Agenda – Council – December 15, 2022

Report – Executive Policy Committee – December 7, 2022

Item No. 2 2023–2026 Continuous Improvement Review Plan and Progress Report

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 7, 2022, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That this report and attached plan be received as information.

2. That future continuous improvement initiative reporting be done through the Annual Report on the Innovation & Technology Project Portfolio presented to the Executive Policy Committee.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Executive Policy Committee – December 7, 2022

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 7, 2022, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

COUNCIL DECISION:

On December 15, 2021, Council concurred in the recommendation of the Executive Policy Committee, which included the following recommendation:

1. That the following recommendations with respect to the 2022 Preliminary Operating Budget be approved by Council:

    U. That, consistent with prior Council direction to the public service on July 18, 2019, the Chief Financial Officer and the City Auditor provide a progress report and implementation plan for the continuous improvement review to Council in 2022.

On July 18, 2019, Council adopted the following motion:

Moved by Councillor Klein,
Seconded by Councillor Gillingham,

WHEREAS a dedication to continuous improvement across all city departments is important to find efficiencies, control expenses, improve financial and business processes, ensure sustainability, improve customer service and maximize value for taxpayers

AND WHEREAS the implementation of a multiyear budget is an opportune time for the public service to develop a continuous improvement review plan for departments

AND WHEREAS there are a variety of improvement tools that exist that can be used

THEREFORE BE IT RESOLVED that the Executive Policy Committee Notice of Motion No. 1 on Zero Based Budgeting be amended be deleting the resolve and replacing it with the following:

Report – Executive Policy Committee – December 7, 2022

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

1. That the Chief Financial Officer with City Auditor review improvement tools, including but not limited to Lean Management, Zero Based Budget Review, operational reviews, International Organization for Standardization (ISO) and Control Self-Assessment to be used in developing a four year continuous improvement review plan to find efficiencies, control expenses, improve processes and customer service across city departments.

2. That the CFO and City Auditor submit a continuous improvement review plan, complete with targets, review tool per project, evaluation reporting timeline on improvements implemented and benefits achieved and associated budget as part of the 2020 multiyear budget.

ADMINISTRATIVE REPORT

Title: 2023–2026 Continuous Improvement Review Plan and Progress Report

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Giles D. Penner	T. Gooch	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

In July 2019, Council directed the Public Service and City Auditor to review improvement tools, and develop a four-year continuous improvement review plan for the City. This report provides the 2023–2026 Continuous Improvement Review Plan, progress since 2019, and an overview of continuous improvement tools.

For the purposes of this plan, continuous improvement is defined as the ongoing increase of effectiveness and efficiency in current service processes and outputs. The plan and progress report include information from all departments on their initiatives. Some initiatives can be clearly linked to specific service outcomes; these are included in this report. Some initiatives are important practices of improvement systems, but cannot be clearly linked to specific service outcomes (e.g. building an improvement mindset and building daily workspace cleaning habits into organizational culture). The plan includes only activities believed to create specific service outcomes and excludes daily improvement practices not linked to specific services.

Some components of continuous improvement methodologies affect the ability to concretely forecast which initiatives will be completed, and the benefits they will produce, far into the future. These components include:

- Improvement initiatives are driven by strategic priorities: as strategic priorities change, so will the initiatives undertaken to achieve them.
- Planning cycles are short, and demand driven: the initiative planning cycles for these systems also focus on the improvement at hand, without forecasting initiatives to be completed in the future.
- Measures are used to predict the benefits that initiatives will achieve. However, measures are often determined during an initiative, and not before (e.g. Six Sigma's "Define-*Measure*-Analyze-Improve-Control" cycle). This impacts the ability to select the most beneficial initiatives, and to predict the benefits they will achieve before they are undertaken.

The 2023–2026 Continuous Improvement Review Plan contains just over 100 initiatives, both in-progress and to be started, over the next four years. A full listing is provided in Appendix A.

The Public Service has also completed another 64 initiatives since 2019, which can be viewed in detail in Appendix B.

RECOMMENDATIONS

1. That this report and attached plan be received as information.

2. That future continuous improvement initiative reporting be done through the Annual Report on the Innovation & Technology Project Portfolio presented to the Executive Policy Committee.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

On July 18, 2019 Council directed:

1. That the Chief Financial Officer with City Auditor review improvement tools, including but not limited to Lean Management, Zero Based Budget Review, operational reviews, International Organization for Standardization (ISO) and Control Self-Assessment to be used in developing a four-year continuous improvement review plan to find efficiencies, control expenses, improve processes and customer service across city departments.

2. That the CFO and City Auditor submit a continuous improvement review plan, complete with targets, review tool per project [presented as “initiative” in this report], evaluation reporting timeline on improvements implemented and benefits achieved and associated budget as part of the 2020 multiyear budget.

Further, on December 15, 2021, Council adopted the 2022 Operating Budget Recommendation:

1.U. That, consistent with prior Council direction to the public service on July 18, 2019, the Chief Financial Officer and the City Auditor provide a progress report and implementation plan for the continuous improvement review to Council in 2022.

This report provides the results of the review of improvement tools, the continuous improvement review plan for the Public Service, and progress to date on this initiative.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no direct implications to the Recommendations of this report.

HISTORY/DISCUSSION

Continuous Improvement Review Plan: Progress-to-Date

On July 18, 2019, Council directed that the Chief Financial Officer and the City Auditor review continuous improvement tools and develop a four-year continuous improvement review plan across city departments. In December 2021, Council directed the Chief Financial Officer and the City Auditor to provide a progress report and implementation plan for the continuous improvement review to Council in 2022. This report addresses both of these Council directions.

Improvement tool research and coordinating the compilation of this plan were assigned to the Innovation and Technology Department (the Department) based on the alignment of this work with the department's business architecture function.

1. Definition of Terms

Different perspectives exist on the definition of "continuous improvement." Some definitions overlapped with definitions of "strategy," and some overlapped with definitions of "innovation." To create a common language for the purpose of this plan, the Department has established definitions of these concepts, below, that have been influenced by previous Administrative Reports, records of dialogue from Council and committee meetings, management theory, continuous improvement methodology guidance, the Corporate Strategic Plan 2021-2023, dialogue with department representatives across the Public Service, and language from the Public Service's core competencies for all employees of the City of Winnipeg. The following terms are defined:

Strategy: The course of action for achieving the targeted level of service to the public.

Innovation: An increase in service value received by the public.

Continuous Improvement: The ongoing increase of effectiveness and efficiency in current service processes and outputs (including red tape reduction).

Red Tape: Regulatory requirements that are unfair, unclear, overly prescriptive, poorly designed, redundant, contradictory, or antiquated.[1]

Figure 1, below, shows the relationships of these concepts to each other, and which types of initiatives fall under each category in general. Based on the overlap between *innovation* and *continuous improvement* initiatives, the Public Service recommends integrating future reporting between the Continuous Improvement Review Plan and the Innovation Program to reduce redundancies in reporting between these two change initiative portfolios.

[1] City of Winnipeg. Council. Executive Policy Committee. (2019, January 23). *Minutes – Executive Policy Committee – January 22, 2019. Reports. Item No. 9. Red Tape Reduction*. Retrieved from: http://clkapps.winnipeg.ca/DMIS/

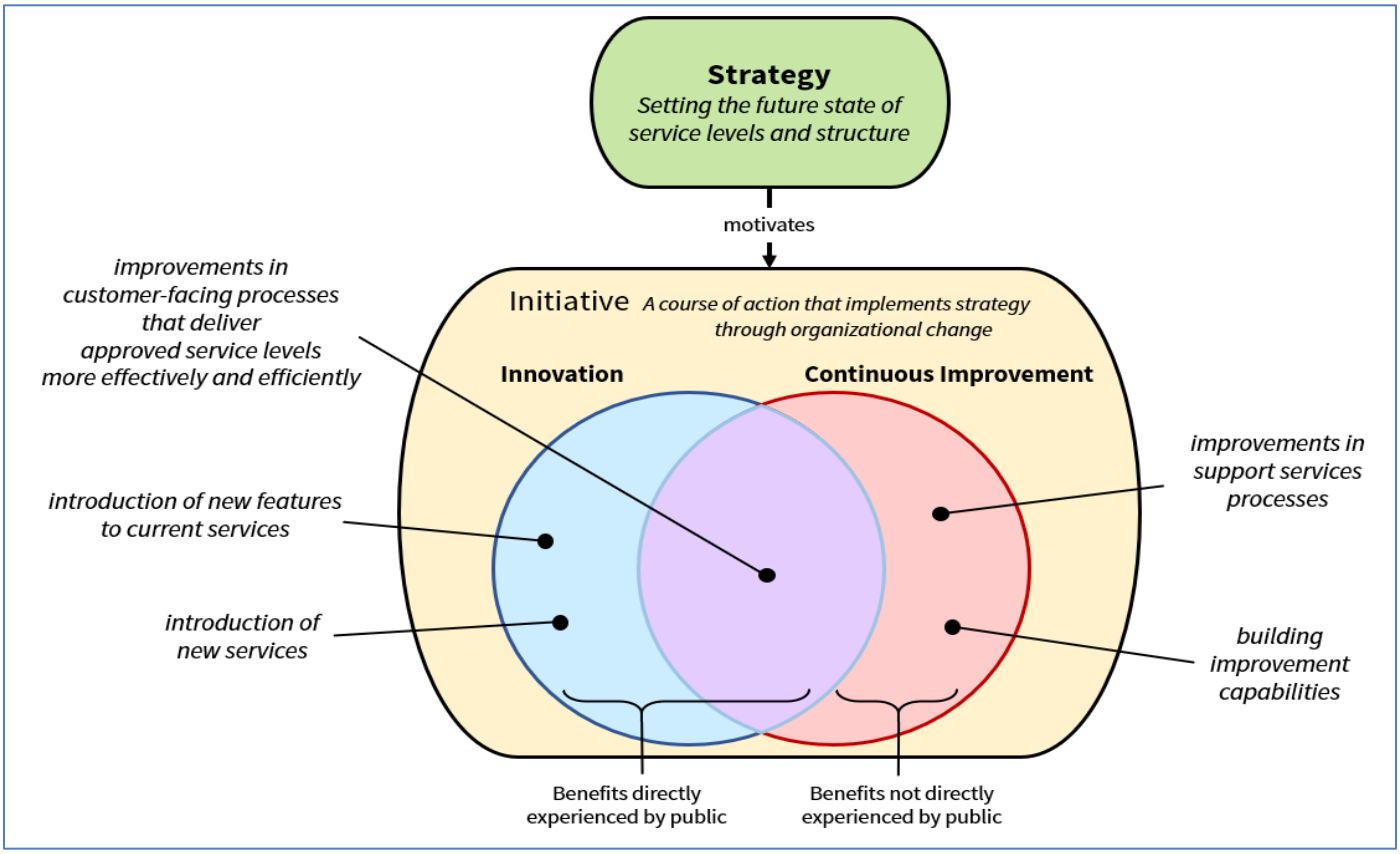


Figure 1: Relationships between Strategy, Innovation, and Continuous Improvement

2. Common Traits of Improvement Methods and Their Effect on the Plan

A range of improvement tools and toolkits have emerged since the 1980s and 1990s. As these toolkits have evolved, many have blended into each other, or have adopted practices from other toolkits that have fallen out of use over time (examples of blended toolkits include "Lean Six Sigma" and TLS). Appendix C, attached, provides more information on tools and toolkits that have appeared in past administrative reports, as well as several widely-adopted toolkits not previously noted.

All widely-adopted improvement toolkits have the following features:

Strategy-Based Initiative Planning – Improvement efforts are driven by strategy. Initiatives that do not align with an organization's strategy are considered wasted efforts. When strategy changes, improvement plans are reassessed to align with the new strategy.

Initiatives in the 2023–2026 Continuous Improvement Review Plan may change in future iterations to align with the upcoming Strategic Priorities Action Plan, or for other strategy changes as time goes on.

Holistic Organization Perspective – Improvement toolkits view organizations holistically, rather than as collections of siloed units. When changes are planned, the impact of a change in a unit is examined for its impact on the entire organization.

Initiatives in the 2023–2026 Continuous Improvement Review Plan have been compiled from the contributions of separate departments. These initiatives may change in future iterations of the plan based on the impact of near-term changes on other departments.

Short Results Cycles – Improvements are often planned and carried out in short cycles. This approach creates nimbleness for spreading favourable changes across an organization. It also allows for quicker response to unexpected negative impacts of changes. Under most methods, making too many changes at once can result in detrimental impacts across the organization. Further, planning changes too far into the future can result in wasted efforts (short results cycle examples include the "Plan-Do-Check-Act" Shewhart Cycle found in Total Quality Management, Lean, and Kaizen; the "Define-Measure-Analyze-Improve-Control" [DMAIC] cycle from Six Sigma; and The Five Focusing Steps from Theory of Constraints).

The 2023–2026 Continuous Improvement Review Plan is a four-year plan. Initiatives further out in the plan, however, are increasingly subject to change based on the results of initiatives nearer in the future.

Culture Change – Most improvement philosophies note that the tools in their toolkits will not be as effective if their entire frameworks are not engrained in the organizational culture. Some tools in widely-adopted toolkits (like Lean) are positive, but do not produce specific measurable benefits. For example, how does one measure the benefits realized by "adopting an improvement mindset" or determine the quantifiable benefits of keeping a clean and organized workspace? Some efforts spent building an improvement culture cannot be quantified in an initiative report.

As the Public Service compiled this plan, the Department heard about improvement efforts across the Public Service that could not be included in this report (as noted above). The Department observed a palpable excitement for growing improvement capabilities across the organization. While this report includes many improvement efforts – those efforts that can be separately planned, tracked, and reported on – it does not contain all of the improvement activities of the Public Service.

The effect of these improvement system features is that the 2023–2026 Continuous Improvement Review Plan only contains those initiatives that are separately identifiable, and well-suited for tracking realized benefits given the capabilities of the Public Service. The Plan also serves as a living document and is subject to change as strategic priorities change, and as impacts are determined from near-term change initiatives.

3. The 2023–2026 Continuous Improvement Review Plan – Development and Structure

Alignment with City of Winnipeg Strategy

The Public Service's continuous improvement efforts, including those in the Continuous Improvement Review Plan, contribute to the achievement of City of Winnipeg Leadership and Good Governance objectives and policies as outlined in the OurWinnipeg 2045 alignment section of this report.

This plan also contributes to the achievement of goals in the City's 2021–2023 Corporate Strategic Plan to:

- Identify, review and improve key city processes across the public service (Goal 2.1).
- Strengthen linkages between service level goals and their measurements to help communicate and drive performance (Goal 2.2).
- To improve communications with elected officials across departments (Goal 3.1).
- Improve the efficiency, effectiveness, and responsiveness of City services (Strategic Direction #4).

The Public Service also pursues continuous improvement by:

- Encouraging quick wins.
- Pursuing simplicity before automation.
- Prioritizing low cost improvements.
- Being tough on processes, while encouraging and developing people.
- Transcending departmental silos.
- Developing transferable improvements.

Roles and Responsibilities

Initiative Sponsor
Catherine Kloepfer, Chief Financial Officer
Initiative Advisors
Bryan Mansky, City Auditor Jason Egert, Acting City Auditor Michael Jack, Chief Administrative Officer Tyler Gooch, Director of Innovation & Technology Darren Penner, Manager of Architecture & Risk (Innovation & Technology) Jonathan Hildebrand, Manager of Strategic Planning
Plan Coordinator
Micheal Giles, Senior Business Architect (Innovation & Technology)
Plan Contributors
Dialogue on the plan and initiatives for the plan were provided by all Public Service departments.

Plan Structure

The 2023–2026 plan was created through the collective efforts of all City departments except for the Winnipeg Police Service due to its independent governance structure. Departments submitted their departmental initiatives to include in the plan. Innovation & Technology coordinated the collection and compilation of initiatives for the plan.

The plan shows:

- The department leading the initiative.
- The initiative's name and description of what is being done.
- The service(s) impacted by the initiative.
- The timeframe for initiative completion (where applicable) and the current stage the initiative is in. All initiatives that could extend beyond 2026 are shown as ending in 2026 to match the timeframe of the Continuous Improvement Review Plan.

In accordance with Council direction, the plan also provides:

- Improvement review tool(s) for each initiative.
- Targeted benefits for initiatives aligned to the categories defined by Council.
- Associated budgets.

The plan does not outline specific reporting timelines as all initiatives are intended to be reported in the Annual Report on the Innovation & Technology Project Portfolio.

Improvement Review Tools

The improvement tools for each initiative are provided in the plan. It is important to note that the Public Service is in the process of building its improvement capabilities across departments. Consistent with the discussions at previous Standing Policy Committee meetings, the Public Service continues to identify opportunities to invest in continuous improvement capabilities (such as Lean training). Some components of the Public Service are more familiar with these methodologies than others. For the current plan, descriptions of tools were provided to departments to determine the formal name of tools that best described the activities they performed in their initiatives.

Targeted Benefits

Targeted benefits are categorized by:

- Find Efficiencies (finding hidden capacity in operations)
- Control Expenses (decreasing expense trajectory)
- Improve Process (increase process performance metric)
- Improve Customer Service (increase quality metric experienced by customers)
- Build Improvement Capabilities[2] (build foundational components that increase improvement practice maturity)

Quantitative measurements are displayed where they have been provided by departments. Industry standards and recommended practices do not exist for long-range benefits forecasting for Lean and other widely-accepted systems. Where they are provided, the accuracy of estimated benefits will decrease the further into the future initiatives are scheduled to occur.

[2] This category was added to recognize the adoption of practices from management frameworks, such as the ISO 9000 Family of Quality Management Standards. These initiatives focus on capability rather than improving specific service processes or outputs.

Associated Budget

Budgets have been presented according to whether they fall within projected operational budgets (stated as “within existing operating resources”), within existing capital programs (capital program identified), and as standalone capital projects (project name and total project amount identified). Since the City does not have one specific methodology in place for all departments, budget figures are only presented for standalone capital projects.

Plan Summary

The plan contains just over 100 initiatives (both in-progress and to be started) over the next four years. Table 1, below, shows the breakdown of how many services the initiatives impact and the targeted benefit categories for each service.

We note that the column totals in Table 1 (next page) add up to more than over 100 initiatives in Appendix A. This illustrates the integrated nature of public services. Any one initiative may impact more than one service through its different components. Also, any initiative component may create more than one category of benefit. It is easier to read the table as describing the total initiative components that impact services and that create different categories of benefit, than it is to read it as a tally of whole initiatives.

Progress to Date

Appendix B provides a list of 64 initiatives that have been completed since 2019.

Service	Total	Targeted Benefit Category				
		Find Efficiencies	Control Expenses	Improve Processes	Improve Customer Service	Build Improvement Capabilities
311 Contact Centre	**1**	1		1	1	
Animal Services	**4**	1		2	1	
Assessment, Taxation & Corporate	**4**					4
Chief Administrative Office	**1**	1				1
City Beautification	**5**	2		2		2
Community Liveability	**7**	3		4	3	1
Customer Service & Communications	**1**	1		1	1	
Development Approvals, Building Permits & Inspections	**13**	1		5	8	1
Emergency Management	**1**	1		1		
Financial Management	**16**	4	4	7	2	11
Fire & Injury Prevention	**6**	2	2	3	1	
Fire & Rescue Response	**6**	2	2	3	1	
Fleet Management	**2**			1	1	
Human Resource Services	**12**	2		4	3	6
Indigenous Relations	**1**	1		1		
Innovation, Transformation & Technology	**3**	3		1		1
Insect Control	**4**			2		3
Land Drainage & Flood Control	**2**	2		2	1	2
Legal Services	**3**	1		2		1
Libraries	**3**				2	2
Medical Response	**2**	1	2	1		
Parking	**9**	3	1	5	1	
Parks & Urban Forestry	**6**			3	1	4
Property Asset Management	**3**	1	3		1	1
Public Transit	**11**	5	4	4	3	
Recreation	**4**			1	1	3
Recycling & Waste Diversion	**3**	1		1	1	2
Roadway Construction & Maintenance	**9**			6	2	7
Roadway Snow Removal & Ice Control	**9**	3		4	1	2
Solid Waste Collection	**4**	1	1	2	2	2
Solid Waste Disposal	**4**	1	1	2	2	2
Traffic Safety & Enforcement	**4**	1		2	1	
Transportation Planning & Traffic Management	**4**			2		3
Wastewater	**5**	3	1	4	4	2
Water	**8**	3	2	5	3	2
Total (Initiative Components)	**180**	**51**	**23**	**84**	**48**	**65**

Table 1: Service Impacts and Targeted Benefit Categories of Initiatives

FINANCIAL IMPACT

Financial Impact Statement

Date: October 20, 2022

Project Name:
2023–2026 Continuous Improvement Review Plan and Progress Report

COMMENTS:

There are no financial implications associated with the recommendations in this report.

Jason Duke - October 20, 2022
Jason Duke, CPA, CGA
A/ Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

- Assessment & Taxation
- Assets & Project Management
- Audit
- Chief Administrator's Office
- City Clerk's
- Community Services
- Corporate Finance
- Customer Service & Communications
- Human Resources
- Legal Services
- Planning, Property & Development
- Public Works
- Winnipeg Fire Paramedic Service
- Winnipeg Transit

OURWINNIPEG 2045 POLICY ALIGNMENT

This continuous improvement review plan contributes to achieving the following Leadership and Good Governance objectives of *OurWinnipeg 2045*:

1. Establish and implement priority actions through evidence-informed decision-making processes
3. Achieve community-responsive service delivery through an aligned, integrated, collaborative and results-oriented organizational culture

and is pursuant to the following Leadership and Good Governance policies:

1.1. Organizational Alignment
1.3. Integrated Service Planning and Outcomes
1.4. Integrated Knowledge and Resources
1.5. Evidence-Informed Decisions
1.9. Responsive Change Management
1.18. Responsive, Representative and Resilient Workforce

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Initiatives in Appendices A and B of this report align with and advance the following key directions of the Winnipeg Climate Action Plan as noted below:

Key Direction 1.4 – Encourage Sustainable Transportation Options

Winnipeg Fire Paramedic Service

- Heavy Fleet Procurement Idle Reduction Technology (Appendix A)

Key Direction 1.5 – Reduce Employee Vehicle Kilometers Travelled (VKT) and associated Greenhouse Gasses (GHG)

Water & Waste

- Advanced Metering System (Appendix A)

Winnipeg Fire Paramedic Service

- Use of Microsoft TEAMS in Stations for Training of Crews on Duty (Appendix A)

Key Direction 1.6 – Reduce Consumption and Increase Waste Diversion

Water & Waste

- Industrial Waste Services Management System Replacement (Appendix A)
- Digital Data Sampling in the Field (Appendix A)

Key Direction 2.2 – Develop Public Education and Awareness Campaigns Related to Sustainable Transportation

Winnipeg Transit

- Transit Plus Customer Guide (Appendix B)

Key Direction 3.1 – Increase Use and Efficiency of Public Transit Systems

Winnipeg Transit

- Running-time Analysis (Appendix B)
- New Scheduling System for Transit Plus (Appendix B)
- WINNpass Online Portal (Appendix B)

Key Direction 3.6 – Increase the Use of Electric Vehicles

Public Works

- Electric Vehicles & Charging (Appendix A)

Key Direction 5.1 – Increase Energy Performance of Existing Buildings

Assets & Project Management

- Retro-commissioning (Appendix A)

Key Direction 5.2 – Improve Energy Performance of New Buildings

Water & Waste

- NEWPCC Upgrades: Headworks Facilities (Appendix A)

Key Direction 6.4 – Support Integrated Resource Recovery Opportunities

Water & Waste

- Wastewater Overflow Prevention and Maintenance Program (Appendix A)

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Initiatives in Appendices A and B of this report align with and advance the following Actions in the Winnipeg Poverty Reduction Strategy Implementation Plan (2021 - 2023) as noted below:

Action 3.1: Equity, Diversity and Inclusion Strategy – Implement the recently adopted Equity, Diversity, and Inclusion (EDI) Policy and Strategy aimed at increasing employment opportunities for equity groups in all levels of the organization.

Action 3.2: Low Barrier Jobs – Begin to inventory and identify staff positions in all departments that have minimal pre-requisites and could be filled by people facing barriers to employment, starting with temporary vacancies under the CUPE collective agreement. Explore options for community partnerships that could be pursued as a pilot project which would target these jobs to people facing barriers and provide needed supports.

Action 3.3: Decrease Barriers for Youth Employment – Decrease financial barriers to low-income youth (in particular for Indigenous and newcomer youth) applying for jobs with the City of Winnipeg by partnering with targeted youth serving agencies to provide in-kind CPR/first-aid training (pre-requisites for many staff positions).

Action 3.4: Explore Fee Options for Criminal Record Checks – Explore options with the Winnipeg Police Service to conduct up to 200 Criminal Record Checks (CRC) each year, to be distributed by the Community Services Department and the Indigenous Relations Division, for low-income Newcomer and Indigenous youth seeking employment opportunities with the City.

Action 3.5: Bias Free Selection – Begin to review HR hiring practices and bias-free selection procedures in all City of Winnipeg recruitment processes, to ensure all new employees possess these skills upon employment.

Action 3.6: In-House WFPS Training to Diversify Recruits – Establish an in-house, part-time, Winnipeg-based WFPS training program to deliver fire fighter training to local Indigenous and newcomer residents, and develop partnerships to attract recruits, remove barriers to participation, and establish clear pathways to employment and a career with WFPS.

Human Resource Services

- Equity Diversity & Inclusion (EDI) Targeted Employment Program (Appendix A)

Action 6.1: Joint Application Process - Transit and Recreational Subsidies – Continue to implement a user-friendly joint application process for the Recreational Fee Subsidy and WINNpass (low income transit pass) programs to increase access for low-income residents.

Community Services

- Joint Application Process – Transit and Recreational Subsidies (Appendix A)

Action 6.3: Increased Communications of City Programs and Services – Strategically use communications tools to increase awareness of existing City programs and services that benefit people experiencing poverty.

Community Services

- Digital Displays at Additional Standalone Arena Facilities (Appendix A)

Action 6.16: Digital Divide - Free Public Wi-Fi Analysis and Increased Access – Undertake a gap analysis to increase the availability of free wi-fi hotspots through increased partnerships with internet providers, and prioritizing the location of hot spots in City facilities to those in areas of higher poverty with wi-fi service gaps.

Community Services

- Library Public Wi-Fi Expansion (Appendix B)

SUBMITTED BY

Department: Innovation & Technology Department
Division: Architecture & Risk Division
Prepared by: M. Giles, Senior Business Architect
Date: October 19, 2022
File No: N/A

Attachments:

Appendix A – 2023–2026 Continuous Improvement Review Plan

Appendix B – Initiative Progress to Date (2019–2022)

Appendix C – Brief Overview of Continuous Improvement Theory and Systems