



C2020-1215 Attachment 4

SAVE Program Approach and Results

2020 November 9





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This report illustrates the journey that the SAVE program has taken thus far. It includes the overarching steps, processes and timelines.

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To achieve our SAVE goal, the program followed a rigorous approach in opportunity identification and analysis, which involved stakeholder engagement, change and risk management, and various approval cycles.

Nov 2019 Apr 2020 May 2020 Jul 2020 Nov 2020



1. Program Mobilization

- ✓ Identified program goals and timelines and resourcing requirements
- ✓ Stood up processes related to change and risk management, and communications
- ✓ Onboarded consultants from Corporate Initiatives and EY

2. Idea Generation

- ✓ Identified and stood up various sources for idea gathering
- ✓ Identified idea vetting and approval processes

3. Opportunity Identification

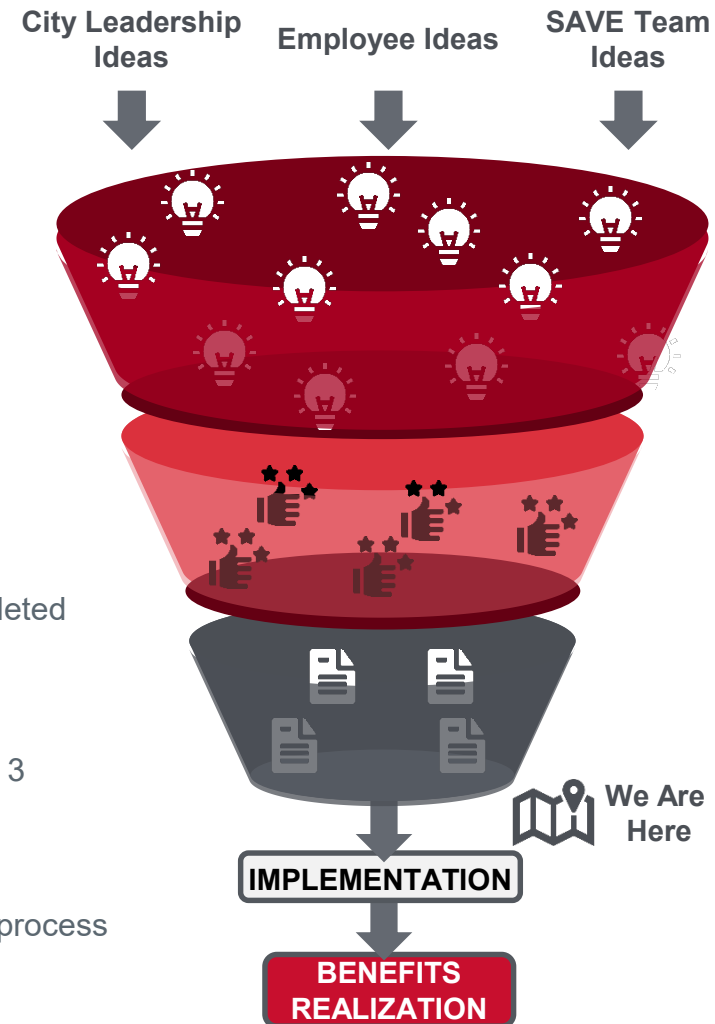
- ✓ Opportunities screened and consolidated and preliminary analysis completed
- ✓ Opportunities approved by ELT in 2020 July

4. Business Case Development

- ✓ Drafted business cases for select opportunities approved by ELT in Step 3
- ✓ Business cases to be presented to Council in 2020 November

5. Execute and Sustain

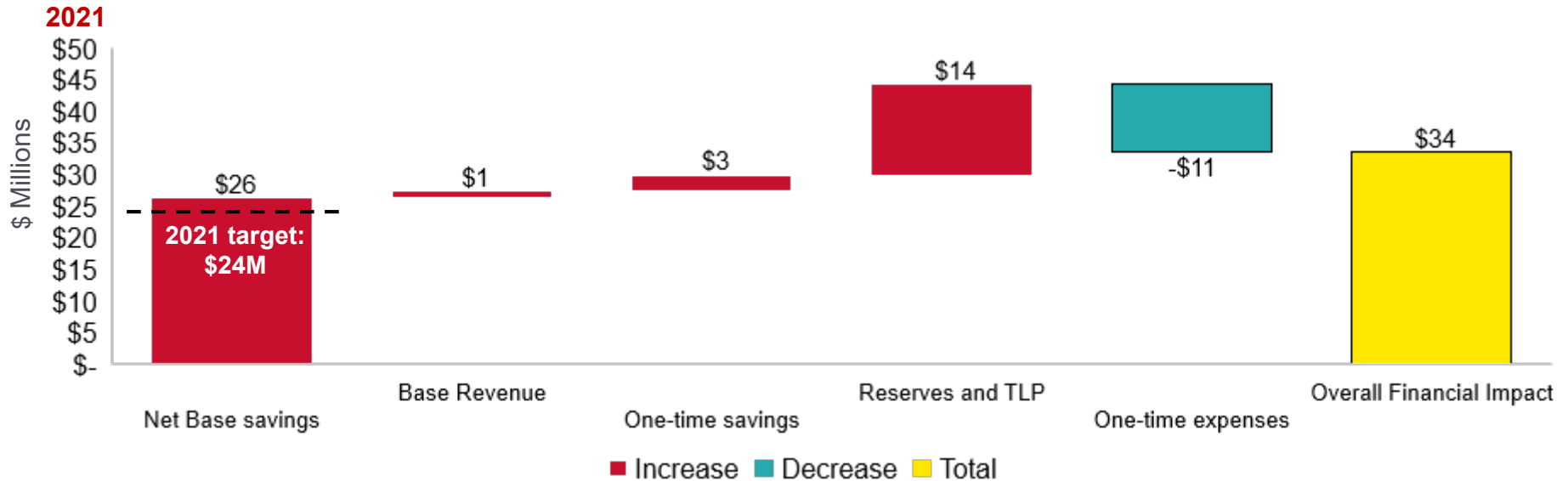
- ✓ Manage integration of business case adjustments into budget and MCA process
- ✓ Set up business units for successful implementation
- ✓ Draft wave 2 business cases





SAVE has Exceeded its 2021 Financial Target

SAVE has exceeded its mandate of identifying \$24 million in savings for 2021 and is on track to meet its Council-directed savings targets for 2022.



	2021 Financial Impact (\$000s)
Net Base Savings	\$26,401
Base Revenue	\$948
One-Time Savings	\$2,624
Reserve Funding (one-time; does not require budget adjustment)	\$4,400
Excess tax loss provision (one-time; does not require budget adjustment)	\$10,000
One-Time Expenses	-\$10,733
Overall Financial Impact	\$33,640



Program Mobilization

Program mobilization involved onboarding resources and standing up processes and tools that would support the team throughout the program.

Onboarding

The SAVE program on-boarded consultants from Corporate Initiatives to mobilize the program. This team identified the program requirements including resources, timelines and objectives. Additional support was solicited from EY, with resources onboarded in April.

Planning and governance

The program team stood up a reporting structure and a Project Management Office (PMO). Other functions such as Risk Management, Change and Communications, were also stood up to ensure the SAVE program adhered to The City's existing principles and frameworks.

Deliverables

Several deliverables were developed in the program mobilization phase:

- ✓ Program workplan
- ✓ Status reports and dashboards
- ✓ Program assessment memorandum
- ✓ Change and communications plan



The SAVE program sought diverse sources for idea generation as it is important that all business areas across The City work together to identify and realize savings from the SAVE program.

2526 ideas gathered

Ideas were gathered from **multiple sources** to ensure ideas came from all business areas across the organization, all employees were consulted, and that past work was leveraged. The SAVE program team compiled a Master Opportunities List from the following sources:



- ✓ Employee portal
- ✓ Interviews with managers across the organization
- ✓ Core Services Review led by EY
- ✓ Leading Practices Review
- ✓ Past Initiative Review (ZBRs)
- ✓ SAVE Team input
- ✓ One-on-one and small group interviews with Councillors

103 ideas presented to SAVE Leadership Team

Ideas were screened by the PMO, who determined which ideas should proceed to the SAVE Leadership Team, which ideas should be sent to existing project teams and which opportunities should not be considered further.



Like ideas that were selected to proceed were consolidated together. Opportunities were not selected to proceed if they were deemed to be not feasible within SAVE program timelines, or if there was no savings opportunity present.

56 ideas approved for opportunity phase

The SAVE Leadership Team reviewed all ideas that were selected to advance from the PMO, and voted Yes or No to each idea. The Yes ideas advanced to the opportunity phase.





Opportunity Statement Development

The intent of this phase of work was to identify the value, risks and resource requirements for each opportunity so ELT could make informed decisions on which opportunities to continue to pursue.

Approach

Approved opportunities were prioritized for development and assigned to a workstream:

- ✓ Cost Management
- ✓ Revenue Generation
- ✓ Modernization

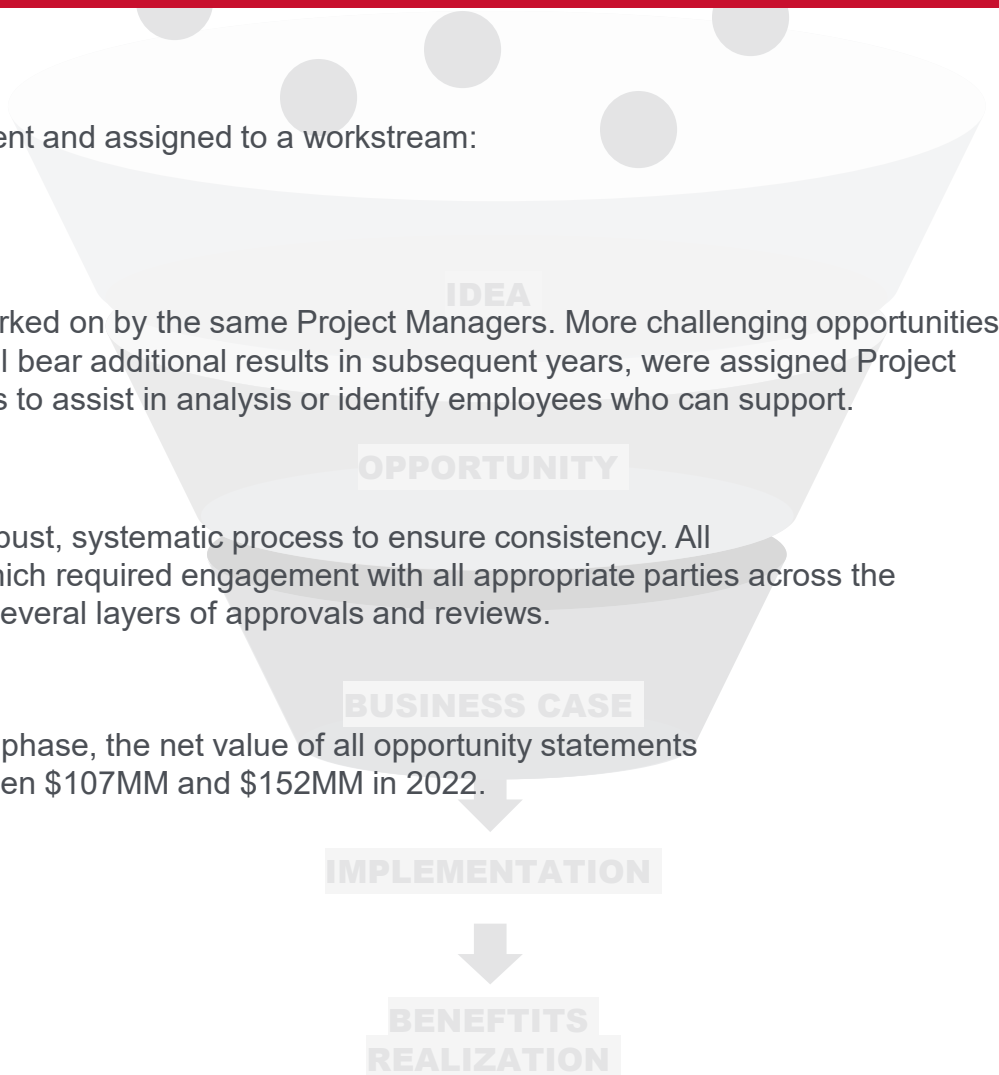
Like opportunities were grouped into 'families' and worked on by the same Project Managers. More challenging opportunities, including those that will take longer to develop and will bear additional results in subsequent years, were assigned Project Support. Project Managers engaged Project Sponsors to assist in analysis or identify employees who can support.

Rigour

Opportunity Statements were developed through a robust, systematic process to ensure consistency. All opportunities were analyzed to a Class 5 estimate, which required engagement with all appropriate parties across the business, external research and benchmarking, and several layers of approvals and reviews.

Value

By the end of the opportunity statement development phase, the net value of all opportunity statements was between \$16MM and \$53MM in 2021 and between \$107MM and \$152MM in 2022.





Business Case Development

The intent of this phase was to refine the savings and analysis of the opportunities, to clarify the associated benefits and risks, and to provide Council with a clear and thorough case for implementing the opportunity.

Approach

Opportunities that the ELT approved to proceed to business cases were prioritized based on estimated value and ease of implementation. The SAVE Leadership Team evaluated the availability of resourcing to complete all business cases, and split the business case development into two waves.

- ✓ Wave 1 business cases were set for immediate development.
- ✓ Wave 2 business cases were set aside as part of Contingency Planning, or for development following the completion of wave 1 business cases.

Rigour

The processes surrounding business case development were consistent, thorough and robust:

- ✓ In addition to the Workstream Leads, Project Managers worked closely with Subject Matter Experts in the areas of Finance, Human Resources, Change Management and Risk Management.
- ✓ The financial accuracy of the business cases range from Class 1 estimates to Class 3 estimates
- ✓ Significant engagement with experts across the organization, leading practice and benchmarking analysis, and in some cases, additional external Subject Matter Experts (procurement and automation).
- ✓ Level of rigour and detail and volume of consultation is much greater than would generally be done at this stage in comparable municipalities or private sector organization

Value

By the end of the business case development phase, the net operating impact of all business cases in 2021 is \$34M and the program is on track to meet its Council-directed savings targets for 2022



This phase requires the SAVE program team to work closely with the rest of the business to ensure savings are realized, and budgets are adjusted.

Integration

The SAVE program is one of many initiatives currently underway at The City. It was vital that the SAVE program team work closely with the teams of these other initiatives to ensure a consistent narrative was being told, that efforts were not duplicated, and that savings potentials were not being double-counted.

The SAVE program team managed these risks by coordinating with business units that are making their own mid-cycle budget adjustments. The SAVE program has shared the high-level descriptions of all business cases with business units to help ensure there was no duplication.

Implementation

While implementation considerations vary for each business case, the SAVE program followed specific principles :

- ✓ Accelerate savings through activity sequencing where possible and appropriate
- ✓ Consider and plan for resource requirements beyond the approval of the business case
- ✓ Thoughtful stakeholder management and change management
- ✓ Integrate additional analysis steps with those of other business cases where practical

Benefits Realization

The SAVE program used leading practice principles to guide the benefits realization process:

- ✓ Benefits are real and measurable
- ✓ Implementation in order to realize benefits is owned by the business
- ✓ Benefits are regularly tracked and monitored
- ✓ Benefits are governed wisely

