

Municipality of Lakeshore – Report to Council

Chief Administrative Officer



To: Mayor & Members of Council
From: Truper McBride, Chief Administrative Officer
Date: August 8, 2023
Subject: Strategic Objectives Implementation

Recommendation

This report is for information only at this time.

Background

At the July 18th 2023 Regular Meeting, Council approved its list of strategic objectives for the 2022 to 2026 term of office. These objectives are listed below:

1. Building and Stewarding Municipal Infrastructure
 - a. Update Asset Management Plan
 - b. Complete infrastructure delivery plans for the Water/Wastewater Master Plan and Stormwater Master Plan, including development of a stormwater levy
 - c. Renew plans to convert gravel roads and establish a sustainable funding model to support lifecycling
2. Developing Our Future Communities
 - a. Develop a 25 year Community Plan for all communities
 - b. Complete the Wallace Woods Secondary Plan
 - c. Design and build one park per term
3. Modernizing and Enhancing Municipal Functions
 - a. Compile, organize, and index files, records, and data across the corporation to further evolve evidence-based decision making and increase staff efficiencies through accessing information
 - b. Revise business processes to establish and employ a risk management framework, improved workflow management, and financial modelling to inform management of reserves
 - c. Continue investment in modernized services, including the integration of current best practices and automation, by engaging in service transformation and process mapping
4. Becoming an Economic Leader in Essex County
 - a. Plan, partner and design a regional industrial park
 - b. Develop a Business Attraction and Retention Plan

- c. Plan and design the Greenhouse Business Park
 - d. Create a corporate branding and communication initiative (to boldly tell our story)
5. Modernize Citizen-Centered Service
- a. Conceiving and implementing a plan for resident-service standards (including establishing a response policy for all inquiries to the municipality, IT solutions/apps/portals, phone protocols, virtual enablement, self-serve portals)
 - b. Bylaw Modernization (including a calendar of bylaw review and effective enforcement strategies/capabilities)
 - c. Setting policy and standard operating procedures for resident communication and follow-ups

To deliver success on these objectives, organizational constraints and opportunities need to be understood to align resources with work plans and funding.

This report is being provided to Council for information on the organization and provides some considerations and potential opportunities to advance the strategic objectives laid out above. No decision is being asked of Council through this report. Based on Council discussion of the contents of this report, Administration will bring a subsequent report to guide the implementation of the strategic objectives at a future meeting.

Comments

Over the last few years, Lakeshore has been working to modestly grow levels of service to respond to a broad range of growth pressures. Lakeshore's population has grown 20% since 2011, from roughly 34,500 to approximately 43,000, which has had a dramatic effect on service delivery along with changing expectations from the public on levels of service.

In the last three years since the Organizational Review, Lakeshore has added 25 new positions, which is a way to respond to that growth and the increased requests for service that come along with a rapidly growing municipality.

What have these new positions done to improve service delivery at Lakeshore?

The below service enhancements have been realized as a direct result of the new positions coming online. The below represent meaningful and demonstratable service level increases for the people of Lakeshore.

- Stormwater infrastructure planning
- Water and wastewater system planning and operations
- Increased volume of capital projects
- Flood response, mitigation, and protection planning
- Public Service Unit providing centralized customer service

- Reduced backlog on fire inspections
- Increased capacity to respond to Bylaw complaints
- Increased support for processing and completing engineering development reviews.
- More resources to maintain roads and parks and follow-up on requests for service
- Focused and coordinated economic development
- Increased in-house capacity in planning, reducing backlog in land use planning application processing
- In-house coordination of legal services
- Ongoing automation of service delivery through digital transformation (payroll, intranet, customer service through TalkDesk, Qualtrix, Cloud Permit
- Long range financial planning
- Enhanced communications, engagement and multi-media capacity
- Modernized payroll
- Cyber Security / Disaster Recovery
- Application support/coordination/deployment

These service level improvements are significant, and in some areas, are on the leading edge of municipal government in southwestern Ontario. These bold investments into the organization have allowed Lakeshore to keep pace with many of the rapidly evolving needs of the Municipality.

The 2022 to 2026 Strategic Objectives represent a renewed focus on infrastructure in addition to a new focus on modernizing internal processes in By-law Services, records management, communications, policy development, and digital transformation and service automation.

2021 Organizational Review

In 2021, an Organizational Review was completed that looked at Organizational Structure, Culture, Process, Technology & Tools, Resources and Capacity. The Organizational Review is attached as Appendix A – Organizational Review.

The Review identified several gaps in the organization that can be found within Appendix A. They are summarized below:

1. Unclear accountabilities, roles and responsibilities
2. Operations focused support functions – leadership heavily involved in day-to-day operations, lack of long-term planning, thinking, strategy
3. Corporate Service functional gaps – limited and impaired internal support functions to guide external service delivery
4. Misaligned Functions – Departments not logically constituted
5. Limited Trust

The Organizational Review took special focus on two areas for strategic organizational change and improvement. Human Resources and Information Technology represent two significant levers for organizational change. Accordingly, recommendations were made regarding these two Divisions and are described below.

Additionally, the Review's current state assessment found that leadership staff were overly operationally focused as 'doers' which results in a weakened leadership culture which negatively impacts accountabilities, performance measures, long term planning and strategy, along with limiting employee development. Corporate Leaders on average work 60 to 70 hours per week in largely 'doer' roles, which does not allow for forward planning. A recommendation in the Org Review was to establish a fifth department to offload work from larger departments to balance workloads more effectively and increase leaderships availability to plan and develop staff.

Information Technology

The Organizational Review found that in 2021, Lakeshore IT had limited governance oversight, limited strategic leadership, significant security and cyber defense gaps, unoptimized GIS, no cloud strategy, an unreliable disaster recovery plan, and no formal data management processes.

Since receiving the Organizational Review, Council has invested significantly in this area which was renamed Digital Transformation and Cloud Services (DTCS) to better reflect its new mandate as a strategic corporate partner to support automation, cyber defense, corporate security, and efficiencies in service delivery. Digital Transformation and Cloud Services now plays a strategic partner role for each Department and is integrated into their business planning.

Continued investment into DTCS will allow Lakeshore to realize further efficiencies and cost saving measures with service delivery along with data-driven reporting enhancements and organizational performance metrics.

Workforce Development (HR)

The Review identified that Lakeshore Workforce Development core functions of talent management, learning and development, rewards and recognition, and employee supports were all in a 'developing' phase or very limited in the way of being able to be 'managed'.

Workforce Development has not received further investment since the completion of the Review in 2021.

Lakeshore currently has a full-time staff complement of two (2) resources in Workforce Development, one Division Leader and one Workforce Advisor plus 1 coop student. Industry standard ratio for HR staff is 1 HR resource per 100 employees based on

headcount. Lakeshore currently has 1 HR resource per 192 (non-peak season) to 206 (peak season) employees based on headcount. Based on a time study, it is calculated that service demands for HR at Lakeshore require approximately 7000 hours annually. One person has approximately 1,400 regular hours available to work per year. This translates to Workforce Development requiring a total staffing complement of almost 5 full-time staff to address the workload burden required for Workforce Development to be successful in addressing the needs of the Corporation. Currently, Lakeshore has 2.33 full-time staff. Lakeshore's recruitment program alone requires one full-time resource.

Due to lack of resources, the following human resource services are struggling to develop required programming or maintain minimum requirements in: employee wellness, employee training and development, leadership development, labour relations, recruitment, human resources policy and programs development, and health and safety coordination and policy review. As a result, the staff in Workforce Development are working excessive hours to attempt to keep up with minimum requirements and reduce the gaps in risk mitigation for both operational requirements as well as legislative/regulatory requirements.

If the workload pressures are not addressed, service delivery in Workforce Development will continue to struggle resulting in increased gaps in risk mitigation leaving the Municipality open to increases in legal noncompliance, increase legal risk of fines, increase in workplace injuries, increase in Ministry of Labour orders, reduced service delivery in HR functions, operational impairment due to lagging staffing levels, increasing inefficiencies in HR processes, etc.

Final Organizational Review Recommendations included:

1. Develop a clear accountability structure throughout the organization depicting scope of responsibilities, interdependencies and collaboration points between functions and roles.
2. Build analytics capacity to establish transparency on organizational performance and incorporate into regular decision making and reporting with the goal of making real-time improvements.
3. Build towards a culture that is centered around an excellent customer experience.
4. Ensure all work activity is aligned to delivery on strategic priorities, and that staff understand how their role contributes to achieving the vision.
5. Clearly define and embed strategic priorities.
6. Elevate strategic focus of senior leadership team and Council to encourage operational autonomy.
7. Establish well-defined, evidence-based reporting and decision-making processes for Council.
8. Organize portfolios with aligned functions.

2022 Organizational Culture Review

Attached Appendix B – Culture Review provides an accounting of the corporate culture at Lakeshore as of June 2022. None of the recommendations from this report were adopted by Council. However, they remain relevant to many challenges the organization continues to experience with regard to how employees view working at Lakeshore and inform Lakeshore’s external reputation as an employer.

Recruitment and Attraction of Talent

Attached Appendix C – Recruitment and Attraction of Talent details matters impacting the Municipality’s ability to recruit talent.

Retention of Staff

Issues as reported by staff affecting retention include the following:

1. Burnout through lack of resourcing
2. Lack of development opportunities
3. Uncompetitive compensation with non-union employees
4. Lack of work-life balance

Retention challenges present cost to Lakeshore through loss of corporate knowledge and talent.

Connecting Council Strategic Objectives to Organizational Readiness

Attached Appendix D – Connecting Strategic Objectives to Organizational Readiness provides a summary of each strategic objective and the associated initiatives that demonstrate progress towards them. Appendix D provides a number of considerations for Council as it prepares to implement its list of Strategic Objectives.

Development Facing Services

While not identified in Council’s Strategic Objectives, there is a need to review internal processes in Planning, Engineering, and Building Services to ensure Lakeshore is well positioned to respond to the new demands from Bill 23 and Bill 109. With the passing of this legislation, the Province has established new maximum processing timelines. These timelines require additional resources to achieve, recommendations will be coming to Council once the Service Delivery Review is complete, along with a review of development fees to cover the costs of any additional resources required.

As noted above, a significant degree of the investment into the organization has been focused on externally facing services such as planning, engineering, and delivery of the infrastructure in the annual Capital Budget.

Corporate Opportunities to Move Lakeshore Forward

A number of potential corporate strategies present themselves for Council's consideration to support the delivery of the strategic objectives:

1. Offloading functions from overloaded Departments and establishing a new Department focused on community safety, parks, and recreation.
2. Creating structure and support for regional discussions on a regional industrial park and other shared service opportunities.
3. Investment into the Public Service Unit to drive customer experience excellence.
4. Relocation of the communications function to establish it at a more strategic level.
5. Continued investment into DTCS to support corporate efficiencies and modernization.
6. Investment into labour relations, employee development, and a health and safety program.
7. Investigate aligning By-law Services in the same department as Legal Services to improve coordination of enforcement and prosecutions.
8. Investigate grant funding to support an Asset Management Coordinator role and help to align key performance measures to long term planning.

Others Consulted

Tony Haddad, Haddad & Associates Consulting

Financial Impacts

There are no financial impacts associated with this report. This report provides Council a high level understanding of potential cost centres moving forward that will require funding in order to deliver on the Strategic Objectives.

Attachments

Appendix A – Organizational Review

Appendix B – Connecting Strategic Objectives to Organizational Readiness

Appendix C – Recruitment and Attraction of Talent

Appendix D – Connecting Strategic Objectives to Organizational Readiness

Report Approval Details

Document Title:	Strategic Objectives Implementation.docx
Attachments:	<ul style="list-style-type: none">- Appendix A - Organizational Review.pdf- Appendix B - Culture and Employer of Choice Strategy.pdf- Appendix C - Recruitment Challenges.docx- Appendix D Connecting Council Strategic Objectives to Organizational Capacity.docx
Final Approval Date:	Aug 10, 2023

This report and all of its attachments were approved and signed as outlined below:

Prepared by Truper McBride