

1 Q. In CA-NLH-104, Hydro states that "Through the recruitment and retention  
2 initiatives, the company anticipates reducing vacancies into the future. Therefore,  
3 the vacancy forecast was increased by 27 full time employees for 2012 to 40 full  
4 time employees for 2013." Please indicate what the company plans to do into the  
5 future that it was not already doing in 2012 as regards recruitment and retention  
6 initiatives.

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9 A. The vacancy forecast was increased from 27 FTEs in 2012 to 40 FTEs for 2013 based  
10 on the vacancy experience over the past six years, which includes consideration of  
11 the most recent trends on filling job competitions, and an increase in anticipated  
12 retirements. Notwithstanding, Hydro anticipates improving its vacancy rate by  
13 building on the recruitment and retention initiatives described in NP-NLH-085. Each  
14 of these initiatives is part of a longer-term plan that takes time to effect results.  
15 The multi-year initiatives as they relate to 2013 and beyond are described below.

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17 In 2013, the greatest change was the focus on a Talent Management Strategy. This  
18 included a restructuring that provided a dedicated resource to Talent Management  
19 and two supporting positions.

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21 **Multi-Year Items**

22 ***Employee Engagement***

23 Hydro will continue to build on initiatives that improve employee recognition and  
24 engagement. A number of employee committees, which are representative of all  
25 areas of the company, are responsible to create and implement action plans that  
26 positively impact employee engagement and morale throughout the company.

Hydro believes that high employee engagement is positively correlated to the company's success in attracting and retaining necessary employees.

#### ***Workplace Diversity and Inclusion***

Hydro plans to evolve its longer-term strategy for Workplace Diversity and Inclusion and will execute the initiatives outlined in its multi-year action plan. Action items for 2013 to 2015 include completing a self-identification survey to establish a base line for measurement, creating and delivering an internal awareness campaign, and delivering training programs and workshops. Promoting diversity and inclusion will support Hydro's efforts to be an employer of choice within a diverse labour market.

#### ***Competitive Positioning***

A challenge remains in attracting enough new hires to keep pace with the increasing number of retirements, particularly in Hydro's rural areas. Hydro will periodically review the competitiveness of its total compensation package relative to its comparator group. It is anticipated that the compounded impact of the special wage adjustments and changes to improve the competitiveness of its non-union positions that were made in prior years will assist with attracting new candidates to fill vacancies and in retaining needed employees.

#### ***Career Awareness Promotions***

Hydro will continue to target rural areas of the province and promote career awareness within the electricity industry, in general, and as part of a three-year Retention and Recruitment Program.<sup>1</sup> Hydro is increasing its support and presence through various initiatives targeted at post-secondary programs as well as by

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<sup>1</sup> Hydro and Newfoundland Power submitted a joint funding proposal to the Provincial Government under the Labour Market Development Program to support a three-year program targeted around recruitment and retention in rural areas of the province, and promoting career awareness within the electricity industry generally. Funding was approved in 2013.

1 building awareness about the industry and career opportunities in junior high and  
2 high schools.

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4 ***Talent Management***

5 Hydro is constantly reviewing its organizational structure to ensure efficient and  
6 effective operations in response to or in anticipation of changing business needs.  
7 Part of this process includes a long-term focus on future business requirements as  
8 well as workforce planning. As an example, Hydro has increased its apprentice  
9 hires<sup>2</sup> in anticipation of upcoming retirements.

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11 ***Employee and Leadership Development***

12 Hydro will ensure employees have the necessary skills and competencies to work  
13 effectively and safely in their jobs. Key focuses for Hydro in 2013 to 2015 include a  
14 new supervisor orientation program, delivering a self-service learning management  
15 system that will identify and effectively manage training requirements, delivering  
16 training programs as necessary for operations, and a strong focus on leadership  
17 development including the development of a new leadership model.

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<sup>2</sup> Hydro partnered with the Provincial Government's Department of Advanced Education and Skills to receive funding toward the addition of ten apprentice positions.