
Workplace Transformation Journey: Corporate Reorganization

Recommendation

That the Governance and Priorities Committee recommend to City Council:

1. That the new corporate structure be approved as outlined in this report;
2. That the City Solicitor be instructed to bring back any necessary bylaw amendments resulting from the approval of the new corporate structure; and
3. That the City Manager proceed with implementing the new corporate structure and it be effective January 1, 2019.

Topic and Purpose

The purpose of this report is to obtain approval for a new corporate structure as outlined in Attachment 1, Proposed Organization Structure. A new organizational structure is a significant component of the City of Saskatoon's workplace transformation journey.

Report Highlights

1. The proposed organizational structure is a key component in achieving the City's new workplace transformation vision and was developed with many inputs including a review of other municipalities, advice from organizational change experts and leaders across the organization.
2. The new organizational structure includes four main customer-facing departments that are appropriately sized and bring together key lines of our work that will find synergies and efficiencies from working more closely together.
3. There are four strategic partner functions that play a vital role in supporting our customer-facing departments as well as focusing on driving and supporting transformational change efforts in the organization.
4. There is no change to the number of positions required as a result of the Corporate Reorganization. Any changes in the organizational structure will utilize existing Full-Time Equivalents (FTEs) although some positions will change or be redirected to appropriate divisions.

Strategic Goals

This report supports the 2016-2020 Strategic Plan and positions the City of Saskatoon to excel at core services while achieving the Strategic Goals, Council priorities and our internal workplace transformation.

Background

How Administration is organized, governs, and makes decisions is integral to the success of the organization. Change can be challenging in any organization, and a structured and strategic approach is required in order to achieve meaningful improvements for both staff and citizens. Any successful organization must continually refresh and evolve in order to continue to meet the needs of the people it serves.

Transformational change is the path that the City will take to achieve its goal of being optimally positioned to best serve the needs of Saskatoon citizens.

Administration has identified five areas of focus to help achieve its workplace transformation vision of being a *smart* (proper systems and processes) and *healthy* (environment for staff) workplace. The five areas of focus are Governance and Decision-Making, Alignment of Purpose, Our Culture, Our People, and Our Tools.

Report

An Inclusive Process

This corporate reorganization supports the area of Governance and Decision-Making and is the first step in achieving the City's workplace transformation vision.

The organizational structure was developed with many inputs including a review of other municipalities throughout Canada, advice from organizational structure experts, and most importantly, consultation with directors, section managers, and senior leaders across the City.

Key Points Considered

Administration considered the following key points when thinking about the current organizational structure:

- Department size and annual budgets resulting from the current structure were not balanced and didn't reflect the importance of both our external operations and our internal workplace.
- The current structure was not able to effectively drive business transformation. It restricted the ability to provide a consistent approach for the implementation of enterprise resource planning (for example, staff reporting to multiple directors and general managers).
- Internal communications and staff engagement were largely still carried out "off the corner of a desk" rather than reinforced effectively through the organizational structure.
- The current structure did not allow us to respond effectively to shifting demands for important services.

Highlights of Organizational Structure

The following highlights the key changes to the City's high level organizational structure to be made effective on January 1, 2019. It is important to note that department and division names contained in the organizational chart is a description of the function it will perform. It will not necessarily be the final department or division name. The final names of each area in the functional organizational chart will be determined once people are in place, and staff will be involved in the naming process. The ultimate names selected must be easily understood by staff, residents and stakeholders.

1. **Building a Balanced Structure**
In an effort to ensure that customer-facing departments are appropriately sized and organized, understandable, citizen-centric, and achieve our corporate

priorities, these departments have been adjusted. The Utilities & Environment and Transportation & Construction departments bring together key lines of our work that will find synergies and efficiencies from working more closely together. The four customer-facing departments are: Utilities & Environment, Transportation & Construction, Community Services and Saskatoon Fire.

2. Four Strategic Partners

The following four strategic partner functions play a vital role in supporting our customer-facing departments as well as focusing on driving and supporting transformational change efforts in the organization. These include:

Corporate Finance

Corporate Finance has been reduced in size due to the magnitude of operational changes this area will undergo through the upcoming Enterprise Resource Planning (ERP) project. ERP will revolutionize financial systems and processes in the City over the next few years, and will align our employees involved in inventory, purchasing, and financial processes throughout the City.

A New Strategy & Transformation Function

The creation of the Strategy & Transformation function signals the critical importance of our journey ahead. This function will support and lead major change projects in the organization and aligns the existing resources of Communication & Engagement and Information Technology, and adds critical elements related to Strategic Project Development and Organizational Strategy Execution.

- Organizational Strategy Execution (OSE) will lead and drive change through the organization, once the direction is set by the City. Service Saskatoon will be integrated into this function, due to its critical importance throughout all aspects of civic operations.
- Strategic Project Development (SPD) will develop new and emerging, complex, multi-divisional initiatives in the early stages. This area will work with various internal and external stakeholders on due diligence and feasibility evaluations, until such time as the project is ready to be turned over to the appropriate division or divisions for execution or operation.

Human Resources (HR)

The HR function will report directly to the City Manager. This signals the instrumental role that HR will play in supporting the transformation journey. Key priorities will include redefining the organization's approach to co-accountability, leadership capacity and management capacity. A new Chief Human Resource Officer (CHRO) is in place to work with the team to achieve its new mandate.

Public Policy & Government Relations

Public Policy & Government Relations will continue to report to the City Manager, and Indigenous Initiatives (formerly Aboriginal Relations) will move into this

function. This will integrate the City's inter-governmental relations into one area. Business planning and working with City Council on their strategic planning processes will be facilitated by this area.

No Reduced Positions or New FTEs

There are no reduced positions as a result of the Corporate Reorganization. Any changes in the organizational structure will utilize existing FTEs although some positions will change or be redirected to appropriate divisions.

Vacancies

All vacant positions will be posted as part of a fair and open competition. Examples include, positions leading Transportation & Construction, Utilities & Environment, Community Services, and Strategy & Transformation.

Options to the Recommendation

Various organizational configurations were considered as part of the consultation process. The structure being presented was determined to be the most effective in positioning Administration to continue to excel at core services while achieving the Strategic Goals, Council priorities and our internal workplace transformation vision.

Public and/or Stakeholder Involvement

The new structure was developed with many inputs as outlined in the body of the report.

Communication Plan

Administration is committed to providing on-going updates to employees during the transition to the new structure. An organizational announcement was sent to all City employees in October which included an Employee Information Pack containing the proposed new organization structure, a high level summary of the changes and Frequently Asked Questions (FAQs).

A dedicated SharePoint page has also been created to keep employees informed during the transition phase and will include updated FAQs. Opportunities to ask questions and provide feedback are being provided through a dedicated email address monitored by the Implementation Team and at a number of in-person events hosted by Administration leadership including the Fall Leadership Forum and three All-Employee Town Hall meetings held in November. Additionally, various face-to-face briefings will be held in the coming weeks for areas more affected than others.

Policy Implications

Once the Corporate Reorganization is approved, amendments to The City Administration Bylaw, 2003 and to various other bylaws will be required. These will be brought forward for City Council's consideration in due course.

Financial Implications

The corporate reorganization will occur within existing budget allocations. Expected costs directly related to the reorganization will be minimal and will include items such as

internal communications, stationary changes over time, and a very few staff may be changing workspace locations.

Other Considerations/Implications

There are no environmental, privacy, or CPTED implications or considerations.

Due Date for Follow-up and/or Project Completion

In order to help make the transition as smooth as possible, a team comprised of HR, Communications & Engagement, Information Technology, Finance, Clerks, and other organizational representation will begin working on an implementation strategy to identify high and medium priority actions.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. Proposed Organization Structure

Report Approval

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Approved by: Jeff Jorgenson, City Manager

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