

## Chapter 32

# Saskatchewan Crop Insurance Corporation—Managing Succession of Human Resources

### 1.0 MAIN POINTS

To operate and administer its programs, the Saskatchewan Crop Insurance Corporation employs qualified staff including agricultural representatives, consultants, specialists, and managers. In 2016–17, the Corporation identified 50% of its staff eligible for retirement (i.e., aged 50 and over) thus making succession management one of its key corporate strategies.

By August 2021, the Corporation implemented the two recommendations we made in our 2019 audit about managing succession of human resources. It set and followed its timeframes for completing key succession management planning processes. Setting timeframes to complete key succession management activities helps the Corporation to complete these tasks within a reasonable time.

The Corporation also updated its *Succession Management Plan* with goals and objectives to periodically evaluate its succession management processes' effectiveness. Since April 2020, management annually reports on the success of these objectives. Periodically evaluating existing processes helps the Corporation continuously improve its succession management.

### 2.0 INTRODUCTION

The Saskatchewan Crop Insurance Corporation administers business risk-management programs for the agriculture sector in Saskatchewan on behalf of the Ministry of Agriculture. It operates under the authority of *The Saskatchewan Crop Insurance Corporation Act*. The main business risk-management programs include AgrilInsurance (crop insurance) and AgriStability (risk-management program). In addition, the Corporation administers the Western Livestock Price Insurance and Wildlife Damage Compensation Program.<sup>1</sup>

The Corporation is responsible for employing sufficient and appropriate staff to fulfill its goals and objectives including administering business risk-management programs.

#### 2.1 Focus of Follow-Up Audit

This chapter describes our follow-up audit of management's actions on the recommendations we made in 2019.

In 2019, we assessed the Corporation's succession management process. Our *2019 Report – Volume 1*, Chapter 10, concluded that, for the 12-month period ending

<sup>1</sup> [www.scic.ca/about-us/](http://www.scic.ca/about-us/) (24 August 2021).



January 31, 2019, Saskatchewan Crop Insurance Corporation had effective succession management processes, other than the following two recommendation areas:

- Set timeframes to complete specific key succession management planning processes
- Evaluate the effectiveness of its succession management processes

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Corporation's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Corporation's management agreed with the criteria in the original audit.

In this follow-up audit, we interviewed the Corporation's staff responsible for its succession management process. We examined and assessed relevant documents including the updated *Succession Management Plan*, Board presentations, and succession management tracking tools.

## 3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at August 13, 2021, and the Corporation's actions up to that date.

### 3.1 Timeframes Set for Completing Key Succession Management Planning Processes

***We recommended the Saskatchewan Crop Insurance Corporation set timeframes in which to complete specific key succession management planning processes.*** (2019 Report – Volume 1, p. 166, Recommendation 1; Public Accounts Committee agreement February 8, 2021)

**Status**—Implemented

The Saskatchewan Crop Insurance Corporation set and followed its timeframes for completing key succession management planning processes.

In 2019, the Corporation updated its *Succession Management Plan* to include deadlines for key succession management activities. It set the following deadlines to complete relevant tasks annually:

- May 31: Update the *Strategic Workforce Plan* and identify critical roles
- July 31: Assess talent; nominate and approve candidates for succession planning
- October 31: Complete candidate nominee profiles and candidate interviews, and create individual competency development plans

As of August 2021, we found the Corporation's management completed these key tasks on time or ahead of schedule. In 2020, management updated its *Strategic Workforce Plan* ahead of schedule and provided an update to the Board in April 2020, as well as identified 24 critical roles. In 2021, management identified an additional six roles as critical and provided a Board update in April 2021.

The Corporation also assessed candidates' talent, nominated candidates, and approved them as potential successors for critical roles by July 2020 and July 2021. The Corporation created individual competency development plans for the July 2020 candidates prior to October 2020.

As employees continuously near retirement age, additional positions will be deemed critical. Setting timeframes to complete key succession management tasks will help the Corporation to complete key tasks within a reasonable time. With a well-defined timeline for key tasks, management will have the most relevant data through the succession management process to inform the Corporation to employ the right staff at the right time.

### 3.2 Succession Management Processes Evaluated

***We recommended the Saskatchewan Crop Insurance Corporation establish a method to periodically evaluate the effectiveness of its succession management processes.*** (2019 Report – Volume 1, p. 167, Recommendation 2; Public Accounts Committee agreement February 8, 2021)

**Status**—Implemented

The Saskatchewan Crop Insurance Corporation updated its *Succession Management Plan* to set goals and objectives to periodically evaluate its succession management processes' effectiveness.

The Corporation's succession planning primary goals include decreasing business disruptions, driving employee development, and increasing engagement. The following objectives assess the effectiveness of the Plan:

- Percentage of critical roles with one or more ready successors (target 50%)
- Percentage of critical roles filled by candidates in the succession plan (target 50%)
- Percentage of candidates with individual competency development plans (target 100%)
- Feedback from candidates in the succession plan (collected through surveys)

We observed that management provided its progress against the targets to its Board in April 2020 and April 2021. Per the April 2021 report, 40% of critical roles have one or more successors ready. In 2020–21, the Corporation filled 80% (four of five) of vacant critical roles with succession participants either through staffing competition or temporary assignments. As of April 2021, 100% of succession plan candidates had individual competency development plans.

Identifying and collecting key performance data helps the Corporation assess its succession management processes' effectiveness. Moreover, evaluating its existing processes helps it continuously improve its succession management.

