



A DYNAMIC FOCUS

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*Shaping
Organizational
Excellence*



HUMAN RESOURCES PROFESSIONALS ASSOCIATION OF ONTARIO

The Human Resources Professionals Association of Ontario (HRPAO) shapes organizational excellence by empowering human resources professionals to connect effective people management with business success.

As the premier HR association in Canada, HRPAO is internationally recognized and sought out for its knowledge, innovation and leadership. With over 14,000 members in 29 chapters in Ontario, and other locations around the world, HRPAO connects its membership to an unmatched range of HR information resources, events, professional development, and networking opportunities. We annually host the second largest HR conference and tradeshow in the world.

HRPAO offers programming to meet the needs of senior HR executives through its Executive Forum™, provides management and leadership support, and delivers powerful learning opportunities for human resources professionals at all stages of their careers.

HRPAO grants the Certified Human Resources Professional (CHRP) designation, which is the national standard for excellence in human resources management. This ensures that those who achieve the designation meet high levels of expertise and competency in all areas of human resources management.

ALIGNING GOALS WITH STRATEGIC IMPERATIVES

■ Global Competitive Intelligence

Through its partnerships, affiliations and independent research, HRPAO conducts ongoing strategic market analysis and competitive intelligence to anticipate global trends to facilitate the forward thinking and responsiveness of its members

■ Visibility

HRPAO maintains a high profile and credible presence in the global HR community in order to anticipate and exceed the expectations of all those who seek us out for knowledge, innovation and leadership

PRESIDENT'S MESSAGE



2005 was a year of transformation and ahead of the curve thinking, which has made HRP AO much more than we used to be. We're global, in the C-Suite, and concerned with issues and opportunities as far ranging and influential as human capital management, governance, and corporate social responsibility.

Our profession is playing an increasingly significant role in the highest echelons of our country's most vibrant organizations, where HR is recognized as a significant driver of business success.

As the third largest HR association in the world, HRP AO has set an ambitious course for elevating the profile, stature and contribution of our profession. We see HR professionals as business professionals who "shape processes and culture in ways that together improve an organization's capacity for change." Through the dynamics of vision, leadership, perspective and commitment, our members possess the power needed to deliver business solutions through effective human capital management.

Our goal, through our five strategic imperatives, is to ensure our members have the competencies required to make key contributions in vital areas such as organizational effectiveness, leadership development, succession planning, corporate social responsibility, compensation, mergers and acquisitions, governance... and more. We deliver on these mandates by providing industry and global intelligence through superior programs and services, creating key linkages with educational institutions and other organizations, and presenting our members' voices on HR issues to provincial and federal governments, and the world.

Our partnerships keep us on the leading edge of best-practices, and through high-profile, influential events and speakers we bring a global outlook to our members.

In September 2005, the US based Society for Human Resource Management (SHRM) Foundation hosted leading HR executives, academics and consultants from around the world, at the prestigious Thought Leaders Retreat. As President of your association, I was privileged to participate in the event aimed at influencing how HR professionals

prepare organizations for the emerging demographic, technological and social trends that are transforming the workplace. In November, we welcomed a delegation of HR professionals from China, who look to HRP AO for guidance in developing a certification model. And we look forward to hosting a high-profile meeting of the World Federation of Personnel Management Associations in advance of our Annual 2006 Conference.

HRP AO is governed by a board of directors elected by our members. The restructuring of HRP AO under a new governance model has been one of the most important priorities of your board over the last year. With increasing and appropriate emphasis on corporate social responsibility, we must ensure that our own governance consistently reflects the values of our organization and our profession. We strongly believe that human resources 'owns' governance, and as your association we are leading the way. Our governance review has provided clear outlines of the roles and responsibilities of board members and staff.

2005 was our first year of living with a new identity which clarified the structure of our organization. But we know that having a world class reputation is about far more than a logo and a colour scheme. It is the possession of a powerful vision, a clear voice and compelling message, the courage to lead, and an unshakable commitment to fully engaging members, partners and other stakeholders in our every interaction.

We understand that the needs of entry-level, mid-career, senior, and executive members vary significantly, and will continue to refine our product and service mix and to evolve with a value proposition that continues to meet your needs. With the ongoing support of members and volunteers, HRP AO will be an influential voice in public policy, and we will empower our leaders to integrate human capital management into the fibre of their business strategies.

Gerlinde Herrmann, BComm, CHRP
President, HRP AO

■ Membership

HRP AO contributes to the individual and professional strength of its membership by supporting a wide range of stakeholders and delivering a program/ services mix that supports targeted growth

■ Leadership

HRP AO raises the profile and credibility of the human resources profession as a key partner in shaping organizational excellence by advocating, promoting, and setting standards for the profession

■ Advocacy and Government Affairs

HRP AO develops effective relationships with employers, employer groups, all levels of government, and other associations to ensure strong linkages and the ability to advocate, influence, and effect legislative change

Issues of corporate governance are having a significant impact on how corporations link HR practices to business results. US initiatives, such as the Sarbanes-Oxley legislation, which came into effect in 2004, in response to the WorldCom, Enron and Tyco scares of 2001-2002 established new supervisory mechanisms to promote greater accountability by financial auditors. On the surface, these initiatives focused on issues of control, risk management, and financial disclosure. In Canada, however, the emphasis became more about striking the right balance between “the hard rules and behavioural aspects of directorship.” A series of principles began to emerge that would assist boards to actually carry out the goal of good governance.

HRPAO’s board of directors recognized that as an association of considerable magnitude and importance, it needed to bring itself into alignment with the emerging best practices in corporate governance and provide leadership to the profession. *The huge discovery for the board and the association as a result of the governance review was that the major challenges and governance activities of any board of directors are ultimately all human resources issues.*

In 2004, HRPAO approached Dr. Chris Bart, principal and lead professor of The Directors College*, the top governance organization in the country, to seek guidance. Chris spoke to HRPAO’s board about the emerging best

practices in corporate governance. His presentation became a call to action for the board who asked “How can we, as a significant Canadian HR Association, the largest in the country and the 3rd largest in the world, stand up and lead by example?”

A solid governance model allows the board to be much more proactive in the sense of constructively engaging with management. “It’s not about rubber stamping, nor is it about micro-managing. When the board shows up, it must have a clear idea of what it is trying to achieve with respect to improving the organization. Good governance ensures that the board and management are following the same game plan.”

Governance is concerned with the

- Recruitment, selection, motivation and evaluation of the board and senior management
- The assignment of roles, responsibilities and decision making arenas for the board, senior management and members
- Oversight and accountability amongst the board, senior management, members and other stakeholders.

“Gerlinde Herrmann and Debbie Bennett, your President Elect are to be applauded. They’ve proven to be a real tag team in terms of understanding that governance reform was needed at HRPAO.”

— **Dr. Chris Bart, CA, Principal and Lead Professor, The Directors College**

*The Directors College is a joint venture of The Conference Board of Canada and the DeGroote School of Business at McMaster University. The Directors College is a comprehensive professional development and certification program for corporate (.) designation.

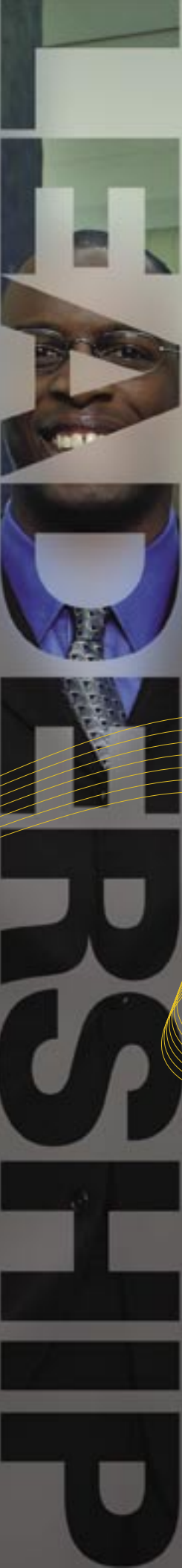
THE JOURNEY TOWARD GOOD GOVERNANCE

“The purpose and promise of good governance is to enhance executive decision making in order to improve organizational performance. Responsibility for establishing a governance structure and process rests with an organization’s board of directors.”

— **Dr. Chris Bart, CA, Principal and Lead Professor, The Directors College**

“Our new governance model provides the clarity we need to position HRPAO for future success. The board of directors and the specific functions that it carries out are now operating with clear, detailed mandates.”

— **Gerlinde Herrmann, BComm, CHRP, President, HRPAO**



The journey to good governance begins with the specification of the roles, responsibilities and decision-making arenas of the board, individual directors, the CEO, board chair, committee chairs and the three key committees of the HRPPO board:

- Audit and Finance Committee (AFC)
- Human Resources and Compensation
- Governance and Nomination Committee

This is achieved through the development of a series of board documents, which lay out explicitly the mandate, function, duties, obligations, tasks and behaviours of the board and individual directors. It is especially important that all of the deliberations regarding the various board responsibilities are recorded. Part of governance reform includes accountability of the board and its individual directors to the members through board and individual director evaluations. All three HRPPO board committees are chaired by a board member, and all committee members are board members.

HRPPO's Audit and Finance Committee, chaired by Tom Bursey, was the pilot group for HRPPO's new governance model. Among the ongoing objectives of AFC:

- Implementing the new governance mandate – the oversight, monitoring and consultation with external auditors to develop annual work plans that provide reasonable assurances of HRPPO's financial performance as we move toward a stronger financial position
- Implementing a strategy for developing new revenue streams to enable HRPPO to grow on a more diversified revenue base. This entails identifying new business opportunities (alliances and partnerships) and leveraging HRPPO's strength of intellectual property and high brand value that can be brought to market in new and innovative ways.

The new and revised AFC Charter contains detailed specifications of activities and steps, procedures and behaviours that the committee must carry out. The philosophy that was taken in creating the AFC charter was to rewrite it from the perspective of board members who are not on the committee but who will be giving the AFC committee authority within clearly defined activities. It's set out in such a way that when the committee comes back with the report, the questions from the board will focus on more than the financial statements. The line of questioning will be, "Have you been able to carry out all of the activities specified in the AFC charter? Where have you not been able to do so? And what have you done to mitigate the risk to the Board from any gaps you discover?" That's a very different philosophy and a much more strategic discussion.

As part of HRPPO's corporate governance review, the board also revisited HRPPO's bylaws and operational procedures. It's important for members to understand that governance documents are separate and distinct from the bylaws, and that board policies are changing and will continue to do so as our organization evolves. While there are some issues related to the governance structure that require modification of the bylaws, for all intents and purposes, the governance documents are standalone documents.

The board's strength is derived from the background, qualities, skills and experience of its members. The governance committee recommends candidates suitable for nomination to the board. Aside from aiming for representation from geographic regions relevant to the association's strategic priorities, nominees are now selected annually for qualities such as integrity, business judgment, financial acumen, independence; business, professional or board expertise; human resources and lobbying experience.

"I think the main challenge for directors is to be proactive in seizing the opportunities that will enhance the quality and the effectiveness of board oversight. All members of the AFC must be financially literate and prepared to commit considerable time, energy, courage and persistence to execute on this important strategic responsibility."

— **Tom Bursey**, *MBA, CMA, CMC, CHR*, Vice President, Client Services, Right Management Consultants Inc.

"CIOs, CFOs, and CEOs certainly recognize the need to have a system of controls in place for compliance efforts, but having a Chief HR executive lead or at a minimum participate in a meaningful manner, in any governance review, is essential. He or she will add the perspective necessary to focus how an organization deploys its resource capital to deliver long term value to the business."

— **Debbie Bennett**, *MIR, CHR*, Vice President, Human Resources and Finance, The Ottawa Citizen, President Elect, HRPPO

TASK FORCE TO RECOGNIZE FOREIGN CREDENTIALS

The demand for skilled labour in our country continues to grow, however, if we continue on our current trajectory, by 2016, only eleven years from now, the province's main workforce feeder group will be decreasing by more than 10 percent annually. By 2016 the wave of retirement by the baby boom generation, which has already begun, will be peaking.

HR professionals need to devise strategies that will enable Ontario's companies and institutions to attract and retain foreign-trained talent during the coming shortage. But we also need to unleash the vast talents of foreign-born workers who are already here, but who have been unable to get their credentials recognized in Ontario. For this reason, HRP AO has formed a Task Force to Recognize Foreign Credentials. Its specific mandate in 2005-06 is to identify a viable strategy that addresses the issue of foreign credentials of professionals who live and work in Ontario, but who have achieved their qualifications outside of Canada.

Since Human Resources professionals play an instrumental role in the recruitment and selection of employees across our organizations, the Task Force will pay special attention to the recognition and integration of foreign-trained HR personnel.

Board member Susan Silverman is serving as HRP AO's representative on the Advisory Council for the *Bringing Employers On Board* program, an initiative of the Toronto Region Immigrant Employment Council (TRIEC). The program is a practical, results-oriented program that will play an essential role in increasing the number of skilled, foreign-trained workers who will be able to fully realize their potential. Alice Kubicek, Chair of Professional Standards and Chair of the Task Force to Recognize Foreign Credentials said, "Recruiting and retention are two of the most significant HR challenges in the workplace today, regardless of sector, so it is natural for HRP AO to partner with others, such as TRIEC, who share the same concerns. Certainly, the need for more skilled employees in our country has never been more pressing."

"Too many immigrants are unable to practice their professions after arriving in this country. That hurts them a great deal, but I think it hurts Canada too. We lose out on the contributions these people could be making in their chosen field, and on the knowledge, skill and passion they could be passing on to others... This issue is very important for HR professionals because we're on the front lines. We develop policy and implement it in the workplace. We play a critical role in integrating newcomers into our workforce."

— Gerlinde Herrmann, BComm, CHRP, President, HRP AO

ADVOCACY AND GOVERNMENT AFFAIRS

Corporate Social Responsibility

There is a critically important interaction between corporate governance and corporate social responsibility (CSR). The World Business Council for Sustainable Development defines CSR as "the business commitment and contribution to the quality of life of employees,

their families, the local community and society overall to support sustainable economic development." Whether it is human rights, ethics, labour practices, healthcare or the environment, HR professionals play a critical role in leading and educating organizations about the importance of CSR and in implementing

INFLUENCING GOVERNMENT POLICY

HRPAO is well recognized as a key stakeholder in influencing policy-makers on workplace policies, competitive practices and people management. Our Government Affairs Committee is now a standing committee reporting to the board, and is responsible for federal and provincial relations, including advocacy.

The committee's strategy has three main elements – to be available as a trusted advisor, to be a very public advocate for members, and to take public positions on developments in employment legislation, such as the 60-hour work week. The committee held a strategic planning session in 2005 to create an influential position for HRPAO for the future, and because advocacy is a strategic objective for the association, we pursued and received registration in 2005 as an official lobby group representing the HR profession.

One of the committee's initiatives is involvement in a Workplace Skills Strategy project, which focuses on ensuring that workers develop the skills they and employers need. The committee met with representatives from the Federal Government in 2005 to discuss the critical role of HR in this effort. Committee members also participated in a full day's discussion with representatives of the government about the ramifications of changes being proposed for the Canada Labour Code. The government consulted with a number of organizations and different groups. Our active participation ensures that HR professionals are leading contributors to the debate and key stakeholders in the process.

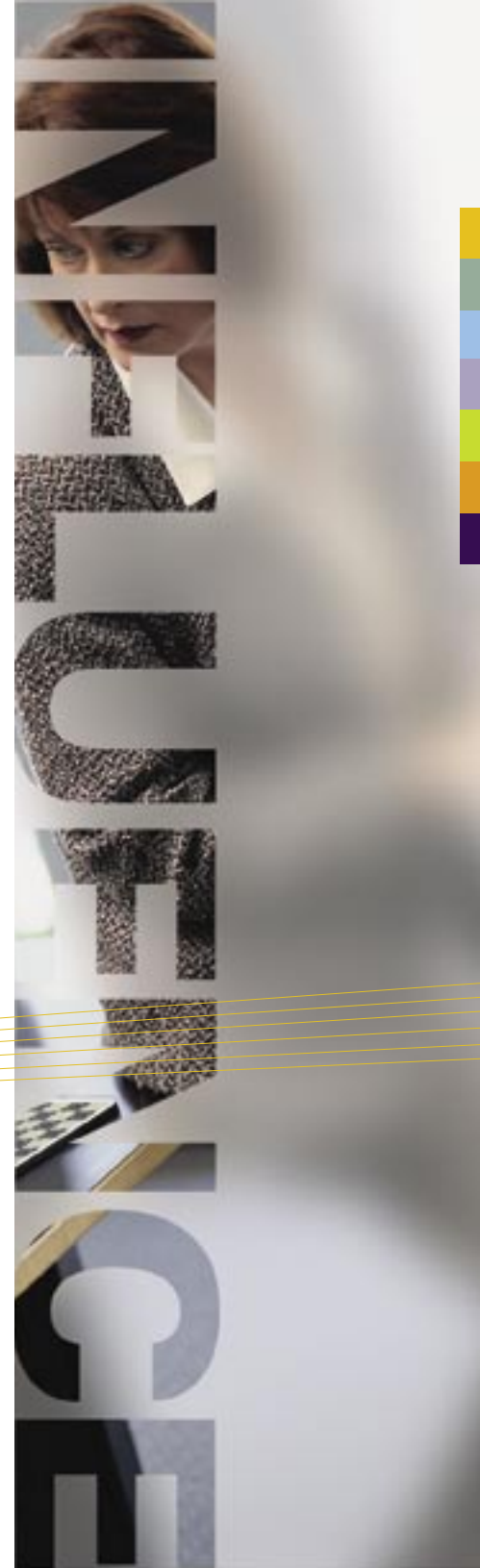
CONSULTATION PAPER ON ENDING MANDATORY RETIREMENT

In August 2005, the provincial government announced it was holding consultations on ending mandatory retirement in Ontario, by changing the definition of age in the Ontario Human Rights Code and other affected legislation. This was an opportunity for HRPAO to prepare a discussion paper to address the questions the government raised in their paper entitled *Providing Choice: A Consultation Paper on Ending Mandatory Retirement*.

Two members of the Provincial Government Affairs Committee, Antoinette Blunt and Brian Gatién, agreed to draft the paper on behalf of the committee. The draft paper was forwarded to Chapter Government Affairs Liaisons for feedback, and once revised was presented to the government at a public consultation session held on September 30, 2005. While seen as a valuable step forward for employees, our paper also addressed a number of areas of concern including the potential cost to employers, the impact on pension benefits, preventing employees from working beyond age 65 due to bona fide occupational requirements of jobs and protecting the rights of those who wish to retire at the normal retirement age of 65. The provincial government passed the legislation, with Royal Assent occurring on December 12, 2005.

E-LEARNING FOR SMALL TO MEDIUM-SIZED ENTERPRISES

HRPAO is working with Human Resources and Skills Development Canada on a 3-year project to deliver an online training program to address gaps in the HR management capacity of small and medium-sized enterprises in Canada. The program is for non-HR professionals who are responsible for carrying out HR-related functions.



the sound HR management practices that will support the company's business and CSR goals. We anticipate providing a wealth of value-added information about the results of CSR to our members and other stakeholders.

“Corporate social responsibility concerns itself with the broader community and environment. It's not just about the market and the workplace. It's about doing the right things, just because... it's about organizations having the collective courage and commitment to stand for something and to go forward in ways that make the world a better place for us all, by developing solutions that make good business sense, and are aligned with corporate values.”

— Gerlinde Herrmann, BComm, CHR, President, HRPAO

HRPAO collaborates with hundreds of organizations to provide information gathering, social educational and networking opportunities to thousands of members. At present, our partnerships fall into four broadly defined areas – strategic alliances, educational, media, information and marketing partnerships.

The Power Within

HRPAO has launched an alliance with The Power Within, an organization that produces motivational and training programs for the general public and corporations. The Power Within has attracted more than 100,000 people to their conferences across North America and provides HRPAO with an incomparable opportunity for increased visibility and access to their audiences.

The October 2005 Power Within event was offered to HRPAO members at a considerably reduced price. Speakers included former US President Bill Clinton and well-known authors/speakers Steven Levitt, Seth Godin, and Herb Cohen. Nine thousand corporate managers and

executives attended. This relationship provided HRPAO with access to radio mentions, logo placement in advertisements, a member recruitment booth, signage, a one-page ad in the event magazine, and sponsor recognition at the beginning and conclusion of the event. HRPAO has partnered with The Power Within to present *Passion Up Your Game!* – a kick-off event to launch HRPAO's 2006 Annual Conference.

SHRM

President Gerlinde Herrmann represents HRPAO on two panels of the Society for Human Resource Management (SHRM) – the Global Experts Panel and Corporate Social Responsibility.

Summit on the Mature Workforce

HRPAO participated as a media sponsor with the Summit on the Mature Workforce in September, an event honouring the Best Employers for 50-plus Canadians, organized by CARP – Canada's Association for the 50-plus. Over 100 HR professionals and government representatives attended. HRPAO received a profile in the promotional materials and on-site.

PARTNERSHIPS AND STRATEGIC ALLIANCES

“The role of HR is rapidly changing. Organizations are competing on an increasingly global basis, the workforce is aging, general management has been replaced by functional experts and job mobility has trumped job security as a key motivator. The most significant issue facing knowledge-based companies is attraction and retention of talent. Competitive advantage will accrue to those who retain the best and brightest and HR has a key role to play in helping

business leaders conquer this challenge. This where HRPAO comes in, with a powerful vision, mission, and membership that includes many of the best minds in the profession. HRPAO's programs help raise the bar for members and for the organizations in which they work.”

— **Brian Prendergast**, *Senior Vice President, Recochem Industries, External Board Member*



EXECUTIVE FORUM

Plans were put in place in 2005 for the launch of the Executive Forum™, reflecting HRP AO's commitment to provide distinctive programming for C-Suite HR executives. The Executive Forum is a by-invitation-only event hosted by the President, bringing together global authorities and strategic thinkers to share cutting-edge insights on the future of HR and leadership. The inaugural event, to be held in conjunction with HRP AO's 2006 Annual Conference will keep senior HR executives abreast of global trends in HR, technology and markets.

HRPAO will be welcoming several respected management gurus to the event including:

- **Marcus Buckingham**, co-author of the internationally renowned, *First, Break All the Rules*
- **Dr. Nick Bontis**, Associate Professor of Strategic Management, McMaster University, Director, Institute for Intellectual Capital Research, Associate Editor, *Journal of Intellectual Capital* and Chief Knowledge Officer, Kenexa Solutions
- **Luis Navas**, Managing Director of Executive Risk Governance Advisors, who has global responsibility for the Executive Compensation and Board Effectiveness group
- **Vito Mabrucco**, Managing Director, IDC Canada
- **Phil Wilson**, CHRP, Senior Vice President, Human Resources with CIBC

The Executive Forum promises to be an important gathering and unique forum for Canada's most senior, pre-eminent HR executives.

WFPMA INTERNATIONAL MEETING

In 2005 plans were put in place to host a high profile board meeting of the World Federation of Personnel Management Associations (WFPMA) in Toronto, in advance of our 2006 Annual Conference. The WFPMA is a global network of professionals in people management. Membership is comprised of more than 70 national personnel associations representing over 400,000 people management professionals. The WFPMA holds a World Congress on Personnel Management every two years and reflecting its international origin and concerns, the meeting moves around the world. The next WFPMA World Congress will be held from May 29 to June 2, 2006 in Singapore.

CHINESE DELEGATION

In November 2005 HRP AO welcomed a delegation of HR professionals from China who, given the strong ties between our two countries, are very interested in the role and positioning of human resources in Canada, and who expressed interest in our certification. A second delegation will attend our Annual Conference in 2006, providing a global perspective for HRP AO members. This is an opportunity for HRP AO to contribute to the future of HR in China, which needs more well-trained professionals and is welcoming international expertise in HR to ensure its future prosperity.

"As leaders struggle to align all the components of their business models, HR professionals are being asked to take the value that they deliver, up a notch or two. HRP AO has developed a new model of governance, redefined its strategic goals, and introduced a global element to its research in order to provide the timely information its members need to add value to their employers' strategies in a global market."

— **André Latour**, CHRP, National Director, Staff Relations Representative Program, Royal Canadian Mounted Police

HRPAO produces over 125 events each year and reaches tens of thousands of members and non-members through a very successful series of one-day conferences, academic programs, seminars, and executive development programs focusing on specialized functions and issues within the HR field. These programs are a venue for sharing an in-depth understanding of current trends, best practices, and examples of HR being in strategic alignment with business goals and objectives. Facilitated by innovative thought leaders and focusing on the most cutting-edge information, these management and executive development programs meet the needs of those seeking to enhance their HR competencies. In 2005, in anticipation of member needs, we augmented our programming to address the changing dynamics of the business world – adding new conferences such as Leadership, Coaching, Compensation and Disaster Management.

HR Law Conference

This 2-day conference provided the most up-to-date information on employment law. Over 500 participants heard from 14 of Ontario's top lawyers and three respected judges on topics as wide ranging as recent developments in human rights law, disclosure of electronic documents in the litigation process, wrongful dismissal, health and safety obligations, constructive dismissal, and employment standards.

"Lots of great information to take back to the workplace. Key to current work issues faced day to day."

Disaster Management Conference

The HR and Business Forum on Disaster Management reached 160 participants and attracted significant media attention due to high profile of our speakers and experts such as Dr. Sheela Basur, Chief Medical Officer for Ontario and Sunny Mindel, Director of Communications, Giuliani Partners. Offered for the first time, participants overwhelmingly requested a follow-up conference.

"Great consolidation of some of the best and newest business philosophies and insights."

Leadership Conference

Research conducted throughout the US and Canada by Environics and Mike Lipkin has revealed that the new normal, where change is the one true constant, is pushing individuals to the edge, leaving them feeling squeezed up against their limits. Over 50 attendees learned how to understand core social values, master the art of communication and collaboration in a fast-forward world, and transfer knowledge to inspire and drive motivation within the workplace.

"Great consolidation of some of the best and newest business philosophies and insights."

Coaching Conference

A coaching approach has become a key component of leadership and cultural development in top organizations, and a primary driver for performance. The first annual Coaching in Organizations conference challenged over 70 leaders who attended to build thriving, productive, self-sustaining cultures, to become magnets for talented people, and to focus on creating meaningful lasting change in organizations.

"This is ultimately the single best way I have ever spent a day and I'm a tough critic. Well done!"

Compensation Conference

With career trajectories being radically remade in a changing workplace, compensation and rewards have become a critical staple of competitiveness, and are a critical part of an organization's employment proposition. Over 90 participants examined compensation and reward trends with an emphasis on developing reward strategies and leveraging compensation design to optimize employee and business performance.

"Emphasized alignment of compensation with business strategy."

CONFERENCES, EVENTS, AND MEDIA EXPOSURE

The profile of the association is being raised to new heights by a significant increase in media engagements including a feature on ROB TV with President, Gerlinde Herrmann. In 2005 HRPAA managed hundreds of media requests and provided backgrounders and contacts for several major media. And our voice is heard throughout Canada, in

the National Post, Globe and Mail, Toronto Star, Canadian Business, Profit, Workplace News, ROB TV, and CBC TV Venture. We partnered with the National Post to produce an 8-page insert in the April 18 national edition, arranged for a bi-monthly column in a regional business newspaper, Business Executive, and will continue with further media profiling



HRPAO'S ANNUAL CONFERENCE AND TRADE SHOW

HRPAO's Annual Conference and Trade Show is the largest HR conference in Canada and the second largest gathering of HR professionals in the world, with over 3,000 attendees, and over 200 exhibitors and sponsors. This 3-day conference and trade show features world-class keynotes, over 80 informative sessions on cutting edge HR issues and tremendous opportunities to build new relationships with others in the industry.

The 2005 Annual Conference and Trade Show – HR on the Move – tested the association's flexibility and willingness to accommodate change, as growth and space availability required housing the conference and trade show in two locations, the Sheraton Centre and the Westin Harbour Castle. Despite an initial slightly bumpy road, delegates were soon shuttling back and forth, using the travel time to meet and network with other delegates. 92% of attendees said they would recommend the conference to other colleagues, and 85% indicated they were planning to attend the 2006 conference.

"I always find the HRPAO Annual Conference to be an excellent opportunity to learn the leading edge concepts in leadership and human resources practices. There are so many opportunities to choose from in the concurrent sessions that one can custom design the conference to suit one's personal learning needs. Products and services displayed at the trade show provide a great shopping experience. I usually end up purchasing my books and products for the upcoming business year. The conference also provides an excellent opportunity to network with other human resources professionals; people that one might not normally have an opportunity to meet."

— **Antoinette Blunt**, BScN, BA, MBA, CHRP, President, Ironside Consulting Services Inc.

The bulk of our planning for the 2006 Annual Conference took place during 2005 and in the last week of the fiscal year, we put out our call for speakers for the 2007 Annual Conference.

"The quality of the key note speakers made the conference well worth the dollars."

"The speakers and the wealth of information they shared was incredibly worthwhile."

"The opportunity to hear inspiring speakers with hands-on experience in making a difference was excellent."

"It was a real shot in the arm; I went back to work motivated with new ideas."

"The conference was well-balanced, covering all aspects of HR. I was particularly impressed that several of the speakers represented new thinking and a new direction."

HR in the coming year. HRPAO spokespeople and board members continue to present at conferences and events throughout the year. HRPAO encourages and depends on member involvement for media relations. The Resource Centre maintains a database of members who have volunteered to write, be interviewed by the media, or speak on HR issues. The

database allows us to provide meaningful and knowledgeable industry perspective to journalists or for speaking opportunities. HRPAO's Experts Bureau is comprised of 125 HRPAO members, who represent a full spectrum of expertise and range of industries.

MEMBERSHIP, CHAPTER RELATIONS AND OUTREACH

With 29 chapters and 14,000 members, HRP AO connects an international membership to an unmatched range of HR services. New members come to us from all career stages. And at a time when many professional associations continue to struggle with a decrease in membership, we are fortunate to have realized a modest increase in membership over the last five years.

Chapter leaders, board members, and staff were active throughout 2005, participating on committees and expert panels, as peer reviewers, and by contributing to the HR Strategist newsletter and the HR Professional magazine, arranging school visits, and attending trade shows. Many of our tactics for increasing the visibility of the board of directors to improve communications with members and relationships with Chapters were implemented during the year. We started work on an annual Chapter Executive Leadership program and a

Chapter Executive Orientation program, and in spring 2005 the Board Chapter Liaison program was introduced to link board members with one or more chapters for the purposes of enhancing communication.

The knowledge, expertise and time HRP AO members devote to raising the profile of HRP AO and the HR profession enhances our strength, making us the influential and vibrant organization that we are. Thank you for everything you do.

“The Ottawa Chapter has received exemplary support from association staff and volunteers. We have benefited from visits from association staff who helped us facilitate a multi-Chapter Board orientation, and to man our promotional booth at Ottawa’s annual HR Solutions show. Our Board Chapter liaison has provided valuable management insights and the conference calls and semi-annual meetings with the other Chapter Presidents and Presidents-Elect certainly simplify my role as a volunteer.”

— **Bill Palamar, CHRP, Chapter President, Ottawa Chapter**

“HRPAO’s board and staff continue to be a fine example of the ‘Excellence’ in our ‘Shaping Organizational Excellence’ brand. It makes me proud to be part of an association with leaders who have demonstrated a vision that benefits the whole as well as the chapters regardless of size. We have particularly appreciated the outreach support demonstrated through services such as online local professional development event registration, and collaboration on delivering a regional Alternative Dispute Resolution program.”

— **John DeGiacomo, Chapter President, Human Resources Professionals Association of Northwestern Ontario**

A NETWORK OF INFORMED, COMMITTED PROFESSIONALS

Academic Partners

Programs developed through partnerships with key academic institutions provide in-depth learning experiences that meet the business and leadership needs of executives and managers. In 2005, HRP AO continued its partnerships with University of Toronto’s Advanced Program in Human Resources Management (APHRM) at the Rotman School of Management and with

Carleton University, Sprott School of Business for the Executive Certificate in Strategic Human Resources Leadership, to offer programs in Toronto and Ottawa. These programs qualify for the National Certification Exams leading to the CHRP designation. Certified Human Resources Professionals can apply these programs for up to 100 points towards recertification of their CHRP designation.



CERTIFIED HUMAN RESOURCES PROFESSIONAL (CHRP) DESIGNATION

The Certified Human Resources Professional (CHRP) designation is a globally recognized HR credential, sought out by HR professionals around the world. HRP AO grants the CHRP designation, which denotes excellence in human resources management for managers and executives who value a national standard emphasizing the critical role of people management in today's workplace.

Those who successfully attain their CHRP designation establish themselves as informed, committed, and connected professionals. The designation will be increasingly in demand as CEO's recognize the importance of effective HR strategies, and HR professionals at all levels pursue the one credential that will provide them with an appropriate level of recognition, stature and influence.

Prerequisites for attaining the coveted CHRP designation include membership in a provincial HR association, meeting course requirements, passing the National Knowledge Exam (NKE) and Professional Practice Assessment (PPA), and recertifying every three years. Students must successfully complete nine courses before registering for the NKE, and the PPA must be completed within five years of passing the NKE.

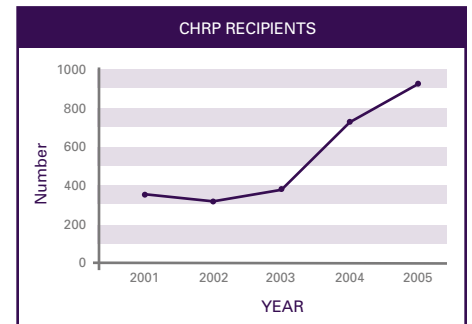
Recertification

Introduced in 2003, recertification means all HRP AO members who have achieved their CHRP designation actively participate in professional development activities that provide the required recertification credits. A secure, interactive recertification log developed for the HRP AO website enables those who have their CHRP designation to electronically track their progress over the 3-year recertification period.

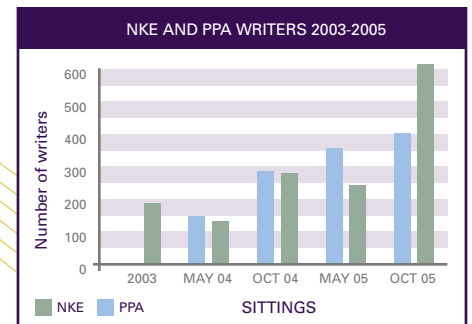
HRPAO Members

Achieve Top Scores in Canada

In May 2005, Eleanor Jean-Louis achieved the top PPA score, and Gwen Brandley the top NKE score. In October 2005, Colleen Hardie achieved the top PPA score, and Denise Ghanam, the top NKE score. These individuals achieved top scores for the Province of Ontario and for all of Canada. Final grades ranged from 91% to 97% – a remarkable achievement.



The number of HRP AO members who achieved their CHRP designation each year has almost tripled in the last five years



HRPAO has seen a 70% increase in NKE writers since 2003

"In virtually every aspect of the profession, HRP AO has been the leader. From the first statutory recognition of the CHRP designation in Canada to developing the national standards, HRP AO is the association that is looked at as the pioneer in the HR profession in Canada."

— **Brian Gatiem, MBA, LLB, CHRP, Gatiem HR Law p.c.**

"Developing the required professional capabilities was a huge project. When the first wave of CHRP holders make their recertification applications in 2006 it's going to be a new challenge for the committee to assess all of their professional development activities. We look forward to seeing what they've accomplished over the 3-year period."

— **Barb Marshall, Dean of Business and Management Studies, Georgian College;**
HRPAO Professional Standards Committee

HRPAO.ORG

Topical. Comprehensive. Up-to-date. A repository of human resources and business information that complements the association's seminars, workshops and professional development opportunities – and a way for members to transact and communicate with the association as efficiently as possible.

HRPAO Knowledge Centre

Your doorway to workplace information, research, reports, studies and articles. Created through partnerships with key experts, sources include major legal publishers, universities, top corporations, research institutes and government. Information is timely, current, relevant and updated daily.

HR News Online gives members quick access to workplace news from media sources. The web news feature is updated daily, summarizing news reports, surveys and articles on management and business issues.

HRPAO Legal Centre

Information focusing on law updates, labour views, legislative updates and workplace legal issues is enriched by partnerships with key employment law firms and major legal publishers. *HR Law Update* is a special service for HRPAAO members provided by Carswell Business. *Employment Law at Work*

is a monthly members-only electronic newsletter prepared by HRPAAO and First Reference, a respected legal publisher. Distributed monthly and also accessible online.

Government Affairs Site

Contains information on federal and provincial levels of government, hot topics and legislative clips with links to relevant ministries and commissions.

Hire Authority

In 2005 we saw a 15% increase in postings at the Hire Authority, the official career site of HRPAAO. The Hire Authority provides members with the best source for recruiting qualified human resources professionals. In 2005 improvements were made to make the system more seamless for users.

Affinity Centre

The HRPAAO Affinity Centre provides economic benefits for our members and their employees. Partners are selected with an eye to current trends and the needs of our members, who can access discounts on products and services from our partners. Six new partnerships were added in 2005 – Microsoft, GoToMyPC, Equifax, Manucan Career Site, Relocation Services, and Premier Fitness.

MULTIPLE SOURCES OF KNOWLEDGE, INFORMATION AND INSIGHT

Resource Centre

The Resource Centre provides members with research, information services, and access to a variety of HR, legal and business materials – personally guided access to information by expert researchers. Research requests have been increasing in sophistication and complexity and HRPAAO is experiencing a growing demand for global information.

Due to the increase in interest and complexity of requests, this area will be expanded as an exciting new business venture with reduced fees for members. At the end of 2005 we embarked on a salary survey project and are having exploratory conversations with potential partners.

PUBLICATIONS

HR Professional Magazine

Published six times a year, HR Professional magazine is our flagship publication, providing fresh, engaging HR information to HRPAA's members and others who are interested in improving their people management skills. HR Professional provides feature articles plus columns on strategic leadership, compensation and benefits, staffing, employee communications, HR research, health and safety, employment law and much more.

HR Strategist Newsletter

HR Strategist is our print newsletter providing easy, accessible HR information and tools five times a year with segments on chapter news, updates on national examinations, programs, services, member employment changes, and notable books.

E-Broadcasts

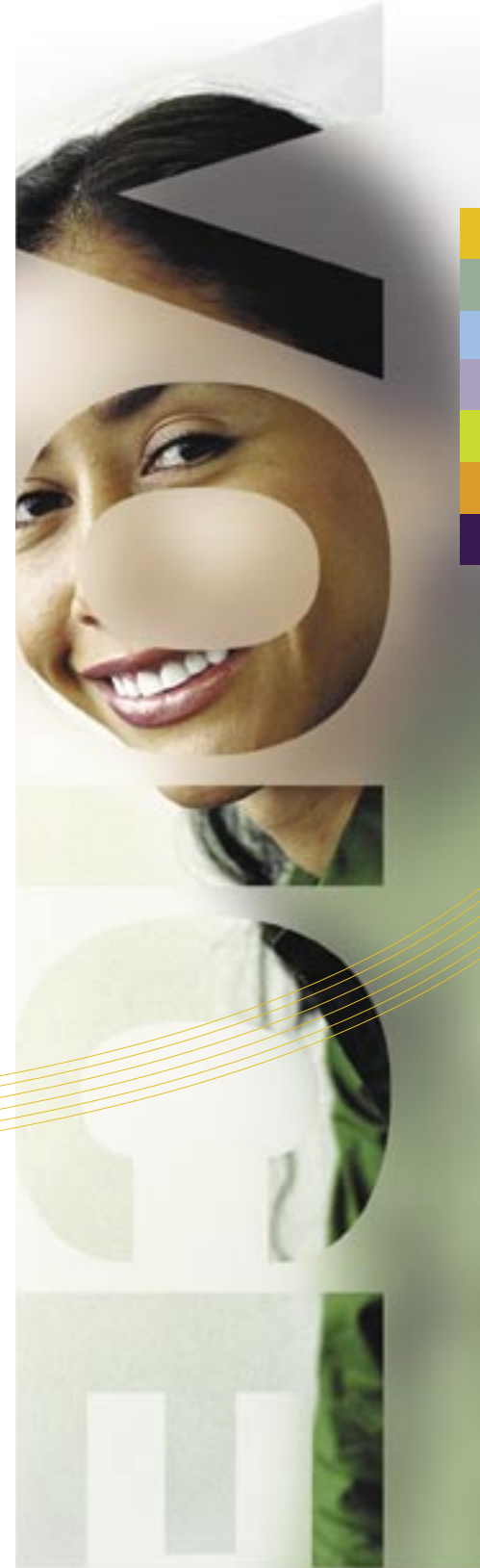
Informative, to the point, easy to navigate, regularly scheduled communications delivered weekly to members by email including once-a-month updates on employment law, HRPAA programs and services, HR news, and a calendar of events.

Ultimate HR Manual

In 2005, HRPAA partnered with CCH Canadian Limited, Canada's premier provider of authoritative compliance tools, research and practice materials for business professionals to create and launch the Ultimate HR Manual (UHRM). Over 2000 members and HRPAA staff contributed to setting the content for this unique reference work. HRPAA will have ongoing involvement on the editorial board and proposed innovations such as user advisory boards will allow members to discuss and help set the direction of the UHRM. This responsiveness has resulted in what CCH Canadian characterizes as one of its biggest successes. With over 750 copies sold since its launch in May 2005, the UHRM is on its way to becoming an industry classic.

Human Rights at Work

Special publications such as Human Rights at Work, prepared by HRPAA and the Ontario Human Rights Commission, assist members in managing their workplaces. Human Rights at Work is a plain language guide to implementing human rights policies and practices. It provides practical guidance on developing policies on everything from recruiting and orientation to drug and alcohol testing, to pensions and benefits.



SUMMARIZED FINANCIAL STATEMENTS

SUMMARIZED BALANCE SHEET

As at November 30

ASSETS	2005 (\$)	2004 (\$)
Current		<i>[restated]</i>
Cash	385,619	409,094
Short-term investments	1,909,605	1,267,681
Accounts receivable	547,024	555,050
Inventory	2,943	34,683
Prepaid expenses	909,375	537,107
Product development costs	37,500	—
Total current assets	3,792,066	2,803,615
Long-term investments	3,359,843	3,213,953
Capital assets, net	1,033,790	943,391
Long-term loan receivable	199,102	248,877
Product development costs	18,750	—
	8,403,551	7,209,836

LIABILITIES AND NET ASSETS

Current		
Accounts payable and accrued liabilities	846,411	871,278
Deferred revenue	3,730,499	2,536,637
Total current liabilities	4,576,910	3,407,915
Deferred capital contributions	337,550	83,414
Deferred rent	134,661	97,168
Total liabilities	5,049,121	3,588,497
Net assets		
Invested in capital assets	696,240	859,977
Internally restricted	148,488	431,828
Unrestricted	2,509,702	2,329,534
Total net assets	3,354,430	3,621,339
	8,403,551	7,209,836

SUMMARIZED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended November 30

REVENUE		<i>[restated]</i>
Administration	149,816	53,324
Annual Conference	2,285,531	1,934,261
Board/Committees	4,500	1,000
Communications and Information Services	115,579	156,925
Membership	3,071,541	2,839,129
Professional Standards	528,978	688,271
Programs	1,279,496	816,919
	7,435,441	6,489,829

EXPENSES		
Administration	3,730,340	3,510,871
Annual Conference	1,840,312	1,171,445
Board/Committees	562,047	524,474
Communications and Information Services	443,878	507,858
Membership	108,856	139,419
Professional Standards	240,682	339,723
Programs	665,539	331,471
	7,591,654	6,525,261

Excess of expenses over revenue before the undernoted	(156,213)	(35,432)
Amortization of capital assets	(324,734)	(286,449)
Investment income	214,038	279,306
Net excess of expenses over revenue for the year	(266,909)	(42,575)

Net assets, beginning of year	3,621,339	3,663,914
Net assets, end of year	3,354,430	3,621,339

Audited financial statements are available upon request

HRPAO 2005 Volunteer Board of Directors

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The Herrmann Group Limited*

Past-President

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*National Director
Staff Relations Representatives Program,
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Principal, People Plus North Inc.

Ted Wigdor

*President,
S. A. Murray Consulting Inc.*

HRPAO Senior Management Team

Arlene Insch, CHRP

Director Professional Standards and Registrar

Gary Monk, CMA

Director Finance and Administration

Marta Pawych, CMP, CMM, CSEP

Director Events and Sponsorship

Remo Petrongolo

*Director Professional Development and
Membership*

Louise Tagliacozzo

Executive Assistant to the CEO



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Excellence**

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