



SUBJECT: Designing and evolving our organization (Phase 2) – department functional design and management structures

TO: Environment, Infrastructure & Community Services Cttee.

FROM: City Manager's Office

Report Number: CM-32-20

Wards Affected: All

File Numbers: 155-03-01

Date to Committee: December 7, 2020

Date to Council: December 14, 2020

Recommendation:

Receive and file the City Manager's Office report CM-32-20 providing the functional design and management structures for City of Burlington future state organization; and

Direct the City Manager to proceed with the Designing and Evolving our Organization implementation plan framework and process including departmental changes as outlined in Appendix A of report CM-32-20.

PURPOSE:

Vision to Focus Alignment:

- Increase economic prosperity and community responsive city growth
- Improve integrated city mobility
- Support sustainable infrastructure and a resilient environment
- Building more citizen engagement, community health and culture
- Deliver customer centric services with a focus on efficiency and technology transformation

Background and Discussion:

On September 24, 2019, the City Manager implemented a Council-approved new organization design for the City of Burlington; introducing Evolving the Organization (ETO) Phase 1. This new design positions the City to meet our strategic goals, outlined in Council's 4-year work plan [Vision to Focus \(V2F\)](#), over the balance of this term of Council and beyond by emphasizing strategic management, risk assessment and management and public accountability. It also well positions the City of Burlington to attract employees in a growing and competitive marketplace and retain employees through opportunities for professional growth. It highlights the City's attention to City-wide customer service and public engagement through business process improvements, corporate-wide training and ongoing transformations such as digital service delivery.

A priority over the next few years is evolving our organization based on our corporate values and commitment to service delivery excellence. Workplace culture provides a solid foundation for organizational design. February 2019 brought to life the culmination of staff effort in solidifying the City of Burlington's organizational values. ETO Phase 1 and the second phase - Designing and Evolving our Organization (DEOO) - embody these values:

- We take care of each other.
- We are all important.
- We take pride in serving our community.
- We have the opportunity to continuously learn and grow.
- Together, we do great things.

In addition, ETO Phase 1 set the stage for engaging staff in further refining the organizational design through Designing and Evolving our Organization.

Some may ask why is evolving the organization necessary now? The City of Burlington is now at a tipping point particularly related to the management of risks and effectively implementing and executing strategy. The staff and service delivery have been cumulatively affected and, to a certain extent negatively affected, by a history of changes including yet not limited to:

- zero tax increases for a period of 8 years during the 1990s
- Provincial Offences Act court administration and prosecution downloaded from the province to the municipalities
- Hydro Commission changes to Local Distribution Companies (LDCs) when City of Burlington became the sole shareholder of Burlington Hydro
- economic downturn in 2008 resulting in subsequent years of cost containment
- change to non-union compensation, headcount freeze, and budgeting for human resource gapping dollars beginning in 2011

- OMERS holiday for employer contributions and subsequent reinstatement
- provincial increases to minimum wage
- multiple Provincial changes to planning application turnaround times and changes to Ontario Municipal Board (OMB)/Local Planning Appeal Tribunal (LPAT)
- Provincial changes to the Building Code Act introducing turnaround times and service funding through fees
- multiple Provincial changes to development charges (DCs) over time culminating with recent changes to DCs, park dedication and community benefits impacting how the City finances growth related capital costs
- efficiency and effectiveness reviews resulting in changes to service delivery
- climate change and environmental issues and the focus required to mitigate and manage the effects of ice storms, windstorms, flood, invasive species, etc.
- 2010 implementation of dedicated levy to support the City's \$60M contribution to Joseph Brant Hospital Redevelopment project and the subsequent re-purposing of the dedicated levy to infrastructure while keeping city tax increases at or below 4%
- contribution to McMaster University Campus in Burlington and funding partner for the Randle Reef cleanup
- City of Burlington as a service provider for other municipalities in:
 - Halton Court Services (Provincial Offenses Act) for Halton Region, Oakville, Burlington, Milton and Halton Hills,
 - Fire Dispatch for Oakville and Halton Hills
 - Limited Animal Control services to Milton
 - Maintenance (including winter operations) for Halton Regional Roads

In the latter months of 2019 into early March 2020, the Burlington Leadership Team began its work on Designing and Evolving our Organization (DEOO) – Phase 2. With the onset of the pandemic, this work paused while management and staff responded to the emergency and worked through the service re-design necessary to protect the health and safety of our community and staff and limit the spread of the virus. Through the pandemic, we saw the negative impact of our current structure and resourcing on our ability to maintain and deliver the services our community expects. In the latter part of July, the work on DEOO – Phase 2 resumed as we fully recognized the resource issues to be resolved.

Strategy/process

Designing and Evolving our Organization – Phase 2 allows the City of Burlington to continue to evolve to meet the changing environment, to address the strengths and weaknesses of our organization, and prepare ourselves for the future.

Guiding this thinking are critical directions:

- Managing future city growth
- Meeting enhanced community service and infrastructure needs
- Advancing Vision to Focus (V2F) priorities along all 5 areas of focus
 - Increasing Economic Prosperity and Community Responsive Growth Management
 - Improving Integrated City Mobility
 - Supporting Sustainable Infrastructure and a Resilient Environment
 - Building More Citizen Engagement, Community Health and Culture
 - Delivering Customer Centric Services with a Focus on Efficiency and Technology Transformation
- Delivering digital transformation
- Addressing critical corporate risks
- Retaining and attracting staff as an “Employer of Choice” and
- Maintaining Burlington as one of the top 3 places to live in Canada.

Strategy defines goals and objectives and works to inform, among other decisions, the decision to deploy resources and manage risks. In DEOO-Phase 2, management is defining the future state of the City of Burlington; a future state to be achieved over a 3- to 5-year timeline.

Management is working across and throughout the organization to stabilize and enhance our competency, capability and capacity through resource needs – from people, process, and technology – to be a customer-centered organization and to effectively deliver on our commitments. Every department contributes to the successful delivery of services, the achievement of strategic objectives and management of risk. A comprehensive review of our current structure and resources, combined with encouraged and supported innovative thinking in process and service delivery, will support our ability to manage through the risks, scale and complexity of the projected growth in our community, to implement the V2F initiatives to achieve our strategic goals and to the deliver Council-approved services in our community.

In organizational design, form follows function. The Burlington Leadership Team has worked through the functional design of their services and operations to get to future state organizational design. This future state identifies what positions are required and the number of resources needed within those positions to fulfill service delivery. In addition to functional design, some areas are suggesting changes to department names to more aptly reflect their purpose and direction. Through a comprehensive review

process, the Strategy and Risk Team has endorsed in principle the organizational designs, management structures and name changes, as provided in Appendix A.

With this report and the information contained in Appendices A, B-1 and Confidential Appendix B-2, management is providing Council with an understanding of the risks our current structural design and resourcing has on our ability to manage growth, implement strategic objectives and provide Council-approved level of services. It also provides Council with the opportunity to provide their input and feedback to help shape the future of the City of Burlington.

Financial Matters:

Designing and Evolving our Organization – Phase 2 involves competency, capability and capacity through investment in people, process and technology. It is important to emphasize DEOO – Phase 2 is a multi-phased/multi-year evolution requiring an annual review to make the changes and adjustments necessary given the environment, technological advances, and the corporate landscape. Many of the City's current transformation initiatives (e.g. Enterprise Resource Planning (ERP), Enterprise Asset Management System (EAMS), etc.) will offer efficiencies and influence the resource needs. In addition, it is anticipated that conversion from contracted outsourced service delivery to in-house resourcing (i.e. Transit bus cleaning and work within Roads, Parks & Forestry) will result in additional efficiencies. Given the nature of the resource need, full-time positions, re-purposing of existing full-time positions and conversion of existing part-time to full-time positions, the resource needs must be prioritized and included in the annual budgets for Council's decision. On an annual basis, management will be reviewing the resource needs in alignment with the budget process as identified in the high-level implementation plan framework and process contained in Appendix A.

Climate Implications

The effect of Designing and Evolving our Organization in stabilizing and enhancing our service delivery may have direct and indirect impact on our response to climate risks by providing resources to address the V2F initiatives and supporting directions to move to greener fleets and processes.

Engagement Matters:

Designing and Evolving our Organization involved internal collaboration between directors and management staff, as well as communication with all staff through the City Manager.

Conclusion:

Designing and Evolving our Organization allows the City of Burlington to continue to evolve to meet the changing environment, to address the strengths and weaknesses of our organization, and prepare ourselves for the future. This sets the stage to work through to a future state where the City of Burlington is proactively managing future city growth, meeting enhanced community service and infrastructure needs, advancing Vision to Focus (V2F) priorities, delivering digital transformation, addressing critical corporate risks and, ultimately, retaining and attracting staff as an “Employer of Choice”. Our City’s future requires the investment of time, energy, and funding today to achieve our goals.

Respectfully submitted,

Tim Commisso

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Appendices:

- A. CM-32-20 Appendix A – Designing & Evolving our Organization Presentation
- B. CM-32-20 Appendix B-1 – Designing & Evolving our Organization – Risk Details
- C. CM-32-20 Confidential Appendix B-2 – Designing & Evolving our Organization – Confidential Risk Details

Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.