

Providing Value to Members through PEO Staff Performance Review

Professional Engineers Ontario (PEO) operates under the authority of the Professional Engineers Act (PEA) to serve and protect the public interest by setting and upholding high standards for the engineering profession, and;

PEO Council provides overall direction for the regulator; appointing a CEO/registrar responsible for overseeing staff to administer the organization and carry out its functions at an operational level.

As PEO continues to implement its 2023-2025 strategic plan, and;

- a) Whereas one the four strategic goals of PEO's operational plan is to optimize organizational performance, and;
- b) Whereas another of those strategic goals recognizes the importance of continuous improvement, and;
- c) Whereas a governance scorecard with 12 qualitative indicators was developed and introduced in 2024 to support oversight of operations, and;
- d) Whereas approximately one-half of total 2023 operational expenses are attributable to staff salaries and benefits (compared to under 5% attributable to Chapters and Volunteer expenses);

There does not appear to be any mention of performance reviews of PEO operations staff; that is, periodic review at the office level to promote efficiency and to reassure licenced members that PEO will continue to provide value commensurate with expenses and members' fees.

Proposed Action

Council should mandate a system of **Performance Review for Operations Staff at PEO**, according to modern best-practices, whereby each department, program and employee would be periodically assessed against specific deliverables. The outcome of this review shall be used to rationalize staffing and manage resources efficiently. Other benefits of this system might include: better employee satisfaction and reduction of administrative burdens. Updates would be made annually to the general membership as part of the operational plan status report.

Research

References to the current strategic plan, operational plan, governance scorecard and specific goals and activities, and specific expenses are taken from PEO's published 2023 Annual Review and 2023 financial statements. The numbers speak clearly – the largest expense by far is staff salaries and benefits – so it would only seem logical to devote proportionate improvement attention to that category.

More generally, the vast majority of private and public companies employ some means of performance audits or reviews to improve quality or efficiency, reduce costs, achieve better employee satisfaction or to increase profits. PEO does not have to concern itself with the latter, but the others motives are valid.

From the April 2019 report by Professional Standards Authority, “A review of the regulatory performance of Professional Engineers Ontario”:

“The engineers who pay for a PEO licence **should expect it to be efficient and effective** as a regulator.”

“The relationship between staff and volunteers is unclear. The Council should create strategy, **measure performance, ensure financial probity. Staff should deliver operations and be held to account for doing so. ...**”

A simple internet search will turn up dozens of general references on the topic. Examples:

The Harvard Business Review, in the October 2016 “The Performance Management Revolution”, states that performance management has evolved, but a process to ensure accountability and efficiency remains a critical component of any well-run organization.

From bestpracticesforsustainability.com, Nov. 5 2024, “Why Performance Reviews Are Important: Benefits for Employees and Organizations:”

“**Performance reviews are a foundational element** of employee development and organizational growth... [they] provide insights into an employee’s performance, achievements, and areas for improvement, helping both employees and organizations align on goals, expectations, and future directions... [they] foster open communication, accountability, and engagement, ultimately benefiting both the employee and the organization.”

From Vertical Bridge HR, January 15, 2024, “Performance Reviews: Are They Still Relevant?”

“To maximize the impact of performance reviews, organizations must create a culture of **continuous improvement**. ... [Performance reviews should be seen as part of] an ongoing process that contributes to the overall growth and success of the organization.”

Protecting the Public Interest

The proposed action is in keeping with the strategic plan, and whatever makes PEO stronger, makes it a better regulator – which benefits the public.

Performance reviews are a reasonable and effective tool to keep an organization “sharp”.

Legal Considerations

The proposed action should in no way jeopardize the Mandate, Vision, Mission, or PEO Core Values; rather, it should enhance them.

Any actions taken must obviously comply with all applicable labour regulations and agreements.

The intent is not to impose hardship but to improve PEO’s operational performance.

Timing / Urgency

The need is immediate.

Our submission echoes the 2019 report by Professional Standards Authority, (six years later!) that “Staff should deliver operations and be held to account for doing so. ...”.

We are well along with the implementation of our 2023-2025 strategic plan, but it is not too late to make this enhancement.

In our current tumultuous economic climate, all of Canada needs to rapidly hone its business acumen. PEO is no exception.

Other Information

Like any organization, PEO exists only through the existence and actions of its members. At the end of the day, the licenced members are the ones actually plying their trade, designing, reviewing, managing all of those projects that directly impact public safety. They are the ones *executing* PEO’s “Mission”.

And although PEO is first-and-foremost a regulator, it undeniably relies upon the 36 Chapter system to garner feedback from individual members, disparate industries and regions, and to provide outreach.

But the “lifeblood” of the chapter system is a ready and rotating roster of eager volunteers. In 2023, PEO extended thanks to over 900 of them. Yet many Chapters struggle to find and retain board executives.

Chapters unquestionably rely upon PEO operations staff (and a selection of curated software applications) to facilitate local activities. Operations staff should bear at least as much scrutiny as volunteers. Volunteer time takes away from family time and work time, so they tend to have a limited tolerance for administrative frustration. In fact, there must be a supportive and respectful *team* mentality throughout PEO - from the grass-roots to the tallest branches, because people must be *inspired* to donate their time but a frustrated volunteer will cease to be one.

Moreover, PEO carries a responsibility to provide *value* to all of the 90,000+ registered licence and certificate holders who, through annual fees, fund PEO operations including salaries for approximately 140 staff.

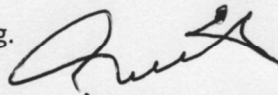
That means Operations staff must demonstrate commitment - that they respect individual members – who ultimately pay their salaries - by being responsible and efficient.

PEO Operations is the machine that makes it all work. Every machine needs to be tuned and maintained to work efficiently.

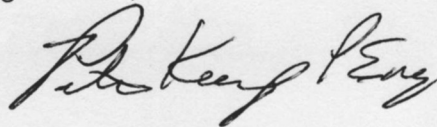
Attachments

None

Member #1 (name/signature): Ahmad Khadra, P. Eng.



Member #2 (name/signature): Peter Keays, P. Eng.



Date: 2025-April-11

PLEASE FORWARD THE COMPLETED SUBMISSION ELECTRONICALLY, WITH ANY ATTACHMENTS

TO:

CEO/REGISTRAR, c/o AGMSUBMISSIONS@PEO.ON.CA

by 11:59 p.m. (EDT), April 12, 2025