

2013 ANNUAL REPORT

A United Profession

**BEGINNING
A NEW ERA**

HRIA



**HUMAN RESOURCES
INSTITUTE OF ALBERTA**

**HRIA IS THE LEADING PROFESSIONAL
ASSOCIATION FOR HUMAN RESOURCES
PRACTITIONERS IN ALBERTA DEDICATED
TO STRENGTHENING AND PROMOTING
THE HR PROFESSION**

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MESSAGE FROM THE CHAIR

A UNITED PROFESSION

2013 marks a significant year – the year of becoming one association. While this achievement comes twenty-nine years after we were founded on the vision of being one - One united voice for the HR profession in Alberta – we celebrate this success as a collective effort of all who have worked towards it.

Our history in serving human resources practitioners in Alberta reaches back to the mid-1940s when the Personnel Association of Edmonton and the Personnel Association of Calgary were created later other associations were formed in other cities eventually coming together to create the HRIA in 1984. "Personnel" has long been a term of the past and "human resources" is continually evolving as a profession.

As a united profession, we are focusing our efforts on elevating the credibility of our profession through;

1. Enhancing services to members through increased learning and professional development opportunities and quality information resources to bring you practical solutions for daily challenges;
2. Enhancing our certification model - working collectively with our members to develop the framework for a new Code of Ethics and Standards of Professional Practice that will prepare us for self-regulation of our profession.
3. Continuing our brand awareness work through marketing the CHRP designation and increasing the understanding of the value that strategic HR practices bring to an organization;

As with any profession, continuous evolution is required and our ability to be agile and adapt to the changing needs of our stakeholders and weather the shifts in our economy will be critical.

On behalf of our Board of Directors, thank you for your continued support to the association and commitment to the profession of human resources.



Alykhan Bandali, CHRP
Chair, HRIA Board of Directors

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ALYKHAN BANDALI, CHRP

**2013-2014 CHAIR
HRIA BOARD OF DIRECTORS**

STRATEGIC PLAN

A NEW DIRECTION

A FUTURE OF POSSIBILITIES

OUR LONG-TERM VISION FOR THE HRIA, THE
CHRP DESIGNATION AND THE PROFESSION IN
ALBERTA IS FOCUSED ON THE END GOAL THAT:

GOAL

HUMAN RESOURCES WILL HAVE INFLUENCE IN
EVERY ORGANIZATION IN ALBERTA

MISSION

TO STRENGTHEN AND PROMOTE THE PROFESSION
OF HUMAN RESOURCES

VISION

THE SOURCE FOR HUMAN RESOURCES LEADERSHIP
AND EXPERTISE

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VALUES

Leadership - We lead by example and demonstrate commitment to our stakeholders and to the profession by achieving our vision and mission.

Growth - We believe that perseverance and dedication will lead to success. We are committed to embracing innovative solutions for the enhancement of services and intellectual advancement within our profession.

Integrity - We conduct ourselves with the highest ethical principles and professional standards. Honesty, openness and trustworthiness are the hallmarks of our profession. We act in a responsible and credible manner when fulfilling our obligations.

Excellence - We develop, promote and embrace the highest quality standards and a commitment to continuous improvement within the profession of human resources.

Accountability - We meet the commitments we make and take responsibility for all actions and outcomes.

In charting this path, we asked ourselves and many others, what is the future of our profession? Thinking long-term, ten, even twenty years from now, what needs to happen for our profession to evolve to our desired level of recognition and credibility? What would we be doing and how would we be perceived by our stakeholders? How can we create the future we desire for the profession of human resources?

Our plan is structured around three key areas to address the needs of members, Alberta businesses and organizations, and the public in general.



As a professional association and certifying body, we represent qualified professionals – Certified Human Resources Professionals. Our primary role will always involve Developing Qualified Professionals, through our certification program and through the learning programs we offer that assist our members in their continuing professional development.

Contributing to Business involves both the HRIA and our members directly. For HRIA, it means ensuring to get the message out about what effective HR is and how good HR strategy and practices have a positive impact on the bottom line. For our members, it means how you as an individual lead and influence positive outcomes and opinions about our profession within your workplace.

HRIA's responsibility in Leading the Profession in Alberta means ensuring we are planning for a future where the HR profession is positioned

HRIA REPORT CARD

The report card below was adopted in 2011 to assist you in understanding key metrics regarding the performance of your association. Three key variables are identified: Member Satisfaction, Membership Growth, and Fiscal Responsibility.

	2013	2012
Membership Growth	5,911	5,631
Growth	5%	7.5%
CHRP's	3,164	2,971
Member Satisfaction		
Overall Satisfaction with HRIA	62%	64%
Overall Satisfaction with Services	75%	74%
Fiscal Responsibility		
Annual Revenue	\$3,526,670	\$3,199,455
Dues Revenue	29.4%	31.9%
Non-Dues Revenue	70.6%	68.1%
Understanding Where it All Goes		
Administration (Operations, HR & IT)	46%	42%
Member Services	42%	47%
Marketing & Communications	5%	8%
Corporate Affairs/External Relations	3%	1%
Board	3%	3%

75% OVERALL MEMBERSHIP SATISFACTION WITH SERVICES

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HRIA REPORT CARD

MEMBERSHIP GROWTH

MEMBER SATISFACTION

FISCAL RESPONSIBILITY

UNDERSTANDING WHERE IT ALL GOES

5%

MEMBERSHIP GROWTH IN 2013

**WITH AN INCREASE OF 193
CHRP_s FROM THE 2012 YEAR**

HRIA REPORT CARD

MEMBERSHIP GROWTH

MEMBER SATISFACTION

FISCAL RESPONSIBILITY

**UNDERSTANDING WHERE IT
ALL GOES**

822 NEW MEMBERS

3,164 CERTIFIED MEMBERS

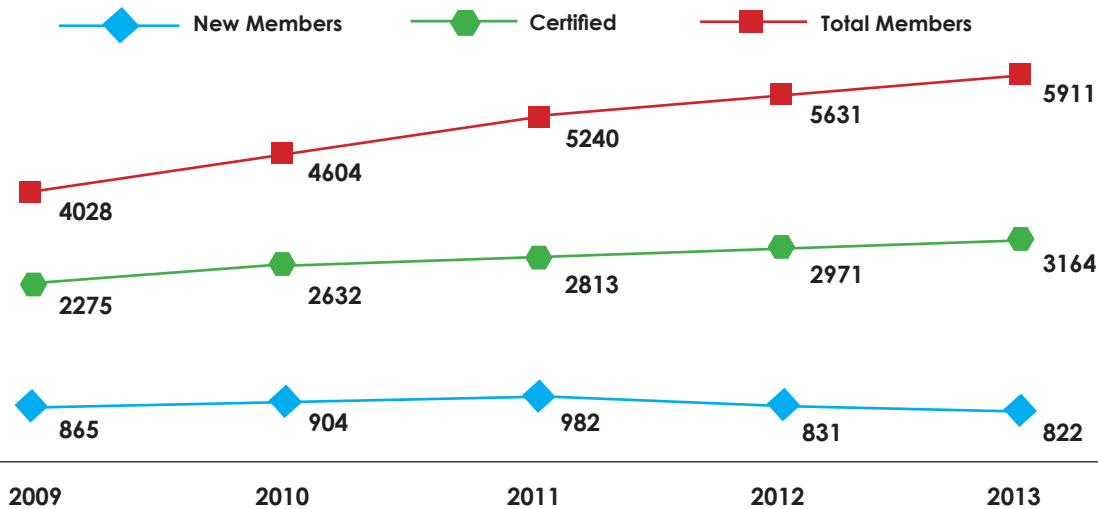
5911 TOTAL MEMBERS

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MEMBERSHIP GROWTH

As of December 31, 2013, we welcomed 822 new members to the association bringing our total membership to 5,911, an increase of 5% over the prior year. In addition, certified members now account for 3,164 of our members, an increase of 1% over the prior year.

Member Growth



Many factors have affected our membership growth over the past five years, including: the introduction of the degree requirement, blending membership rosters with all the regional associations, and changes to the experience requirement in 2012. While growth from new membership applications dropped off in 2011 after the degree was introduced, overall growth was maintained through the addition of approximately 400 new members through collaboration with the Human Resources Association of Calgary. Growth in 2012 resumed to the 800+ level of new applicants similar to the average growth of new members prior to the degree requirement.

400 NEW MEMBERS THROUGH COLLABORATION WITH HRAC

MEMBERSHIP SATISFACTION

THE 2013 MEMBER SATISFACTION SURVEY

Our thanks to the 1,259 members who took the time to share your feedback! We were pleased to see that the respondent sample, which represented 21% of our membership, is an accurate reflection of our membership demographics. We are confident that the results are a fair representation of member opinions and needs.

Membership 'Overall Satisfaction with HRIA' rating dropped by 2% to 62%. This remains on par with other professional organizations. We saw improvement in the "Overall Services" and "Overall Representation" areas; a static response in "Member Influence" and a small dip in the "Ease of Having Voice Heard" and "Effectiveness of Communication" areas of the member survey. Members' overall satisfaction continued to be within the Marginal range of 56%-65%, but the survey indicated that there is still room for improvement.

Benchmark Satisfaction	2013	2012	2011	Other Professional Associations	Similar Associations
Overall Satisfaction with HRIA	62%	64%	62%	63%	66%
Overall Services	75%	74%	73%	71%	73%
Overall Representation	60%	54%	51%	54%	56%
Ease of Having Voice Heard	56%	57%	56%	58%	59%
Member Influence	53%	53%	50%	56%	56%
Effectiveness of Communications	72%	73%	70%	69%	69%
Overall Benchmark Satisfaction Rating	63%	63%	61%	62%	63%

Need for More Information

While we continue to score well on "Effective Communications" and feedback from the survey indicates that we are closing the gap on the lack of information. There is always room for improvement. The shift in numbers below is a significant improvement, but there is still a percentage of members who report they do not have enough information on key matters affecting the association. In particular, the percentage of members indicating they do not have enough information on the following areas is indicated below:

Percent Reporting they do not have enough information:

	2013	2012	2011
HRIA has a clear vision and strategic direction	23%	27%	33%
HRIA usually achieves what is set out to accomplish	37%	38%	45%
HRIA is instrumental in shaping the future of the profession	20%	24%	28%

HRIA REPORT CARD

MEMBERSHIP GROWTH

MEMBER SATISFACTION

FISCAL RESPONSIBILITY

UNDERSTANDING WHERE IT ALL GOES

RESPONDING TO MEMBER FEEDBACK

BASED ON YOUR SURVEY FEEDBACK IN 2012, WE COMMITTED TO DELIVER ON THREE KEY INITIATIVES IN 2013:

1 PROVIDING CHRP DESIGNATION EXAM PREPARATION AND CONTINUING EDUCATION (20%)

HRIA held two exam preparation courses as well as a New CHRP Orientation to assist aspiring and new CHRP's with their designation.

2 PROMOTING THE VALUE OF THE PROFESSION (15%)

Introduction of the "Good Character Attestation" to the membership renewal process. This serves us in three ways; ensures that reputable members of the community are eligible to join HRIA and become certified, helps HRIA establish public trust as a quasi-regulator and serves to build confidence with the Alberta government that the HRIA takes its role seriously as the professional body best able to ensure the public of the integrity, knowledge and skills of HR professionals.

3 PROVIDING CHRP DESIGNATION EXAM PREPARATION AND CONTINUING EDUCATION (20%)

The HRIA held over 88 professional development events in 2013 to support members' continued professional learning. We also signed partnership agreements with service providers to open a wider variety of services and resources to our members.

HRIA REPORT CARD

MEMBERSHIP GROWTH

MEMBER SATISFACTION

FISCAL RESPONSIBILITY

**UNDERSTANDING WHERE IT
ALL GOES**

PLANNING FOR GROWTH

**THE HRIA MAINTAINS CONSERVATIVE FINANCIAL
MANAGEMENT AND INVESTMENT PRACTICES IN
ORDER TO SAFEGUARD THE FUTURE GROWTH OF
THE ASSOCIATION**

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FISCAL RESPONSIBILITY - UNDERSTANDING THE BOTTOM LINE

There is little change in financial measures. Overall revenue has increased as a result of membership growth and an increase in use of related services such as professional development events and conference registrations. The balance of where funds are allocated is virtually unchanged, although additional resources are being directed to marketing and communications, and external relations to better support our strategic plan.

The HRIA maintains conservative financial management and investment practices in order to safeguard the future growth of the Association. Our financial policy requires we maintain a minimum of 50% of annual expenses (\$1.75 million) be held in investments and we continue to exceed that requirement.

From a financial perspective, we planned for growth in 2013 building on the past years of strong revenue attained from our job posting services. 2013 saw another planned deficit budget of \$108,000, in order to draw down on investments. With \$3.5 million in expenses for 2013, policy requires \$1.75 million in investments. At the end of 2012 we were at \$1.96 million. Despite the planned deficit of \$108,000 for 2013, the year ended with a small surplus of \$33,960. This was as a result of unexpected revenue received from the HRMAE and the CCHRA, which was offset by decreased revenue from job postings (\$180,000).

2013 Statement of Operations Summary

Revenue	\$3,526,670
Expenditures	\$3,492,708
Excess of revenue over expenditures/(deficiency)	\$33,962

2013 Statement of Financial Position Summary

Assets	\$2,411,292
Liabilities	\$412,040
Net Assets	\$1,999,252

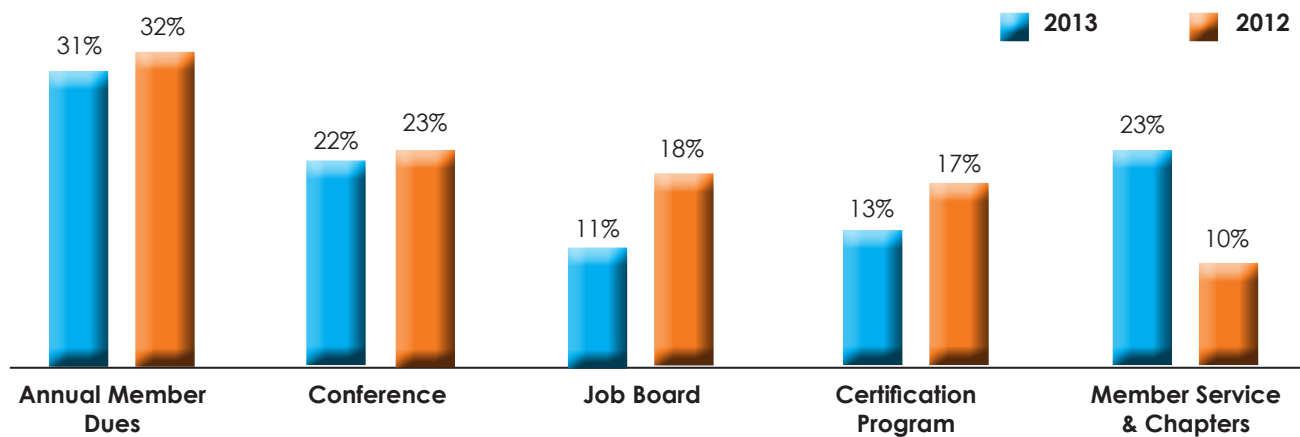
REVENUE AND EXPENSES

HRIA has a fairly stable revenue mix with income from four main sources; annual member dues; conference revenues; job board revenues; and examinations. Member dues account for approximately one third of all revenue and about a quarter of the association's revenue coming from member service fees.

One shift in our revenue mix below, from previous years, is the increase in revenue from member services for events. These were previously recorded in the Regional Association financials. Under the One Association model, all revenue and expenses are now reported as part of the HRIA financials. The financial for 2013 reflects a transition year as each regional association went through the process of dissolution during this fiscal year.

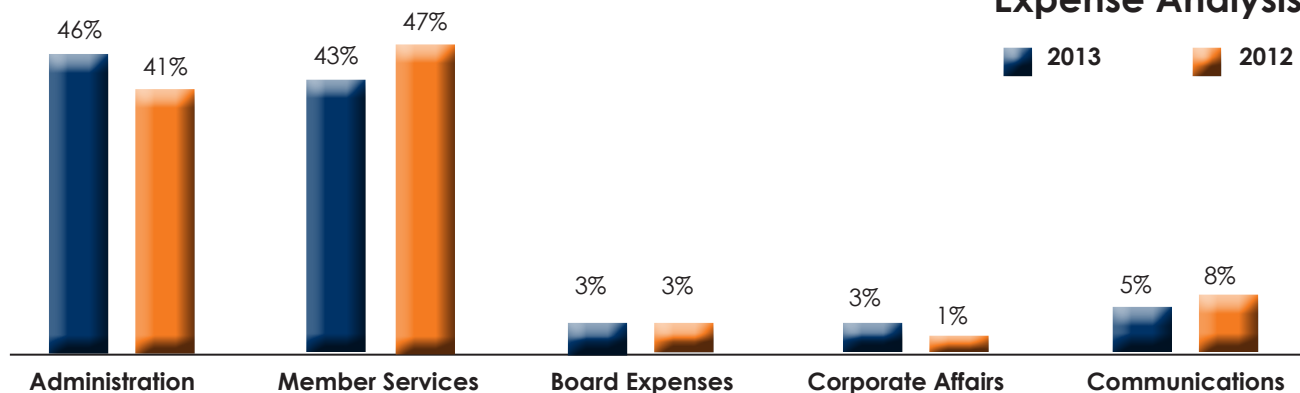
The next fiscal year for 2014 will show the full financial picture for the new business model.

Revenue Mix - Year Over Year



The expense side shows two major cost centers; administration and member services at 46% and 43% respectively. The increase in administration from 2012 to 2013 reflects the transfer of expenses from the Regional Associations to the HRIA and a more accurate allocation of where costs are recorded. At the same time, the dip in Member Services expenses is due to increased efficiencies that were afforded with the One Association model.

Expense Analysis



HRIA REPORT CARD

MEMBERSHIP GROWTH

MEMBER SATISFACTION

FISCAL RESPONSIBILITY

UNDERSTANDING WHERE IT ALL GOES

1/3

MEMBER DUES ACCOUNT FOR APPROXIMATELY ONE THIRD OF ALL REVENUE

DEVELOPING QUALIFIED PROFESSIONALS

**MEMBERSHIP RENEWALS,
REVOCATIONS & REINSTATEMENTS**

**EVOLVING PROFESSIONAL
STANDARDS**

ENHANCING MEMBER SERVICES

THE CHRP DESIGNATION IS A NATIONALLY
RECOGNIZED LEVEL OF ACHIEVEMENT WITHIN
THE FIELD OF HUMAN RESOURCES IN CANADA

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MEMBERSHIP RENEWALS, REVOCATIONS AND REINSTATEMENTS

The CHRP is a symbol of professionalism and it represents qualified professionals who provide critical leadership for effective management in today's workplace. Through the national certification examinations, candidates must demonstrate capabilities and professional judgment in a wide range of human resources situations and functions as well as skills in strategic thinking, business insight, change management and problem resolution.

A variety of factors influence the shift in membership numbers, including: transfers in/out of province, retirements, and revocation of the designation. The following table summarizes year end statistics pertaining to the CHRP designation.

	2013	2012	2011	2010	2009
NEW CHRPs	265	239	227	418	351
TOTAL CHRPs	3,164	2,971	2,813	2,632	2,225
REVOCATIONS	128	76	34	68	
Dues	81	36	22	52	33
Recertification	47	40	12	16	
REINSTATEMENTS	29	11	8	6	4

EVOLVING PROFESSIONAL STANDARDS

The CHRP designation is a nationally recognized level of achievement within the field of human resources in Canada. The HRIA regularly reviews best practices in order to maintain the relevance of the designation. The following changes are in effect or underway:

Changes In Effect as of January 2014

- 1. Continuing Professional Development** - The process of "recertification" was renamed "Continuing Professional Development" to better reflect the emphasis on professional development. With the name change, HRIA also made the program more user-friendly and changed how professional development is measured including how hours for volunteer work are measured. All of these changes were made to reflect the maturity of the HR sector.
- 2. Good Character Attestation** – As part of ensuring the good character of the profession as a whole, the HRIA is in the process of introducing a standardized format for requesting, tracking and enforcing behaviour among its members. Part of this process is the "good character attestation" questions that were introduced during the membership renewal process in 2014. CHRP members were required to complete these online questions before their membership could be renewed. This will now become a standard part of the membership renewal process going forward. By implementing this process, it ensures that reputable members of the community are eligible to join HRIA and become certified. It also helps the HRIA establish public trust as a quasi-regulator: an association that operates much like true professional regulatory bodies do - offers designations, has a code of ethics, and complaint mechanisms – but, without specific enabling legislation. Furthermore, it serves to build confidence with the Alberta government that the HRIA takes its role seriously as the professional body best able to ensure the public of the integrity, knowledge and skills of HR professionals.

EXPANDING OUR CODE OF ETHICS TO INCLUDE RULES OF PROFESSIONAL CONDUCT

Currently all HRIA members must commit to abiding by the principles outlined in our Code of Ethics established by the Canadian Council of Human Resources Associations (see the inside back cover of this report). As we align HRIA with the best practices of self-regulated professions we have begun research on expanding our current Code of Ethics. There are many models to examine from other professions in Alberta and we are looking to our sister associations in Ontario and Quebec, where the HR profession is already self-regulated.

A policy advisory group was established in 2013 to research and develop an appropriate model for Alberta. Consultations on that draft began in January 2014 and it is anticipated that the new Standards of Conduct will become effective in 2015.

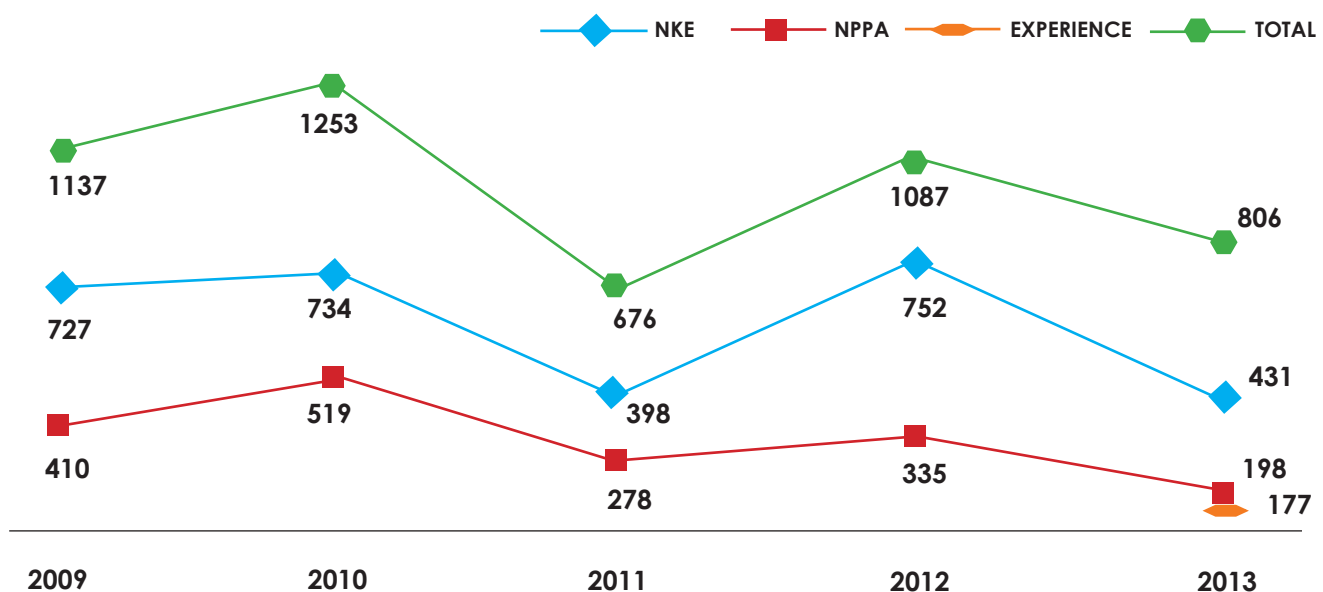
NEW CHRP ORIENTATIONS – THE ROLE OF A PROFESSIONAL

To assist our newest Certified Human Resources Professionals in understanding their professional obligations, the New CHRP Orientations are delivered in Edmonton and Calgary each spring and fall. These sessions review the role of a professional, understanding professional independence and objectivity, continuing professional development, the role of HRIA, our National Code of Ethics, volunteer opportunities and provide a great opportunity to meet other new professionals.

NATIONAL EXAMINATION & EXPERIENCE ASSESSMENT

With the introduction of the degree requirement in 2011, we saw a spike in exam writers in the two years preceding. As expected, exam registrations dropped significantly in 2011 but then returned to above average rates in 2012. In 2013, we again saw a drop in exam registrations, slightly above pre-2011 levels of 431 registrants. In 2012, it was also announced by the Canadian Council of Human Resources Associations that the NPPA exam would be phased out of our certification process in June 2013, to be replaced by an experience assessment.

National Examinations & Experience Assessment



DEVELOPING QUALIFIED PROFESSIONALS

**MEMBERSHIP RENEWALS,
REVOCATIONS & REINSTATEMENTS**

**EVOLVING PROFESSIONAL
STANDARDS**

ENHANCING MEMBER SERVICES

EXPERIENCE ASSESSMENT

The new certification requirement confirms that candidates have three-years of professional level experience in at least two of the Functional Dimensions™ outlined in the CHRP Body of Knowledge. In our first year of assessing experience, the Experience Validation Committee received 177 submissions and deemed 148 (83.6%) to have met the standard.

DEVELOPING QUALIFIED PROFESSIONALS

**MEMBERSHIP RENEWALS,
REVOCATIONS & REINSTATEMENTS**

**EVOLVING PROFESSIONAL
STANDARDS**

ENHANCING MEMBER SERVICES

MEMBER ENGAGEMENT

Appeals Committee
Award Selection Committee
Chapter Advisory Committees for Calgary, Central Alberta,
Edmonton, Grande Prairie, Lethbridge and
Wood Buffalo
Complaints, Investigation & Discipline Committee
Conference Speaker Selection Committee
Editorial Advisory Committee
Experience Validation Assessment Committee
Post-Secondary Liaisons
Professional Mentoring Committee
Recertification Audit Committee
Standards Advisory Committee
Special Event Committees, including: Member Mingle,
Golf Tournament, Legal Conference and Career Connections
Committee
Special Projects Committee
Policy Advisory Group on the Code of Ethics
Policy Advisory Group on Self-regulation

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ENHANCING MEMBER SERVICES

SUPPORTING PROFESSIONAL DEVELOPMENT

HRIA offers a wide variety of professional development opportunities that are open to all members, but only our certified members are required to obtain and report points to show evidence of their ongoing competence.

Based on the 2013 Member Survey, your top concerns are: strategic HR planning, leadership development, emerging trends and best professional practices. We work together with the Chapters to plan our service offerings and your feedback will guide our programming in the year ahead.

In 2013, the HRIA held 88 different events to help members learn more about the key areas such as recruitment and retention, succession planning, training and development and leadership development; all areas that were identified as areas of concern in the 2012 Member Survey.

HRIA also works with other organizations to coordinate program offerings through a variety of partnerships. These include in-person sessions as well as webinars and seminars on HR Metrics through our partnership with BC Human Resources Management Association. In 2013, we continued with the delivery of the Executive Compensation Certification offered in partnership with Global Governance Advisors and Workplace Investigations an in-depth three day program. We also offered Crucial Conversations with Leadership Smarts and hosted a variety of Employment Standard sessions with Service Alberta.

ANNUAL CONFERENCE

The annual conference is the premier professional development and networking event offered by the HRIA. The conference offers a distinguished line-up of keynote speakers, concurrent speakers and a trade show exhibiting innovative HR products and services. HRIA members enjoy discounted conference registration fees.

Year after year, we welcome HR professionals from across the province to engage in dynamic dialogue about the importance of exploring, encouraging and advancing the strategic value of human resources. The HRIA Annual Conference continues to grow and evolve to meet the needs of members and others in the HR community.

The success of our conferences would not have been possible without the generous support of sponsors and exhibitors, the hard work of the conference planning committee and all the volunteers who make the event a success. Thank you to everyone involved in making this event an overwhelming success every year.

MEMBER ENGAGEMENT

The phenomenal success of HRIA is a reflection of the ever-increasing dedication and enthusiasm of members who have chosen to give their time to support the organization in so many ways. HRIA has a number of active volunteer committees that enable members to contribute a wealth of experience and valuable perspective in guiding the future direction of the HRIA. Volunteer opportunities provide members with valuable experience, fantastic networking opportunities and they earn valuable CHRP renewal credits.

Thanks to all of our dedicated volunteers who serve in various capacities:



HRIA CELEBRATING EXCELLENCE *April 18, 2013*

Human resources professionals across Alberta are accomplishing amazing work in a challenging workplace environment. To recognize exceptional HR leaders, the Human Resources Institute of Alberta launched the Celebrating Excellence Awards Program in March 2007 allowing members to nominate and recognize the outstanding work of their peers.

The Award of Excellence, Distinguished Career Award and Rising Star Award demonstrate the value and appreciation the HR community and HRIA have for our fellow practitioners. These awards are contributing to HRIA's vision of being the source for human resources leadership and expertise.

Congratulations to the following 2013 recipients:

Rising Star: Celia Kohler

Community Champion: Ross Gilker, CHRP

Award of Excellence - Individual: Denise Grondin, CHRP

Award of Excellence - Team: Servus Credit Union

Strategic Innovator: Tandy Kustiak, CHRP

Distinguished Career: Joan Morgotch, CHRP

Leader of the Year: Fran Parolin

Fellow Certified Human Resources Professional (FCHRP)

The fellowship recognition is a long standing tradition in many professions which represents the highest honour a professional association may grant an individual member. The fellowship recognizes outstanding contributions to the profession and to the community, as well as exemplary character and testament to the values of the association.

Eldon Emerson, FCHRP

Eldon Emerson was the first President of the HRIA following its founding in 1984. Eldon, along with many others, worked for years to develop the operating terms and structure for this new provincial association. They were not deterred by issues that arose because they knew the "CHRP" would become the recognized national brand for the HR profession and pushed ahead on developing the scope of what constituted professional practice of HR. Eldon holds certificate #1, the first Certified Human Resources Professional designated by HRIA in 1991 and was granted Lifetime Membership by the Board in 1993. Eldon also served on the founding group that created the concept for a national HR body leading to the creation of the CCHRA.

Eldon has been credited with leading innovative HR practices in the non-profit sector through his work in developing a shared services model for HR among six non-profit organizations in Edmonton. Eldon previously served as a founding board member for the HR Council of Not for Profit Sector and now gives his time to the Allan Gray Continuing Care Centre, where he serves as a current Board Director and as Chair of the Long-Range Planning Committee. Currently, as the manager of the Muttart Foundation's Human Resources Cluster Project, Eldon provides consultation, education and advisory services to help six Edmonton-based social service charities address their HR needs and issues.

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DEVELOPING QUALIFIED PROFESSIONALS

**MEMBERSHIP RENEWALS,
REVOCATIONS & REINSTATEMENTS**

**EVOLVING PROFESSIONAL
STANDARDS**

ENHANCING MEMBER SERVICES

**CONGRATULATIONS TO THE 2013 CELEBRATING
EXCELLENCE AWARD WINNERS**

CONTRIBUTING TO BUSINESS


**BUILDING CONNECTIONS WITH
THE BUSINESS COMMUNITY**

ON THE ROAD TO SELF-REGULATION

OUR GOAL

**RAISE THE PROFILE OF THE CHRP DESIGNATION
AND EDUCATING OTHERS ON THE BREADTH OF
HUMAN RESOURCES SERVICES**

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As an active partner we will ensure business organizations understand the value of human resources, and the value a CHRP brings to their daily work environment. Our goal is to raise the profile of the CHRP designation and educate others on the breadth of human resources services so that they embrace HR as a strategic business partner leading their organizational success.

We work with organizations to advance the HR profession and bring valued services to our membership.

BUILDING CONNECTIONS WITH THE BUSINESS COMMUNITY

CHAMBER OF COMMERCE MEMBERSHIPS

This year, HRIA joined several Chambers of Commerce across Alberta as well as the Alberta Chamber of Commerce. These memberships enable us to connect directly with the business community to hear about their concerns and workplace challenges and define how HRIA can assist.

SPONSORSHIP OF AWARDS SERIES

The HRIA participated in the Rising Star awards series, hosted by Oil Week publication and in Alberta Venture's "Alberta Best Workplace" series.

Our participation and support of the Rising Star and Alberta's Best Workplace series ensures that our membership is plugged into the business community and is actively participating in promoting the next generation of leaders while highlighting the best-in-class HR practices in Alberta's workplaces.

ON THE ROAD TO SELF-REGULATION

The HRIA sponsored the Alberta Chamber of Commerce's Deputy Minister Dinner in Edmonton. Through this opportunity we were able to connect directly with the Deputy Minister responsible for the professions registration branch and update him on the progress of HRIA's one association merger.

PROTECTING THE PUBLIC INTEREST

What does it mean to protect the public? In simple terms, the role of a professional association is to protect the public from incompetent practitioners, whatever their subject discipline (medicine, law, accounting, etc.). Professionals are generally respected for upholding the highest standard of practice within their profession, and professional associations are required to ensure those standards are enforced. That typically means meeting a certain standard for certification such as writing requiring examinations and demonstrating a required level of experience, as well as demonstrating continued competence, and adherence to a code of ethics and rules of professional conduct.

HRIA's role in protecting the public involves ensuring that Certified Human Resources Professionals have met the standards of the profession and abide by the National Code of Ethics. The National Code of Ethics requires all members of HRIA to maintain ongoing competence in human resources responsibilities and to provide services in an honest and diligent manner.

MEMBER CONDUCT

On occasion, HRIA receives complaints from the general public or other members about the conduct of an HR practitioner. When the complaint involves a member, these concerns are heard by the Complaints, Investigation and Discipline Committee (CIDC), which consists of CHRPs who are senior members in the profession and one public member who sits on the committee. The following table outlines the outcome of complaints received in recent years.

COMPLAINTS	2013	2012	2011	2010	2009
New Complaints Received	2	2	4	1	5
Complaints Dismissed	1	2	2	1	1
Resolved by Mediation	0	0	1	0	4
Voluntary Cancellation of Membership	1	0	0	0	0
Finding of Unprofessional Conduct	0	0	0	0	0

In keeping with good governance practices, all matters of complaints concerning HRIA, its members, or decisions of the Complaints, Investigation and Discipline Committee are heard by an independent Appeals Committee. This new committee was established in 2010 following the national model discipline process of the CCHRA. The Appeals Committee also consists of senior members of the profession and is independent of the CIDC and the HRIA Board. To date, there have been no complaints or appeals brought forward to this committee.

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LEADING THE PROFESSION

PROTECTING THE PUBLIC INTEREST

MEMBER CONDUCT

REPRESENTING ALBERTA NATIONALLY

SUPPORTING FUTURE PROFESSIONALS

PROVIDING LEADERSHIP

THE ROAD AHEAD

NATIONAL CODE OF ETHICS

THE ROLE OF A PROFESSIONAL ASSOCIATION
IS TO PROTECT THE PUBLIC FROM INCOMPETENT
PRACTITIONERS, WHATEVER THEIR SUBJECT
DISCIPLINE

LEADING THE PROFESSION

PROTECTING THE PUBLIC INTEREST

MEMBER CONDUCT

REPRESENTING ALBERTA NATIONALLY

SUPPORTING FUTURE PROFESSIONALS

PROVIDING LEADERSHIP

THE ROAD AHEAD

NATIONAL CODE OF ETHICS

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REPRESENTING ALBERTA NATIONALLY

HRIA is a founding member of the Canadian Council of Human Resources Association (CCHRA), representing more than 21,000 CHRPs and 41,000 members across Canada.

The primary focus of the CCHRA is to provide a forum for national dialogue on matters relating to certification standards and practices, including examinations and the means for assessing recertification through continuing professional development. Numerous committees, working groups and task forces comprising volunteers, staff and consultants come together with a breadth of expertise and experience to share best practices, and work towards harmonizing our policies and processes.

Thank you to the many individuals participating with these initiatives to assist us in elevating the credibility of the designation and our profession.

SUPPORTING FUTURE PROFESSIONALS

The HRIA supports various educational institutions through sponsoring HR student groups and speaking at post-secondary institutes about the HR profession and the ChRP designation.

In the past year, HRIA participated in a variety of post-secondary activities:

- Sponsored the Mount Royal Breakfast and several student networking events at post-secondary institutions around the province
- Supported Haskayne School of Business with their resume review and mock interviews for students
- Hosted events at Grant MacEwan, including a Mentorship Mixer
- Sponsored a Student Business Conference at University of Alberta

These initiatives are a success thanks to our many members who volunteer as Post-Secondary Liaisons.

Scholarships

The HRIA sponsors scholarships for HR students at universities across Alberta. Criteria for awards include academic achievement, demonstrated leadership through community and/or student involvement and financial need.

21,000+ CHRPs AND **41,000** MEMBERS ACROSS CANADA

PROVIDING LEADERSHIP

The Human Resources Institute of Alberta is governed by a volunteer Board of Directors to deliver value to members across the province. A special thank you goes out to the following Directors for their time and dedication – their contributions to the Association will be valued for years to come.

Aly Bandali, CHRP – Chair
Chris McNelly, CHRP – Vice Chair
Shannon Friesen, CHRP – Past Chair
Angela Boyes, CHRP
Lynette Grose, CHRP
Leslie Henkel, CHRP
Arlene MacLellan, CHRP
Allan McC Calder, CHRP
Alison Meyer-McMahon, CHRP
Neil Riley, CHRP
Sherry Scott, CHRP
Chris Sopal, CHRP
Andrew Walcot, CHRP
Melody Wisoley, CHRP

HRIA BOARD OF DIRECTORS 2013-2014



Back row (left to right): Allan McC Calder, CHRP; Chris McNelly, CHRP Vice-Chair; Aly Bandali, CHRP, Chair; Andrew Walcot, CHRP; Neil Riley, CHRP; Chris Sopal, CHRP; Front row (left to right): Arlene MacLellan, CHRP; Leslie Henkel, CHRP; Angela Boyes, CHRP; Alison Meyer-McMahon, CHRP; Lynette Grose, CHRP; Nora Molina, Executive Director; Absent: Shannon Friesen, CHRP, Past Chair and Melody Wisoley, CHRP.

2013 ANNUAL REPORT

LEADING THE PROFESSION

PROTECTING THE PUBLIC INTEREST

MEMBER CONDUCT

REPRESENTING ALBERTA NATIONALLY

SUPPORTING FUTURE PROFESSIONALS

PROVIDING LEADERSHIP

THE ROAD AHEAD

NATIONAL CODE OF ETHICS

HRIA BOARD OF DIRECTORS

FUNCTIONS AS A POLICY GOVERNANCE BOARD ENSURING THAT APPROPRIATE POLICIES ARE IN PLACE TO MAKE CERTAIN THAT THE ASSOCIATION CAN RUN EFFECTIVELY

LEADING THE PROFESSION

PROTECTING THE PUBLIC INTEREST

MEMBER CONDUCT

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THE ROAD AHEAD

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2013 ANNUAL REPORT

THE ROAD AHEAD

Merging our associations into a united provincial HR association has now enabled us to focus our efforts on delivering quality services to members and elevating the credibility of the profession. With the efficiencies gained through becoming one association we will begin expanding our responsibility as a professional association and adopting standards on par with self-regulated professions.

In 2014 HRIA will be applying to the Alberta Government to become a self-regulated profession. We will essentially be asking the provincial government to grant us the privilege to govern ourselves. If we are successful, it will signify a vote of confidence in our ability to have established consistent entrance and licensing requirements for the HR profession in Alberta, a professional development framework for our members, a code of conduct and that we are able to ensure that all HR practitioners in the province abide by these standards. We will have earned the right to self-regulation because we will have demonstrated a commitment to protecting the public interest.

The achievement of self-regulation is the cornerstone to becoming a recognized profession. It puts us on the same footing as professional engineers, management consultants and architects. Self-regulation is about self-governance and HR professionals setting the expectations for others wanting to join the profession.

With our commitment to a code of ethics, a consistent standard of practice, and by putting our professional independence ahead of our self-interest we are telling the business community, the government and the public they can put their trust in us to ensure HR practices in Alberta meet the highest standards. This will raise the credibility and stature of the HR profession and will signal a shift in how HR is perceived in the workplace and the public. It will move the profession away from being considered a transactional overhead "cost of doing business" to a value-added strategic partner critical to business success.

Our recent member vote on self-regulation revealed a 90% confidence vote in favour of pursuing self-regulation. This is an overwhelming message of support and confidence by the membership to the Board and staff to "stay the course" and we will. HRIA will continue to invest in the future of our profession with the goal of submitting our application to become a self-regulated profession in the fall of 2014.

90% CONFIDENCE VOTE IN FAVOUR OF PURSUING SELF-REGULATION

NATIONAL CODE OF ETHICS

As a member of the Human Resources Institute of Alberta, I will commit myself to the principles outlined in the Code of Ethics established by the Canadian Council of Human Resources Associations. I will support and foster the society's code of ethical behavior through a high standard of practice as a Human Resource Professional.

- 1. Competence** - Maintain competence in carrying out professional responsibilities and provide services in an honest and diligent manner. Ensure that activities engaged in are within the limits of one's knowledge, experience and skill. When providing services outside one's level of competence, or the profession, the necessary assistance must be sought so as not to compromise professional responsibility.
- 2. Legal Requirements** - Adhere to any statutory acts, regulation or by-laws which relate to the field of Human Resources Management, as well as all civil and criminal laws, regulations and statutes that apply in one's jurisdiction. Not knowingly or otherwise engage in or condone any activity or attempt to circumvent the clear intention of the law.
- 3. Dignity in the Workplace** - Support, promote and apply the principles of human rights, equity, dignity and respect in the workplace, within the profession and in society as a whole.
- 4. Balancing Interests** - Strive to balance organizational and employee needs and interests in the practice of the profession.
- 5. Confidentiality** - Hold in strict confidence all confidential information acquired in the course of the performance of one's duties, and not divulge confidential information unless required by law and/or where serious harm is imminent.
- 6. Conflict of Interest** - Either avoid or disclose a potential conflict of interest that might influence or might be perceived to influence personal actions or judgments.
- 7. Professional Growth and Support of Other Professionals** - Maintain personal and professional growth in Human Resources Management by engaging in activities that enhance the credibility and value of the profession.

Enforcement - The Canadian Council of Human Resources Associations works collaboratively with its Member Associations to develop and enforce high standards of ethical practice among all its members.

HRIA KEY CONTACTS

Janice MacPherson, CHRP, Interim Executive Director, jmacpherson@hria.ca
Ioana Giurca, BComm - Director, Finance & Administration, igiurca@hria.ca
Tom Kmiec, Director, Corporate Affairs, tkmiec@hria.ca
Temina Lalani-Shariff, MA, MBA – Director, Communications, tlalanishariff@hria.ca

2013 ANNUAL REPORT

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THE PRINCIPLES OUTLINED IN THE CODE OF ETHICS ARE ESTABLISHED BY THE CANADIAN COUNCIL OF HUMAN RESOURCES ASSOCIATION (CCHRA)

FINANCIAL STATEMENTS

HUMAN RESOURCES INSTITUTE OF ALBERTA

DECEMBER 31, 2013

Contents

Grant Thornton LLP
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833 - 4th Avenue SW
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Grant Thornton

Independent Auditor's Report

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To the Members of
Human Resources Institute of Alberta

We have audited the accompanying financial statements of the Human Resources Institute of Alberta which comprise the statement of financial position as at December 31, 2013 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Human Resources Institute of Alberta as at December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Calgary, Canada
March 15, 2014

Grant Thornton LLP
Chartered Accountants

Human Resources Institute of Alberta
Statement of Financial Position
December 31, 2013

	December 31, 2013	December 31, 2012
ASSETS		
CURRENT		
Cash	\$ 173,804	\$ 140,010
Term deposits (Note 4)	1,778,337	1,720,801
Accounts receivable	45,115	66,507
Prepaid expenses	342,778	176,207
HRMAM Loan	15,000	15,000
	2,355,034	2,118,525
PROPERTY AND EQUIPMENT (Note 5)	56,258	67,196
	\$ 2,411,292	\$ 2,185,721
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 124,722	\$ 64,902
Customer deposits	252,368	133,252
Deferred revenue	34,950	22,275
	412,040	220,429
NET ASSETS		
Investment in capital assets	56,258	67,196
Unrestricted	1,942,994	1,898,096
	1,999,252	1,965,292
	\$ 2,411,292	\$ 2,185,721

Lease commitment (Note 6)

APPROVED BY THE BOARD OF DIRECTORS:


_____ Chair


_____ Treasurer

See accompanying notes to the financial statements.

Human Resources Institute of Alberta
Statement of Operations
For the Year Ended December 31, 2013

	2013	2012
REVENUES		
Member dues	\$ 1,038,415	\$ 980,030
Annual conference	787,960	734,709
Recertification fees	48,150	40,050
National examinations	389,890	462,700
Application processing and transfer fees	72,427	81,975
Communication & member services	338,261	227,597
Interest and other income	377,966	102,289
Chapters	80,600	386
Job postings	393,000	570,100
	3,526,670	3,199,836
EXPENDITURES		
Administration		
Professional fees	50,033	23,435
Salaries and benefits	1,092,054	907,712
Office administration	105,580	90,798
Amortization expenses	24,229	27,552
Bank charges	71,409	68,682
Insurance	1,501	2,368
Rent	178,143	166,348
	1,522,948	1,286,895
Annual conference	597,978	533,211
Member services	264,458	145,028
Board expenses	116,764	85,168
Chapters	333,054	494,781
Member information system	75,770	57,274
National dues and certification	203,739	181,498
National examinations	93,004	177,174
Corporate affairs	108,958	45,030
Communications	176,035	259,009
	3,492,708	3,265,068
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ 33,962	\$ (65,232)

See accompanying notes to the financial statements.

Human Resources Institute of Alberta
Statement of Changes in Net Assets
For the year ended December 31, 2013

	Invested in capital assets	Unrestricted	Total 2013	Total 2012
Balance, beginning of year	\$ 67,196	\$ 1,898,097	\$ 1,965,293	\$ 2,030,524
Excess (deficiency) of revenue over expenditures		33,962	33,962	(65,232)
Investment in capital assets	(10,938)	10,938	-	-
Balance, end of year	\$ 56,258	\$ 1,942,997	\$ 1,999,255	\$ 1,965,292

See accompanying notes to the financial statements.

Human Resources Institute of Alberta
Statement of Cash Flow
For the year ended December 31, 2013

	2013	2012
Operating activities		
Excess of revenue over expenditures	\$ 33,962	\$ (65,232)
Items not affecting cash		
Amortization of capital assets	25,742	29,065
	59,704	(36,167)
Changes in non-cash working capital items	46,430	(20,487)
	<u>106,134</u>	<u>(56,654)</u>
Investing activities		
Purchase of marketable investments, net of redemptions	(57,536)	(111,870)
Purchases of property and equipment	(14,803)	(59,267)
	<u>(72,339)</u>	<u>(171,137)</u>
Increase in cash	33,794	(227,791)
Cash, beginning of year	<u>140,010</u>	<u>367,801</u>
Cash, end of year	<u><u>\$ 173,804</u></u>	<u><u>\$ 140,010</u></u>

See accompanying notes to the financial statements.

1. Purpose of the Organization

- To establish the standards and process of obtaining certification as a Certified Human Resources Professional;
- To promote the use of a professional designation and to encourage hiring practices which recognize this certification;
- To develop and maintain a level of knowledge and skills required of Human Resources practitioners;
- To attain recognition as a spokesperson on Human Resources issues in the Province of Alberta; and
- To represent the membership of the Human Resources Institute of Alberta (the "Institute") issues at the National level.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organization ("ASNPO").

a. Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and other institutions.

b. Revenue recognition

Member dues, recertification fees, transfer fees, job postings, national examinations, chapters revenue, annual conference and member professional development are recorded as revenue in the year to which they apply and amount received for future years are recorded as deferred revenue or customer deposits in the current fiscal year.

c. Property and equipment

Property and equipment are recorded as cost. Amortization is provided on the declining balance basis at the following annual rates:

Equipment and furniture: 20%

Computer hardware: 45%

Computer software: 2 year straight-line

When property and equipment no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any write-downs recognized are not reversed.

d. Income taxes

HRIA is a not-for-profit organization under the Income Tax Act and therefore is not subject to either federal or provincial taxes.

e. Financial instruments

Initial measurement

The Institute's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair are recognized in operations in the year in which they are incurred.

Subsequent measurement

At each reporting date, the Institute measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for equities quoted in an active market, which must be measured at fair value. The Institute has also irrevocably elected to measure its investments in bonds at fair value. All changes in fair value of the Institute's investments in equities quoted in an active market and in bonds are recorded in the statement of operations. The Institute uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of operations. The financial instruments measured at amortized cost are cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. Term deposits are measured at fair value.

For financial assets measured at cost or amortized cost, the Institute regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Institute determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

f. Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflects the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known.

Items subject to significant management estimates include accruals, allowance for doubtful accounts and estimate for depreciation.

3. Government remittances

GST receivable included in account receivable at year end is \$7,820 (2012-\$8,908)

4. Term deposits

HRIA holds eleven Guaranteed Investments Certificates at December 31, 2013. These term deposits are held by a qualified investment counsellor and are invested in highly rated fixed income investments.

The investments mature between January 2014 and October 2015 (2012 - January 2013 and October 2015) and interest rates range from 0.46% to 0.185% (2012 - 0.45% to 2.20%) annually.

5. Property and equipment

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2013 Net</u>	<u>2012 Net</u>
Equipment and furniture	\$ 96,247	\$ 56,216	\$ 40,031	\$ 46,093
Computer hardware	58,175	41,948	16,227	19,590
Computer software	3,025	3,025	-	1,513
	\$ 157,447	\$ 101,189	\$ 56,258	\$ 67,196

Amortization amounted to \$25,742 for the year ended December 31, 2013 (2012 - \$29,065) of which \$1,513 (2012 - \$1,513) is included in member information system expenses.

6. Lease commitment

HRIA signed a lease agreement on February 6, 2012, expiring February 5, 2017. The approximate total amount rent is as follows:

Total minimum rent:

2014	\$ 97,469
2015	\$ 97,902
2016	\$ 97,902
2017 (Jan-Feb 5)	\$ 9,615

Additional rent in the form of operating costs approximates \$79,896 annually.

7. Financial Instruments

Fair values of financial assets and liabilities

The Institute's financial instruments consists in cash, term investments, accounts receivable and accounts payable and accrued liabilities. The carrying value of financial assets and liabilities held at December 31, 2013, approximate their fair value due to the relatively short periods to maturity.

The Institute's main financial instrument risk exposure is detailed as follows.

Credit risk

The Institute is exposed to credit risk, which is the risk that counterparty will fail to fulfill an obligation or settle a liability, resulting in a financial loss to the Institute. The Institute is exposed to credit risk with respect to its accounts receivable.

Liquidity risk

The Institute is exposed to liquidity risk which is the risk that the Institute will be unable to generate or obtain sufficient cash to meet its obligations as they come due. The Institute is therefore exposed to liquidity risk with respect to its accounts payable and accrued liabilities. Mitigation of this risk is achieved through active management of cash and cash equivalents.







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