not to be the elected President and a second Council Vice-President is elected from members of Council.

Election Process
- There has been a suggestion that the election period is too long (five weeks, with three weekly e-blasts towards the end of this period). Voting begins before all of the e-blasts have been sent.
- There is no requirement that candidates be a member of a chapter board prior to running for Council. As well, there is no requirement that candidates running for the position of President to have been on Council first.
- It was noted that there is an opportunity to ensure Council members are better informed about their roles and responsibilities as Council members – prior to the election process, and once elected/appointed. It is especially important to ensure Council members understand their responsibility to protect the public and improve regulation of engineers, as well as the importance of alignment between board objectives and the organization's strategic plan.
- Some candidates submit nomination papers at the very last minute.
- There is no oversight of candidate election materials. PEO staff are prohibited from editing or make changes to any of the information, even if is not factual.
- There is not a requirement for candidates to undergo a criminal record check.

BEST PRACTICE REVIEW

A best practices review was undertaken to better understand succession within the context of a regulatory body in the Province on Ontario. The following topics were explored:

1. Trends related to regulatory authorities
2. Recent changes at other Ontario regulatory authorities
3. Board composition & competencies
4. Board diversity
5. Non-profit board succession
6. Board appointments

Trends Related to Regulatory Authorities

Globally, there has been a trend of increased external scrutiny of regulatory authorities. This includes heightened government oversight and intervention in regulatory practices (Barry, 2014). In Canada, especially in British Columbia, there have been multiple reports exploring governance of regulators, especially within the health sector.

According to a blog post by James Casey (Casey, 2019), a partner at Field Law in British Columbia, "professional regulators should be aware that the political winds are blowing," and professional regulators need to take heed. He states that "societal and political skepticism in Canada of the societal value of self-regulation is at an all-time high, and that there are trends towards rebalancing councils to include a majority of public members, as well as rethinking the role of councils to consider merit-based appointments rather than electing members."

L'Ordre des ingeniéurs du Québec, Québec's engineering regulator, recently returned to full regulatory status after the implementation of a 2.5-year trusteeship due to financial instability and inability to effectively regulate and discipline the engineering profession.

In November 2018, the BC government passed the *Professional Governance Act*, which consolidated government oversight of the five professional regulators for engineering and geoscience, forestry, agrology, applied biology, and applied science technology under a new Office of the Superintendent of Professional Governance (Engineers & Geoscientists Bristish Columbia, n.d.). The Act provides a framework to be administered by a new Office of the Superintendent of Professional Governance, for consistent governance standards across the five regulators. These standards include:

1. Increasing public representation and instituting a merit-based nomination process for Council;
2. Setting common ethical principles;
3. Requiring competency and conflict of interest declarations from qualified professionals;
4. Strengthening professionals' duty to report unethical conduct of other professionals;
5. Providing whistle blower protections to those who report; and
6. Enabling professional regulators to regulate firms.

Engineers and Geoscientists British Columbia have since implemented a new election process for their Council. On their website, they outline the new candidate selection process, well as describe the role of council, skills and expertise, commitment and eligibility. The screen snap shot (on the following page) provides a brief overview of how their election process has changed with the adoption of the new Act

(Engineers and Geoscientists British Columbia, n.d.):

What's Changing?	How is it Changing?	When is it Effective?
Nomination Criteria	A new merit-based nomination process will be established; only those candidates approved through this process are eligible to stand for election. Nomination by 25 members is no longer permitted under the new *Act*.	2019/2020 Council election
Council Composition	12 members in total. Of these, 11 will be voting members: • four government-appointed laypersons • five Councillors • one Vice President • one President The Immediate Past President will be a non-voting member.	To be determined; not effective for 2019/2020
Councillor Terms	Councillors: three years President and Vice President: up to three years.	To be determined; not effective for 2019/2020
Term Limits	Councillors: six years in one position, and 12 years in total.	To be determined; not effective for 2019/2020

Recent changes at other Ontario Regulatory Authorities

As a result of this increased scrutiny, some professional regulators have undertaken governance reviews to ensure they are well positioned to defend their role to government. The College of Nurses of Ontario (Council of Nurses of Ontario, 2017) recently undertook a governance review of its Council, which, like PEO, is a professional regulatory body. The purpose of the review was to position the organization as a leader in regulatory governance. The review involved an engagement process, a literature review, a review of trends and best practices, and a review of surveys undertaken by other regulators. The following recommendations were made:

1. Decrease the size of the council from 37 to 12 members
    a. Why: Small boards make more effective decisions and foster input from all directors. As well, regulatory governance is moving away from large, representative elected boards to smaller, competency based appointed boards.
2. The board will have an equal number of public (6) and professional members (6).

    a. Why: Reinforces public confidence that the board is focused on the public and not on professional interests; reflects the board's commitment to the public interest; and, is the best compromise between public trust and maintaining professional expertise.

3. Directors will be selected based on having the competencies needed for the role
    a. Why: Literature supports competency-based boards; a move to competency-based boards is a recent trend in regulatory governance; public confidence will be enhanced if skills and competencies on the board are transparent.

4. Move from an election to a competency-based application and appointment process via a nominating committee.
    a. Why: Allows the board to build and maintain a strong, competent group to support evidence-informed, public focused decision-making; ensures needed diversity; there is evidence in the regulatory literature that election of members of a regulator board sets up an inherent conflict and potential misunderstanding of the role among members of the procession who believe they are being represented.

5. Implement a transparent, and open appointment process. Includes attendance at a boot camp prior to applying to ensure understanding about needed competencies, board roles and commitment.

Similar to the Ontario College of Nurses, the Ontario College of Teachers also recently undertook a governance review. From a report drafted for the Ontario Council of Teachers, by GovernanceSolutions (GovernanceSolutions, 2018),

> *"There are two main schools of thought regarding self-regulatory governance models. These emerged clearly from the main diagnostics – i.e. authoritative research, comparator practices and trends, research surveys, and interviews – as distinct approaches to self-regulation.*

> ***One is a representative approach.***
> *The fundamental precept in this model is that members of the profession are best – perhaps uniquely – suited to regulating their profession. This encompasses accreditation and standards setting, as well as investigations and hearings on reported breaches: teachers are best suited to understand both the professional expectations and the job context of situations. This extends to the composition of the Council (governing body) and Committees (which convene panels and committee meetings to hear cases and render decisions). Teachers and other members of the profession should make up at least the majority of each of these, at all levels of governance, to ensure that the profession's expectations and context are appropriately expressed, and to bring a peer review to potential breaches. Perhaps more subtly, the mandate and strategic priorities of the regulatory body extend to – and may even focus primarily on – the protection and advancement of the profession itself.*

> ***A second is a regulatory approach.***
> *The fundamental precept in this model is that the protection of the public interest is paramount in the mandate of the body, and to the extent that this is in tension with members' or the profession's interests, the public interest trumps these every time. The Council and Committees are composed of at least an equal number of individuals who are independent from the profession and its membership, some would say a majority. Council and Committee membership is not determined by election from and by the membership, but based on competencies and attributes needed to best populate each. These competencies and attributes could differ from the Council to Committees, and from Committee to Committee, so there is no requirement that*

> *Committees be populated by Council members – each has a unique role, best accomplished by people equipped to fulfill that.*

Similar to the Ontario College of Teachers, the PEO operates under a hybrid representative-regulatory governance model, but skews more toward the representative approach. In the report to the Ontario College of Teachers, GovernanceSolutions provide the following recommendations to ensure a focus on regulatory functions:

- Reduce council size from 37 members to 14, with an equal number of members from the profession and from outside.
- Select Council members from a pool of qualified applicants following a robust, transparent process. Members and the public will be encouraged to apply for Council membership, selected by a Governance & Nominating Committee (GNC), which will vet competencies. Public members will be appointed by the Province, informed but not limited by the recommendations of the GNC. Professional members will be appointed based on the recommendations of the GNC.
- Move from a representative election model to a competency-based appointment model calls for the GNC to put in place a process to intentionally and meaningfully reach out to regions, linguistic, minority and other groups to ensure diversity.
- The College will adopt a structured, mandatory governance education program for Council, senior staff and committee members to ensure a common understanding of corporate and regulatory governance and role clarity.

Board Composition & Competencies

There are numerous sources of best practices for board composition. The examples below describe the need to select board members based on competencies.

A Regulatory Board Governance Toolkit (Barry, Regulatory Board Governance Toolkit, 2014), created for International Council of Nurses, states that "the addition of public members to Boards in recent decades came in response to increasing public concerns that Boards composed entirely of members of the profession may be more attuned to the interests of the profession than to those of the public." Barry goes on to state "the Board, which is charged with the stewardship of the regulatory authority, needs to ensure the organization is effective, efficient, fair and transparent and protects the public. In order to do this, it is important that Board members have the necessary skill, expertise, knowledge and commitment and that the Board as a whole has the necessary skill, diversity and experience to make effective policy decisions and to steward the organization responsibly." They also describe the recent trends in governance to move away from large representative bodies to small boards, as well as the need to select board members based on skills and competencies.

According to the Best Practices Guidelines (BC Government, 2005) developed for the Office of the Premier in British Columbia:

- The board should be made up of individuals who, collectively, have the required competencies and personal attributes to carry out their responsibilities effectively.
- Unless specified otherwise in the governing legislation, board members should be independent from management and have no material interest in the organization.
- The board has a committee that develops director selection criteria and identifies and evaluates potential candidates.

- The board has a competency matrix that is updated annually and when vacancies arise. The competency matrix is used to identify competency "gaps" on the board and direct the search for new candidates.
- The board has a board succession plan to recommend to Government the orderly turnover of directors.
- The board publishes the name, appointment term and a comprehensive biography of each director. Once board members are appointed, it is important that the public and all members of the organization are informed. As part of an organization's communication strategy, the name, appointment term and biographical background of each director should be publicized and retained on the organization's web site.

CPA Canada, in its 20 Questions Directors Should Ask About Building and Sustaining an Effective Board briefing (Watson, 2015) states that the composition of the board should be considered from the following perspectives:

- Specific skills and experience relevant to the organization's opportunities and risks;
- Personal attributes of individual directors;
- Board leadership requirements;
- Committee requirements;
- Desired aspects of board diversity; and
- Establishing a strong, healthy board culture.

Board Competencies

The Government of Alberta has created a Board Profile and Competency Matrix Tool (Government of Alberta, n.d.) for use by public agencies. The tool provides a list of critical competencies organized into three major areas and are examples of what can be used to create an overall profile for a board. Definitions are included in the tool.

Competency Area	Critical Competencies	Brief Description
Relevant Professional Experience	• Governance • Business/Management • Legal/Regulatory • Human Resources • Accounting/Financial • Risk Management • Public Relations/Media	The candidate has professional/volunteer experience that is relevant and valuable to the board of the public agency.
Specialized Environmental Knowledge	• Government/Public Policy • Community/Stakeholder Relations • Industry/Sector	The candidate has specialized knowledge of the environment or context affecting the board of the public agency.
Personal Effectiveness Skills	• Leadership/Teamwork • Strategic Thinking/Planning • Critical Thinking/Problem Solving	The candidate has personal skills or attributes of value to the board of the public agency.
Other	Additional competencies may be identified that do not fall within the categories provided above but are essential to the needs of the public agency.	

Skills and competencies described by Engineers and Geoscientists British Columbia include the following:

"For Council to achieve its goals and meet its fiduciary responsibilities, Council has identified the need for diverse voices on Council, with a blend of the following skills and competencies:
- Leadership
- Financial Literacy

- Risk Management
- Human Resources
- Strategy
- Regulatory Understanding
- Governance
- Technical Proficiency in Engineering and Geoscience

APEGA, the Association of Professional Engineers and Geoscientist of Alberta, also outlines skills and competencies for potential council members on their website (APEGA, n.d.).

- Effective Board Communication
- Governance Experience
- Knowledge about APEGA
- Leadership
- Regulatory Understanding
- Risk Management
- Strategic Planning
- Understanding of Self-Regulation
- Visionary
- Work Experience

Engineers Canada has also identified desired competencies of Board Members, listed in their board manual.

The Ontario College of Nurses outlines competencies and attributes for council members on their website. (Ontario College of Nurses, n.d.). Four dimensions of competencies and attributes are identified for members:

- Career knowledge and experience: Professional nursing experience, regulatory experience, patient rights, cross-cultural experience, broad health sector leaderships, financial/accounting expertise, education system, information technology, HR leadership
- Functional skills: Public interest, evidence-based decision making, decision-maker, stakeholder relations, leadership, strategic planning, risk management/oversight, governance and boards, quality management/oversight, change management, financial literacy, chairing boards and/or committees, business and commerce,
- Affinity attributes: Patient safety, gender diversity, urban-rural diversity, cultural/heritage diversity, geographic diversity across Ontario, age diversity, diverse patient population needs
- Character attributes: Communicator, constructive, emotionally mature, ethical, fiduciary, inclusive, independent, learner, listener, proactive, strategic, adaptable, forthright, professional judgement, astute, problem solver, unifier, systems-level thinker

Board/Council Diversity

Board/Council diversity, especially in terms of gender equality, remains a key topic in corporate as well as non-profit governance globally and in Canada. Boards are under increasing pressure from legislators, regulators and their stakeholders to improve their diversity.

In a legal update provided by Wildlaw.ca (Wildeboer, Delleclce LLP, 2017), March 2017, they state:

> *"In June 2016, the Ontario government announced that it had accepted all 11 recommendations in Catalyst Canada's report, entitled* Gender Diversity on Boards in Canada: Recommendations for Accelerating Progress *(the "**Catalyst Report**"). Catalyst is a non-profit organization focused on accelerating progress for women through workplace inclusion. The Ontario government commissioned the report in order to assess progress for women in the workplace and seek recommendations for companies, business leaders and the Ontario government to address Canada's lag vis-a-vis other developed nations in achieving gender balance on corporate boards.*
>
> *The Catalyst Report recommends that issuers set specific gender diversity targets by the end of 2017 and achieve them within three to five years. Specifically, Catalyst recommends that all issuers with one female director target 30% representation by 2017, and that all issuers with no female directors aim to have at least one female board member. The Catalyst Report also recommends that issuers adopt at least one mechanism to facilitate board renewal, such as director term and/or age limits, and establish written policies describing how issuers specifically intend to increase representation of women on their boards. To address gender diversity at all levels of an organization, the Catalyst Report recommends that issuers monitor and track promotion rates, aiming for proportional promotion and retention at each level, invest in inclusive leadership training and address pay equity by adopting pay transparency and ensuring there are no wage gaps.*
>
> *In accepting all 11 recommendations in the Catalyst Report,* **the Ontario government has established a target that, by the end of 2019, all Ontario provincial boards, agencies and commissions will be comprised of at least 40% women.** *The Ontario government has also committed to considering more stringent legislative or regulatory approaches if the 30% target for women on corporate boards in Ontario is not met by the end of 2017."*

Diversity is not only about gender. According to CPA Canada (Fiona Macfarlane, 2019), "While many of the documented examples of diversity initiatives focus on race and gender, the concept of diversity is broader and encompasses factors including age, culture, personality, skill, training, educational background and life experience." They go on to say that "Diversity of thought and experience on the board can help lead to improved problem-solving, ability to take advantage of global opportunities, and avoidance of groupthink."

Explicit steps boards and Councils can take to increase diversity:
1. Discuss what diversity means with Board Members. Discuss race, culture, ethnicity, gender and age. Ask what the board can do to become more inclusive and welcoming.
2. Create a clear board member role description that outlines expectations, roles and responsibilities, organizational values, and competencies. In the description, communicate your organization's commitment to diversity, equity and inclusion (Standord Social Innovation Review, 2017).
3. Create a diverse pipeline of candidates. Intentionally seek out diverse candidates by clearly communicating needs and using non-traditional as well as traditional sources for candidates.
4. Develop a strong, and transparent vetting process.

Public Appointments

Public appointments in Ontario are co-coordinated through the Public Appointments Secretariat (the Secretariat reports to the Treasury Board). The Secretariat administers the program as well as provides support to ministries. Each year, approximately 1,500 public appointments to 184 provincial agencies and 360 other entities are made. Individuals interested in applying can find information about the process and vacancies on the Secretariat website (https://www.ontario.ca/page/public-appointments). The public appointment process is detailed in the 2016 auditor general report found at: http://www.auditor.on.ca/en/content/annualreports/arreports/en16/v1_402en16.pdf

An audit of the public appointment process took place in 2016, resulting in 6 recommendations and 14 actions. (Ontario Auditor General, 2016). Improvements that impact PEO include the following:

- To minimize the negative impact of delays, the appointments of new members and reappointments of existing members are to be done in a timely manner. Best practice guidelines have been provided to ministers' offices, as well the Treasury Board Secretariat also developed a short video for public appointee applicants and ministry staff to better understand the appointment process.
- Due to delays in the process some agencies and entities dropped below their minimum number of appointees. The Secretariat has since implanted an IT system to help ministries better track appointments.
- Transparency in the appointment process was found to be poor. The Secretariat has now developed educational and training materials that include information on the role agencies play in selecting and betting candidates.
- In 2016, only 40% of chairs strongly agreed that sufficient consultation and communication occurred between the ministry and their organization to ensure appointees have the necessary skills for their boards. They state that *'chairs, in conjunction with CEOs, are now consulted for their input on board requirements so that appointed board members have the competencies to fill the gaps in their boards.'*
- Finally, starting in 2019, the Secretariat will begin to monitor appointment diversity statistics and post them on its public website, to be in line with the provincial government's target of women composing 40% of board members on all provincial boards and agencies.

Non-Profit Board/Council Succession

Board/Council succession is critical to the success of all non-profit organizations, regulatory or not. Board Director planning is an essential piece of good governance, and sets the stage for member engagement, high performance and effective leadership.

There are known benefits to succession planning, including the following as identified in the Board Succession Toolkit developed for ONESTEP (The Ontario Network for Employment Skills Training Projects, 2018) by Laridae:

1. A ready supply of qualified, motivated people (or a process to identify them), who are prepared to take over when board members leave, or their terms expire.
2. Alignment between an organization's vision and its succession plan, which demonstrates an understanding of the need for board members to carry on and achieve strategic plans.

3. A commitment to term limits, which will facilitate the organization's ability to recruit top-performing board members (while also helping to ensure independent and fresh thinking on the board).
4. An external reputation as an organization with a high performing board.
5. A tangible value-proposition on the benefits of joining the board.

ONESTEP goes on to identify key factors to consider when developing a succession plan. The succession plan should:

- Link to the organization's mission, vision, and values.
- Look three to five years into the future.
- Be reviewed and updated annually by integrating the process into the annual objectives of the committee responsible for succession.
- Link to a process of building director proficiencies and skills for current and future board needs.
- Assess future needs of the board against the current membership.
- Include a systematic, non-biased process for recruiting, developing, and evaluating candidates.
- Implement systematic assessments of aspiring board members for leadership competencies.
- Be integrated with other board activities.

Even though the ONESTEP toolkit does not specifically apply to an elected and appointed Council of a regulatory authority, the broad foundational pieces for developing an effective succession plan are still applicable.

CPA Canada has also published an extensive guide for Board Succession for not-for-profit organizations (Dr. Richard Leblanc, 2010). Within the guide, they describe a number of relevant topics. For example:

- The composition of the board must be compatible with the current status of the organization and its future directions. A best practice is to create a competency matrix in which incumbent and prospective directors are matched against each of the skills needed. The matrix should be reviewed regularly to ensure it is aligned with the evolving strategic needs of the organization. A sample skills matrix is included within the Appendix;
- Conducting the search process and how to identify potential directors; and,
- Director orientation and development.

COMPARATIVE ANALYSIS

A review of succession practices of engineering regulatory bodies, as well as a few other larger regulators in Ontario was undertaken to show the differences between the organizations. Note that three of the organizations have undergone regulatory reviews, resulting in significant changes to their Council composition.

Name	Governance Review	Council Size	# elected	# appointed	Officers selected from elected Councillors	Councillors are Elected	Councillors are Appointed	Competencies Identified	Vetted through a committee	# of member signatures	Criminal Record Check
Engineers and Geoscientists BC – **Proposed Changes*	√	12	8	4		√		√	√	0	
Association of Professional Engineers and Geoscientists of Alberta (APEGA)		19	15	3		√		√	√	25	√
Association of Professional Engineers and Geoscientists of Saskatchewan (APEGS)		19	17	2		√				5	
Engineers Geoscientists Manitoba		13	11	2	√	√		√	√	6	
Engineers Nova Scotia		11	11	0		√		√	√	10	
APEGNB - Engineers & Geoscientists New Brunswick		14	12	2		√				10	
Engineers PEI		10	10			√				5	
Professional Engineers and Geoscientists Newfoundland & Labrador (PEGNL)		12	9	3		√				3	
PEO - Current		**27**	**15**	**12**		√				**15**	
College of Nurses of Ontario CURRENT		37	21	14-18		√				2	
College of Nurses of Ontario **Proposed Changes*	√	12	6	6			√	√	√		
Ontario College of Teachers CURRENT		37	23	14	√	√				10	
Ontario College of Teachers **Proposed Changes*	√	18	9	9			√	√	√		
CPA Ontario		16	16			√		√	√		√
College of Physicians and Surgeons of Ontario		32-24	16	13		√		√		5	

RECOMMENDATIONS

Recommendation 1: Undertake a Governance Review

Based on best practice research we recommend that PEO undertake a comprehensive governance review to examine structural changes that could be made to strengthen Council's ability to govern the organization. It is especially timely given the recent adoption of term limits and the implementation of recommendations from the regulatory review. A governance review would ensure that the Council is in alignment with regulatory changes. A governance review should be comprised of at least the following:

- Review of the PEO Act, bylaws, and associated policies and procedures
- Review of Council composition, including the total number of Councillors, number of professional and lay members, and geographic representation
- Review of the role of Councillors, including officer positions
- Review of the number of PEO committees, committee composition and mandates
- Review of elected vs appointed Councillors and officers
- Review of chapter structure
- Review of governance culture (risk, strategic directions, performance, etc.)

As shown in the best practice review, other regulatory bodies are moving towards having smaller councils, equally comprised of members from the profession and public, selected from a pool of qualified applicants, following a robust, transparent appointment process. A governance review would have the necessary scope and mandate to properly consider, and make recommendations, in this regard.

Recommendation 2: Implement Interim Best-Practices for Succession Planning

With the recent implementation of term limits for council members, developing a more robust Council succession planning process is important for continued effective governance of PEO. Building on the comprehensive work of the CTLTF and the recommendations previously made regarding succession planning, a number of recommended actions have been developed. Implementation details are outlined in the Implementation Framework (PART B of this report).

In advance of a full governance review, these interim actions will help strengthen succession planning for the organization. The recommended actions are based on best practice, and when best-practice is not yet feasible, includes interim measures that can be taken. In the long-term, these actions should reduce barriers for those who have the needed skills and competencies and desire to run for Council (through better education, and clear expectations of roles and responsibilities).

Recommended Actions

2A   Establish the Succession Planning Committee (SPC) to oversee ongoing succession work for the Council.

Rationale: Nomination/succession tasks typically assigned to one committee to ensure effective and efficient oversight.

Description: As per the CTLTF recommendations, a Succession Planning Committee should be established to oversee implementation of PEO's succession planning process. The SPC will drive implementation and determine how succession related responsibilities are distributed among pre-established committees (i.e. CESC, HRC). To ensure success, it is recommended that members of the committee serve multiple year terms.

Required Documents/Tools:
- Succession Planning Committee Terms of Reference
- Annual work plan

2B   Identify the purpose, objectives and principles to guide succession planning.

Rationale: Ensures a collective understanding of what succession planning is at PEO.

Description: As a starting point, the following draft statements have been prepared. They can be built into a Succession Planning Policy.

Purpose of Succession Planning:
To ensure that a process is in place for the effective and orderly succession of Councillors that will result in the collective knowledge, skills and experience necessary for the Council to effectively govern PEO.

Goals of Succession Planning:
a) Strengthen governance of PEO by attracting candidates who have desired skills and competencies to govern the organization.
b) Create an informed electorate by providing clear, objective and timely information/education about the role of Council, the responsibilities of Councillors, and candidates running for election.
c) Reduce barriers to volunteer (on Council and committees) through strengthened governance and an informed electorate.

Guiding principles:
a) Succession planning is tied to PEO's strategic plan, mission, vision and core values and is line with PEO's equity and diversity policy.
b) Succession planning is skill and competency based and includes an objective process that identifies suitable candidates and prepares them for their role on Council through board orientation and ongoing development.
c) Succession planning is transparent, objective, and is clearly communicated to membership. Roles and responsibilities are clearly articulated, and well understood.

Required Documents/Tools:
- Succession Planning Policy and Procedures

2C   Implement a competency-based succession process.

Rationale: Best practice and in line with changes occurring at other regulators across Canada. Will strengthen understanding of roles and responsibilities and overall governance of PEO. Without first undertaking a full governance review, PEO is not ready to move away from the current election process for Council. We recognize that without the ability to appoint Council members based on competencies, there could be gaps in skills at the Council table. However, implementing a competency based vetting process, will set clear expectations for potential candidates in the near term.

Description:
a) Develop a Competency Profile for Councillors. Competencies should be high level and broad, relevant for a regulatory body, and be connected to PEO's strategic plan.

b) Develop a process to assess competencies and skills of sitting Councillors to determine future needs.

c) Communicate competency and skill needs to the membership to encourage suitable candidates to stand for election.

d) Ask election candidates to self-assess their competencies and skills against gaps. This will further inform candidates about the desired skills and competencies of council members, and can be used for campaigning.

Required Documents/Tools:
-   Competency Profile for Councillors
-   Competency Matrix
-   Communications Plan

2D   Implement a 'green light' pre-election assessment process for all candidates.

Rationale: Best practice. Improves transparency. Sets objective criteria and clear expectations for candidates. By completing all the pre-election tasks, candidates are demonstrating their commitment to serve on Council.

Description:
a) Implement minimum criteria that interested candidates must meet prior to being allowed to stand for election. The vetting process should be overseen by the SPC and be as objective as possible – if all minimum criteria have been met, then a candidate may stand for election.

Recommended minimum criteria:
-   Completion of the application package and submission by the deadline
-   Completion of the Pre-Election "boot camp" webinar
-   Completion of the Skills Matrix self-assessment
-   Completion of a Criminal Record Check
-   Completion of PEAK
-   Declaration that they are a member in good standing
-   Fill in mandatory questions and agree to abide by the campaign publicity rules

b) Eliminate the need for the 15 signatures as a requirement to stand for election. No longer necessary with the minimum criteria.

c)   Develop a 'green-light' policy and associated procedures for the SPC to follow. Review election timelines and revise to accommodate the new process.

d)   Develop the candidate application process.

Required Documents/Tools:
-    Green-light process and procedure and associated forms
-    Candidate application package
-    Skills matrix

2E   Increase oversight of the election process, creating stricter standards for materials candidates are able to publish.

Rationale: Ensures that candidates have clear guidelines in respect to PEO's role as a regulator (as opposed to a member driven association). Provides fair and clear standard that all candidates must follow. Reduces false or misleading statements from candidates.

Description:
a)   Review the current Elections Publicity Procedure. Revise to ensure there is more control over content that can be published to remove misleading or false statements, and to ensure that the policy does not allow for electioneering by candidates outside of the approved channels.

b)   Prepare mandatory questions that candidates must answer. Mandatory questions should be related to regulatory or governance related issues impacting PEO in that particular year.

c)   Publish a pre-election Candidate Profile document (web-based using a pre-approved template) that outlines Candidate information including a candidate photo, candidate statement, answers to mandatory questions and candidate information (skills & competencies, education, related work and professional experience, and volunteer experience).

Documents/Tools:
-    Election Publicity Policy & Procedures
-    Approved templates with clear consistent guidelines
-    Pre-election Candidate Profile Document

2F   Enhance Councillors' understanding of their roles and responsibilities.

Rationale: Best practice. Ensures Councillors and candidates understand PEO's role as a regulator. Especially important in light of the recent regulatory review and implementation of recommendations by Council.

Description:
a)   Develop a pre-election training workshop for interested candidates to ensure they understand Council competency requirements, board roles and commitments. This can be a recorded webinar, allowing candidates to review it when they are able. The curriculum should include a review of at least:
-    Good governance principles
-    Non-constituency based voting
-    Fiduciary duties
-    Role of Council in regulation of the profession
-    Role of staff vs management

- Role of an association vs a regulatory body
- Director liability
- Time commitment
- Council committees and expectations for Councillors to join them.

b) Review and update the onboarding process to ensure that it is relevant and that it adequately addresses Councillor roles and responsibilities and is in line with the pre-election training webinar.

c) Continue to update the Council Manual and Council Elections Guide on an annual basis to reflect changes to the election process.

d) Establish a mentorship program for new Councillors. The mentorship program can be informal. At a minimum, more experienced Councillors should be paired with new Councillors to offer support and guidance when needed.

Required Documents/Tools:
- Pre-election training webinar
- Onboarding Process
- Council Manual
- Mentorship Program policy and procedures

2G   Enhance member awareness of the role of Council and the new succession program.

Rationale: Voter turnout has been historically low. Rolling out this new program provides an opportunity to re-engage membership using new communications. Clear communication can add transparency and equity, and ought to help improve interest by members who have traditionally not participated in the voting process or sought election.

Description:
a) Develop a Communications Plan that guides communications to membership to inform about changes to the election process. Ensure members are aware of roles and responsibilities of Council members as well as desired competencies and attributes for upcoming Council elections.

b) Include an additional on-line module focusing on PEO's mandate, Council responsibilities, and the importance of an effective election process (to go along with the Ethics and PEAK modules) at the time of renewal. The information could be another module with the Ethics exams. When PEAK is made mandatory, make it part of the license renewal process, ethics module and a voting module, (declare whether you are practicing, take the ethics module and then take the election module), then you get your license.

c) Develop an outreach program, where experienced Councillors attend regional meetings to provide Council updates and information about Council and Council elections.

Required Documents/Tools:
- SPC Communications Plan

2H Maintain a diverse & robust pipeline of candidates.

Rationale: Best practice. A diverse Council provides a range of perspectives (regional, skills, background, culture, gender, etc.) which is critical to effective governance. Will result in a pipeline of interested candidates.

Description:
a) Discuss what diversity means with Councillors. Discuss race, culture, ethnicity, gender and age. Ask what Council can do to continue to be inclusive and welcoming. Communicate PEO's commitment to diversity, equity and inclusion.

b) Develop a process to intentionally seek out diverse candidates by clearly communicating needs and using a deliberate process to reach out to members using non-traditional as well as traditional methods to ensure a ready supply of qualified, motivated members (or a process to identify them), who are prepared to stand for election and volunteer on Council committees.

c) Maintain the open call for vacancies on committees and develop a corresponding objective evaluation process to assess potential candidates.

Required Documents/Tools:
- SPC Communications Plan

2I Appoint Council officer positions from within elected Councillors to ensure sound leadership succession.

Rationale: Good governance. A stepped approach through membership to leadership is an important journey. Changing from an elected president to one appointed by Councillors allows for graduated and predictable leadership succession. Ensures that officers have a sound understanding of the roles and responsibilities of Council prior to taking on leadership of the organization.

Recognizing that this action may be a more difficult change for some members to accept, it may be best implemented after a full governance review has been completed and council has moved to a merit-based appointment process (assuming that is a recommendation).

Description:
a) SPC to review the appointment process to fill officer positions from within elected Councillors. Require that the President be on Council for at least one year prior to taking on role.

Required Documents/Tools:
- Officer Appointment Policy and Procedure

PART B

PEO SUCCESSION IMPLEMENTATION FRAMEWORK

This section of the report outlines:
- Implementation Framework
- Succession Tools and Templates

IMPLEMENTATION FRAMEWORK

A draft succession Implementation Framework has been developed based on the best practice recommendations provided in PART A of this report. It has been laid out into two sections.

SECTION 1: Draft Framework to implement the succession planning program
The framework identifies high level actions that must be completed before a succession planning program can be implemented. Actions are tied to recommendations made in PART A of this report and include a schedule, identification of resource needs, and tools and templates to assist with implementation. The goal is to establish most of the foundational elements in year 1 with further development in years 2 & 3.

SECTION 2: Draft Annual work plan for the Succession Planning Committee
The draft annual work plan identifies recommended annual actions required for succession at PEO Council. Key steps with, associated timelines are identified. This work plan would be implemented once foundational succession planning pieces are in place (likely year 2 or 3).

Section 1: Framework to implement the succession planning program.

	Actions	Required Tools & Documents	Year 1	Year 2	Year 3	Rec.#	Resp.	Resources
1	Establish the Succession Planning Committee	- SPC Terms of Reference (draft in Appendix D)				2A	Council	Annual committee budget for meetings
2	Develop PEO Council Succession Planning Policies & Procedures	- Council Succession Planning Policy - Identify the purpose, objectives and principles to guide succession planning.				2B	SPC	Committee time
3	Develop a Succession Planning work plan	- Annual Work plan. Ensure that the new succession planning process is systematized and is embedded in ongoing processes so it becomes a part of the Council's annual work plan and that it is aligned with the work of other committees.				2A	SPC	Committee time. Peer review by other committees
4	Develop core competencies for council members	- Council Competency Profile - Council Competency Matrix				2C	SPC	Committee time

	Actions	Required Tools & Documents	Year 1	Year 2	Year 3	Rec.#	Resp.	Resources
5	Develop a process for self-assessment of sitting Councillors	- Council self-assessment procedure - Council Competency Matrix	▨			2C	SPC	Committee time
6	Develop the 'green light' pre-election assessment process	- Minimum criteria for potential candidates - Candidate application process - Green-light procedures and associated forms	▨			2D	SPC	Committee time
7	Review and update the Election Publicity Policy & Procedure	- Update to reflect changes to materials candidates may publish during campaigning - Develop mandatory questions and templates	▨			2E	SPC	Committee time
8	Develop the pre-election training workshop for interested candidates	- Pre-election training Webinar	▨			2F	SPC/ Consultant	Research and curriculum development costs
9	Revise the onboarding process for new councilors	- Council onboard process. Evaluate the current onboarding process for new members and make improvements where needed, ensuring roles, responsibilities and other relevant accountabilities are clearly outlined	▨			2F	SPC	Committee time
10	Update the Council Manual to reflect changes to process and policy.	- Council Manual	▨			2F	SPC	Committee time
11	Develop a communications plan to inform membership about the new succession process	- Communications Plan	▨			2G	PEO Staff	Staff time
12	Develop a mentorship program for new Councillors	- Councillor Mentorship policy and associated procedures		▨		2F	SPC	Committee time
13	Develop a process to seek out qualified candidates on Council and Council committees	- Outreach policy and procedure		▨		2H	SPC	Committee time

	Actions	Required Tools & Documents	Year 1	Year 2	Year 3	Rec.#	Resp.	Resources
14	Enhance awareness of the role of Council	- Outreach policy and procedure		▨		2G	SPC	Committee time
15	Enhance awareness of the role of Council	- Develop additional online module focusing on PEO's mandate, council responsibilities and importance of the election process to be included at member renewal on-line module			▨	2G	SPC	Research and curriculum development costs
16	Review the process for electing officers	- Update necessary policies and procedures			▨	2I	SPC	Committee Time Peer review

Section 2: Draft Annual work plan for the Succession Planning Committee

Timeframe	Item	Supporting Documents/Policy/Tools
May 1st	New Council term starts	
May-Sept	Roll out the onboarding process for new councilors. Ensure ongoing training and development opportunities are offered to Councilors	Can use the skills matrix to identify training needs (i.e., if the Council is weak in a particular competency)
September	Councillors to complete Council Competency Skills Matrix	Tool: Skills Matrix
Sept - Oct	Conduct gap analysis to determine competencies required for following year	Tool: Skills Matrix
October	Communicate competency requirements to members.	Tool: PEO Council Succession Communications Plan Publish results of the Gap Analysis. Possible communications channels include Engineering Dimensions, e-blasts, website, chapters, and the election information package
October	Run education sessions to educate members about the election	Create a webinar so it is available throughout the year. Visit regional council meetings to discuss PEO council.
October	Begin the search process to identify suitable candidates from within the member base	Tie to recruitment tactics, especially to groups that may be underrepresented

Timeframe	Item	Supporting Documents/Policy/Tools
		Work with PEO chapters, engineering firms, and other engineering associations to seek out potential candidates
Mid October	Nominations Open – distribute application packages	Candidate Application Package, Election policies and procedures
October	Hold the pre-election webinar	For all interested candidates (both elected and appointed), prior to applying, to ensure they understand competency requirements, board roles and commitment
Late November	Nominations Close	
Nov 15-Dec	Green-light vetting process	Ensure compliance with minimum requirements
Early December	Publish list of 'green-lit' candidates	
Early December	Deadline for receipt of candidate materials for publication	
Mid-Dec to Feb	Candidate campaigning	
January	All candidates meeting	5-minute video vignettes
January - Feb	Voting	
March	New Councillor orientation. Implement mentorship program	Council Manual Council Onboarding Council Mentorship Policy and Procedures
Continuously	Review, revise and create election and succession policies and procedures as required for the next cycle.	
Continuously	Communicate skill and competency requirements for LGA councilors to the Public Appointments Secretariat	Tool: PEO Council Succession Communications Plan
Continuously	Reach out to suitable candidates	Tool: PEO Council Succession Communications Plan
Continuously	Visit regional council meetings to discuss PEO council	

SUCCESSION TOOLS & TEMPLATES

PEO Competency Profile

Competencies are the knowledge, skills & abilities, and personal qualities, demonstrated through behavior, that result in service excellence. A competency profile is in turn formed through the development of a combination of competencies and associated behaviors which link directly to the work to be performed.[i] Competencies should support and facilitate PEO's mission and vision, and be aligned with the Council's short- and long-term goals.

Having competency profiles in place provides a guideline for recruitment and enables a higher awareness over the skills that candidates bring with them to Council. Competency profiles also provide voters with further information about each candidate. According to the PEO IPSOS Reid Member Survey (Ipsos Reid, 2013), 33% of members surveyed noted that they did not know enough about the candidates. Having competency profiles in place reflects the practices of many other regulatory bodies

It is not expected that every member of Council will excel in all of the following recommended competencies. Rather, Councillors should bring skills and competencies that, when combined, provide Council with a comprehensive competency profile. Of course, without the ability to appoint Council members based on competencies, there could still be gaps in competencies and skills at the Council table. However, implementing a competency-based vetting process, will, in the near term, set clear expectations for potential candidates resulting in stronger governance. PEO's Competency profile needs should be reviewed and updated, at a minimum, when strategic planning occurs.

Recommended PEO Council Competencies

Based on best practices at other regulatory bodies and feedback from the SPTF, the following competencies are recommended for PEO.

Leadership

Definition: Demonstrates confidence and good judgment in inspiring, motivating, and offering direction and leadership to others. Reinforces high standards of professionalism, accountability, integrity, commitment, and ethics. Fosters the values and principles of PEO.

Best Practice: competency for Engineers and Geoscientists BC, Association of Professional Engineers and Geoscientists of Alberta (APEGA), Ontario College of Teachers governance review

Board and Governance Experience

Definition: Has experience with, or can demonstrate knowledge or expertise in, board governance in the private, public, and/or non-profit sector, through prior Board or committee service or reporting to or working with a Board as an employee. Clearly understands the distinction between the roles of the Council versus the role of management.

Best Practice: competency for Engineers and Geoscientists BC, APEGA, Engineers Nova Scotia Ontario College of Teachers governance review

Risk Management

Definition: Experienced with, or able to demonstrate knowledge or expertise in, risk management best practices and procedures, crisis management, and related laws and regulations.

Best Practice: competency for Engineers and Geoscientists BC, APEGA, Ontario College of Teachers governance review, Engineers Nova Scotia CPA Ontario

Regulatory Understanding

Definition: Knowledgeable about regulations and regulatory organizations, including the purpose of regulation. Familiarity with the oversight of the engineering profession in the public interest by representative members of the profession in accordance with the Professional Engineers Act. Knowledge gained from working with legislation, having experience being a part of a regulator, or working in a heavily regulated industry, as well as through involvement and interaction with PEO.

Best Practice: competency for Engineers and Geoscientists BC, APEGA

Communication

Definition: Demonstrates an ability to effectively, clearly and concisely convey information, ideas or policy in various formats to a wide range of audiences. Listens well and shows an openness to others' thoughts and ideas. Is a strong ambassador for the organization.

Best Practice: competency for APEGA

Technical Proficiency

Definition: Professional experience of at least 10 years. Demonstrates the appropriate level of proficiency in the principles and practices of engineering. Demonstrates a commitment to continuous improvement.

Best Practice: competency for Engineers and Geoscientists BC, APEGA

Note: In the IPSOS Reid Membership Survey (2013), 29% of members surveyed strongly agree and 34% somewhat agree that candidates running for election should have at least 10 years' experience working as a professional engineer.

Strategy

Definition: Understands the implications of decisions and strives to improve organizational performance. Able to understand PEO's responsibilities, processes, and outcomes as they impact key stakeholders and the organization's strategic direction. Understanding of and experience with an organization's process of defining its strategy, or direction, and making decisions on the allocation of resources.

Best Practice: competency for Engineers and Geoscientists BC, APEGA, Ontario College of Teachers governance review

Vision

Definition: Ability to employ future-focused and big-picture thinking in a creative and strategic way. Ability to see a desirable future state, while considering the impacts of actions and decisions.

Best Practice: competency for APEGA

Financial Literacy

Definition: Experienced with, or is able to demonstrate knowledge or expertise in, accounting or financial management. This may include analyzing and interpreting financial statements, evaluating organizational budgets, and/or understanding financial reporting.

Best Practice: competency for Engineers and Geoscientists BC, Engineers Nova Scotia

Human Resources

Definition: Experienced with, or is able to demonstrate knowledge or expertise in strategic human resource management. This may include workforce planning, employee engagement, succession planning, organizational capacity, compensation, CEO performance management and evaluation, and/or professional development.

Best Practice: competency for Engineers and Geoscientists BC, Ontario College of Teachers governance review

Competency Criteria

The following chart describes criteria that PEO/candidates should consider when determining their level of skill for each competency.

Competency Level	Description (Experience/Qualifications)
0	- Very basic knowledge of the competency - Understands terminology and can identify skills and attributes associated with the competency
1	- Good understanding of the fundamentals of the competency gained through an appropriate combination of education, working knowledge, previous board experience and training. - Sufficient knowledge and experience to apply concepts to less complex issues.
2	- Significant understanding and expertise of the competency gained through an appropriate combination of education, practical work experience, previous board experience and training. - Participates fully in board analysis, discussion and debate on more complex issues. - Ensures sufficient information is provided to support analysis and recommendations. - Uses knowledge to mentor new directors and provide greater understanding of competency. - Challenges management's assumptions when needed and speaks out appropriately at board meetings. - Makes significant contributions to long-range planning.
3	Expert understanding of the competency gained through an appropriate combination of direct practical working experience in a senior position or function,

	previous board experience, professional designation, qualification or degree in the subject matter or completion and accreditation of a director training program.
	• Participates fully in board analysis, discussion and debate on more complex issues.
	• Ensures sufficient information is provided to support analysis and recommendations.
	• Uses knowledge to mentor new directors and provide greater understanding of competency.
	• Interprets complex data to contribute new knowledge in the competency areas.
	• Provides expert analysis and advice on complex issues.
	• Challenges management's assumptions when needed and speaks out appropriately at board meetings.
	• Makes significant contributions to long-range planning.

Source: https://www.dico.com/design/Publications/En/Director-Training-June-2012/2012_Director_Training_and_Qualifications_Policy_Development_Guide_June11.pdf

Sample Skills Matrix

A skills matrix is a commonly used tool to help assess the level of experience each Councillor has in various skill and competency areas, as well as to assess the overall composition of the Council related to diversity.

Why use it? To assess competencies and skill levels of sitting Councillors and to determine gaps in experience and expertise the Council needs to fulfil its mandate.

How to use it?

a) On an annual basis, Council to evaluate skills of sitting Councillors using the Skills Matrix. Councillors can self-identify their skill levels.
b) SPC to review the completed matrix and identify strengths and the competencies/attributes that are especially needed for the upcoming year. It is important to also reflect on vacancies due to term limits.
c) SPC to communicate competency needs to membership and to actively search for candidates.
d) Use the skills matrix to consider new candidates. Have interested candidates complete their own skills profile, which they can then use in election material.

Skills Matrix Template: In Appendix C of this Report.

Draft Green-Light Assessment Process

The purpose of the green-light assessment process is to ensure that candidates who wish to run for election meet minimum criteria set out by the SPC.

The process is transparent, objective and confidential. In order to run for election, candidates must first be approved by the SPC. In addition to the minimum criteria identified below, candidates must also meet the requirements of governing legislation.

Sample Green-light Assessment Form

Candidate Name:
Position:

Minimum Criteria	Yes/No	Notes
Completed and submitted application package by deadline		
Submitted a CV		
Completed the Pre-election Webinar Training		
Completed the Skills Matrix		
Submitted a criminal record check		
Is a member in good standing		
Is PEAK compliant		
Agrees to abide by the campaign publicity rules		

Communications Framework

A communications plan is key to ensuring the PEO membership understand the new processes required to ensure effective succession of the PEO Council and is the main tool to successfully deliver messages in a consistent and effective manner. The plan will not only ensure that members are informed, it will build awareness and, ideally, drive engagement in the election process. To help PEO, this draft communications framework outlines high-level items that ought to be considered in the development of a tactical Communications Plan.

Purpose: To inform PEO membership about the new Council Succession Planning Program.

Objectives:
- Increase knowledge about the role of PEO Council and the roles and responsibilities of Councillors.
- Inform members about new succession processes, including skill and competency requirements and needs, and changes to the election process.
- Inform the Ontario Public Appointments Secretariat about PEO's most-needed skills and competencies, with the intent to focus their search for candidates that will help to fill gaps in those skills and competencies.
- Develop a pipeline of diverse candidates who wish to stand for election.
- Improve employer support of staff who may choose to stand for election.
- Improve engagement in the election process.

Audience:
- PEO Membership
- Sitting Councillors
- Employers of PEO members
- Ontario Public Appointments Secretariat

Influencers/Partners:
OSPE

Key Messages
- With the recent implementation of term limits for council members, PEO is developing a more robust Council succession planning process.
- This new process is important for the continued effective governance of PEO. It brings us in line with other regulators in Ontario, Canada, and around the world.
- Get engaged! We are only as strong as our membership. Take time to learn about the new process. Learn about the candidates who are hoping to earn your vote, and represent the best interests of our profession and the public.
- Considering running for Council? There are new steps you need to take. Learn more <here>.

Suggested Activities:
- Regional Councillors to deliver one workshop/year at regional congresses to improve awareness of the election process.
- Publish results of Council gap analysis.

Implementation: Implemented by the PEO Communications department. Oversight by the SPC.

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APPENDIX A: Document Review

The purpose of the review was to learn more about how the Council operates and to determine if policies and procedures need to be adapted or created to enable succession planning.

Document Title	Notes
SPTF Terms of Reference & work plan	Council motion: *The SPTF will develop a comprehensive implementation plan with schedule, future operating expenses of search and training modules, candidate targets, media programme to educate members etc.*
Council Term Limits Task Force (CTLTF) revised recommendations for succession planning and term limits	Describes recommendations related to succession planning and term limits.
Council Term Limits Task Force Final Report	Received at the March 24, 2017 PEO Council meeting
PEO Strategic Plan 2018-2020	Strategic Objective 7: Refine the volunteer leadership framework – PEO-specific leadership values will be consistently practiced by volunteers, and promoted through recruitment, training, mentorship, term limits, succession planning and evaluation.
PEO Council Manual, last approved February 2011	Sections important to this project are in Appendix B. Will need to be updated to reflect changes.
PEO Council Meeting Schedule	
PEO Council Meeting Agenda and Minutes, June 2017	Adoption of CTLTF recommendations (as amended in the meeting) for the start of the 2019 election cycle.
Volunteer Manual, 2016	Based on the PEO Council Manual, more user friendly. Describes volunteer opportunities, along with volunteer pathways (i.e. chapter volunteer program). Includes PEO's Equity and Diversity Policy*: "That PEO's activities in recruitment and retention of staff and volunteers have a focus on achieving equity and increasing diversity within the engineering profession".*
List of Committees and Task Forces	
Regional Councillor Committee Info	Lists committee rosters
Regional Councillor Committee Terms of Reference	Nothing re. succession to the PEO council
2019 Election Publicity Procedures and 2019 Voting Procedures	
2020 Election Guide	
Election and Search Committee Terms of Reference	
PEO Annual Review, 2018	
Engineering Dimensions, May/June 2019	

APPENDIX B: SPTF Terms of Reference & CTLTF Recommendations

SPTF Terms of Reference

1. Develop an Implementation Plan for succession planning, based on Council approved succession planning recommendations 1 to 13.
2. Prepare Terms of Reference for the Succession Planning Committee that will implement succession planning as per Council approved Recommendation 16: *Upon completion of its work, the SPTF will be replaced by a Succession Planning Committee (SPC) to maintain the programme and manage its evolution in future years.*
3. Task Force deliverables include the above Terms of Reference and Implementation Plan for the proposed Succession Planning Committee. The Implementation Plan shall include key recommendations, a schedule, a maintenance & oversight process and potential operating expenses.
4. Engage key stakeholders through meetings and the peer review process in the development of the plan. Stakeholders shall include, at a minimum, the Central Election and Search Committee (CESC), the Human Resources Committee (HRC), the Advisory Committee on Volunteers (ACV) and the Equity and Diversity Committee (EDC).

CTLTF Recommendations

Recommendations 1-13 as approved at the June 2017 Council Meeting:

1	Council must identify the skills and experience that the best Councillors would exhibit.
2	Council undertakes a gap analysis on an annual basis to identify weaknesses in the current Council make-up, and identifies appropriate criteria for strengthening the team.
3	The search committee employs the defined skills list to find suitable candidates in the engineering community and the PEO volunteer community.
4	PEO must develop a leadership program and provide training opportunities for interested candidates to upgrade their skill sets in the areas that are deemed of value.
5	A Future Leaders Symposium should be held yearly or bi-annually to introduce PEO, the organization and leadership possibilities within the organization, to young and new volunteers.
6	The electorate must be educated on the necessary skills and competencies to look for in Council candidates.
7	The engineering public must be educated on the importance of Council's role in regulating the profession. This may increase interest of suitable candidates to aspire for service to their profession.
8	PEO must work with engineering employers to encourage ways to facilitate their employees to consider service to the profession.
9	A determination must be made if it is possible to remove barriers that impede certain volunteers of a specific demographic (specifically age and family status) from serving on Council.
10	PEO must set aside money for training and possibly employer compensation.

11 The Council Manual should be updated and be more complete so that it can be used for information and training on the expected roles, responsibilities and time commitments as a Councillor.

12 A mentorship program should be set up for new Councillors.

13 HRC must share our skills competencies guideline with the Public Appointments Secretariat. It is hoped that the Lieutenant-Governor Appointed Councillors (if staggered in time) may help fill skills gaps.

APPENDIX C: Sample PEO Council Skills Matrix and Inventory

					Indicate knowledge, skills & experience for each category: Advanced = 3, Good = 2, Fair = 1, None = 0								
Councillor Name	Region	Gender / Other self-identified Diversities	Education	Discipline	Leadership	Board & Governance Experience	Risk Management	Regulatory Understanding	Communication & Public Affairs, Social Media	Technical Proficiency	Strategy	Financial Literacy	Human Resources
Total Score													
Total Best Score													

APPENDIX D: Draft SPC Terms of Reference

Draft SPC Terms of Reference

A draft Terms of Reference for the SPC has been created to use as a starting point. It will be completed by either the SPTF or SPC.

Legislated and other Mandate approved by Council	To oversee PEO Council's succession planning.
Key Duties and Responsibilities	Insert annual work plan
Constituency, Number & Qualifications of Committee Members	
Term Limits for Committee Members, Chair	Chair: Committee Members: - Multiple year terms
Qualifications and election of the Chair	
Succession Planning	
Quorum	In accordance with Wainberg's Society Meetings Including Rules of Order and section 25(i) of By-Law No. 1, quorum for the purpose of having the meeting's decisions be considered binding is at least 50 per cent of the committee's/task force's membership present at the meeting.
Meeting Frequency & Time Commitment	
Operational Time Frame	
Committee Advisor	
Committee Support	