The County of Perth
Organizational Review

Final Report

February 24, 2022

The County of Perth Organizational Review
Disclaimer

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Pursuant to the terms of our engagement, it is understood and agreed that all decisions in connection with the implementation of advice and recommendations as provided by KPMG during the course of this engagement shall be the responsibility of, and made by, the County of Perth (County). KPMG has not and will not perform management functions or make management decisions for the County.

This report may include or make reference to future oriented financial information. Readers are cautioned that since these financial projections are based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occur, and the variations may be material.

Comments in this report are not intended, nor should they be interpreted, to be legal advice or opinion.

KPMG has no present or contemplated interest in the County nor are we an insider or associate of the County. Accordingly, we believe we are independent of the County and are acting objectively.

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Executive Summary

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Project Objectives

The County of Perth Organizational Review Project was funded through the Province of Ontario's Municipal Modernization Fund (MMF), supporting the modernization of small and rural municipalities. KPMG was engaged by the County to undertake an organization and administrative process review of the County. The overall goal of the project is to review the management design of the County and identify an organizational structure that best positions the organization for sustainable and responsive service delivery that can be achieved without impacting front line services. The County was also seeking to identify service improvement opportunities through a review of key internal processes.

Specific project objectives include:

- Performing a review of the current organizational and departmental structures, with particular attention on the County's management structure and how services are functionally organized and assigned by department

- Gathering information on the strengths, weakness, opportunities, and threats of the current organizational and departmental structures and functional assignments through internal consultations with stakeholders

- Providing recommendations on how to better design the organization and its departments around strategy and process, with the goal of improving the effectiveness and efficiency of service delivery

- Providing an implementation plan, with estimated implementation costs

- Identifying key internal processes where opportunity exists for improvements and efficiencies

- Performing detailed process reviews to identify and recommended process changes or technological modernizations

- Providing recommendations to improve the effectiveness and efficiency of internal processes

The organizational review project is guided by the following principles:

- The knowledge and expertise of County staff will be fully engaged and built upon, to arrive at recommended actions through a transparent, participative and inclusive process facilitated by the consultant.

- The aim is to, wherever possible, transfer knowledge and necessary "tools" to County employees to enable them to better develop their own solutions to operational and process issues and challenges over time.

- Opportunities and recommendations will be based on leading practice from the jurisdictional review of comparator municipalities.

- Recommendations for efficiencies that can be achieved without reducing services levels.

- Lastly, this is not an audit; this is an organizational review to build on successes and identify opportunities to improve the productivity of the County.

Organization Structure Analysis

The County's current organizational structure can be categorized as a functional model, whereas the County is organized around major services/activity groups and core capability is based in functional expertise and economies of scale. This organizational structure is consistent with other similarly sized municipalities and is common in municipal government throughout the province.

Advantages of Functional Organizational Design Model:

- Knowledge sharing within the unit

- High functional specialization

- Efficiency and economies of scale

- Standardization

Disadvantages of Functional model:

- Communication across functions is difficult

- Coordination across functions is difficult

- Less responsive to end-user needs

Based on our analysis of the County's current organizational design, the number of opportunities for change with respect to organizational structure appear to be limited. The current structure is consistent with similarly sized municipalities, and existing departments are consistent with optimal organizational structure based on the nature of services provided and reporting lines. However, we have identified some opportunities for change to more purposefully align certain business units to support key priorities as identified in the County of Perth Strategic Plan (2019-2022) and address items for consideration based on findings from our current state analysis. We have explored these options in the following pages.

The Project Team selected a modified version of the proposed **Functional Model B** because of its greater support for the leading practices in organizational design principles established at the beginning of the project, as listed below:

1. Effective and timely decision-making, responsive to client needs

2. Processes are efficient and resources are focused on value within the value chain

3. Organization is designed around strategy and process, not individuals; and is flexible, innovative, and adaptable

4. Effective performance management encourages right behaviours and each role has clear responsibilities and accountabilities

5. Communication is effective and efficient

Selected High Level Design for the County of Perth

Proposed Functional Model B (with enhancements) was selected by the Project Team and consists of the following organizational design modifications:

1. Forestry By-Law to remain in Legal/Corporate Services but realigned under the Provincial Offences business unit

2. Move Community Emergency Management Coordinator (CEMC) function from reporting directly to CAO to reporting through Emergency Services

3. The creation of a new Business Analyst portfolio focused on continuous improvement initiatives across the corporation under the IT business unit, to be aligned with changes as a result of the outputs and recommendations from the IT and GIS Strategic Plan, currently underway with The Perry Group Consulting Ltd.

4. Move Archives under Legislative Services when opportunity arises through attrition

5. Pursue a combined Development and Planning department, amalgamating Economic Development and Tourism and Planning functions into one business unit, when opportunities arise through attrition.

A visual representation of the preferred organizational model is below:
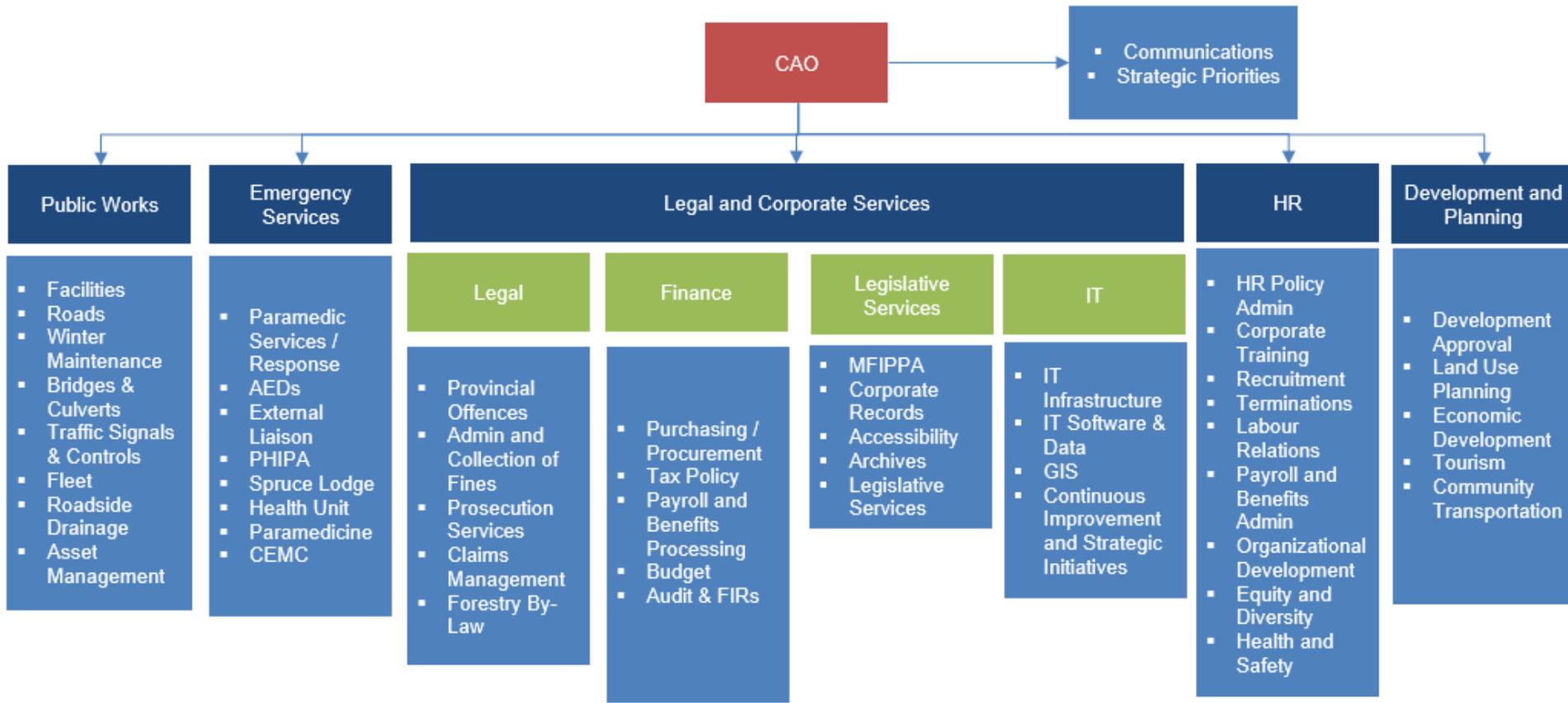
Financial Impact Analysis

Short-term/Immediate Implementation:

There is expected to be no financial impact to the realignment the CEMC function under Emergency Services, and these changes are recommended for short term/immediate implementation.

Medium-term Implementation:

There is expected to be no financial impact to the realignment of Forestry By-Law function under the Provincial Offences business unit within Legal/Corporate Services, and this change is recommended for medium-term implementation.

The financial impact from the creation of a new Business Analyst portfolio, focused on continuous improvement initiatives across the corporation, and located within the IT business unit, is unknown at this time. A job evaluation would be required to determine total compensation and ongoing annual financial impacts. It is important to note that this role should be designed to self-fund. Operational excellence initiatives such as process redesign, data analysis, building a corporate culture of continuous improvement, and ultimately, achieving efficiencies throughout the organization, could realize soft and hard cost savings to compensate for the financial impact of this new role within it's first year. The return on investment in this position could then be leveraged annually, for additional, ongoing corporate savings.

The creation of the Business Analyst role would require budget approval by Council in 2023, and implementation should align with the outputs and recommendations from the 5-year comprehensive IT and GIS Strategic Plan completed by the Perry Group Consulting Ltd in 2022. We recommend our proposed changes to the IT business unit be considered within the context of that review, which will evaluate the current IT and GIS environments including division structure, governance models and staffing, document key issues and provide recommendations supported by assessment, comparisons to other municipalities, industry trends, and associated current and future technology requirements.

Long Term Implementation:

Long term recommendations for organizational structure changes include realigning Archives within Legal/Corporate Services, under the Legislative Services business unit, as well as combining the existing Economic Development and Tourism and Planning departments into one new Planning and Development division, only when opportunities arise through attrition.

The realignment of Archives under Legislative Services would enable the archives team to support broader corporate initiatives and more effectively connect their human resources to the organization, thus adding flexibility for managing staff capacity and resource leveling. This change may result in a financial impact to existing Clerk compensation and will be determined through the job evaluation process.

Additionally, combining the existing Planning and Economic Development and Tourism departments into one new Planning and Development division could result in the creation of a new Director level position to lead the division, resulting in ongoing annual compensation costs upon completion of a job evaluation.

The detailed rationale for these identified structure changes is included throughout the body of the report.

Implementation Roadmap

Implementation Activity	Recommendation	2022				2023				2024			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Move Community Emergency Management Coordinator (CEMC) function under Emergency Services	Short Term Implementation		■										
2. Forestry By-Law to be realigned under Provincial Offences business unit within Legal/Corporate Services	Medium Term Implementation					■							
3. New Business Analyst portfolio created focused on continuous improvement initiatives across the corporation under the IT business unit	Medium Term Implementation				■								
4. Move Archives under Legislative Services when opportunity arises through attrition	Long Term Implementation					Through Attrition							
5. Pursue a combined Development and Planning department, amalgamating Economic Development and Tourism and Planning functions into one business unit, when opportunities arise through attrition	Long Term Implementation									Through Attrition			

Project Overview

KPMG

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Introduction

The County of Perth ("the County") is an upper tier municipality within Perth County, located in south-western Ontario. The municipality has a population of 38,066 and is 2,218 square kilometers in size. The municipality is governed by a Warden, Deputy Warden and eight councillors, who are drawn from the Councils of the four member municipalities. The municipality is led by a CAO and leadership team, and consists of the following departments:

- Office of the CAO, which includes Economic Development and Tourism, Planning and Development, and Human Resources, and Emergency Management

- Paramedics Services

- Public Works

- Legal/Corporate Services, which includes Legal, Legislative Services, Finance, Information Technology and GIS, Provincial Offences Court Administration, and Archives

The County's organizational structure has not undergone an organizational review to validate design in quite some time. New additions to the County staff team are high performing and the organization needs to level set. The County leadership desire an approach to problem solving that is methodical and academic, and want to develop the capability and tools to implement improvements internally.

This final report of the County of Perth Organizational Review was prepared to review current organization design and service delivery. The summary of findings provides the foundation for possible opportunities to improve the overall effectiveness and efficiency of current organizational structure, processes, and service delivery model explored in this report.

The staff engagement throughout the engagement, and activities completed to date include:

✓ 9 individual interviews with County of Perth senior leadership and management team

✓ 2 Individual interviews with County Warden and Deputy Warden

✓ 6 focus group sessions with front line staff across Finance, Economic Development and Tourism, Archives, Planning, Provincial Offences, GIS/IT and Legislative Services

✓ Review of documentation that was made available to KPMG; and,

✓ Benchmarking of County of Perth services to municipal comparators using available financial data and organizational structure information.

✓ Facilitating 8 key business process mappings sessions with more than 20 County staff and stakeholders

✓ Facilitating 2 high level organizational design workshops with Project Team

✓ Facilitating 1 detailed design workshop with Project Team

Project Scope

Phase One: Current State Analysis

- Project Sponsor / Project Manager Meeting
- Kick Off Meeting with Project Team
- Documentation review of org charts, strategic plan, job descriptions and staffing levels, inventory of current programs and services, any other relevant documents
- Stakeholder consultation in the form of Interviews and focus groups with key County leadership (e.g. Mayor and Deputy Mayor, CAO, Directors and Managers, etc.) as selected by the Project Team, and an online survey for municipal staff
- Jurisdictional review, including benchmarking analysis of financial statements, Financial Information Returns (FIRs), census data, and services of comparator municipalities

Phase Two: Process Mapping

- KPMG will lead a series of process mapping working sessions involving front line and supervisory staff for key internal process jointly identified by the Project Team and KPMG.
- KPMG will train County staff in process mapping using lean methodologies so that the County's in-house continuous improvement capabilities are strengthened and the mapping work can continue post project.

Phase Three: High Level Organizational Structure

- Half-day working session with Project Team to establish 5-6 design principles to be used to guide decision making when developing structure options.
- Once the high-level structure options have been refined, KPMG will facilitate another half-day working session with the Project Team to evaluate each structure option against the design principles.
- The Project Team will meet once more in this phase for a two-hour session facilitated by KPMG with the objective of confirming the optimal structure and portfolio mandates.

Phase Four: Detailed Organizational Structure

- Design optimal structure at the divisional level, through a series of small focus groups with outputs including design of roles, work alignment, distribution of responsibilities, Full Time Equivalent (FTE) allocation and span of control within each department.
- KPMG will develop a high level implementation plan and recommendations in support of the Organizational Management Structure Review
- KPMG will facilitate a final half day session with the Project Team to review and enhance the organization design recommendations, implementation plan, and validate KPI's

Phase Five: Final Report and Presentation

- KPMG will consolidate the feedback received from the Project Team and will prepare a final report for presentation to Council.
- KPMG will attend the Committee and/or Council meeting as required to present the Final Report.

Work Plan

Work Plan

This engagement commenced on September 15, 2021, and will be completed when the draft final report is presented to County Council on March 3, 2022. The diagram below depicts the key phases as outlined in the Project Charter.

Phase 1 Current State Analysis	Phase 2 Process Mapping	Phase 3 High Level Organizational Design	Phase 4 Detailed Organizational Structure	Phase 5 Final Report and Presentation
1. Collect relevant information on current organizational structure, roles and responsibilities, methods of service delivery. Conduct stakeholder engagement exercises, and survey 4 comparator municipalities to benchmark County structure, services and performance.	**2.** Conduct process mapping session of 8 key internal processes, and identify improvement opportunities with implementation plans.	**3.** Develop and evaluate structure options, and develop recommended structure, including mandates for the major portfolios within the recommended structure.	**4.** Work with stakeholders to design an optimal structure at the department level, and develop high level implementation plan and recommendations.	**5.** Develop and present a final report with an implementation plan and recommendations.

High Level Organizational Design

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Introduction

Introduction

KPMG worked with the Project Team to develop structural options for the organization at a high level. Over a period of two half-day working sessions, we selected design principles to assist in the evaluation of the options, constructed three functional organizational design models and ultimately selected the preferred model. KPMG and the Project Team gathered for an additional working session to confirm the detailed design and departmental portfolios.

Working Session #1

Development of Structure Options:

KPMG facilitated a half-day working session with the Project Team to facilitate the development of 5 to 6 design principles to be used to guide decision making in the development of structure options. These design principles formed the criteria against which the various structure options were evaluated. In addition, the Project Team constructed a handful of structure options by aligning functions into work streams. During this process, the Project Team identified the benefits and drawbacks related to each option paying particular attention to current service levels, fiscal considerations and legislative operational levels. KPMG supplemented this analysis with our experience in organizational design, particularly in the municipal government setting.

Working Session #2

Evaluation of Structure Options and Selection of Preferred Model:

Once the high-level structure options were refined, KPMG facilitated another half-day working session with the Project Team to review the findings from the current state analysis and evaluate each structure option against the key findings and design principles developed in the earlier working session. Through this analysis, the Project Team worked to identify an optimal structure option, refined it as needed, and began to develop mandates for the major portfolios within the recommended structure. The project team then confirmed the optimal structure and identified refinements and detailed design considerations.

Working Session #3

Confirmation of Detailed Design and Review of Draft Report:

KPMG incorporated the Project Team's refinements and enhancements to the selected model and produced the detailed design, illustrating the optimal structure at the departmental level and create a high level implementation plan. Design recommendations as well as process improvement recommendations and an implementation roadmap have been consolidated into this final report.

Common Organization Design Pitfalls

"The organization is not an end in itself; it is simply a vehicle for accomplishing the strategic tasks of the business. A well-designed organization helps everyone in the business do her or his job effectively. A poorly-designed organization (or an organization by default) creates barriers and frustrations for people both inside and outside the organization." - Paul Galbraith

Observations	Implications
Organization design efforts often begin and end just with a structure chart.	Creating just structure charts is insufficient with respect to effective governance and collaboration within the organization and across boundaries. And it is inadequate if you want people to adopt new accountabilities, responsibilities and ways of working.
Many organizations evolve without conscious design choices from a holistic perspective.	Piecemeal tweaks over time can result in structures that become inefficient, with unclear accountabilities and suboptimal working relationships.
Creating an effective 'lean' organization doesn't happen by chance.	Focusing an organization on primary outputs and deliverables, and helping reduce non value-added activities is a common objective. However, lean organizations do not exist by chance. They have to be deliberately designed.
Today's organizations compete in rapidly changing environments.	Leadership should constantly rethink how their business is designed and how it can achieve and sustain increased levels of performance. No matter what is driving change, more rigor needs to be applied to ensure that structures, processes, systems, and capabilities all support the objective.
Organization design can become a political compromise – undertaken to find jobs for existing people.	Senior teams need an opportunity to work outside of the current conventions, politics and mindsets to start again.

Design Principles

Organization design is the deliberate process of configuring structures, processes, and people practices to create an effective organization capable of achieving the organization's identified strategy. **_Form Follows Function_** - strategy drives structure; processes are based on structure; and structures and processes define the implementation of people practices. Structure is just one of several levers to be 'pulled' in organizations to optimize performance. Effective organization design considers all of the following: strategy, structure, processes & systems, people practices, and culture.

Criteria

Design principles form the criteria against which to measure the organization design.

Efficiency

Design principles should reflect a focus on efficiency. An organization is efficient if it is doing things in a way that maximizes utilization of resources.

01

02

03

04
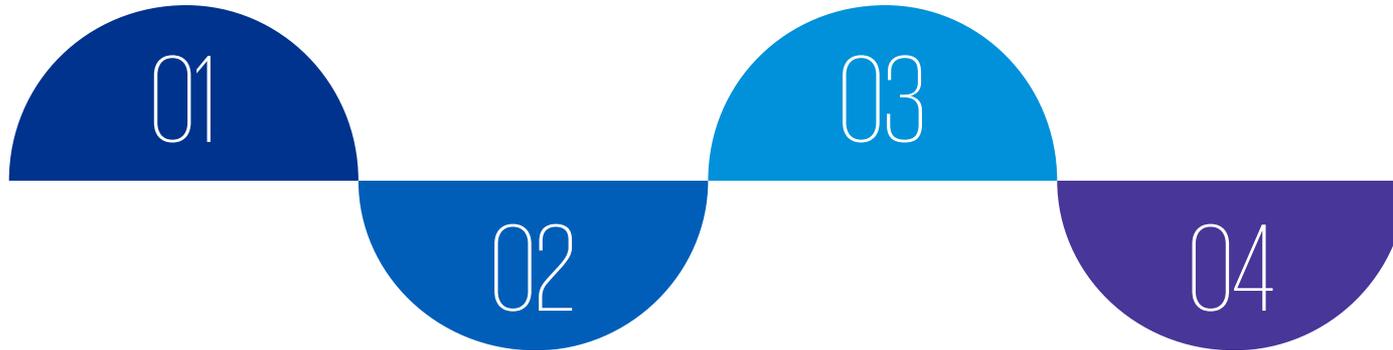
Effectiveness

Design principles should reflect a focus on effectiveness. An organization is effective if it is doing the right things to achieve its mandate and vision.

KPIs

Design principles should reflect desired performance (success measures).

Organizational Design Success Measures

Success Measures are the drivers of performance. Organizations must employ methods and procedures that are measurable. Declaring success is difficult if there is nothing in place that can be measured to show proof of that success. The project team identified how various stakeholders in the organization will measure success of this organizational review. KPMG has recommended specific metrics and key performance indicators (KPI's) for the selected success measures in the recommendations and implementation section of the report.

Organizational Design Success Measures

Three key criteria must be met in order to ensure that measures are critical and meaningful:

1. The information must be critical to the success of your company or organization.

2. It must be measurable and quantifiable.

3. A baseline must be established in order to measure progress or changes.

The Stakeholder	How they will measure success:
Council	✓ Is it logical – does it make sense? ✓ Validation that what management is doing is working ✓ Ownership of Council idea/priorities and follow up and execution ✓ Not incurring significant cost ✓ Design that supports responsive service delivery to lower tiers and positive feedback from lower tier CAOs ✓ Appropriate amount of information provided to Council to educate them on organization operations and priorities ✓ Positive feedback from staff
Senior Leadership	✓ Communication – keeping people informed and managing outcomes ✓ Communication – collaboration and input from/with staff ✓ Validating and follow through on opportunities identified by staff during stakeholder consultations and process mapping
Staff	✓ Staff feel valued and heard and acknowledged ✓ Work-Life balance
External Partners	✓ Process redesign and implementation efforts ✓ Clarity in what the County is doing and lower tier responsibilities
Citizens	✓ Efficient delivery of services ✓ Excellent customer service and response ✓ Easy, accessible information and communication of County services and role ✓ No increase in taxes or fees

Leading Practice in Design Principles

1. Minimal number of layers from top to bottom of organization
2. Spans of control/accountability /influence/support are appropriate

16. Organization designed around strategy and process not individuals
17. Similar capabilities are appropriately grouped

3. Customer-focused
4. Responsive to customer needs
5. Enables innovation

12. Each role has clear responsibilities and accountabilities
13. Right behaviours are encouraged and unacceptable behaviours discouraged
14. Performance management enables 'line of sight' from group strategy to individuals' objectives
15. People report to next grade above them

Structure

Products & Services

Design Principles

People

Process

Governance & Systems

6. No process has a 'single point of failure' or bottleneck
7. Resources are focused on value within the value chain
8. There are minimal hand-offs along the process
9. Right tasks and processes are aligned to the line or support

10. Communication is effective and efficient
11. People can get the right information to make the right decisions at the right time

Leading Practice in Design Principles

18. **Form follows function** – Build an organization around its role and purpose – not around its people.

19. **Single points of accountability** – There will be clear, well-defined accountabilities and decision-making authorities, supporting the concepts of single points of accountabilities for results

20. **Future growth and change** – Organize to be flexible and adaptable to future growth and service needs.

21. **Span of control** – Span of control should be as broad as possible without sacrificing efficiency. However, there is a limit to the number of positions one person can effectively be responsible for.

22. **Specialization** – The activities for which a single individual is held accountable should be similar.

23. **Simplicity** – The organization should be kept as simple as possible.

24. **Layers of supervision** – The number of levels of authority should be held to a minimum.

25. **Decision making** – The organization design should facilitate effective and timely decision-making in support of day to day operations.

26. **Decentralize/centralize** – What to centralize and decentralize depends on the nature of the work being performed and the objectives of the organization relative to its customers and stakeholders. As a very general rule, decentralize customer-facing work and centralize enabling system work.

27. **Consistent with strategic direction** – The overall organizational design should support the vision, direction and strategic priorities.

28. **Customer driven** – The design of the organization should be accessible, responsive and easily understood by the customer.

29. **Balance in scale and scope** – The scale and scope of operations across each layer in the organization should be comparable in terms of operational, political and financial complexity and risk.

30. **Minimal organizational disruption** – The preferred organization design should help minimize the potential service disruptions to the customer.

31. **Reasonable workload** – The organization should be designed to balance reasonable workload, the ability to keep promised deadlines, and provide high service levels.

Design Principles Worksheet (Consensus)

The project team selected the following principles from **Leading Practices in Design Principles** on the previous pages to assist in the evaluation of the structure options. These design principles were used to guide decision making in the development of structure options and formed the criteria against which the various models were evaluated.

Rank	Design Principle	Points
1	**Decision Making** • People get the right information to make the right decisions at the right time • Effective and timely decision making • Responsive to client needs	14
2	**Process** • Resources are focused on value within the value chain • The right tasks and processes are aligned to the line support required • Decentralize/centralize –decentralize customer-facing work and centralize enabling system work.	10
3	**Strategy** • Performance management enables 'line of sight' from group strategy to individuals' objectives • Enables Innovation – flexible and adaptable • Organization designed around strategy and process not individuals	6
4	**Performance Management** • Right behaviours encouraged and unacceptable behaviours discouraged • Each role has clear responsibilities and accountabilities	5
5	**Communication is effective and efficient**	5
	Total	**40**

Structural Options and Development

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Structural Options & Development
Summary of High Level and Detailed Organizational Structure Items to Consider

During our current state analysis, KPMG collected relevant information on current organizational structure, roles and responsibilities, and methods of service delivery. Nine individual interviews with County of Perth senior leadership and management team, two individual interviews with County Warden and Deputy Warden, and six focus group sessions with front line staff across Finance, Economic Development and Tourism, Archives, Planning, Provincial Offences, GIS/IT and Legislative Services were completed to engage with a significant number of staff throughout the project.

This summary of findings from our current state analysis provided the foundation for possible opportunities to improve the overall effectiveness and efficiency of the current organizational structure, processes, and service delivery model for the County. The design items for consideration as result of our consultations are included below.

Design Items for Consideration:

1. Opportunity to more similarly align span of control across the SMT.

2. Opportunity to reduce the size of the SMT to create efficiencies in decision making and increase focus on strategic initiatives.

3. Opportunity to decrease number of direct reports to the CAO to create additional capacity for CAO to focus on highest-value work.

4. Opportunity to leverage existing resources to provide for administrative support for CAO and SMT.

5. Opportunity to increase synergies between Human Resources and Finance functions to create some efficiencies.

6. Opportunity to create standardized nomenclature regarding Director and Manager titles for roles.

7. Opportunity to consider Forestry By-Law Enforcement location in organizational structure and financial allocation within budget.

8. Opportunity to examine operations and resources in Provincial Offences due to timing of pending retirements.

9. Opportunity to examine resourcing and existing skill sets in Archives to support broader organizational needs.
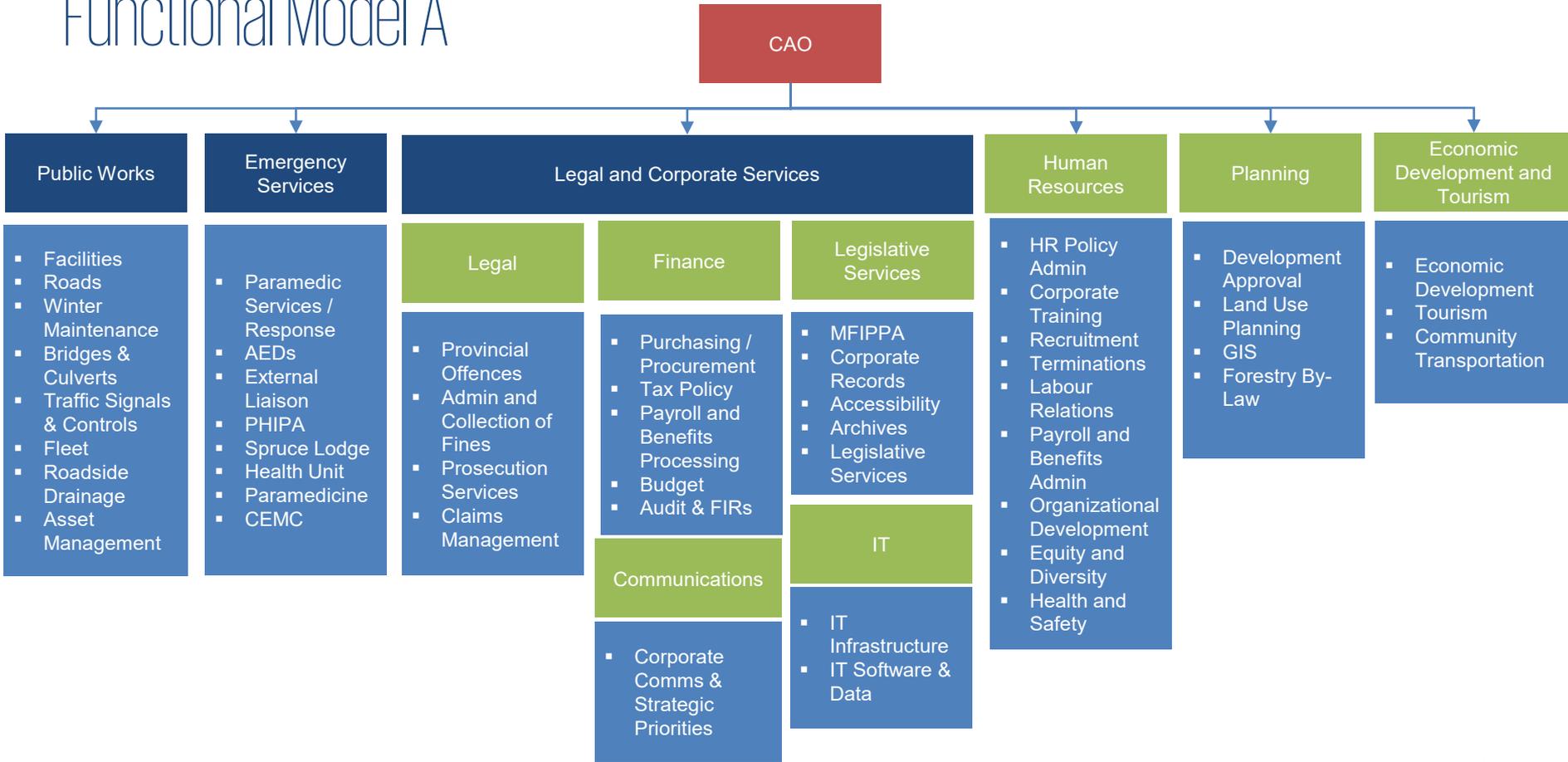
Organization Types Comparison Chart

ORGANIZATION TYPE	ADVANTAGES	DISADVANTAGES	USE WHEN
FUNCTIONAL A functional structure is organized around major services/activity groups Ex: animal control, property standards, policy, communications, smoking enforcement	• Knowledge sharing within unit • High functional specialization • Efficiency & economies of scale • Standardization	• Limited decision making capacity • Communication across functions is difficult • Coordination across functions is difficult • Less responsive to end user needs	• Single line of business • Common standards are required • Highly regulated • Core capability is based in functional expertise or economies of scale
PRODUCT/PROGRAM A product structure is organized around products or programs Ex: public health, political response team, transportation, property standards	• Speed of product development cycle • Product excellence • Product diversification • Operating freedom	• Duplication of effort • Lost economies of Scale • Multiple customer points	• Product features are competitive advantage • Multiple products for separate market segments • Short product life cycles
CUSTOMER A customer structure is organized around market segments or specific customers Ex: students, traffic, home owners, businesses	• Customization • Relationship building • Solutions not just products	• Knowledge sharing is limited • Duplication of effort • Lost economies of Scale	• Buyers/customers have power • Customer knowledge is a competitive advantage • Rapid customer service is key • Rapid product cycles are key
GEOGRAPHIC A geographic structure is organized around physical location Ex: Rural, East Wards, West Wards, Centre County	• Responsive to regional customer needs • Relationship building • Selective centralization-decentralization	• Mobilization & sharing resources is difficult • Sharing knowledge is difficult • Multiple points of contact for clients • Internal competition for resources • Client relationships belong to who?	• Smaller efficient scale exists • High cost of transport • Just-in-time delivery is critical • Need to locate close to supply source

Organization Structure Analysis

ORGANIZATION TYPE	ADVANTAGES	DISADVANTAGES	USE WHEN
PROCESS A process structure is organized around major processes	• Process excellence • TQ (total quality) • Cycle time reduction • Continuous Improvement • Easy measurement • Cost reductions	• Coordination between processes is often difficult	• Short product life • Rapid development cycles • Cost reduction is critical
Matrix Matrix organizations are typically designed as a grid, or matrix, rather than in a traditional hierarchy. In other words, employees have dual reporting relationships - generally to both a functional manager and a service manager.	• Single point of interface for customer • Cross selling • Value-added systems & solutions • Product/service focused • Multiple distribution channels	• Internal competition for resources • Price disagreements • Customer needs disagreements • Conflicting metrics • More complex accounting	• Multiple service lines and multiple market segments • Global customers • Competitive advantage is in combined customer and product excellence

Functional Model A

CAO

Public Works

- Facilities
- Roads
- Winter Maintenance
- Bridges & Culverts
- Traffic Signals & Controls
- Fleet
- Roadside Drainage
- Asset Management

Emergency Services

- Paramedic Services / Response
- AEDs
- External Liaison
- PHIPA
- Spruce Lodge
- Health Unit
- Paramedicine
- CEMC

Legal and Corporate Services

Legal

- Provincial Offences
- Admin and Collection of Fines
- Prosecution Services
- Claims Management

Communications

- Corporate Comms & Strategic Priorities

Finance

- Purchasing / Procurement
- Tax Policy
- Payroll and Benefits Processing
- Budget
- Audit & FIRs

Legislative Services

- MFIPPA
- Corporate Records
- Accessibility
- Archives
- Legislative Services

IT

- IT Infrastructure
- IT Software & Data

Human Resources

- HR Policy Admin
- Corporate Training
- Recruitment
- Terminations
- Labour Relations
- Payroll and Benefits Admin
- Organizational Development
- Equity and Diversity
- Health and Safety

Planning

- Development Approval
- Land Use Planning
- GIS
- Forestry By-Law

Economic Development and Tourism

- Economic Development
- Tourism
- Community Transportation

Functional Model A:

- Moves Communications into Legal/Corporate Services
- Assigns CEMC function to Emergency Services
- Moves Archives to Legislative Services
- Moves GIS and Forestry By-Law from Legal/Corporate Services to Development and Planning

Functional Model A addresses the following design considerations:

- Opportunity to consider Forestry By-Law Enforcement location in organizational structure
- Opportunity to examine resourcing and existing skill sets in Archives to support broader organizational needs.
- Opportunity to more similarly align span of control across the SMT.
- Opportunity to decrease number of direct reports to the CAO to create additional capacity for CAO to focus on highest-value work.

Functional Model B

CAO
- Communications
- Strategic Priorities

Public Works
- Facilities
- Roads
- Winter Maintenance
- Bridges & Culverts
- Traffic Signals & Controls
- Fleet
- Roadside Drainage

Emergency Services
- Paramedic Services / Response
- AEDs
- External Liaison
- PHIPA
- Spruce Lodge
- Health Unit
- Paramedicine
- CEMC

Legal and Corporate Services

Legal
- Provincial Offences
- Admin and Collection of Fines
- Prosecution Services
- Claims Management

Finance
- Purchasing / Procurement
- Tax Policy
- Payroll and Benefits Processing
- Budget
- Audit & FIRs
- Asset Management

Legislative Services
- MFIPPA
- Corporate Records
- Accessibility
- Archives
- Legislative Services

IT
- IT Infrastructure
- IT Software & Data

HR
- HR Policy Admin
- Corporate Training
- Recruitment
- Terminations
- Labour Relations
- Payroll and Benefits Admin
- Organizational Development
- Equity and Diversity
- Health and Safety

Development and Planning
- Development Approval
- Land Use Planning
- GIS
- Forestry By-Law
- Economic Development
- Tourism
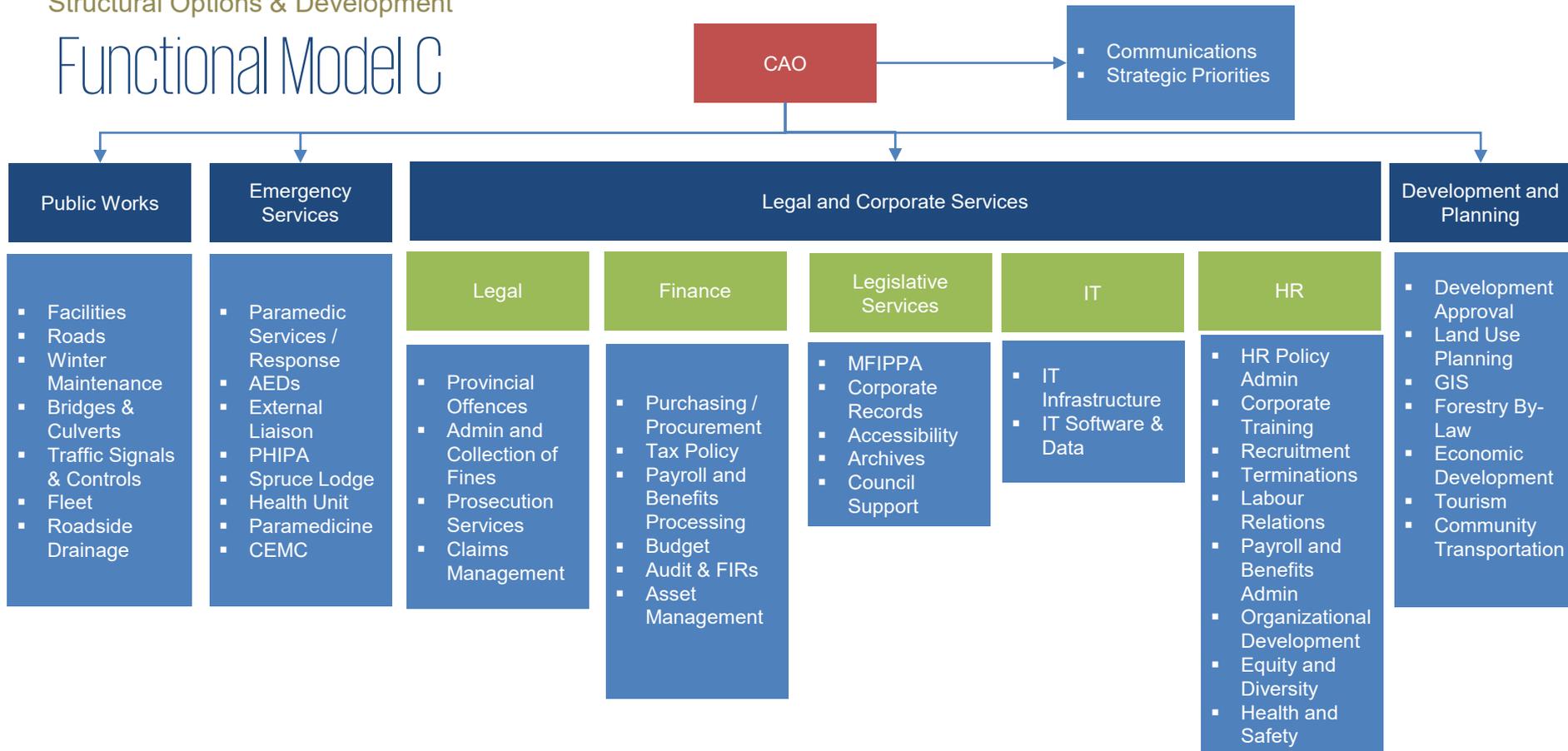- Community Transportation

Functional Model B :
- Relocates Asset Management into Finance
- Assigns CEMC function to Emergency Services
- Moves Archives under Legislative Services
- Moves GIS and Forestry By-Law from Legal/Corporate Services to Development and Planning
- Combines Economic Development and Tourism and Planning under new Development and Planning Department

Functional Model B addresses the following design considerations:
- Opportunity to reconsider Forestry By-Law Enforcement location in organizational structure
- Opportunity to examine resourcing and existing skill sets in Archives to support broader organizational needs.
- Opportunity to decrease number of direct reports to the CAO to create additional capacity for CAO to focus on highest-value work.
- Opportunity to reduce the size of the SMT to create efficiencies in decision making and increase focus on strategic initiatives.
- Opportunity to more similarly align span of control across the SMT.

Functional Model C

CAO

- Communications
- Strategic Priorities

Public Works

- Facilities
- Roads
- Winter Maintenance
- Bridges & Culverts
- Traffic Signals & Controls
- Fleet
- Roadside Drainage

Emergency Services

- Paramedic Services / Response
- AEDs
- External Liaison
- PHIPA
- Spruce Lodge
- Health Unit
- Paramedicine
- CEMC

Legal and Corporate Services

Legal

- Provincial Offences
- Admin and Collection of Fines
- Prosecution Services
- Claims Management

Finance

- Purchasing / Procurement
- Tax Policy
- Payroll and Benefits Processing
- Budget
- Audit & FIRs
- Asset Management

Legislative Services

- MFIPPA
- Corporate Records
- Accessibility
- Archives
- Council Support

IT

- IT Infrastructure
- IT Software & Data

HR

- HR Policy Admin
- Corporate Training
- Recruitment
- Terminations
- Labour Relations
- Payroll and Benefits Admin
- Organizational Development
- Equity and Diversity
- Health and Safety

Development and Planning

- Development Approval
- Land Use Planning
- GIS
- Forestry By-Law
- Economic Development
- Tourism
- Community Transportation

Functional Model C :

- Relocates Asset Management into Finance
- Assigns CEMC function to Emergency Services
- Moves Archives under Legislative Services
- Moves GIS and Forestry By-Law from Legal/Corporate Services to Development and Planning
- Combines Economic Development and Tourism and Planning under new Development and Planning Department
- Moves HR into Legal/Corporate Services

Functional Model C addresses the following design considerations:

- Opportunity to reconsider Forestry By-Law Enforcement location in organizational structure
- Opportunity to examine resourcing and existing skill sets in Archives to support broader organizational needs.
- Opportunity to increase synergies between Human Resources and Finance functions to create some efficiencies.
- Opportunity to reduce the size of the SMT to create efficiencies in decision making and increase focus on strategic initiatives.
- Opportunity to decrease number of direct reports to the CAO to create additional capacity for CAO to focus on highest-value work.

Option Evaluation

Functional model A was eliminated by the Project Team, and not evaluated for the following reasons:

- Concerns regarding ability to leverage GIS skills and services across entire corporation if moved into Planning and Development. It was the project team's desire to keep GIS in Legal/Corporate Services in order to facilitate optimization.

- Concerns regarding the ability to optimize the communication function within Legal/Corporate Services and increasing the span of control for the Director of Legal/Corporate Services, which is already quite broad. It was the project team's desire to keep Communications reporting directly to the CAO in order to leverage for both internal and external communications and strategic priorities.

- Functional model A did not address enough of the design considerations resulting from the current state analysis

The project team evaluated Functional Model B and Functional Model C against the selected design principles and the results of the evaluation are included below. Functional Model C resulted in a lower score as it did not facilitate Human Resources to function at arms-length from Legal/Corporate Services, thus limiting it's ability to operate independently and as a result, was determined to negatively impact the corporation. The project team selected a modified version of Functional Model B, identifying some refinements and enhancements to the model for implementation, which are outlined in the following section on Detailed Design.

Design Principle	Weight	Supported by Structure	
		Option B	Option C
#1 Decision Making	14	10	6
#2 Process	10	7	8
#3 Strategy	6	4.5	4
#4 Performance Management	5	4.5	3
#5 Communication	5	5	4
Total Score	40	31	25

Detailed Organizational Design

KPMG

County of Perth

Organizational Review

Final Report

Introduction

In this phase of the project, we drilled deeper into the recommended management structure emerging from the high level design in the earlier phase to define a detailed structure design at the departmental level. For each department identified in the recommended structure, KPMG worked with the project team to design an optimal structure for each department. This was accomplished through a detailed design working session and analysis that focused on analyzing the following:

- Work effort required to carry out functions and processes

- Issues of over- and under-capacity in current business units

- The organizing and managing of work to meet the County's strategic plan

- Work flow and process handoffs

- Appropriate spans of control

- The skills and experience needed to carry out each function and process
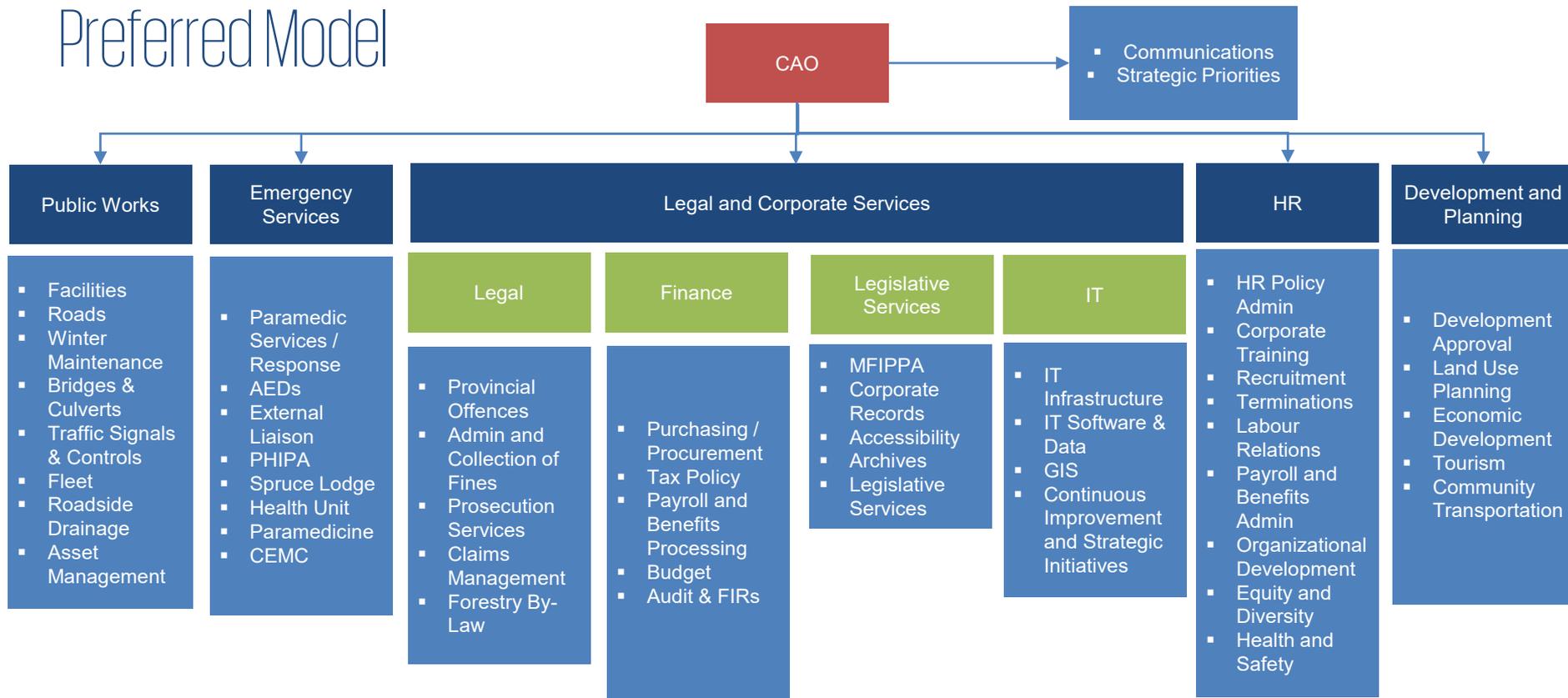
The output and analysis of this working session provided the evidence needed to inform the design of roles, work alignment, distribution of responsibilities, FTE allocation and span of control within each department.

The project team selected a modified version of **Functional Model B**, identifying the following refinements and enhancements to the proposed model for implementation:

- Asset management role will remain in Public Works, as this portfolio also includes engineering and operations functions. Long term, there may be an opportunity to relocate this position to Finance if Public Works current resource level changes.

- Forestry By-Law will remain in Legal/Corporate Services, however, will be restructured to report through the Provincial Offences business unit. This is consistent with the Provincial Offences portfolio of By-Law enforcement and Court Administration, and aligns with current financial operations for allocation of revenue paid out to member municipalities through the County's Court Services Provincial Offences program.

- GIS will remain in Legal/Corporate Services in order to facilitate the optimization of the function corporately and leverage GIS skills and services across entire corporation.

- Economic Development and Tourism and Planning functions will be combined into a new "Planning and Development" department and will be implemented over the long-term, when opportunities arise through attrition.

- The opportunity to restructure the IT business unit to create an opportunity for a Business Analyst portfolio that could be focused on continuous improvement initiatives for the corporation.

Preferred Model

CAO

→ ▪ Communications
▪ Strategic Priorities

Public Works

- Facilities
- Roads
- Winter Maintenance
- Bridges & Culverts
- Traffic Signals & Controls
- Fleet
- Roadside Drainage
- Asset Management

Emergency Services

- Paramedic Services / Response
- AEDs
- External Liaison
- PHIPA
- Spruce Lodge
- Health Unit
- Paramedicine
- CEMC

Legal and Corporate Services

Legal

- Provincial Offences
- Admin and Collection of Fines
- Prosecution Services
- Claims Management
- Forestry By-Law

Finance

- Purchasing / Procurement
- Tax Policy
- Payroll and Benefits Processing
- Budget
- Audit & FIRs

Legislative Services

- MFIPPA
- Corporate Records
- Accessibility
- Archives
- Legislative Services

IT

- IT Infrastructure
- IT Software & Data
- GIS
- Continuous Improvement and Strategic Initiatives

HR

- HR Policy Admin
- Corporate Training
- Recruitment
- Terminations
- Labour Relations
- Payroll and Benefits Admin
- Organizational Development
- Equity and Diversity
- Health and Safety

Development and Planning

- Development Approval
- Land Use Planning
- Economic Development
- Tourism
- Community Transportation

Preferred Model:

- Assigns CEMC function to Emergency Management

- Moves Archives under Legislative Services

- Restructure the IT business unit to create a Business Analyst portfolio focused on continuous improvement initiatives and strategic priorities across the corporation

- Moves Forestry By-Law within Legal/Corporate Services, under Provincial Offences

- Combines Economic Development and Tourism and Planning departments under new Development and Planning Division

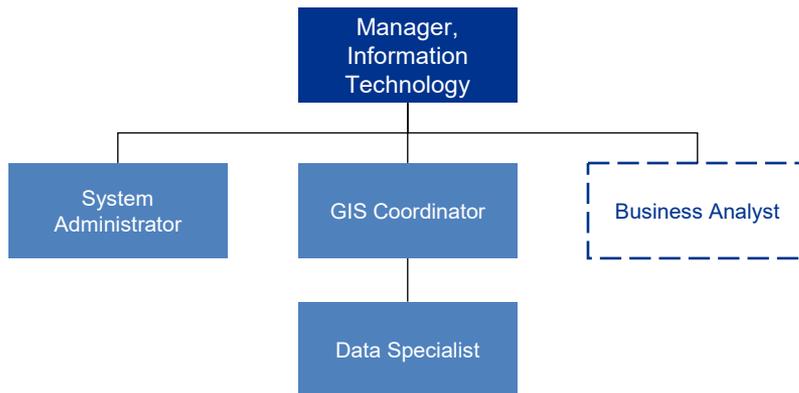**The Preferred Model addresses the following design considerations:**

- Opportunity to consider Forestry By-Law Enforcement location in organizational structure and financial allocation within budget

- Opportunity to examine resourcing and existing skill sets in Archives to support broader organizational needs.

- Opportunity to reduce the size of the SMT to create efficiencies in decision making and increase focus on strategic initiatives.

- Opportunity to more similarly align span of control across the SMT.

- Opportunity to decrease number of direct reports to the CAO to create additional capacity for CAO to focus on highest-value work.

Information Technology

Recommendations:

- Consider restructuring the IT business unit to create an opportunity for a Business Analyst portfolio that could be focused on continuous improvement initiatives for the corporation.*

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                    ┌─────────────────┐
                    │   Manager,      │
                    │   Information   │
                    │   Technology    │
                    └─────────────────┘
          ┌────────────────┼─────────────────┐
┌──────────────┐  ┌──────────────┐  ┌ ─ ─ ─ ─ ─ ─ ─ ┐
│   System     │  │     GIS      │    Business Analyst
│ Administrator│  │ Coordinator  │  └ ─ ─ ─ ─ ─ ─ ─ ┘
└──────────────┘  └──────────────┘
                         │
                  ┌──────────────┐
                  │     Data     │
                  │  Specialist  │
                  └──────────────┘
```

Rationale:

1. As identified in the 2019-2022 strategic plan, the County has prioritized Service Effectiveness and Customer Service Excellence, a component of which is effective and efficient service delivery, a culture of service excellence and a culture that supports on-going change and service enhancements. The creation of a Business Analyst portfolio or role would support the organization in embracing a culture of continuous improvement and service excellence. Through a position dedicated to process review and improving efficiency, the County will meet it's Service Effectiveness and Service Excellence goals as outlined in the strategic plan.

2. Maintaining the skills and capabilities of the GIS team within Corporate Service facilitates the optimization of these services across the corporation.

*We understand the County has engaged The Perry Group Consulting Ltd to develop a 5 year comprehensive IT and GIS Strategic Plan. The review will evaluate the current IT and GIS environments including division structure, governance models and staffing, and will document key issues and provide recommendations supported by assessment, comparisons to other municipalities, industry trends, and associated current and future technology requirements. We recommend our proposed changes to the IT business unit be considered within the context and outputs of that review.

Emergency Services

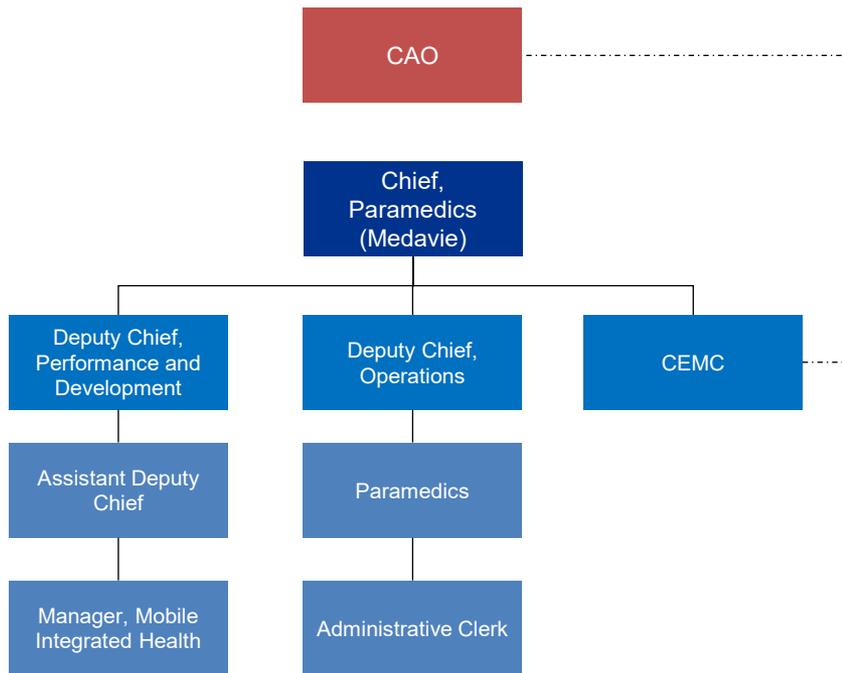**Recommendations:**

▪ Assigns CEMC function to Emergency Services Division

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                    ┌──────────────┐
                    │     CAO      │───────────────┐
                    └──────────────┘               │
                                                    │
                    ┌──────────────┐               │
                    │    Chief,    │               │
                    │  Paramedics  │               │
                    │  (Medavie)   │               │
                    └──────────────┘               │
            ┌──────────────┼──────────────┐        │
   ┌────────────────┐ ┌──────────────┐ ┌────────┐  │
   │  Deputy Chief, │ │Deputy Chief, │ │  CEMC  │──┘
   │ Performance and│ │  Operations  │ │        │
   │  Development   │ │              │ │        │
   └────────────────┘ └──────────────┘ └────────┘
   ┌────────────────┐ ┌──────────────┐
   │Assistant Deputy│ │  Paramedics  │
   │     Chief      │ │              │
   └────────────────┘ └──────────────┘
   ┌────────────────┐ ┌──────────────┐
   │ Manager, Mobile│ │Administrative│
   │Integrated Health│ │    Clerk     │
   └────────────────┘ └──────────────┘
```

Rationale:

1. Assigning the CEMC function to Emergency Services. This reassignment of aligns this portfolio with like portfolios across the corporation, creating efficiency in service delivery and support to member municipalities. It also reduces the number of direct reports to the CAO, creating capacity for the CAO to focus on their highest value work and strategic priorities.

2. CEMC to Emergency Services supports design opportunities identified through the current state analysis, to reduce the size of the SMT to create efficiencies in decision making and increase focus on strategic initiatives and well as more similarly align span of control across the SMT.
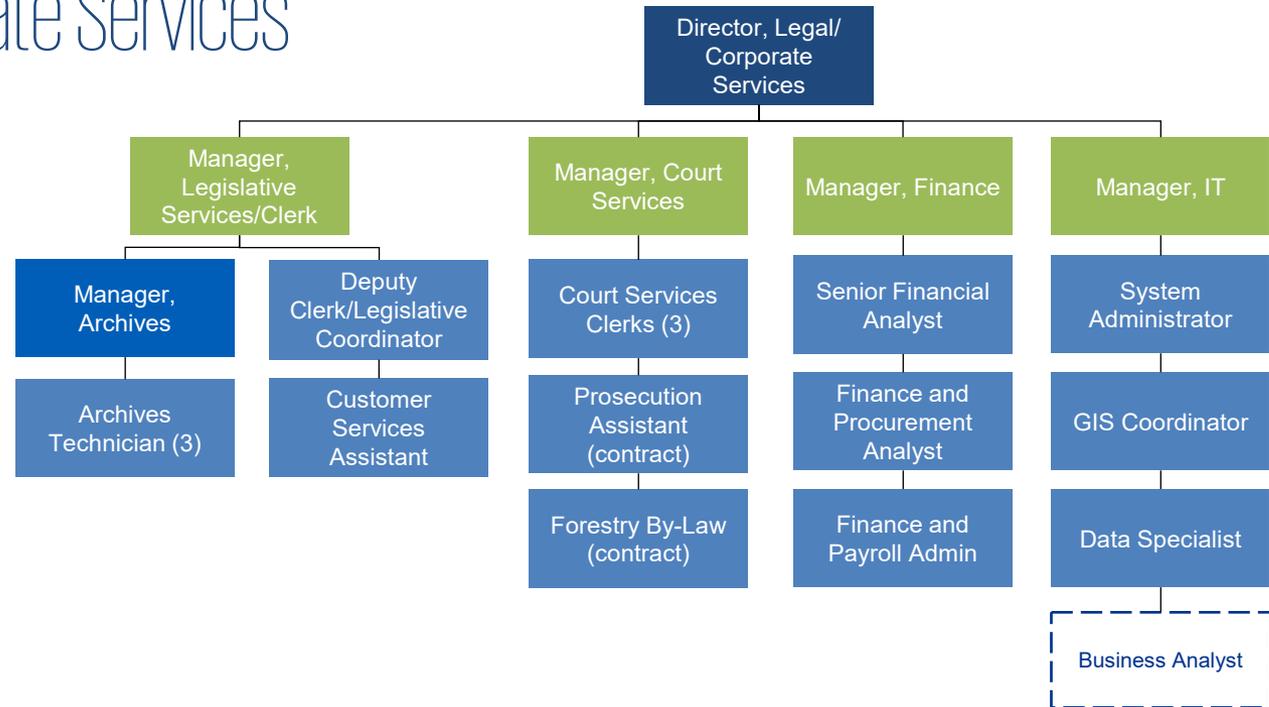
Legal and Corporate Services

Recommendations:

- Move Archives under Legislative Services when opportunity arises through attrition
- Move Forestry By-Law within Legal/Corporate Services, under Provincial Offences

Director, Legal/ Corporate Services

- **Manager, Legislative Services/Clerk**
  - Manager, Archives
    - Archives Technician (3)
  - Deputy Clerk/Legislative Coordinator
    - Customer Services Assistant
- **Manager, Court Services**
  - Court Services Clerks (3)
  - Prosecution Assistant (contract)
  - Forestry By-Law (contract)
- **Manager, Finance**
  - Senior Financial Analyst
  - Finance and Procurement Analyst
  - Finance and Payroll Admin
- **Manager, IT**
  - System Administrator
  - GIS Coordinator
  - Data Specialist
  - Business Analyst

Rationale:

1. Our current state analysis identified the opportunity to examine resourcing and existing skill sets in Archives to support broader organizational needs. Realigning the Archives function under Legislative Services will enable the talented archives team to support broader corporate initiatives, more effectively connect their human resources to the organization, thus adding flexibility for managing staff capacity, and, in particular, help to support the multi-year corporate transition to electronic document management.

2. Forestry By-Law will remain in Legal/Corporate Services, however, will be restructured long-term to report through the Provincial Offences business unit. This is consistent with the Provincial Offences portfolio of By-Law enforcement and Court Administration and aligns with current financial operations for allocation of revenue paid out to member municipalities through the County's Court Services Provincial Offences program.

Planning and Development

Recommendations:

- As opportunities arise through attrition, we recommend the County pursue long-term efforts to combine Economic Development and Tourism and Planning into new Division titled "Development and Planning"
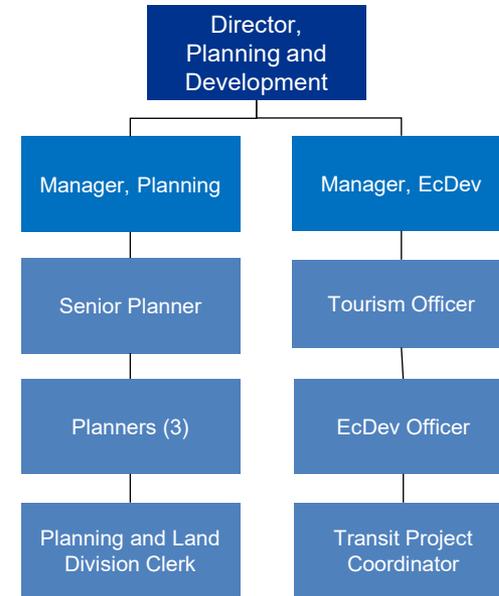
```
                    ┌──────────────────┐
                    │    Director,     │
                    │  Planning and    │
                    │  Development     │
                    └──────────────────┘
              ┌───────────────┴────────────────┐
    ┌──────────────────┐              ┌──────────────────┐
    │ Manager, Planning│              │  Manager, EcDev  │
    └──────────────────┘              └──────────────────┘
    ┌──────────────────┐              ┌──────────────────┐
    │  Senior Planner  │              │  Tourism Officer │
    └──────────────────┘              └──────────────────┘
    ┌──────────────────┐              ┌──────────────────┐
    │   Planners (3)   │              │  EcDev Officer   │
    └──────────────────┘              └──────────────────┘
    ┌──────────────────┐              ┌──────────────────┐
    │ Planning and Land│              │ Transit Project  │
    │  Division Clerk  │              │   Coordinator    │
    └──────────────────┘              └──────────────────┘
```

Rationale:

1. Combining current stand-alone departments of Economic Development and Tourism and Planning will align similar portfolios across the corporation, creating efficiency in service delivery and consistent support to member municipalities, as well as combine mandates to work collaboratively to meet the growth, community development and planning goals outlined in the strategic plan. It also reduces the number of direct reports to the CAO, creating capacity for the CAO to focus on their highest value work and strategic priorities.

2. Restructuring existing departments to create a combined Planning and Development division will support the 2019-2022 strategic plan goals of Growth and Economic Development and Community Development Planning, and allow the County to leverage these combined resources to generate momentum, retain focus, and flex resources to support Perth County growth in agriculture and economic viability, as well as support the framework to ensure growth is responsible and supports the aspirations of the County as a whole, where residents can enjoy exceptional quality of life.

3. Combining Economic Development and Tourism and Planning supports design opportunities identified through the current state analysis, to reduce the size of the SMT to create efficiencies in decision making and increase focus on strategic initiatives and well as more similarly align span of control across the SMT.

Summary of Organizational Changes

Department	Position	Change	Financial Impact
Recommended short-term and medium term changes 2022-2023			
Legal/Corporate Services	Business Analyst (new)	Create Business Analyst portfolio to focus on continuous improvement initiatives across the corporation.	Unknown at this time*
Emergency Services	CEMC	Realign CEMC portfolio from currently reporting directly to CAO to Emergency Services department	No impact
Legal/Corporate Services	Forestry By-Law	Forestry By-Law contractor will be realigned within the Legal/Corporate Services department to report through the Manager of Court Services	No impact
Recommended long-term changes 2023-onward			
Legal/Corporate Services	Archives	The Manager of Archives, and 3 Archives Technicians will be realigned within the Legal/Corporate Services department to report to the Manager, Legislative Services/Clerk. This change may result in a financial impact to existing Manager/Clerk compensation, pending results of job evaluation.	TBD
Economic Development and Tourism	All	Combine Economic Development and Tourism functions with Planning functions into new Planning and Development division	No impact
Planning	All	Combine Economic Development and Tourism functions with Planning functions into new Planning and Development division	No impact
Planning and Development	Director of Planning and Development	Create Director level role to lead new Planning and Development Division. The financial impact for this new role would be determined upon completion of a job evaluation.	TBD

*Financial impacts of new Business Analyst portfolio are unknown until completion of The Perry Group review. It is recommended that any changes to the IT business unit align with outputs from The Perry Group report.

KPMG

Recommendations and Implementation

County of Perth

Organizational Review

Final Report

Recommendations and Implementation
Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

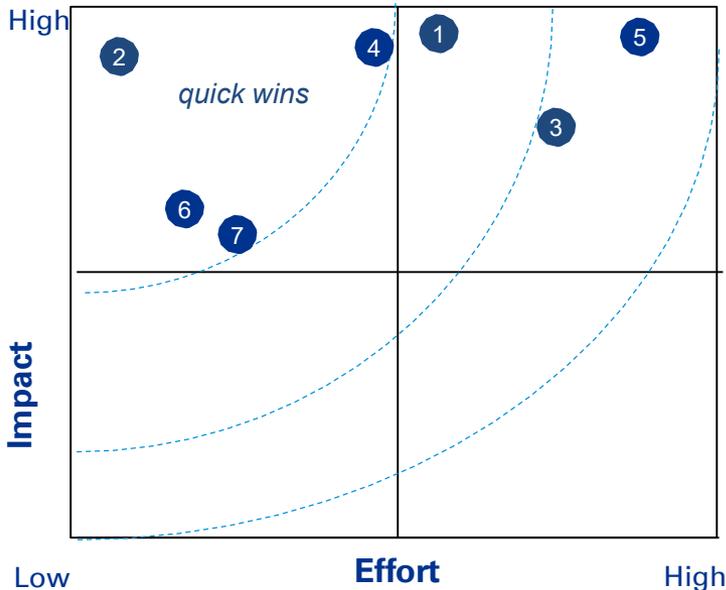| Ref No.	Observation	Recommendation
1	KPMG worked with County staff to complete a process review for 8 key business processes and identify opportunities to eliminate waste and create efficiencies. The County selected a number of staff members to become "Continuous Improvement Change Champions" and to participate in each session so knowledge transfer could occur from consultant to staff. These exercises and training sessions have created a solid foundation for the County to continue to pursue service effectiveness and service excellence, identified as priorities in the 2019-2022 strategic plan, and there is significant potential for increased efficiencies and added capacity to be found across the corporation with continued investment in this portfolio.	The creation of a Business Analyst portfolio or role within the IT Business Unit would support the organization in embracing a culture of continuous improvement and service excellence. Through a position dedicated to process review and improving efficiency, the County will meet it's Service Effectiveness and Service Excellence goals as outlined in the strategic plan. Considerations for this change should align with the findings from The Perry Group's review and the development of the 5-year IT and GIS strategic plan. The new continuous improvement portfolio could be added to an existing role and/or augmented with additional support dedicated to the department.
2	The CEMC role is currently reporting directly to the CAO. Reducing the number of direct reports for the CAO to focus on their highest-value work was identified as a priority design consideration from our current state analysis.	Assigning the CEMC function to Emergency Services aligns this portfolio with like portfolios across the corporation, creating efficiency in service delivery and consistency in support to member municipalities. It also reduces the number of direct reports to the CAO, creating capacity for the CAO to focus on their highest value work and strategic priorities. We understand there is no contractual or financial impact from this change on the existing contract with Medavie.
3	Our current state analysis identified the opportunity to examine current resourcing and existing skill sets in Archives to support broader organizational needs. We understand the Archives team is well resourced, and has diverse skillsets that could be leveraged to support additional work in the corporation in similarly aligned functions.	Realigning the Archives function under Legislative Services will enable the talented archives team to support broader corporate initiatives, more effectively connect their human resources to the organization, thus adding flexibility for managing staff capacity, and, in particular, help to support the multi-year corporate transition to electronic document management. This opportunity to realign Archives under the Legislative Services is considered a long-term opportunity to be pursued as the opportunity arises through attrition with current Archive management.

Recommendations and Implementation
Recommendations

A summary of recommended changes to the organizational structure, business processes, people practices is as follows:

Ref No.	Observation	Recommendation
4	The Forestry By-Law function is currently completed by a third-party contractor. We understand the Forestry By-Law contractor reports directly to the Manager of Legislative Services/Clerk and is not currently aligned with other Provincial Offences operations within the organization.	We recommend Forestry By-Law is restructured long-term to report through the Provincial Offences business unit. This is consistent with the Provincial Offences portfolio of By-Law enforcement and Court Administration and aligns with current financial operations for allocation of revenue paid out to member municipalities through the County's Court Services Provincial Offences program.
5	Currently, the County's Economic Development and Tourism and Planning and Development functions operate as two stand-alone business units, with separate mandates, work plans, and priorities. Both of these departments report directly to the CAO and also participate in SMT.	We recommend combining current stand-alone departments of Economic Development and Tourism and Planning to align similar portfolios across the corporation, creating efficiency in service delivery and consistent support to member municipalities, as well as combine mandates to work collaboratively to meet the growth, community development and planning goals outlined in the strategic plan. It also reduces the number of direct reports to the CAO, creating capacity for the CAO to focus on their highest value work and strategic priorities.
6	There is lacking consistency across the organization regarding Manager and Director position titles and their corresponding portfolios.	We recommend that a consistent framework is established for the Manager and Director position titles and corresponding levels of responsibility, accountability, public profile, and breadth of portfolios be considered when establishing position titles moving forward. The County should use opportunities as presented through attrition to align the nomenclature regarding these roles within the organization.
7	We understand the County is currently lacking key performance indicators (KPIs) to measure organization success and service effectiveness.	Measuring how well you do your work and quality through the customers' lens, is a key to becoming a high performing organization. Gathering real time data on how staff are spending their time, and additional metrics on current service delivery outputs, can provide the road map required through continuous improvement to move toward a future state where KPIs are consistently being met.

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Prioritization of Suggested Actions

Suggested actions have been mapped for *impact vs effort* to help prioritize activities.

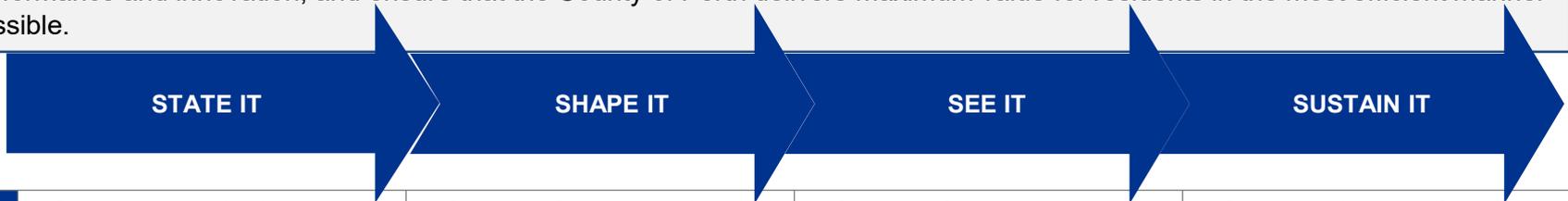## Suggested Actions

Impact (vertical axis: Low to High)
Effort (horizontal axis: Low to High)

quick wins

Chart plots items 1–7 on Impact vs Effort quadrants.

#	Suggested Action
1	Creation of Business Analyst portfolio within the IT business unit to focus on continuous improvement initiatives and strategic priorities across the corporation.
2	Assigns CEMC function to Emergency Management Division
3	Move Archives under Legislative Services within Legal/Corporate Services Department
4	Move Forestry By-Law under Provincial Offences within Legal/Corporate Services Department
5	Combine Economic Development and Tourism and Planning into one new Development and Planning department when opportunities arise through attrition
6	Establish framework for Manager and Director position title designations and retitle positions accordingly when opportunities arise through attrition
7	Establish organizational success and service effectiveness measures

Organizational Design for Performance (ODP)

The evolution of service provision required to meet the needs of County residents today, as well as the growth expected in the future, will require a proactive approach to organizational design. To optimize strategic capabilities and effective operations of the County, KPMG's ODP methodology applies Lean principles and tools to build the infrastructure to support this growth. Organizational structure assessments, change impact assessments, responsibility assignment matrices (RACI) and governance models, among others, deliver tangible results that will embed Lean within your methodologies and daily work, foster a culture of performance and innovation, and ensure that the County of Perth delivers maximum value for residents in the most efficient manner possible.

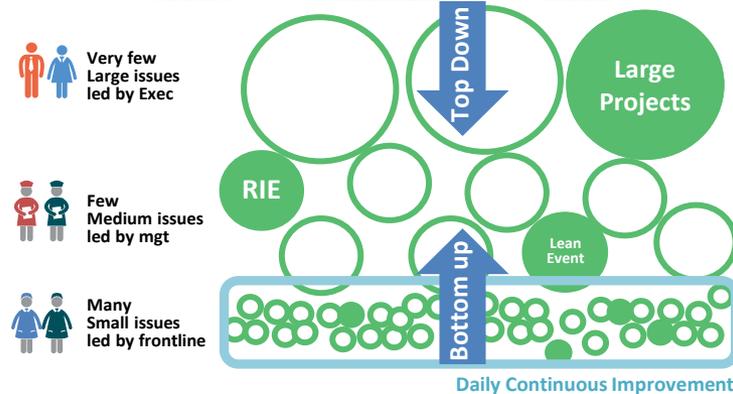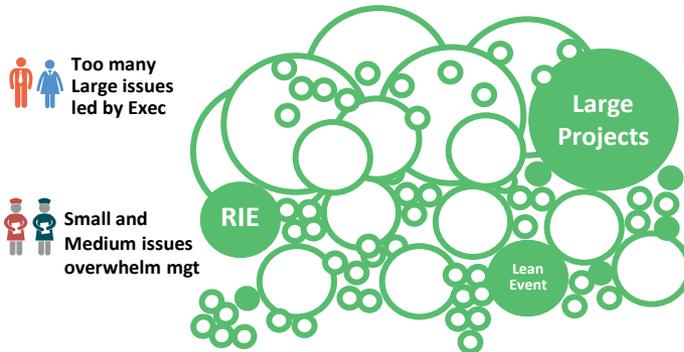|	STATE IT	SHAPE IT	SEE IT	SUSTAIN IT
ODP Objective	— State the current business context and future aspirations, opportunities and ambitions, and the critical success factors for the future	— Shape the future design by analyzing the current design, identifying the root causes of performance, and developing the aspirational high level design	— Shape the future design by analyzing the current design, identifying the root causes of performance, and developing the aspirational high level design	— Sustain the integrity of the design through detailed transition execution, and monitoring and measurement
Lean Objective	— Define the problem and the idea in terms of the target to achieve	— Collect relevant process data and identify cause-effect relationships and root causes	— Determine optimum solution and implement to eliminate root causes	— Establish standards and controls to sustain improvements in the long run
ODP Outcomes	— Client Context and Issue Assessment — Value Chain Articulation — Organization Design Capability Assessment — Future State Vision — Critical Success Factors — Design Constraints — Project Governance Model; Project RACI and Critical Decision Path	— Current State Baseline — Design Principles — Future State Options and Evaluation — Change Risk & Impact Assessments — Organization Design Key Performance Indicators (KPIs) — Macro Design Blueprint & Organization Design	— Work Activity and Sizing Analysis — Job Descriptions — RACI and Governance Model — Micro Organization Design — Micro Design Blueprint & Organization Design — Business Case (optional) — Workforce Transition Strategy — Role Impact Assessment — Workforce Transition Plan — Pilot Rollout Plan (optional)	— Revised KPIs For Future Evaluations — Continuous Improvement Recommendations — Development Plan — Mentoring Check-ins

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Becoming a More Sustainable Municipality

Many organizations/units strive to become more empowered and engaged through Lean process improvement. KPMG's Organizational Design for Performance will start the County on a path to process excellence, building lasting change and sustainable improvement.

The typical organisation

Too many Large issues led by Exec

Small and Medium issues overwhelm mgt

Large Projects

RIE

Lean Event

Adapted from: "The Toyota" Way Fieldbook, Liker and Meier and KPMG UK

The sustainable organisation

Very few Large issues led by Exec

Few Medium issues led by mgt

Many Small issues led by frontline

Top Down

Bottom up

Large Projects

RIE

Lean Event

Daily Continuous Improvement

- *Firefighting*
- *Repetitive work*
- *Low-performing*
- *Low morale*

- *Client focus*
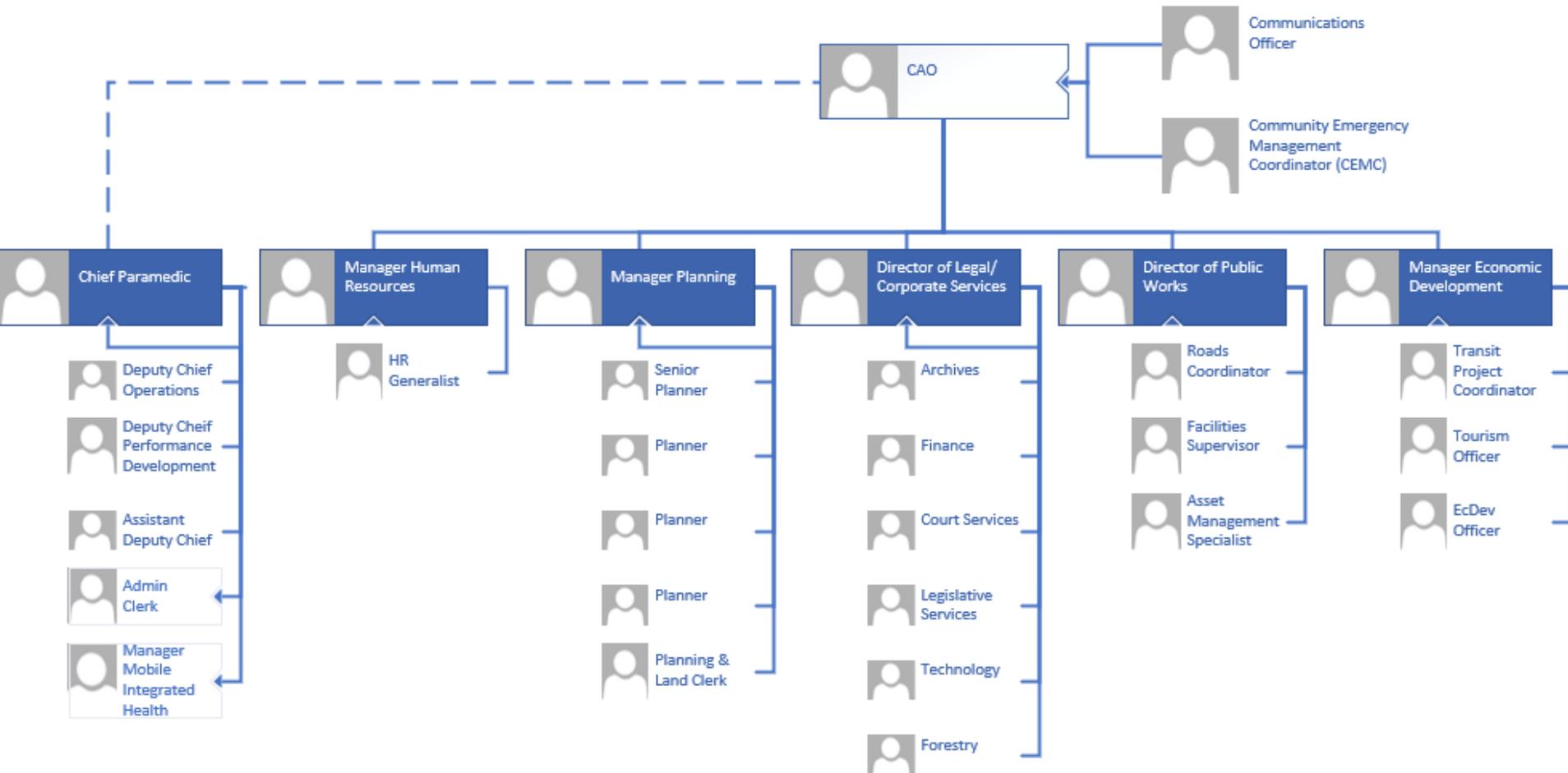- *Priority driven*
- *High-performing*
- *Inspired talents*

Appendix A: Current Organizational Structure

County of Perth

Organizational Review

Final Report
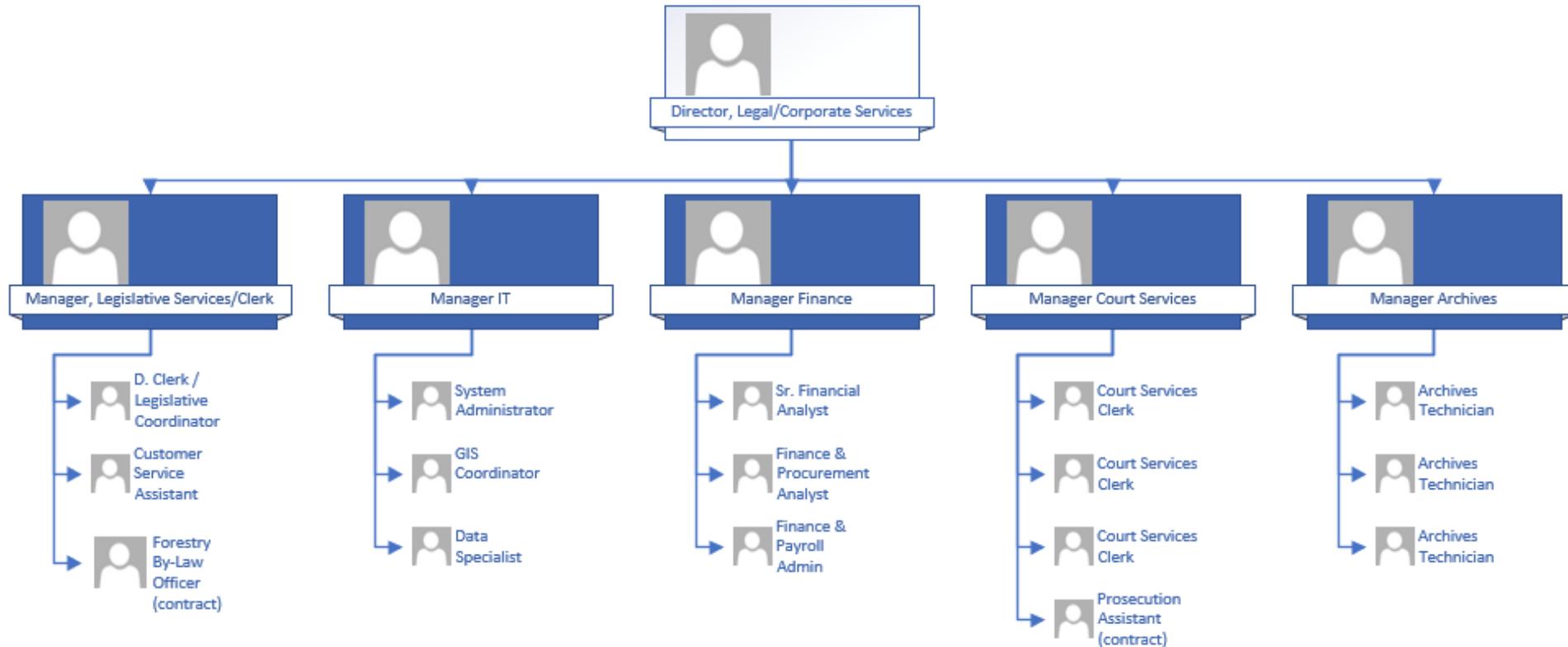
Current Organizational Structure

Structure

The current organizational structure can be seen below. Legal/Corporate Services roles have been identified separately on the next page.

Legal/Corporate Services Current Organizational Structure

Structure

Legal/Corporate Services Department:

KPMG

kpmg.ca