Guideline 9:

Monitoring, Review and Revision of Employment Equity Plan

Human Resources Development Canada

Développement des ressources humaines Canada

Labour Program

Programme du travail

Canada

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INTRODUCTION

This Guideline is intended to help employers, employee representatives, unions, designated group members, and other interested parties understand how to monitor progress in achieving employment equity and how to review and revise the organization's employment equity plan.

The main focus of monitoring and review is to determine to what extent the employment equity plan is being implemented and to determine if the activities in the plan are effective. The revision of the plan is then based on these findings.

Guidelines provide general direction and practical pointers that reflect best practices. They are not, however, a template: readers should consider the circumstances in their organizations as they use the Guidelines. Other documents to consult include the *Act and Regulations,* the related Guidelines such as those on the Employment Equity Plan, as well as documents available from the Canadian Human Rights Commission (CHRC) relating to the audit process.

PART A: LEGAL FRAMEWORK

Monitoring Requirements

Section 12 of the *Act* states that every employer shall:

a) make all reasonable efforts to implement its employment equity plan; and

b) monitor implementation of its plan on a regular basis to assess whether reasonable progress toward implementing employment equity is being made.

This means that every employer must try to ensure that every activity included in the employment equity plan is being implemented as intended and as scheduled. This is done by regularly assessing the progress being made with respect to all of the activities in the plan.

Review and Revision Requirements

Section 13 of the *Act* states that every employer shall, at least once during the period covered by the short term numerical goals review its employment equity plan and revise it by:

a) updating numerical goals, taking into account the factors referred to in subsection 10(2) of the *Act;* and

b) making any other changes that are necessary as a result of an assessment of reasonable progress or as a result of changing circumstances.

"Short-term" means a period of not less than one year and not more than three years.

The factors to be taken into account in updating numerical goals include:

See Section 10 (2) of the Employment Equity Act.

- the degree of underrepresentation of designated groups in each occupational group;

- the availability of qualified people in designated groups within the employer's workforce and the Canadian workforce;

- the anticipated growth or reduction of the employer's workforce during the period covered by the numerical goals;

- the anticipated turnover during the same period; and

- any other factor which may be prescribed.

This means that every employer must examine the organisation's numerical goals and determine whether they need to be changed. If so, employers then revise them as appropriate, taking into account the factors listed above.

Section 13 of the *Act* also means that employers must review the effectiveness of the activities to assess whether the activities are providing the anticipated results. If these results are not being achieved, then employers must revise the plan, with the goals of achieving the desired outcomes.

Section 15(1)(b) of the *Act* states that every employer shall consult with its employees' representatives by inviting the representatives to provide their views concerning the preparation, implementation and revision of the employer's employment equity plan.

Section 15(2) also states that where employees are represented by a bargaining agent, the bargaining agent shall participate in the consultation.

Section 15(3) continues, stating that every employer and its employees' representatives shall collaborate in the preparation, implementation and revision of the employer's employment equity plan.

Therefore, employers should ask the advice and work with employee representatives who include bargaining agents in a unionised workplace, on the revision of the plan.

PART B: PRACTICAL APPLICATION

Purpose of Monitoring, Review and Revision

The purpose of monitoring the plan is to:

- follow-up on the responsibilities and accountabilities of individuals and groups in the organization to ensure that they are implementing the various components of the plan. (Many activities in an employment equity plan are interlinked; success or failure for one component can affect others.);

- demonstrate that the organisation is making a reasonable effort to implement the plan, according to the plan's goals and timetables. ("Reasonable" is not defined in law. It will vary according to the circumstances of an individual organization. However, it is implicit that the effort monitored here will be consistent with the activities and timetables set out in the plan.); and

- ensure that reasonable progress in implementing the activities set out in the plan is being made.

The purpose of the review and revision is to:

- identify activities that work and those which don't. (Some activities will generate results and others will not.);

- outline new or better ways of achieving results;

- establish new or higher numerical goals as circumstances require. Changes in occupational groups, numbers of employees, growth or reduction of units, or the release of new census data, all may mean changes in employment equity goals.); and

- set out new, or improved responsibilities and

accountabilities. These are critical to ongoing monitoring of activities and results.

Monitoring

Setting up the monitoring system

The first step in setting up the monitoring system is to decide who is responsible for this part of the employment equity process. The overall responsibility and accountability for monitoring will rest with senior management.

However, staff assigned to employment equity and members of the employment equity committee, if one exists, are likely to have the day-to-day responsibilities of ensuring monitoring occurs by playing the co-ordination role. They ensure that an effective monitoring system has been developed and implemented, that findings are communicated to senior management and others who require them, and that management acts to remedy any problems that have been identified. They could also assign responsibility to others who collect and analyse information on monitoring and evaluation.

Those who actually collect and analyse this information may work in various areas, including human resources, systems, management, unions, the employment equity committee and employment equity staff. The responsibilities of staff who carry out monitoring activities will include activities such as:

- designing and implementing the statistical monitoring systems that will generate the information on changes in the representation of designated groups in various occupational categories and in various departments of the organisation;

- determining if implementation of plan initiatives have been implemented and if not, why; and

- if appropriate individuals have been held

accountable.

The monitoring system should be established in conjunction with the start-up of the employment equity plan. During the start-up phase of employment equity programming there will be considerable emphasis on the initiating process as well as monitoring early results. For example, in the plan, there may be a requirement for human resources to try a new recruitment strategy. The various steps in setting up that strategy and implementing it may be monitored to see if they are happening as planned.

Once the organisation has implemented its employment equity programming, the emphasis will shift more to reviewing and revising. This means examining what works and what doesn't, what longer term results can be expected and how the organisation can improve its employment equity outcomes. For instance, the new recruitment strategy, referred to above, may have had a short lived effect. The turn-over of those recruited by this method may have been high. Therefore, a new approach is needed to attract and retain staff and produce better longer term results.

Setting up the monitoring system requires thinking about all of the components of the employment equity plan that need to be monitored, and determining the most reasonable and effective approach to doing so. The legislated requirement to have short and long term goals means that monitoring must be timely and ongoing. Whoever is responsible for monitoring the implementation of a specific project should monitor its individual components and not wait until the deadline for the completion of the entire project.

If employers do not develop an effective process for monitoring their employment equity program, they will seldom be able to thoroughly review the program later on.

Effectiveness of the monitoring system

A good employment equity monitoring system:

1. measures the extent to which the key processes/activities set out in the plan are being implemented;

2. addresses short, medium and long term goals with measurement at appropriate intervals;

3. is relatively easy to maintain, once established;

4. is adequately resourced;

5. is integrated with other organizational audit tools where appropriate;

6. feeds into accountability mechanisms;

7. is meaningful to those who need to use the results;

8. respects privacy;

9. is flexible in terms of dealing with program changes; and

10. provides an indication of individual, group and overall organizational changes at various points in time, which may influence the implementation of the plan.

Components of a monitoring system

Monitoring the employment equity plan

The *Act* requires employers to monitor their employment equity plans to determine whether it is enabling the organisation to make reasonable progress towards implementing employment equity.

The plan must include, at a minimum, the following elements and each element must be monitored:

- positive policies and practices to be instituted in the short term for hiring, training, promoting and retaining of the designated group members and making reasonable accommodations;

- measures to eliminate barriers identified by the employment systems review;

- a timetable for the first two items;

- short-term numerical goals; and

- longer-term goals for increasing the representation of persons in designated groups.

Monitoring positive policies and practices:

Positive policies and practices may include such things as a special recruitment program for Aboriginal persons if they are significantly underrepresented in the organisation or a special training program for women for senior management positions. Positive policies and practices are usually of a short-term duration to help create an immediate increase in the representation of an underrepresented group. These positive policies and practices need to be monitored on an ongoing basis to ensure all necessary steps are taken to ensure their full implementation.

Each step in the implementation of such a positive policy or practice should be monitored to pinpoint at exactly what stage problems occur. If the goal of the positive policy or practice is to increase the representation of the designated group in question, the goals will be monitored and if they are not reached, a close examination of this activity will occur during the review and revision of the plan.

Monitoring of the elimination of barriers:

As is true for monitoring positive policies and practices, monitoring the elimination of barriers created by existing policies and practices is a relatively simple exercise. It involves determining if the existing policy or practice has indeed been eliminated, modified or replaced according to the employment equity plan and its timetable. The new policy or practice will be ongoing and part of the overall human resource policies and practices of the organisation.

Monitoring the timetable:

The employment equity plan sets out a timetable for policies and practices and eliminating barriers. Monitoring includes ensuring that the activities are undertaken within the timetable set out in the plan.

The reasons for any delay should be examined and fully justified by those responsible for the implementation of various activities of the plan. Once the delays are explained, new deadlines should be set and the plan should be revised accordingly.

Monitoring the short-term numerical goals:

Employers must monitor whether they are achieving the short-term numerical goals set out in the plan for hiring and promoting designated group members.

Changes in the representation of designated groups provide an indication over time of how successful various activities aimed at increasing representation have been. These changes show whether or not progress towards a representative workforce in the short-term is reasonable, whether it is being achieved with some designated groups but not with others, and whether it is happening in some occupational groups and not others. They also indicate whether various organisational branches and their managers are on-target.

Monitoring of short-term numerical goals may mean instituting an improved Human Resource Information System(HRIS). The existing system may be augmented to include employment equity data with linkages to other data bases. Where a computerised HRIS does not exist it will be necessary to develop procedures for tracking new hires, changes in the job classification and termination information. These procedures should be developed at the beginning of the program. The baseline workforce survey data, updated with current data, provides ongoing monitoring on occupational representation.

Monitoring representation focuses on changes in overall representation, by occupational group, and by salary grid for each of the designated groups. Employers may wish to monitor changes by organizational unit such as department or branch. This will help identify exactly where change is occurring and at what rate.

If an organisation is not meeting its short-term numerical goals, the employer will need to examine them closely to determine reasons why they are not being effective during the review and revision of the plan.

Monitoring the longer-term goals:

Longer-term goals lay out the organization's objectives over a period of more than three years (there is no maximum time period) with respect to increasing the representation of underrepresented designated groups in the workforce. These objectives could include things like providing a child care facility for all employees or making buildings physically accessible for persons with disabilities.

Monitoring of major projects such as these would involve ensuring that the steps to achieve the goals have been taken according to schedule. If the steps are not being followed, the scheduling of the longer-term goals would need to be reviewed and revised.

If the longer-term goals include numerical goals (this is not obligatory under the *Act*), monitoring would involve ensuring that the short-term numerical goals are being reached according to schedule to ensure the eventual attainment of the longer-term numerical goals.

Monitoring the employment equity environment

Structural change:

It is important to monitor how changes in organisational structure affect the objectives of the employment equity plan. Downsizing, closing operations, changes to the types of jobs or the status of people in the organization can have significant effects. The monitoring strategy here would require examining the effects of changes in organizational structure on the representation of designated groups. Monitoring structural change will impact on the review and revision of the employment equity plan as changing circumstances are to be taken into account.

See Section 13(b) of the Employment Equity Act

The monitoring system here may use existing information from the HRIS. In the case of downsizing, a preliminary examination of the impact of the layoff policy could focus on designated groups. Depending on union agreements it may be possible to soften the impact with a proportional layoff strategy for different job groups especially if there is a concentration of any of the designated groups in some occupations.

The impact of structural change will be reflected in statistics which show possible reductions in representation of designated groups and disproportionate changes in overall representation or representation by status (e.g. full-time, part-time). Structural change that involves growth in the number of employees should reflect at a minimum a proportional improvement in the representation of designated groups.

Changes in climate and values:

Changes in climate and values may be critical in promoting an employment equity-friendly workplace. Monitoring such changes can be useful in both pinpointing any problems they may cause in relation to representation and in determining how to solve them.

An organisation's climate and values can affect things like who gets ahead in the organization, who gets developmental opportunities, and who gets assigned less favourable work. The examination requires carefully analysing of the types of workplace behaviour or individuals who are rewarded; the public persona of the organization as expressed in matters such as advertising and community involvement; the emphasis on different extracurricular events like season tickets to hockey or football, employer team sports and cocktail parties.

Attitude surveys are a good way of looking at how employees feel about an organisation's climate and values. Analysing the attitudes of designated group employees is useful in identifying how the different policies and practices of the organization affect various groups. In addition to examining climate and values, attitude surveys can focus on topics such as interest in different work arrangements, different benefit packages, compensation issues. Such surveys are often carried out as part of the employment systems review to provide base line data on employee attitudes. Once the employment equity program has been in operation for a few years, the survey can be redone to determine whether any change in attitudes has occurred amongst employees.

Positive changes in climate also may be reflected in memberships of designated groups on informal and formal committees, more diverse non-work activities, (e.g. social committees) and publications which better reflect ethnocultural diversity. These can be monitored through periodic special studies.

Monitoring the performance of managers

The employer's responsibility for employment equity program activities is carried out by individual managers. The importance of this responsibility is reflected in whether or not managers are held accountable for results. This accountability can be reinforced through the performance management system.

The employment equity plan should assign specific responsibilities to managers. The monitoring system should ensure that managers actually carry them out. For instance, they may be required to recruit in a certain way or to provide training to all employees. Monitoring may involve spot audits of different competitions, and analysing changes in policies and practices in a particular branch or organisational unit.

The impact of the various activities, policies and practices should be reflected in representation statistics, removal of barriers, and a positive work environment. Building accountability for employment equity into the employer's performance management system demonstrates that employment equity is a valued and essential function. Poor equity performance should be the subject of remedial counselling and follow-up as well as impact the reward outcome. Good equity performance should influence whatever positive rewards would normally arise.

The monitoring schedule

The scheduling of monitoring activities will depend on a number of factors: (I) the timing set out in the plan; (ii) the reasonable timeframe in which to anticipate noticeable change; and, (iii) the normal monitoring cycle involving such mechanisms as performance management, financial or productivity reports, the operational planning cycle, and annual reports.

Monitoring must be timely. Some monitoring components may take place quarterly such as assessing hiring and termination statistics; others may be at various intervals depending on the activities involved. Reporting requirements to Human Resources Development Canada will influence some monitoring schedules and not others.

Some examples of monitoring timeframes are:

• representational change annually over time;

• changes in hiring and promotion quarterly in large organizations; less frequently in smaller ones;

• effects of changes in policy and practice as indicated in the plan goals over time;

• effects of positive measures should be looked at over time;

• management performance-- annually, or more frequently;

• structural change annually and as required; and

• changes in climate and values - every three years.

Review And Revision Of The Plan

The information obtained in the monitoring process is used to review the effectiveness of the plan and to provide direction in revising it.

The *Employment Equity Act* states that employers shall review and revise their employment equity plan at least once during the period covered by the short-term goals.

Practically, some aspects of the plan will lend themselves to more frequent monitoring, while others will require a longer timeframe to produce results.

The important factor for the employer is that the review and revision should be timely. Activities that are not producing results should not continue for an extended period of time—they siphon off resources which could be better applied elsewhere.

The review will compare projected and actual results. Where actual results fall short of projected results, the review will determine why. Some areas may be identified for a more detailed review, e.g., a special study on promotions and qualifications of designated and non-designated groups. The review could also include examining what accommodation measures seem to produce real results.

The new plan which results from this review will be the product of experience, and it will also reflect new circumstances, availability statistics, and any changes in the environment.

The review focus

The review focuses on—and tries to answer—a number of key questions:

- Have the positive policies relating to short-term hiring, training, promotion, and retention of persons from designated groups been effective? Has accommodation had an effect?

- If not, why? If for some groups and not others, which ones and why?

- Has removing barriers affected the outcomes? For example, have changes to the recruitment strategy resulted in more designated group candidates? Have changes in the selection strategy resulted in more hires? Have changes in training access attracted more designated groups in programs where they were previously absent?

- Where has the expected change occurred or not occurred? What factors appear to have contributed in each situation?

- How much progress has the organisation made towards achieving the longer-term representation goals? Is it reasonable? Does the employment equity plan appear to create the desirable outcomes?

- Will the level of short-term numerical change produce the needed long-term result?

- Have there been positive changes in the climate and values of the organization in support of equity?

The answers to these questions will identify where and how well the plan is working. It is important to keep in mind that even where results are in accordance with the plan, it may be necessary to make changes. For example, the organisation may have met its short-term goals. However, the goals may need to change because availability of designated groups may have changed. The revision to the plan will be based on these outcomes and the analyses will identify new directions.

Revising the plan

Revising the plan depends upon the outcome of the monitoring and review of the plan.

For instance, if the positive policies that are part of the plan have not been implemented and are still seen as appropriate, the revised plan should restate them with a new and better accountability mechanism and earlier follow-up.

If the positive policies have not been effective, they will need to be revised. For example, a developmental program designed to prepare more women and members of visible minorities for promotion to senior level jobs would have to be revised if it proved effective for women but not for members of visible minorities. Similarly, it would have to be changed if promotion rates were in fact lower over time for this group and those who were promoted did not perform well.

This scenario presents a number of potential areas of concern. Was the developmental program appropriate for this group? Was the issue of lower promotion rates really one of development of the group? Are there other policies or practices which could change to produce a more successful result? Is the lack of success in the higher level job related to the lack of support measures or different assessment standards?

The review will have answered the above questions. Depending on the answers, the revised plan could incorporate an executive identification and development program combined with a mentorship arrangement for visible minority candidates. The mentorship program could include a contract which outlines roles, responsibilities and performance indicators on both sides. Short-term promotional goals would be revised.

Each plan element should be subjected to the type of analysis set out above, new directions identified, and new plan requirements developed. If an organisation does not meet its employment equity plan objectives, it is extremely important to determine why. The precision of the problem-solving and the relevance of the revised plan will contribute to future success. Where an organisation has met its objectives for employment equity, but where circumstances have changed, new elements may have to be inserted in the plan.

The revised plan, like the original, will include positive policies, activities to remove barriers, and short-term and long-term representation goals. Timelines will be realistic. Accountability mechanisms may need to be strengthened, communication improved, new organizational realities recognized, and new implementation processes put in place. Employment equity plans and programs, like the employer and the society in which they exist, must evolve in response to a changing environment.