COMMITTEE AGENDA

Consolidated as of September 13, 2013

CITY OF
Guelph
Making a Difference

TO	**Governance Committee**
DATE	September 16, 2013
LOCATION	Council Chambers, Guelph City Hall, 1 Carden Street
TIME	3:00 p.m.

DISCLOSURE OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

CONFIRMATION OF MINUTES – July 16, 2013 open meeting minutes

PRESENTATIONS (Items with no accompanying report)

a)   None

CONSENT AGENDA

The following resolutions have been prepared to facilitate the Committee's consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with separately. The balance of the Governance Committee Consent Agenda will be approved in one resolution.

ITEM	CITY PRESENTATION	DELEGATIONS	TO BE EXTRACTED
GOV-2013.12 Driving Performance & Results: Implementing the Corporate Strategic Plan (CSP) Key Performance Indicators (KPIs)			
GOV-2013.13 Citizen Appointment Policy and Advisory Committee Meeting Procedures			
GOV-2013.14 Document Execution By-law (Memo & by-law revision attached)			
GOV-2013.15 Downtown Guelph Business Association			

GOV-2013.16 Final Proposed Terms of Reference for City Council and Standing Committees			
GOV-2013.17 Information Flow Protocol			
GOV-2013.18 Organizational Assessment Results (report attached)	• Ann Pappert, CAO		√
Recommendation: That the Governance Committee receives Report CAO-C-1306, Organizational Assessment Results, dated September 16, 2013.			

Resolution to adopt the balance of the Governance Committee Consent Agenda.

ITEMS EXTRACTED FROM CONSENT AGENDA
Once extracted items are identified, they will be dealt with in the following order:
1) delegations (may include presentations)
2) staff presentations only
3) all others.

STAFF UPDATES AND ANNOUNCEMENTS

ADJOURN

NEXT MEETING – October 15, 2013

INTERNAL MEMO

CITY OF Guelph

Making a Difference

DATE	September 13, 2013
TO	**Governance Committee**
FROM	Donna Jaques
DIVISION	Legal & Realty Services
SUBJECT	**Document Execution By-law**
	Report No. CHR 2013-15

Subsequent to the report and draft by-law being finalised and sent to Committee, Community and Social Services identified some potential difficulties with the administrative aspects of the by-law. Specifically, three more exceptions to the requirement for the Document Execution Record requirement were added to exclude the large number of agreements done for special events, short term rentals and the hiring of performers and artists for one time events.

Section 4.1 has been amended to include new subsections (d), (e) & (f). The new pages 4 and 5 of the by-law incorporating the amendments to section 4.1 is attached.

Donna Jaques
General Manager of Legal & Realty Services/City Solicitor

Legal & Realty Services
Corporate & Human Resources
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(e) Where a document on its face is subject to or is conditional upon approval, adoption or ratification by Council, the signing officers may execute the document before the document is so approved, adopted or ratified, provided that the document and its execution shall not be legally binding on the City of Guelph until the by-law approving, adopting or ratifying the document or execution is enacted.

3.4 Where under a by-law a document is to be signed, or signed and sealed, but delivery is conditional, the signing officers are hereby authorized to sign, or sign and seal the document and deliver it when the conditions are fulfilled, or deliver it in escrow upon conditions.

PART 4
ADMINISTRATION

4.1 A Document Execution Record shall be completed in respect of each document executed in accordance with this By-law, except for the following documents:

(a) purchase orders;

(b) undertakings, certificates, declarations and similar documents, required for the completion of any transaction involving the purchase, sale or exchange of any interest in land other than agreements of purchase and sale, deeds, transfers, leases and agreements to lease;

(c) forms under the Land Registration Reform Act, R.S.O. 1990, c.L.4, as amended, consolidated or replaced from time to time, for the registration of any documents that have already been executed on behalf of the City of Guelph , in accordance with this by-law;

(d) facility rental permits for the occupancy of City lands or premises on a short term basis (duration of less than one year) by others; such as the use of meeting rooms, sports fields, open space, arenas, aquatic facilities, recreation and cultural facilities, civic facilities and road allowance;

(e) Special event permits indicating that the applicant organization/individual has met and complied with all conditions, legislation and bylaws pertaining to their application to hold an event on City owned or operated property; and,

(f) Hiring of performers and artists for single one time events.

4.2 The Clerk's Office shall maintain a register of the Document Executions Records.

4.3 All documents to be executed shall be prepared in a sufficient number of identical originals to permit at least one executed original, which may be executed in counterparts, to be retained by the City of Guelph, except that if the document provides that electronic signatures or execution in counterparts with exchange by PDF and email are sufficient, an executed original is not required.

4.4 The initiator shall arrange for the execution of such documents by the appropriate signing officers.

4.5 Following execution, the fully executed document shall be forwarded to the City Clerk and a copy of the document shall be kept by the initiating department.

4.6 The initiator shall be responsible for distribution of the executed document.

4.7 The City Clerk shall approve the form of the Document Execution Record, prepare and circulate procedures, and ensure that a registry of documents executed is kept for the purposes of this by-law.

4.8 This By-law shall come into force and effect on the day it is passed.

PASSED this   day of September, 2013.

Original Signed by:

_____

Karen Farbridge - Mayor

_____

Blair Labelle - City Clerk

4.8 This By-law shall come into force and effect on the day it is passed.

PASSED this   day of September, 2013.

Original Signed by:

_____

Karen Farbridge - Mayor

_____

Blair Labelle - City Clerk

STAFF REPORT

CITY OF Guelph
Making a Difference

TO   **Governance Committee**

SERVICE AREA   Office of the Chief Administrative Officer

DATE   September 16, 2013

SUBJECT   **Organizational Assessment Results**

REPORT NUMBER   CAO–C–1306

EXECUTIVE SUMMARY

PURPOSE OF REPORT
Council directed staff to undertake an Organizational Assessment to evaluate the Corporation's current state and its capacity to achieve corporate objectives. Western Management Consultants were contracted to undertake the assessment.

This report provides Council with a summary of Western Management Consultant's Report received August 26, 2013 including key findings, recommendations, and management's response.

KEY FINDINGS
The City is facing the challenges experienced by many municipalities caused by growth.

It maintains satisfactory service delivery but its leadership understands that the status quo is not tenable so it has an approved ambitious program for change in its Corporate Strategic Plan. Its transformational projects reflect the requirements for this changing urban scale.

To be successful there is pressure to transform 'how' the City delivers its mission of *building an exceptional city by providing outstanding municipal service and value* with particular focus on the organizations' culture, systems, processes and standard procedures.

- The success of this transformation requires everyone to develop a new perspective on how our city should operate and what is expected of staff in this new environment.

The organization is not in 'crisis' but it is in a transformational phase.

- The current organization structure is effective and spans of control are within standard ranges.
- The demand for greater integration, collaboration, and corporate consistency is placing new challenges on how the City executes projects, services and programs.
- There are many examples of good approaches to work, of high standards, committed work teams and a range of project templates that can be replicated

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across the organization. However, there is currently no standard system for executing plans, strategies, projects and programs.

The stress on staff is significant and makes capacity a critical consideration.

- Barriers exist that slow or impede the following: the focusing of existing resources on the most critical initiatives; building capacity to ensure the right skills are available; and 'freeing up' existing capacity to ensure resources are used to their maximum potential.
- Currently, the organization is repeatedly overloading staff with specialized skills.

To focus capacity **a systematic corporate wide, standardized approach to Program/Project Management** is strongly recommended and considered a fundamental next step.

- It is required to ensure the proper scoping and prioritization of major initiatives and to confirm that the full cost of resources are identified and secured for success.
- In the absence of this fundamental system, the consultants were unable to draw meaningful conclusions about true capacity – either utilized or latent, despite the current work plans of the departments.
- Plans do not provide the necessary information to enable the consultants to make a correlation between service activity and resource levels.

To build capacity and ensure necessary skills exist now to support organizational and cultural transformation **requires specialized, additional capacity** in the areas of:

- Project/Program Management, Change Management, Business Process Optimization, and Policy Development.

The organization's investment in **Corporate Training and Development is substantially below established targets**.

- Internal staff secondments, training and development, temporary re-assignments and backfilling opportunities which would drive shared learning and gain experience are not widely used but are essential to ensuring the right skills are available now and as the city grows.
- A financial assessment and a new baseline is required for corporate training resources aligned to the results of the Organizational Assessment and focused on Leadership and Management Development and Employee Skill Development plans.

Functional, system and communication barriers exist that curtail staff from focusing on resolving operating issues. To 'free up existing capacity' the consultants provide recommendations for the following observations:

- The City's **administrative support resources are significantly below municipal or private-sector comparators**. The efficiency and effectiveness of managers is greatly hindered by a shortage of administrative support.
- **Management is in meetings for a significant amount of time** leaving little

available for engaging and coaching employees. Improved Program/Project Management and changes to meeting schedules will free up existing resources to focus on priorities.

- The **Corporate Strategic Plan is not widely understood as a cohesive program**. Revisions to the Communications Plan, key messages, information tools and greater participation of management in its roll out are required.
- **A lack of corporate-wide operating policies, practices and the standardization of systems** inhibits integration and leads to additional work to align information for briefings, reports and decision making. Secure business process optimization resources to evaluate system optimization opportunities.

Strong courageous leadership is required to address the organizational issues identified in this assessment. **Employees must be motivated and mobilized to talk about the challenges of the transformation**.

- Constant themes emerged and are consistent with feedback from the Employee Engagement Survey including:
  - ➢ leadership not being visible or accessible;
  - ➢ lack of accountability;
  - ➢ a culture of autocracy, fear and distrust;
  - ➢ reluctance to speak to the capacity to meet new requests;
  - ➢ the sense of constantly changing priorities; and
  - ➢ performance management.

These themes are not new. **Leadership and management are being called to implement an operational 're-set'.**

- The 2013 Organizational Assessment is the third, distinct and separate evaluation of the organization in the last 2 years. The first resulted in the Integrated Operating Review and the second in Employee Engagement Action Plans.
- The Integrated Operating Review is completed and implementation is underway.
- Employee Engagement Action Plans are underway in each service area and a corporate wide Engagement Plan is being reviewed by leadership.

Executing the recommendations and actions is the next key step.

Western notes that the process is underway. Leadership of the Executive Team and Direct Report Leadership Team have met to review the results of the Organizational Assessment, to align actions and where possible, to take immediate action to continue moving forward.

FINANCIAL IMPLICATIONS
Recommendations requiring financial resources beyond the existing operating budget will be presented through the 2014 budget process.

A preliminary review of the Organizational Assessment Report suggests financial implications related to:
1. Program/Project Management
2. Business Process Optimization

> 3. Administrative Support
> 4. Change Management
> 5. Training and Development budgets
> 6. Gapping
>
> Phasing may be required to address budget constraints.
>
> ## ACTION REQUIRED
> Governance Committee to receive report CAO-C-1306.

RECOMMENDATION

1. That the Governance Committee receives Report CAO–C-1306, Organizational Assessment Results, dated September 16, 2013.

BACKGROUND

The mission of the City of Guelph is *to build an exceptional city by delivering outstanding municipal service and value.*

On November 26, 2012 Council directed staff to proceed with the recommendation of the Governance Committee to conduct an Organizational Assessment as proposed in report CAO-A-1207, Option C. Specifically, an Organizational Assessment determines if the right resources are in the right places with the necessary competencies, systems, processes, tools and strengths, to deliver on commitments.

In January 2013, the City of Guelph issued a Request for Proposal (RFP) for consulting assistance to conduct the organizational assessment to evaluate the capacity of the organization. The RFP stated, "Our corporate strategic directions compel us to evaluate our current state and assess whether we have the capacity to achieve corporate objectives." It should be noted that the scope of the consultants' work did not include a service review. A total of seven proposals were received and the successful proponent was Western Management Consultants of Toronto.

Work began in early March and the consultants employed both qualitative and quantitative approaches using several different data gathering methods.

They:
- examined some 350 internal documents (annual reports, service-level reports, organization charts, previous consultant reports, council minutes, minutes of Executive Team and Direct Report Leaders Team meetings, etc.) supplied to them by the City;
- conducted individual interviews with the Mayor, Councillors, the CAO, Executive Team members and senior staff; and
- led focus groups with other segments of the Staff.

In all, approximately 90 people provided input; some several times as new information arose.

Two workshop sessions were held with the Executive Team in July of 2013 to explore the findings of the Organizational Assessment. The full Executive Team became the Steering Committee to provide leadership to the roll out and implementation. Western Organizational Consultants provided their Organizational Assessment: Final Report on August 26, 2013.

REPORT

Western Management Consultants asserts that Guelph is facing the challenges experienced by many municipalities that have made, or are making, the rural to urban transition caused by the rapid growth of the Greater Golden Horseshoe Area. These include pressures on services from larger populations, increasing demands for residential expansion, more interaction with other levels of government, requirements for more integrated approaches to development and growth and heightened expectations of what constitutes satisfactory citizen-centered service and citizen engagement.

As the Citizen survey confirmed, the City has been able to maintain satisfactory service delivery in the face of these pressures, but the leadership also understands that the status quo is not tenable. The City has therefore embarked upon an ambitious program for change. The transformation projects envisioned reflect the requirements for changing scale and require that everyone develop a new perspective on how the City should operate and what is expected of staff in this new environment.

Pressures now come not only from increases in service volumes, but also from the need to be able to support the changes required, in particular for culture, systems, processes, and standard procedures. While it was possible for many years to operate successfully as a series of separate, relatively independent "silos", there are now demands for greater integration, collaboration and consistency. The stress on staff is significant and makes capacity a critical consideration.

The City of Guelph has a very aggressive plan for transformational change through its Corporate Strategic Plan to improve its Organizational Excellence, Innovation in Local Government and continue its work in City Building.

The results of the Organizational Assessment confirm, in many ways, that we are moving in the right direction. It highlights the challenges we face as an organization and provides us with direction and recommendations to elevate the organization as we transform and advance our strategic objectives.

Western Management Consultants' August 26th report includes an Executive Summary, Rationale, Methodology, Findings, Recommendations, Conclusions and Recaps along with several Appendices.

The Executive Summary is attached to this staff report (Attachment A) and its contents provide a high level summary of the reports findings. Further, a "Matrix of Findings and Recommendations" is included as Attachment B. This Matrix aligns details of the consultants' observations in support of their recommendations.

Of note, the organizational assessment does not provide a definitive statement on the capacity of the City to fulfill its corporate objectives. Despite reviewing over 350 documents, the consultant identified that there was insufficient information in an inconsistent format to enable the assessment of the capacity of the organization to create a comprehensive corporate work plan.

In the absence of a Program/Project Management standardized system, the consultants were unable to draw meaningful conclusions about true capacity – either utilized or latent, despite current work plans of the departments. These work plans do not contain nor are they designed to record the necessary information to enable a correlation between service activity and resource levels.

Rather than making a 'blanket' recommendation to undertake a corporate wide work plan, which will consume considerable effort and resources while still producing uncertain results, Western Management Consultants call for *"adopting some or all of the organizational recommendations will help focus available capacity on what is important, build and enhance capacity where it does not exist and remove barriers and thus free up the capacity of the workforce to perform to their maximum potential."*

Sixteen recommendations are presented for consideration.

The Executive Team (ET) and Direct Report Leadership Team (DRLT) reviewed the recommendations together and collaborated on the "Managements Response" below.

ET/DRLT representatives will work together to develop action plans, timelines and evaluate budget implications of the recommendations.

These will be presented to the Committee and Council before the end of the year.

The following is a summary of the Consultants recommendations and management's preliminary response to the Organizational Assessment report.

RECOMMENDATIONS	MANAGEMENT RESPONSE
A. Focusing Capacity: *To focus on the most critical initiatives so that existing capacity is used most effectively*	
A.1 **Employ a standard Program Management system to prioritize, monitor, and govern projects throughout in the organization.**	A.1 Agreed. A standardized approach to Program/Project Management is fundamental to the ongoing success of the organization and is a high priority. The Corporate Strategic Plan identified this need as a business imperative for the organization. Immediate action has been taken to re-allocate existing resources to take first steps to develop a standard approach and undertaken initial training.

A.2
Formalize the role of ET as the focal point of the CSP Program and of those department initiatives that are identified as needing on-going ET oversight and / or governance.

A.2
Agreed.

ET has refined its governance mandate to reflect their direct oversight role of the Corporate Strategic Plan's Program thus enabling its success in terms of governance, performance monitoring and corporate wide reporting.

This new mandate will be communicated throughout the organization and will influence the role of DRLT.

A.3
Identify the initiatives that need the highest level of governance and focus on them.

A.3
Agreed.

In July, ET completed a review of all CSP initiatives utilizing its new governance oversight perspective and a new Project Classification System.

Further work will be completed by Q4 and communicated throughout the organization.

A.4
Leadership at all levels take responsibility for clearly communicating with staff the importance of these initiatives and how they move the City forward and where the staff daily work contributes to the success.

A.4
Agreed.

A new framework of tools has been created to better communicate the importance of the Corporate Strategic Plan and its initiatives to a wide range of internal and external stakeholders, including staff throughout the organization. It will be rolled out in Q4/13.

B. Building Capacity: *To ensure the right skills are available to the City now and as it grows*

B.1
Provide professional Program Management support to the organization to track progress and support governance over programs and projects.

B.1
Agreed.

Management will seek the necessary resources (internal and external) to secure the required professional expertise to incorporate and embed formal Program Management within the organization.

B.2
Ensure proper staffing of major initiatives through:
- **Formal secondments,**
- **Temporary re-assignments of duties,**
- **Backfilling and**
- **External contracting.**

B.2
Agreed.

Management supports this principle noting the challenge to implement it within current financial constraints and employment contracts.

Options will be considered as part of the Corporation's Training budgets (i.e. Learning and Development programs and future Succession Plans).

A commitment has been made to ensure that all new project charters will include full resource costing of the initiatives.

B.3
Ensure that the targeted training budgets are met to develop the needed skills for the city.

B.3
Agreed.

The Corporation is piloting a new Learning and Development program for city staff which includes specific training to support the successful implementation of strategic initiatives (i.e. collaboration, innovative thinking, whole system integrative thinking, project management etc.).

A revision to all training budgets may be required to re-set the baseline investment in staff development.

B.4
Acquire or develop the necessary skills to support the organizational transformation required for success – in particular:
- **Change management**
- **Business process analysis, and**
- **Project management.**

B.4
Agreed.

Management will consider how to execute this recommendation to ensure that skills are both acquired and developed to successfully transform the organization.

B.5
Organize the skills in a unit; keep it small, and second staff from operating departments to support the analysis and implementation efforts, thereby embedding the knowledge in the departments for on-going change.

B.5
Qualified Agreement.

Management support this in principle.

Further discussion is required to examine the feasibility of this recommendation.

B.6 **Build capacity for leadership and management within the management ranks.**	B.6 Agreed. Management will review a new draft Leadership Development Program currently being created through Corporate and Human Resources.

C. Freeing-Up Capacity: *To ensure that staff resources are used to their maximum potential by reducing barriers to efficient use of time, increasing motivation, and using corporate standard approaches wherever possible.*

C.1 **Free up managerial capacity for managers by increasing administrative support consistent with best practice (about 10 additional administrative support personnel).**	C.1 Agreed. Administrative support will "free up" existing capacity for managers who are currently doing administrative tasks rather than focusing on key projects and employee engagement responsibilities. This recommendation requires resources. Staff will review and prioritize administrative requirements across the Corporation, and develop a recommendation for consideration as part of budget deliberations.
C.2 **Free up management and subject matter experts by reducing the time they spend in meetings outside of their departments.** **For example:** • **Focusing on fewer initiatives** • **Reassessing membership on teams and committees to minimum levels required to accomplish the work** • **Ensuring the meetings are well managed and as short as possible** • **Avoiding meetings where consulting with others on an "as needed" basis would be equally effective.**	C.2 Qualified Agreement. Management continues its commitment to evolving an integrated 'non silo' approach to work. This practice requires staff resources to be allocated to participate on projects outside of traditional department work. However, the approach to allocating these resources can be streamlined. A first step is the execution of recommendations A1, B1, B4 and B5 establishing a standardized system for Program/Project Management and training. This system will drive improvements in the design of work teams and meeting management to gain efficiencies in the use of time allocated to projects and free up capacity. In the immediate, the ET is demonstrating leadership by refocusing ET agendas and

thereby shortening its meetings – and is communicating this change through the Service Areas.

C.3
Curtail disruptive practices such as:

- **Gapping, and**
- **Pre-emption of schedules due to last-minute changes.**

C.3
Agreed.

Management will review gapping practices within existing financial constraints.

In the immediate, rather than the current mandatory 3 month gapping period prior to hiring, gapping will be applied for only as long as the position is vacant.

The practice of how meetings are scheduled and managed will be reviewed corporately. This includes a review of how scheduled standing meetings will be prioritized including options to avoid last minute disruptions.

C.4
Formalize and clarify the role of the DRL Team as the integrative mechanism for corporate projects.

C.4
Agreed.

ET has drafted a DRLT "Terms of Reference /Charter" that clarifies the role of DRLT. This will be review and finalize with DRLT

C.5
Where standards or templates have been established, ensure that each department is held accountable for adopting and using them.

C.5
Agreed.

Management is committed to ensuring corporate standard approaches whenever possible across all service areas.

Management will ensure accountability across all service areas for the adoption and use of corporate wide templates/standards.

Staff will be accountable to use these documents or the work will simply not be accepted.

C.6
Where individual departments have created an approach or template that could be adopted across, work to refine the template so that each department can use it; then hold them accountable for using it.

C.6
Agreed.

Management will adopt the practice of exploring and refining new innovative approaches to information /data templates across departments and service areas.

> Once accepted, staff will be accountable to use these templates/approaches or work will not be accepted.

Staff is committed to implementing these recommendations and leadership will ensure that these results and action plans are communicated to all stakeholders over the coming weeks.

By taking these steps, the City of Guelph will maximize the use of the capability and capacity that it does have to meet its corporate objectives.

CORPORATE STRATEGIC PLAN

1.3 Organizational Excellence – Build robust systems, structures and frameworks aligned to strategy.

2.3 Innovation in Local Government – Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

All members of the Executive Team and the Direct Report Leadership Team have been consulted in the development of this report.

COMMUNICATIONS

Corporate Communications has developed a formal communication plan for the circulation of this report. A full copy of the Organizational Assessment will be circulated to all city staff and subsequently will be posted on the City of Guelph website.

ATTACHMENTS

Attachment "A" - Executive Summary, Consultants' Report
Attachment "B" – Matrix of Findings and Recommendations, Consultants' Report

Approved and Recommended By
Ann Pappert
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EXECUTIVE SUMMARY

In January 2013, the City of Guelph issued a Request for Proposal (RFP) for consulting assistance to conduct an organizational assessment to evaluate the capacity of the organization. The RFP stated, "Our corporate strategic directions compel us to evaluate our current state and assess whether we have the capacity to achieve corporate objectives."
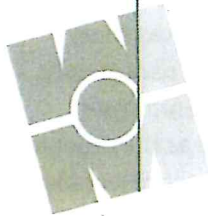
Specifically, an Organizational Assessment determines if the right resources are in the right places with the necessary competencies, systems, processes, tools and strengths, to deliver on commitments. It should be noted that scope of the consultant's work did not include a service review. A service review involves the capture of detailed activity data, sometimes requiring work measurement, so that delivery can be correlated with costs and resource utilization. The type of information and level of detail is not what would be required to assess the capacity of managerial and professional staff to undertake projects and work plans.

The consultants employed both qualitative and quantitative approaches using several different data gathering methods. They examined some 350 internal documents (annual reports, service-level reports, organization charts, previous consultant reports, council minutes, minutes of Executive Team and Direct Report Leaders Team meetings, etc.) supplied to them by the City. They conducted individual interviews with the Mayor, Councilors, the CAO, Executive Team members and senior staff. They led focus groups with other segments of the staff. In all, approximately 90 people provided input; some several times over as new information arose.

Guelph is facing the challenges experienced by many municipalities that have made, or are making, the rural to urban transition caused by the rapid growth of the Greater Golden Horseshoe Area. These include pressures on services from larger populations, increasing demands for residential expansion, more interaction with other levels of government, requirements for more integrated approaches to development and growth and heightened expectation of what constitutes satisfactory citizen-centered service and citizen engagement.

As the Citizen survey confirmed, the City has been able to maintain satisfactory service delivery in the face of these pressures, but the leadership also understands that the status quo is not tenable. The City has therefore embarked upon an ambitious program for change. The transformation projects envisioned reflect the requirements for changing scale and require that everyone develop a new perspective on how the City should operate and what is expected of staff in this new environment.

Pressures now come not only from increases in service volumes, but also from the need to be able to support the changes required, in particular for culture, systems, processes, and standard procedures. While it was possible for many years to operate successfully

as a series of separate, relatively independent "silos", there are now demands for greater integration, collaboration and consistency is expected. The stress on staff is significant and makes capacity a critical consideration.

To assess the current level of capacity, we tried to determine the level of resource utilization represented by existing initiatives and operations. Current plans do not provide the necessary information, while operational statistics – though in many cases quite detailed – do not, and in fact were not intended to enable correlation of service activity with resource levels. Further complicating the effort is that it is extremely difficult if not impossible to quantify capacity for much of the work (both projects and operations) as the activities are "professional / managerial" in nature. The net result is that because of the data and the characteristics of much of the workforce, we were unable to draw meaningful conclusions about capacity – either utilized or latent.

In view of the above, the recommended approach to dealing with capacity is apply a systematic approach to program and project management that requires the identification of resources for each aspect of each project deemed critical and then capacity to move forward can be determined. This approach requires that projects be assessed and prioritized in order to allocate existing capacity to the highest priority work.

Another capacity issue stems from the nature of the resources required for project work – typically, what occurs is an overloading of staff with specialized skill sets (such as project management, legal, IT, analytics and communications to name a few). In addition, the new work for policy development, inter-governmental relations, and change management requires skills not widely available. The challenge is therefore to make the investment in the abilities important to meeting the demands of change. We noted that the goal to increase training hours has not been achieved as planned. Secondments and backfilling are also ways to develop staff, but do not appear to be widely used. We also noted that there are too few managers with solid project management skills and experience

There are also barriers that diminish existing capacity. In particular, we believe that the efficiency and effectiveness of managers is hindered by a shortage of administrative support. The benchmark information from other municipalities shows that the City of Guelph has 11 – 14 fewer administrative support positions than comparable municipal organizations. This leads to managers performing administrative tasks, which represents a diversion from the work for which they have been hired.

Capacity is also reduced when meetings start to take up significant amounts of time. We estimate that managers spend at least half their time in meetings. This leaves them short of time for other duties and for doing the specific tasks that are also part of their job. This correlates with the frequent observation by staff (noted in the Employee Engagement Survey) that managers and supervisors are not as available as they should be. The desire to be inclusive in developing plans and actions has led to representation
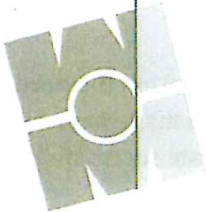
on committees and task forces that appears to be broader than necessary and demands additional time.

Interviewees reported that the City was lacking in corporate-wide policies and practices. For example, departments collect and report on data in different ways and formats. Departmental work plans vary in form and level of detail. Even in cases where templates do exist (such as for Council briefing papers and reports, departmental work plans) they are often not applied consistently across service areas. This inhibits integration and leads to additional work in order to bring reports, plans, etc. into a consistent whole. As well, when staff from different departments work on integrated tasks, it is not clear to them which policy, practice, template to use. This as well takes time away from accomplishing tasks.
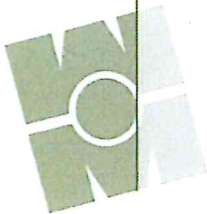
There are some additional factors which will need to be addressed if staff are to be motivated and mobilized to talk on the challenges of the transformations envisioned by the leadership. The following emerged in our consultation and is also consistent with feedback from the Employee Engagement Survey:

- The perception that people are not held accountable for meeting commitments and upholding standards
- A culture where people are reluctant to speak up, particularly when they do not have the capacity to meet new requests
- A low level of understanding of how the critical initiatives relate to their work (which has implications for motivation)
- A sense on the part of many that priorities are constantly changing

We believe that the above can be addressed by strong leadership - to **make choices and focus available capacity** on what is important, to **build and enhance capacity** where it does not exist, and to **remove barriers and thus free up the capacity** of the workforce to perform to their maximum potential.

This process is underway. For example, the consultants met with and facilitated the ET through a process to start to classify and prioritize initiatives. This has already removed barriers to forward movement and the ET has developed a plan for addressing the findings from the Survey.

The table that follows summarizes recommendations and findings and is supported by the main body of the report and the appendices.

Guelph – Matrix of Findings and Recommendations

Recommendations	Findings and Commentary
Recommendations on Focusing Capacity: To focus on the most critical initiatives so that existing capacity is used most effectively	
• Employ a standard program management system to prioritize, monitor, and govern projects throughout in the organization	There are many initiatives (both corporate and departmental) underway. Project and program management methodologies are being used in only some of them. At the present time the necessary information about these projects does not exist to provide a comprehensive view of project and work plan progress, capacity utilized and capacity available.
• Formalize the role of ET as the focal point of the CSP Program and of those department initiatives that are identified as needing on-going ET oversight and / or governance.	We do not recommend that the City attempt a broad effort to establish overall baseline capacity, because many of the required resources are "knowledge workers" (managers and subject matter experts) and finding the "latent" capacity for these workers is exceeding difficult if not impossible. A more practical approach is to identify what the projects need, compare it to what is available and this will point out gaps, thus answering the capacity question.
• Identify the initiatives that need the highest level of governance and focus on them.	
• Leadership at all levels take responsibility for clearly communicating with staff the importance of these initiatives and how they move the City forward and where the staff daily work contributes to the success.	Without an agreed method of managing projects and initiatives that is consistently applied, there will be an on-going debate about what is or is not reasonable to expect. Leadership is required to establish the agreed upon system that will be followed and insist that it be used. The role of ET is critical for two reasons: first, the system will only be effective if it is clearly and consistently promoted from the top, secondly, by applying the methodology for itself in its governance role, ET will be modeling the behaviour expected of the rest of the organization. This work was begun with ET and the consultants, but on-going support and resources are required to sustain momentum.

Recommendations	Findings and Commentary
	The discipline needs to be applied beyond planning and starting projects. A consistent finding was that projects get started and are not finished, which delays progress, wastes capacity and discourages staff.

Recommendations on Building Capacity: To ensure the right skills are available to the City now and as it grows

Recommendations	Findings and Commentary
• Provide professional program management support to the organisation to track progress and support governance over programs and projects.	It was evident from our consultation and also reported by others that the skills of program and project management are not widely available within the City at this time and that additional resources will likely be required to fill this gap.
• Ensue proper staffing of major initiatives through formal secondments, temporary re-assignments of duties, backfilling and external contracting.	We were shown a wide variety of reports covering most areas of operations; however, they did not provide an indication of available capacity. While these reports contained substantial interesting detail on
• Ensure that the targeted training budgets are met to develop the needed skills for the city.	current operations, for the most part they did not provide analysis for resource requirements going forward. For example, for the projects charters that exist, there was little or no identification of resources required to complete the projects.
• Acquire or develop the necessary skills to support the organizational transformation required for success – in particular change management, business process analysis, and project management.	Guelph is growing quickly and evolving from a smaller town to a larger city. It is lacking some of the organizational infrastructure necessary to support this shift, such as program management, business process analysis, change management, and analytics to cite some examples. Over two successive years the city has not met its training cost per employee
• Organize the skills in a unit, keep it small and second staff from operating departments to support the analysis and implementation efforts, thereby embedding the knowledge in the departments for on-going change.	target of increasing training by 50% over the 2010 target. As of 2012 the increase had been only 21%.
• Build capacity for leadership and management within the management ranks,	Other similar cities have established a unit to support changes within the City. The unit frequently has the above skills and provides "in-house"

Recommendations	Findings and Commentary
	consulting to departments and works with outside consultants to ensure quality and consistency of advice and also knowledge transfer.
	The employee engagement survey laid out a number of key issues to be addressed. Our interviews anecdotally supported the findings of this survey. Leadership is an issue that needs to be addressed in such areas as: • Holding themselves and others accountable for results • Decision-making consistency • Delegation • Performance management
Recommendations on Freeing-Up Capacity: To ensure that staff resources are used to their maximum potential by reducing barriers to efficient use of time, increasing motivation, and using corporate standard approaches wherever possible.	

• Free up managerial capacity for managers by increasing administrative support consistent with best practice (about 10 additional administrative support personnel).
 	
• Free up management and subject matter experts by reducing the time they spend in meetings outside of their departments; For example:
  a. focusing on fewer initiatives
  b. reassessing membership on teams and committees to minimum levels required to accomplish the work
  c. ensuring the meetings are well managed and as short as possible
  d. .avoiding meetings where consulting with others on an "as needed" basis would be equally effective.
	Managers and Directors are the key resources for leading departmental and corporate initiatives to achieve corporate objectives. Managers and Directors appear to have insufficient time to achieve all the initiatives assigned in addition to their "regular" workload. The reasons include:
	• lack of administrative support,
	• assignment to multiple initiatives (as lead or team member / knowledge resource),
	• desire to be "inclusive" leads to large teams and committees.
	• changing priorities which require staff to change pre-scheduled meetings and / or preempting them from meetings and other scheduled activities.
	• "gapping" which results in insufficient staff to do the work and thus the managers / supervisors having to do the work themselves.

Recommendations	Findings and Commentary
• Curtail disruptive practices such as gapping and pre-emption of schedules due to last-minute changes.	Rather than include every department in every initiative to be seen as inclusive, many organization hold specific consultation meetings at certain points in their work to include necessary information without forcing everyone to come to all meetings.
• Formalize and clarify the role of the DRL Team as the integrative mechanism for corporate projects.	DRL Team members report being unclear about their role and cite examples of time being spent on initiatives that then get taken over or rejected to ET; for example, last year's budget process.
• Where standards or templates have been established, ensure that each department is held accountable for adopting and using them.	
• Where individual departments have created an approach or template that could be adopted across, work to refine the template so that each department can use it; then hold them accountable for using it.	Corporate standards, templates, and approaches are not followed or applied. As a result it is difficult to build integrated plans and to compare across departments. It also results in wasted time and effort when there is a need to develop an integrated report or document as re-work has to be done.
	There are many examples of good approaches and even of some standards being agreed upon, but there seems to be little willingness to ensure that these are followed throughout the organization. The format for departmental planning and the template for corporate initiatives are two examples of this.