

Succession Plan for Genome Canada Executive & Senior Manager Positions

OVERVIEW

Part of best practices in good governance is to have in place a succession plan which clearly delineates the process for replacing the President and CEO and other senior manager positions at Genome Canada in cases of short-term absences or permanent absences. The process must also outline the leadership role to be played by Genome Canada's Executive Committee, which is mandated by the Board of Directors to effectively and efficiently implement the succession plan.

OBJECTIVES

Genome Canada's succession plan has the following objectives:

1. identify the key executive and senior manager positions for which a succession process is required;
2. delineate a succession process for short-term or permanent absence of executive and senior manager personnel including the President and CEO;
3. identify internal personnel best qualified to step into a senior manager role for a short-term or permanent assignment; and,
4. prescribe a viable management development program which can prepare "back-up" personnel to step in to senior manager positions.

SUCCESSION PLAN

A. Considerations

Factors to consider when developing a succession plan for Genome Canada include the following:

- the organizational structure of Genome Canada has been designed to reflect a "lean" organization in terms of personnel; i.e., under twenty (20) full-time employees;
- the organizational structure of Genome Canada has few layers of management; and,
- executive and senior manager positions at Genome Canada require the hiring of individuals with unique and highly specialized skills.

As a result of the above factors, there are fewer opportunities to identify personnel within Genome Canada who may have the potential for advancement into executive and senior manager positions, and Genome Canada must rely more on external hires.

B. Succession Plan Matrix

The Succession Plan Matrix is attached as Appendix A. Although temporary successors have been identified in the matrix for several of the senior manager positions, the President and CEO, as per his delegated authorities, can assign temporary responsibility for any given department to another individual.

C. Management Development Program

Genome Canada recognizes that an effective management development program is essential to motivate and retain its employees, and to develop those individuals who are capable of assuming more responsibilities. Genome Canada supports the continuous training of its

employees. For example, Genome Canada offers tuition support of up to \$1,250 per month for purposes of furthering an employee's education, and supports the participation of employees to attend scientific or business conferences, seminars and other forms of external training. Furthermore, Genome Canada's annual employee performance review process provides all of its employees with the opportunity to discuss their career goals. Genome Canada uses this opportunity as well to identify those individuals who aspire to achieve a more senior position within the organization and to evaluate any experience or skill gaps needed in order to be promoted to a more senior position. As appropriate, Genome Canada will provide specific training opportunities to help individuals achieve their goals.

D. Management Contingency Plan for Replacement of President & CEO / Senior Managers

Objective

The goal is to provide Genome Canada with a viable management contingency plan should Genome Canada find itself without the services of its President and Chief Executive Officer (CEO) or other senior managers in the short term or on a permanent basis.

Duration

The Genome Canada Executive Committee (EC) will determine, based on the related circumstances, if the absence of the President and CEO is considered to be short-term or on a permanent basis. Furthermore, the President and CEO will determine, based on the related circumstances, whether the absence of its senior managers is for the short-term or on a permanent basis, and advise the EC accordingly.

Key Senior Manager Position Absence

The President and CEO will make the necessary organizational changes during a short-term absence or during the recruitment period. He may appoint individual(s) to perform these responsibilities during the absence.

President and Chief Executive Officer (CEO)

The EC will declare if and when the management contingency plan will come into effect with respect to the absence of the President and CEO. Once an absence has been confirmed, the EC will establish an Executive Management Committee («EMC») which will manage Genome Canada during the absence of the President and CEO or until the conclusion of the recruitment process for a replacement President and CEO. It is recommended that the composition of the EMC include the Chairman of the Board (or any other Board member as determined by the Board), the Chief Administrative Officer, the Vice President Finance and other VP's as determined by the EC. The ultimate authority for all operating decisions will reside with the individual who will chair the EMC, as determined by the EC.

In the event that the absence of the President and CEO is on a permanent basis, the recruitment guidelines would include:

- The Board would appoint a *President and CEO Selection Committee* whose mandate would be to oversee a process to select the best possible candidate for the position;
- The search would not be restricted to any one geographic area in Canada, and could include international candidates;
- The search would be open to internal candidates, which could include directors or officers of Genome Canada;
- The *President and CEO Selection Committee* will use the services of an experienced recruitment firm to assist in the selection process;
- The goal will be to have the new President and CEO commencing employment within six (6) months after the inception of the recruitment process.

The specific roles and responsibilities for the *President and CEO Selection Committee* are as follows:

- Identify recruitment firm;
- Define search criteria;
- Develop position specifications (See Appendix B for job profile)
- Develop position announcement strategies;
- Develop candidate information;
- Conduct preliminary screening;
- Conduct preliminary interviews;
- Conduct background assessment and reference checks;
- Submit preliminary recommendation to the Genome Canada Board of Directors;
- Interview with the EC;
- Select candidate;
- Verify references; and,
- Make an offer.

SUCCESSION PLAN ACTIVITIES FOR 2007-08

In order to remain proactive and to ensure that Genome Canada can minimize disruption in the event of the sudden departure of a senior manager, the following actions will be undertaken with respect to implementing Genome Canada's succession plan:

- Review on an annual basis the job description including the specific skills and experience required for each senior manager position;
- Identify a viable internal successor for each position, if any;
- If there is no viable internal successor, then Genome Canada must ensure that a plan is in place to ensure that the day to day activities will be effectively handled until a replacement is found;
- If Genome Canada can identify a viable internal successor, then Genome Canada must also take steps to identify any gaps in his/her skill set and establish an appropriate training program;
- Genome Canada intends to continue to send its managers and employees to seminars, conferences and other forms of external training throughout 2007-08.
- Genome Canada will maintain records of all training provided to the management team and a report will be provided annually to the Corporate Governance Committee.

Appendix A - Succession Plan Matrix for Executive Management Positions

Incumbent	Potential successor	Timeline for replacement
Cindy Bell VP Genomics Program	<p>No one identified at this time.</p> <p>It is very unlikely that any of the senior staff within the departmental unit could replace the VP, Genomics Program position on a permanent basis as each staff member currently has a very specific background with unique skills but does not have the breadth of experience nor the scope to assume this role. However each of the Directors and Managers is capable of carrying on the day-to-day activities while a search is on for a replacement. The President and CEO would oversee the Directors' and Managers' activities during the recruitment process.</p>	3-6 months
Guy D'Aloisio VP Finance	<p>No one identified at this time.</p> <p>It is very unlikely that any of the senior staff within the departmental unit could replace the VP, Finance position on a permanent basis as each staff member currently has a very specific background with unique skills but does not have the breadth of experience nor the scope to assume this role. However, each of the Controller and Finance Officer is capable of carrying on the day-to-day activities* while a search is on for a replacement. The President and CEO or CAO would oversee the departmental activities of the Comptroller and Financial Officer during the recruitment process.</p> <p>* The day-to-day accounting functions such as data entry, invoice and expense report payment would continue to be performed by the Comptroller. The Comptroller does not have signing authority on any of the bank accounts. Finance related matters for Programs, including the web-based system, would be managed or performed by the Finance Officer.</p>	3-6 months
Marc Desmarais VP Government Relations	<p>No one identified at this time.</p> <p>It is very unlikely that any of the senior executive staff could replace the VP Government Relations position on a permanent basis as each staff member currently has a very specific background with unique skills but does not have the breadth of experience nor the scope to assume this role. The President and CEO would oversee the activities within this portfolio (or temporarily re-assign the activities during the recruitment process.</p>	3-6 months

Incumbent	Potential successor	Timeline for replacement
<p>Carol Anne Esnard Chief Administrative Officer</p>	<p>No one identified at this time.</p> <p>It is very unlikely that any of the senior staff could replace the Chief Administrative Officer (CAO) position on a permanent basis as each staff member currently has a very specific background with unique skills but does not have the breadth of experience nor the scope to assume this role. However the director within the departmental unit is capable of carrying on the day-to-day activities while a search is on for a replacement. The President and CEO would oversee the activities of the director during the recruitment process.</p>	<p>3-6 months</p>
<p>Chuck Hasel Director, S & T Platforms</p>	<p>No one identified at this time.</p> <p>It is very unlikely that any of the senior staff within the departmental unit could replace the Director, S & T Platforms on a permanent basis as each staff member currently has a very specific background with unique skills but does not have the breadth of experience nor the scope to assume this role. However, each of the directors and managers are capable of carrying on the day-to-day activities while a search is on for a replacement. The VP, Genomics Program would oversee the S&T Platform activities during the recruitment process.</p>	<p>3-6 months</p>
<p>Michael Morgan Chief Scientific Officer</p>	<p>No one identified at this time.</p> <p>It is very unlikely that any of the senior staff could replace the Chief Scientific Officer (CSO) position on a permanent basis as each staff member currently has a very specific background with unique skills but does not have the breadth of experience nor the scope to assume this role. However the VP Genomics Programs is capable of carrying on the day-to-day activities while a search is on for a replacement. The President and CEO would oversee the activities of the VP Genomics Programs during the recruitment process.</p>	<p>3-6 months</p>
<p>Claudine Renaud VP Communications and Public Affairs</p>	<p>No one identified at this time.</p> <p>It is very unlikely that any of the senior executive staff could replace the VP Communications and Public Affairs position on a permanent basis as each staff member currently has a very specific background with unique skills but does not have the breadth of experience nor the scope to assume this role. The President and CEO would oversee the activities within this portfolio (or temporarily re-assign the activities during the recruitment process.</p>	<p>3-6 months</p>

Appendix B - Job Profile for President and CEO of Genome Canada

The essential qualifications/background experience required by the President and CEO are the following:

- Procurement of financing necessary to the research and development (R&D) activities of Genome Canada through grants with R&D partners and/or appropriate government funding;
- Carry the responsibilities, perform the duties, and conduct the executive management of the activities of Genome Canada, as instructed by the Board of Directors or the EC from time to time;
- Achieve the goals of Genome Canada as defined by the Board of Directors from time to time;
- Position Genome Canada as the provider of strategic direction for genomics and proteomics in Canada;
- Assist Genome Canada in becoming the leading voice on genomics and proteomics in order that both the national and international genomics and proteomics communities come to respect and listen to the organization;
- Sustain a countrywide, world-class, coordinated genomics and proteomics research program to enable Canada to become a world leader in the five selected areas of expertise: agriculture, environment, fisheries, forestry and health to ensure that approved projects are large-scaled and of strategic importance to Canada;
- Reach out to the scientific community to: a) receive its input; b) promote discussion; and, c) communicate the project assessment, selection, funding and other aspects of the current business model of Genome Canada as it evolves over time;
- Enhance the funding model of Genome Canada to promote the participation of the genomic and proteomics science community in competitions for funding, including project selection based on independent peer reviews, and efficient management of the release of approved funds to the scientific community in the shortest time possible;
- Make significant progress towards the delivery of a Canada-wide partner-based genomics and proteomics enterprise that involves the federal and provincial governments, industry, universities and research hospitals;
- Take direction from and report directly to the Board of Directors. This interaction would normally be channeled through the EC of the Board for day-to-day operations. At the monthly EC meeting, the President and CEO will provide:
 - a. a detailed understanding of the successes achieved to date and the current issues facing Genome Canada in the future, and seek advice from the EC as appropriate;
 - b. the necessary background information and context to receive approval of proposals on issues where such Board approvals have been mandated, or where the President and CEO may seek them; and,
 - c. suggestions of where he can seek clarification or express concern on directions he has received from the Board of Directors.