Human Resources (HR) Operations Report

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Director of Human Resources

HR and Governance Committee Meeting
April 18, 2011

HR OPERATIONS REPORT

- **Performance Management:**

  - 3/30/11 - Executive merit review/calibration meeting. Executive team reviewed all merit recommendations and promotions submitted by managers. Merit recommendations were accessed by performance ratings, grade levels and market penetration to ensure fairness.
  - 4/4/11 - Received CEO approval of merit and promotion recommendations after final review.
  - 3/31/11 - Operations meeting managers reviewed and discussed the selection criteria/justification for the target and stretch goals of the 2011 KPIs.
  - 04/01/11 - Final version of the 2011 KPIs completed, with "track changes" to any KPI modifications in preparation for HR&G committee review and approval.

HR OPERATIONS REPORT

- **Talent Management:**

  - In March we started the identification process for 2011 Key Talent. We sent out the employee questionnaires to the top 10% of 2010 performance scores – if the employees that had not been identified in last year's process 3/30/11.
  - We will calibrate the Talent Scorecard again at Mid Year and later in the year to start the new Succession Planning and Development Planning process.
  - Identification of managers using succession plans and personal development plans for participation in Management/Leadership training program. 50 managers will start the program June/August.

HR OPERATIONS REPORT

- **People Development:**
  - Working with Success Factors and People Sciences, to enhance skill and career development. Currently configuring our performance management application to allow the identification of job families, roles within a family, skills per role and expected efficiency per skill. Employees will be able to evaluate their proficiency levels in a current role and identify training/development needs where appropriate. Employees can evaluate their readiness for other roles within the organization and review the training and development requirements to prepare for that role (assists in succession planning and career development).
  - University of Texas Cockrell School of Engineering provided Engineering Ethics to 11 of ERCOT's staff members who are required to take the course in support of their Professional Engineer license.
  - Configured the Skillsoft e-learning system to enable managers, directors, and officers to quickly identify and assign learning assets to their direct reports. Provided a custom guide for managers to expedite this process.

HR OPERATIONS REPORT

- **Benefits:**
  - In March met with Gallagher Benefits services to review Heath & Welfare plans and market analysis for Medical, Dental, Vision, STD/LTD, EAP, Flexible Spending Account. We reviewed rates and total benefit costs in preparation for open enrollment.

  - Benefits Committee Meeting held April, 6 2011. Items discussed:
    - 401(k) Platform Change
    - Gallagher Recommendations Regarding Welfare Plans and Vendors
    - Proposed Changes to Welfare Plans
      - Short-Term Disability
      - Sick Leave Pool
      - Negative Vacation
    - Open Enrollment Planning
    - Disclaimers for Participants in Self-Directed Brokerage
    - Automation of 401(k) True-ups

HR OPERATIONS REPORT

- **Recruiting:**
  - Currently looking to recruit a CIO and VP Business Integration.

- **Rewards & Recognition:**
  - Nothing to report

- **Organization:**
  - Nothing to report

- **Legal & HR Issues:**
  - 4/6/11 - ERCOT Managers/Directors Meeting
  - 4/11/11 - Employee All Hands Meeting