



Leadership Strategic Plan

2018 Progress Report

C2018-1440
Attachment 4

The story behind the Leadership Strategic Plan

In 2014, we took the pulse of citizens and City Council to determine where our efforts as a local government should be focused. City Council said they expect us to provide services in a coordinated and integrated way; to collaborate and work together as a team; deliver services with a citizen and customer-focused approach; provide a sustainable financial plan; and instill confidence and trust in all that we do. Citizens told us they want us to be mindful of spending; show value in the services we offer; invest in infrastructure; be transparent and accountable; and ask for their opinions before making decisions that affect the future of our city.

Citizens said they also want quality customer service through easily accessible channels. They expect our behaviours and our values to align with those of the community we live in and hold us accountable to meet those expectations on a daily basis. They want us to help out when our neighbours, locally, nationally and internationally are in need. They also expect us to monitor and respond at a moment's notice. These are the expectations of a modern municipal government.

Established in 2014, the Leadership Strategic Plan (LSP) helps us to intentionally manage a well-run city and to close the gap in expectations. It guides us toward becoming a modern municipal government through a change in our culture. The LSP is how we align the hopes, dreams and aspirations of the community and the direction we receive from Council.



We present our collective progress on pages 5 to 9 of this report for each of the focus areas. It is organized as follows:

1. High level **recent accomplishments**.
2. Headline performance measures to show **how we are doing**. Where available, baseline information for the measures show history (represented by a solid red line) and forecast (indicated by a dotted grey line). Anticipated changes are represented by a solid black arrow to depict where we can “turn the curve” on our performance.
3. **The story behind the numbers** describes the conditions, causes and forces at work that help explain the current and expected performance.
4. **What we propose to do** highlights initiatives planned or currently underway to advance success in the focus area.

Leadership Strategic Plan: Contract with Council

Approved by Council September 15, 2014 (C2014-0703)

- 1. Establish a cooperative and meaningful relationship with Council** (page 5)
 - Build a shared strategic agenda focused on Council priorities, through the City's Action Plan
 - Focus on results by establishing timely and meaningful reporting of accomplishments
 - Develop a corporate calendar aligned to the term of Council, and a new strategic agenda management process
 - Improve Council/Administration communications
- 2. Cohesive leadership culture and collaborative workforce** (page 6)
 - Engage and focus administrative leadership on the shared strategic agenda (Action Plan)
 - Reinforce a leadership culture that champions a respectful workplace and a progressive public service organization
 - Create more opportunities for leadership development and recognition
 - Maintain a supportive workplace, and promote an engaged workplace culture founded on:
 - our future for The City as a great place to work
 - a mission based on a well-defined public service mandate
 - the values of responsible and accountable public service
 - good government and sound management practices, including reducing duplication and eliminating redundancies
 - a progressive partnership with all Unions
- 3. Better serve our citizens, communities, and customers** (page 7)
 - Implement a performance management system including:
 - performance measurement
 - zero-based review and improvement
 - service based business planning and budgeting
 - integrated risk management
 - Individual performance evaluation
 - Provide a comprehensive strategy for citizen engagement and customer service delivery, including:
 - a philosophy of trust, communication, and participation
 - an overall 'citizen first' orientation for municipal public services to meet citizen needs
 - establish a 'One City' senior management mind set
- 4. Focus immediate and collective attention on planning and building a great city** (page 8)
 - Coordinate a corporate approach to strategic planning and investment
 - Integrate all planning and development activities, including
 - all City master plans with a comprehensive Growth Management philosophy,
 - alignment of municipal capital investment with strategic infrastructure requirements, in particular transportation and utilities
 - Work with all partners to build trust, and together address future growth related investment matters
- 5. Strengthen the Corporation's financial position** (page 9)
 - Update and implement The City's strategic financial plan that addresses immediate financial pressures, and meets longer term financial needs
 - Create an infrastructure investment strategy to fund essential infrastructure and close the current infrastructure gap, emphasizing return on municipal investment
 - Secure provincial commitment through City Charter negotiations and MGA review
 - Generate greater investment capital for infrastructure financing, and realign investment to current priorities
 - Rationalize City holdings by divesting of land
 - Redirect capital to align with The City's priorities

Road Map

Stage One: Organizational Stability

- Step 1: Articulate the Leadership Vision
- Step 2: Concentrate on Priorities
- Step 3: Establish Goals
- Step 4: Set Specific Objectives, Measures and Targets

Stage Two: Organizational Effectiveness and Economy

- Step 5: Align with Strategic Direction
- Step 6: Clarify Accountability
- Step 7: Enhance Organizational Development
- Step 8: Enable Service Integration
- Step 9: Build Organizational Flexibility
- Step 10: Focus on Customer Needs and Citizen Engagement
- Step 11: Balance Scope and Scale of Departments

Stage 3: Organizational Efficiency

- Step 12: Address Structural Efficiency
- Step 13: Strive for Cost Efficiency

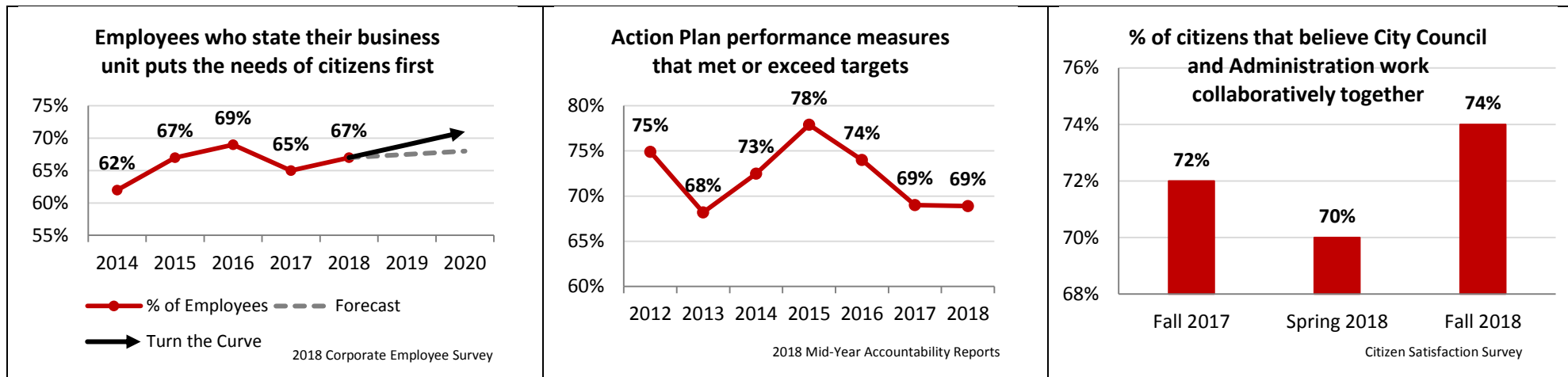
1. Establish a cooperative and meaningful relationship with Council

This area focuses on Administration's relationship with Council. It is imperative that a meaningful relationship is maintained to deliver on Council's direction and maintain quality of life for Calgarians.

Recent accomplishments

- Presented *Three Conversations, One Calgary: The City's Strategic Plan for 2019-2022* to Council, representing the strategic framework between the Community, Council and Administration.
- Developed Administration's Commitments, the key strategies that will be delivered under the Executive Leadership service line. These commitments summarize Administration's response to Council's direction and are intended to provide high-level strategic guidance to the organization for the four-year term.
- Developed five Strategic Plan Principles to guide the organization as it targets its efforts and resources to the areas that matter most to citizens. The five principles approved by Council are: Vision, Strategy, Value, Accountability and Continuous Improvement.
- Initiated weekly communications updates to the Office of the Councillors on marketing, social media, and other communication campaigns.
- Started *Engagement & Public Events Weekly* to share upcoming engagement/research opportunities for citizens in a rolling five-week period with Councillors.
- Provided media training and coaching, including training on social media to the Office of the Councillors.
- Held *Working Together* sessions for Councillor Assistants and Executive Advisors on topics including Assessment, Tax, Planning & Development, Utilities, and One Calgary.

How we are doing?



The story behind the numbers

The final report of *Action Plan 2015-2018* was presented to Council on 2018 September 4, allowing Administration to focus on the transition to service-based plans and budgets. Council's Priorities and associated strategic actions have progressed as planned with 47 of the 48 strategic actions on target, and several having achieved significant milestones.

Action Plan 2015-2018 performance measures were designed as stretch targets and it was never expected that 100 per cent of performance targets would be met in any year. Under changing economic conditions, the number of performance measures that met or exceeded targets stayed the same year-over-year.

Increasingly, employees believe their business unit is putting the needs of citizens first, based on their responses in the Corporate Employee Survey. A new question was added to the Citizen Satisfaction Survey to help measure citizen perspectives on collaboration between Council and Administration. In the Fall of 2018, 74% of citizens believe City Council and Administration work collaboratively together.

What we propose to do

- Continue to evolve the Corporate Calendar Pilot Project to create greater awareness of corporate activities and ensure activities are appropriately timed.
- Continue to refine the process behind Strategic Meetings of Council to ensure topics are timely and relevant for members of Council.
- Implement the strategies and actions in the approved One Calgary 2019-2022 Service Plans and Budgets, incorporating service levels and value, risk and results-based accountability.
- Use the corporate scorecard to measure performance on delivering Administration's Commitments.
- Update the Leadership Strategic Plan in Q1 2019.

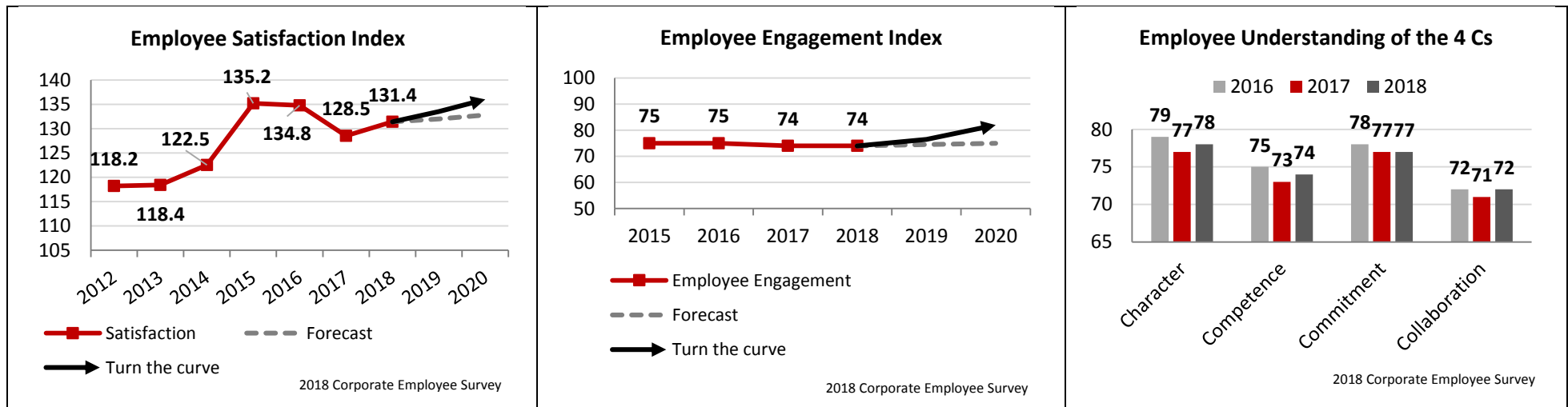
2. Cohesive leadership culture and collaborative workforce

This area focuses on reinforcing a leadership culture that champions a respectful and engaged workplace founded on a progressive public service organization.

Recent accomplishments

- Emerging Leader program developed and piloted with success.
- Ongoing delivery of inclusion workshops to improve intercultural competencies, unconscious bias, bridging cultures, respectful workplace, working with generations and human rights.
- Refreshed Corporate Recognition Program to reinforce and recognize the desired 4Cs behaviours.
- Created new mandate and focus on respectful workplace interventions and approaches.
- Implementation of myWorkforce to provide easily accessible and interactive management reports resulting in leadership efficiency.
- As part of the Health Systems Review, developed leader and employee tools/resources and reviewed process and funding options related to employee accommodations.
- Implemented Code of Conduct training (online and face-to-face) and updated policies to reflect legislative changes.

How we are doing?



The story behind the numbers

The Employee Satisfaction Index increased year-over-year despite economic pressures, significant change initiatives underway, and budget deliberations.

Leaders are demonstrating commitment to creating a healthy and safe workplace by hosting and attending respectful workplace sessions and responding effectively to workplace concerns. learning & development sessions are well attended with full participation involving a variety of subject matters (indigenous awareness, change leadership, collaboration, workforce planning and One Calgary, to name a few).

Requests for change leadership and team coaching have increased, which can contribute to employee satisfaction and engagement. Slow economic growth, familiarity with new processes related to One Calgary, along with understanding how we collaborate more effectively, are all anticipated to have a positive impact on results going forward.

What we propose to do

- Evolve the Mental Health Strategy to a more all-encompassing Healthy Workplace Strategy.
- Implement an integrated talent management system.
- Introduce Corporate Recognition Program technology enhancements to increase administrative efficiencies.
- Enhance respectful workplace tools, resources and offer online awareness programs.
- Ongoing intentional workforce management (including new functionality in myWorkforce).
- Develop sustainable Code of Conduct initiatives to support a healthy workplace.
- Refresh leadership development.
- Continue to actively provide awareness of The City culture and embed its principles within new and existing programs, processes and initiatives.
- Continue to promote change leadership support and coaching.

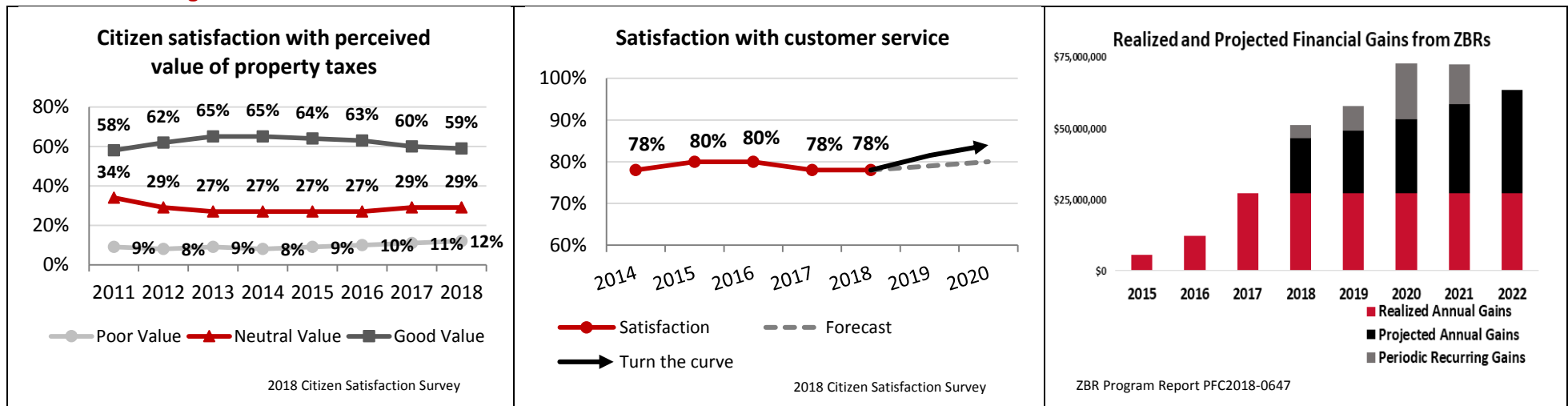
3. Better serve our citizens, communities, and customers

This focus area includes implementation of a performance management system and a comprehensive strategy for customer service delivery and citizen engagement.

Recent accomplishments

- Realized approximately \$27 million in annual financial gains through the Zero-Based Reviews Program as of December. The City is on track to meet the goal of reviewing services that account for 80 per cent of gross operating budget by 2020.
- Implemented a service-based approach to planning and budgeting for the years 2019-2022 to improve service value for citizens.
- Conducted public engagement and research with Calgarians (including targeted research with the business community) to better understand what they value about City services.
- Applied a Results-Based Accountability (RBA) approach in helping Council develop Citizen Priorities and Council Directives for 2019-2022 in consideration of the long-term Quality of Life Results and key indicators for Calgary. RBA is also incorporated into the design of the 2019-2022 Service Plans and Budgets, including beginning with the desired results and applying evidence-based performance management.
- Launched a Business Perspectives Panel with over 700 business leaders.
- Introduced Service Risk Registers to support the identification and assessment of risks to service delivery.
- Created the "Top-of-mind" widget on Calgary.ca to make it easier for visitors to quickly find popular tasks.

How are we doing?



The story behind the numbers

The five elements of the performance management system, along with tools for customer segmentation and journey mapping, have brought an increased discipline to the way we understand customer needs, manage and deliver services, continually improve efficiency and results, and provide value for investments in service levels.

The results of the 2018 Citizen Satisfaction show that perceptions about the quality of life in Calgary remain strong, and satisfaction with City programs and services remain high overall. Most Calgarians agree that Calgary is both a "great place to make a life," and a "great place to make a living." Most also agree they are "proud to be Calgarian" and "proud to live in their neighbourhoods."

Despite the economic downturn and increased pressure on citizens' ability to pay, citizen perceptions of value for tax dollars and customer service have remained relatively high. The ZBR program, along with other initiatives, has visibly increased the efficiency, effectiveness and customer-orientation of City services. The challenge will be to maintain service results in the face of a continued economic downturn and financial restraint, and as the ZBR focus turns from large, customer-facing business units to smaller, internal services.

What we propose to do

- Continue to refine service plans and budgets including the development of sub-services.
- Define risk appetite and tolerance for The City.
- Identify efficiencies and effectiveness improvements in upcoming Zero-Based Reviews by looking across services and organizational boundaries, while also increasing the organization's capacity for continuous service improvement.
- Review Accountability Reporting to adopt a more service-based approach.
- Continue shifting towards more online engagement and doing less traditional open houses.
- Deliver the Multicultural Communications and Engagement Policy.
- Continue to increase pop-up engagements, which allow us to get a wide-range of opinions in the locations people already convene.

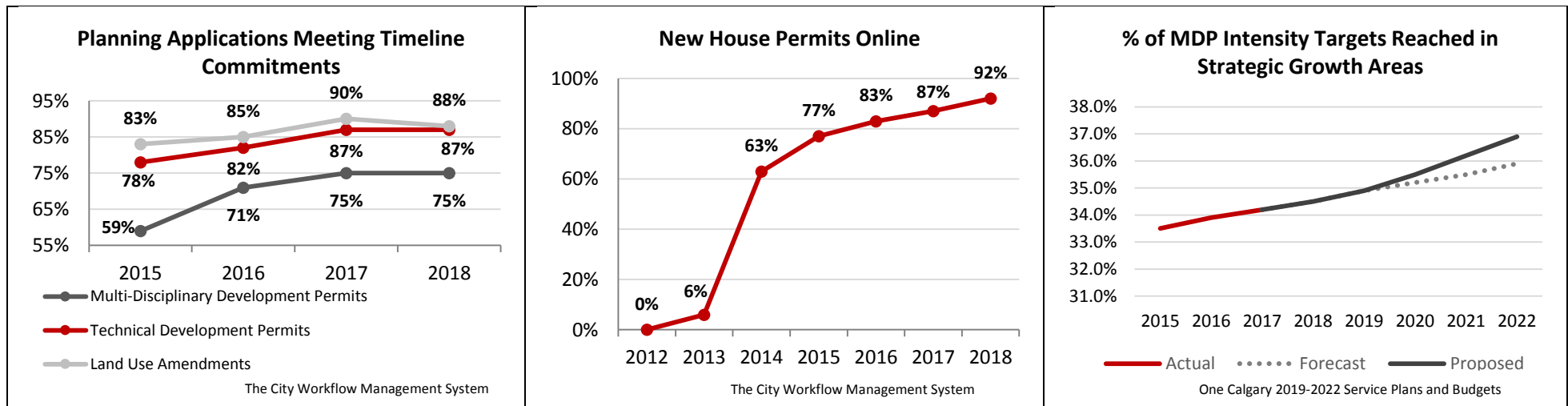
4. Focus immediate and collective attention on planning and building a great city

This area focuses on working together across the corporation to integrate our planning and development activities/investment to align with the Municipal Development Plan (MDP) and the Calgary Transportation Plan (CTP) with the goal of building trust with all partners.

Recent accomplishments

- Completed the New Community Growth Strategy, which will provide a comprehensive growth strategy for new communities in alignment with market demand and financial capacity.
- Completed a Next to Freight Rail Corridors policy, an implementation guide and an amendment to the land use bylaw (adopted by Council on 2018 July 23).
- Presented recommendations to Council on Cannabis bylaw implications.
- Established the first online application in Canada where a customer can apply for a business license, building permit and development permit at the same time (we audited the top 20 municipalities).
- Launched the next phase of the This is my Neighbourhood (TIMN) online engagement and information website to gather community feedback from 14 Calgary neighbourhoods.
- Council passed land use bylaw amendments in March allowing secondary suites in residential areas. This reduces red tape for citizens by enabling them to make an application without going through a land use re-designation and Council approval.
- Expanded the management framework focused on delivering services to ensure alignment of all planning related services, along with departmental performance and customer service.
- Created a People & Culture oversight committee within Planning & Development to streamline and maximize value of staff training and development.
- Approved in July 2017, the Centre City Enterprise Area has had a measurable impact on enabling new business to locate in the Centre City and to get to operations in a timely fashion. As of June 2018, 49 tenancy changes and 55 building permits have been able to proceed without a development permit, saving over 2,000 days of cumulative approval process.
- Created the Customer Coordinator, Small Business position to guide new business owners along the customer journey in opening a small business and help existing small business grow.

How are we doing?



The story behind the numbers

Clear focus on planning and building a great City is maintained through key results areas within Planning & Development and in partner business units across the City. In recent years, we have seen an increase in the number of planning applications meeting timeline commitments, the number of online new house permits as well as an increase in MDP intensity target being met.

The way Calgarians and industry participate in the planning and building of our City is becoming more transparent and interactive through a continued emphasis on customer and citizen experience, and ongoing business and technology improvements.

Cross-departmental oversight and visibility will be the key to continuing to execute on solutions-oriented projects that make a difference to all Calgarians and customers.

What we propose to do

- Continue support for small business and homeowners making it easy to find safety, bylaw and permit information including simplifying our processes enabling more self-serve options.
- Continue to shift services online to save customers time and money with online permits, tracking projects and manage inspections online.
- Continue to strengthen the urban design review of applications that achieve a good or excellent urban design rating at the time of decision.
- Continue to evaluate the success of the Centre City Enterprise Area with a view to extending the concept to other strategic growth areas of the city such as Main Streets and Transit Oriented Development areas.

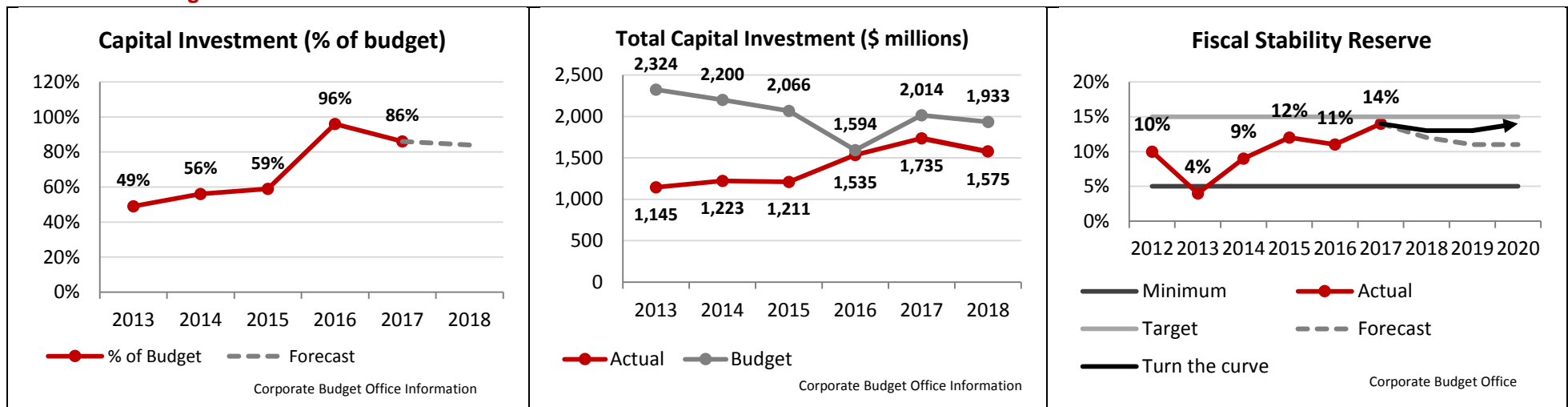
5. Strengthen the Corporation's financial position

This area focuses on addressing immediate financial pressures and long-term financial needs, creating an infrastructure investment strategy that identifies City priorities to fund essential infrastructure and close the infrastructure gap, and secure provincial funding commitments through the City Charter negotiations and MGA review.

Recent accomplishments

- The City of Calgary Charter 2018 Regulation came into force on April 5, providing expanded authority in recognition of distinct local challenges and opportunities.
- In November 2018, the Government of Alberta announced legislative changes establishing a new fiscal framework for the cities of Calgary and Edmonton.
- Refreshed the Capital Infrastructure Investment Strategy, now the Capital Infrastructure Investment Principles.
- Scored and ranked new capital business cases for 2019-2022 to optimize the allocation of capital funding with service requirements to align with City priorities and Council directives. In addition, new capital business cases are now consolidated into a single, cross-corporate system (MS Project Online) to facilitate corporate oversight and reporting.
- Focused capital investment recommendations for the 2019-2022 cycle on those that provide critical infrastructure and critical asset maintenance to help address the infrastructure gap.
- Established the Integrated Civic Facility Planning Program, which allows business units to collaborate and plan the right facilities at the right time.
- Effectively managed the Fiscal Stability Reserve (FSR) to help maintain service levels due to the current downturn in the economy, including \$97 million in contributions in 2017 to offset over \$90 million in commitments from the FSR in the mid-cycle adjustments.
- The 2018 contribution to the Budget Savings Account (BSA) from workforce planning is projected to total \$20 million at year-end. Total contributions to the BSA have exceeded \$100 million.
- Through the One Calgary Service Plans and Budgets process, \$40 million in operating base budget savings in efficiencies have already been identified for 2019-2022 with a commitment to find more throughout the next business plan and budget cycle.
- Established a new wholly-owned subsidiary to oversee the \$100 million Opportunity Calgary Investment Fund (OCIF) at the end of 2017 and approved the first qualifying business case in Q4 2018.

How are we doing?



The story behind the numbers

Through prudent financial management, The City has maintained service levels and increased the velocity of capital investment while also maintaining an AA+ credit rating in the economic downturn. Although capital investment is forecasted to decline slightly, The City maintains its commitment to the Capital Infrastructure Investment Principles by leveraging from the private sector and other orders of government in an effort to invest more capital to create jobs and continue to deliver value to Calgarians.

Although the balance in the FSR is forecasted to decline to 12% of the tax-supported gross operating budget, The City is actively monitoring and continually focused on intentional savings in order to turn the curve towards the target of 15%.

What we propose to do

- Maintain and enhance external partnerships to leverage capital investment.
- Continue to engage in discussions of revenue sharing and long-term transit-funding plans to deliver on the province's budgetary commitment to a new fiscal framework.
- Continue prudent financial practices to maintain a strong liquidity and financial position.
- Remain committed to balancing service value with affordable taxes and user fees.
- Maintain a focus on intentional savings through corporate workforce planning and continue to contribute savings to the BSA reserve.
- Use the BSA to fund one-time budgets in 2019-2022 in order to preserve the FSR and turn the curve toward the target balance.

Progress Summary

This report outlines progress made since the last Leadership Strategic Plan (LSP) progress report was developed at the end of 2015. Administration has made significant advancements toward delivering on the LSP's five focus areas over the last four years. This report has provided information on the accomplishments and progress made to-date and identified areas where more work will continue into the new business cycle.

Overall, work on the LSP has contributed to an improved focus on delivering value for citizens and strengthening The City's leadership culture. This focus has resulted in continued high satisfaction rates amongst Calgarians and strong engagement scores with employees, along with several other notable accomplishments.

AA+

Standard & Poors (S&P) reaffirmed Calgary's AA+ credit rating. The rating is one of the best among Canadian municipalities.
(S&P, 2018)

77%

of Calgarians are satisfied with the level and quality of City programs and services.
(Citizen Satisfaction Survey, 2018)

93%

of Calgarians agree that City employees are courteous, helpful and knowledgeable.
(Citizen Satisfaction Survey, 2018)

\$607 million

in ongoing corporate savings and efficiencies realized from 2015 to 2018.
(Savings and Efficiencies 2015 to 2018 (Projected))

87%

score in our safety audit
(Corporate-wide safety audit score (COR), 2016)

75%

employee work engagement, driven by culture, remains high and impacts operational performance and customer service.
(Corporate Employee Survey, 2018)

78%

of Calgarians are satisfied with the overall level and quality of customer service at The City.
(Citizen Satisfaction Survey, 2018)