



Exhibition Place

ACTION REQUIRED

Item No. 17

March 27, 2013

To: The Board of Governors of Exhibition Place

From: Dianne Young, Chief Executive Officer

Subject: **Incentive Pay Plan – Sales Staff**

Summary:

This report recommends an amendment to the Incentive Pay Plan for the Exhibition Place Sales staff.

Recommendations:

It is recommended that the Board:

- 1) Direct that the confidential report contained in Attachment 1 to this report remain confidential in its entirety and not be released publicly in accordance with the *City of Toronto Act, 2006* as it pertains to personal matters about identifiable Board employees; and**
- 2) Approve that the amended Incentive Pay Plan take effect January 1, 2013 for the Sales Staff as outlined in Confidential Attachment 1 and that the re-earnable lump sum rewards to any of these employees who are at their maximum salary range, not be applied.**

Financial Impact:

The implementation of the amended incentive plan will result in additional costs of approximately \$33,000. However, there are no 2013 budgetary impacts from the implementation of the recommendations as the sales achievements in excess of budget target will more than offset any additional incentive pay plan costs. Annual increases for 2014 will be included in the operating budget submission to be considered by the Board in Spring/Summer of 2013.

Decision History:

The Exhibition Place 2009-2012 Strategic Plan had an Organization and Staffing goal to *sustain a high performing organization through alignment of people, process, systems and through the recognition of the dedication and excellence of our staff* and as a Strategy to support this goal *we will recruit, develop and retain a highly skilled and diverse workforce.*

At its meeting of September 28, 2012 the Board approved the Compensation Pay Plan for Management & Excluded Staff, effective January 1, 2013. In addition, the Board approved of maintaining and keeping in place the incentive pay plan with respect to the Exhibition Place Sales staff but requested that the Chief Executive Officer report back in early 2013 on proposed revisions to this incentive plan.

Issue Background:

The Exhibition Place Incentive Pay Plan has been a term of employment for Sales staff since the opening of Direct Energy Centre in April 1997. The proposed changes to the Incentive Pay Plan are consistent with industry practices and the Performance Financial Rewards approved by City Council.

Comments:

As indicated by the Hay Group in its analysis for the City Manager compensation report in July 2012, public and private sector best practice organizations that seek to recruit, retain and have high-performing employees, have comprehensive compensation and performance reward programs in place and help ensure that an organization can retain and attract highly skilled talent. Organizations that do not provide competitive salaries and performance-based rewards for its high performing employees are not successful. Successful organizations are aligned to the organization's business goals and objectives. An incentive plan for sales staff in the exhibition industry is only one component of an overall compensation plan. Most sales compensation are a mixture of base salary and incentives.

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