



OFFICE OF THE CAO/HUMAN RESOURCES
TOWN OF NEWMARKET
395 Mulock Drive
P.O. Box 328
Newmarket, ON L3Y 4X7

www.newmarket.ca
info@newmarket.ca
905.895.5193

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**CHIEF ADMINISTRATIVE OFFICER /HUMAN RESOURCES/STRATEGIC INITIATIVES INFORMATION
REPORT 2016-05**

TO: Mayor Van Bynen and Members of Council

SUBJECT: Organization Ready 2020 (OR2020)

ORIGIN: Chief Administrative Officer/Human Resources/Strategic Initiatives

COMMENTS

During the April 18th Committee of the Whole meeting Council received a presentation led by the Director, Financial Services in relation to “Recommendations for the 2017 Budget Process”. The presentation referenced the Strategic Leadership Team’s (SLT’s) strategy to address and deliver on Council’s 2014-2018 Strategic Priorities in 2017. SLT’s strategy was summarized into 5 focus areas as noted below.

- Revitalizing our Community Centre Lands and addressing downtown parking needs
- Creating a strategy for vibrant and livable corridors along Davis Drive and Yonge Street
- Supporting community and neighbourhood projects
- Ensuring safe streets
- Organization Ready 2020 (OR2020)

The first four areas of focus represent elements of Council’s 2014-2018 Strategic Priorities. A key success factor to ensuring the Town has the right strategies in place to achieve the established priorities is the fifth area of focus, OR2020.

OR2020 is intended to be an Umbrella Program that is based on investing now for the future to ensure sustainability. It is about ensuring high level multi-year strategies are in place to ensure the Town is not only positioned well for today and next year but for the future and includes the following four pillars:

- **Talent Management**
- **Innovation**
- **Infrastructure**
- **Strategic Alignment**

The 1st attachment to this report provides a graphic that reflects OR2020 and the key focus areas. The 2nd attachment provides further clarity on the purpose of each pillar. You will note one of the key strategies outlined is the Talent Management Strategy which addresses the people component of our business. This strategy is key to delivering on both Council Strategic Priorities and the Corporate Strategic Plan.

Talent Management Strategy

It is a business imperative for municipalities to have strategies in place now to prepare for and manage multiple generations in the workplace, a declining labour market and skills shortages. This is a global issue exacerbated by declining birth rates; inverted population pyramids; early retirements; increased global competition for labour; younger people staying in school longer; etc. In order to address these labour force issues, three areas of focus have been incorporated into the Town's Talent Management Strategy. These include:

- **Leadership Development** – Organizations must start developing their own talent channels ahead of the impending shortage resulting from a decreasing pool of talent in the 35 – 44 age brackets.
- **Organizational Effectiveness** – Town leaders must be cognizant of the effect of workloads and the impact they have on retirement choices, loss of skills and knowledge which in turn affect organizational effectiveness. A focus on strategic, long-term planning, workforce planning and change management are key to success in this area.
- **Attraction and Retention** – Considering competition for talent is global, internal demographics forecast the potential for a significant level of retirement in the immediate future in the management and leadership levels, lack of skilled trades in the marketplace, etc. organizations must have a meaningful Employer Value Proposition. A key element of this is how current employees are treated as they determine our reputation in the marketplace.

The 3rd attachment to this document reflects a roadmap for implementation of programs, policies and processes that will assist the Town in making systemic change to prepare Newmarket not only for tomorrow but for what the future holds. If Newmarket is ill prepared for when the next phase of the “grey tsunami” hits, coupled with the other factors mentioned above, there will be little opportunity to recover. As we re-focus and realign resources to ensure sufficient support and ensure the organization is positioned well to achieve its targeted outcomes, budget submissions will be prepared to ensure continued success.

As noted earlier in this report, the strategies under the “Organization Ready Umbrella” will continue to be refined and where there are budget implications they will be highlighted as OR2020 Strategies. Further reports will be provided relative to the implementation of this dynamic program. We hope the foregoing provides you with better insight into Organization Ready 2020, and more specifically the Town's Talent Management Strategy, however, in accordance with the Town's Procedural Bylaw; any member of Council may make a request to the Town Clerk that this information Report be placed on an upcoming Committee of the Whole agenda for discussion.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

OR2020 is about the future; a program designed to bring Newmarket's vision into focus while addressing the realities of today and the possibilities of tomorrow. It specifically aligns with the Strategic Plan direction of being “Well-equipped & managed” yet also touches on all “wells” with respect to sustainability.

CONSULTATION

This Report was informed by discussions with members of the Strategic Leadership Team and the Director, Financial Services. The Talent Management Strategy was informed through one-on-one meetings and focus groups with staff from across the organization.

HUMAN RESOURCE CONSIDERATIONS

Departments will be looking for organizational flexibility in 2017 in order to address the people needs of this organization in areas such as: ensuring knowledge transfer as appropriate, accelerated development in critical risk or hot spot occupations, or consulting support when required. Significant efforts will be made to address these needs within existing budgets, however, as an organization we have to be nimble enough to ensure sufficient support is being provided when necessary in order to affect the change that needs to be driven forward.

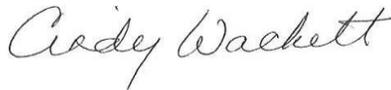
BUDGET IMPACT

As you can see from the foregoing there are some significant strategies evolving that will enable the organization to deliver effectively to the community. Our goals relative to the budget process are as follows:

- Preserve and maximize existing budget dollars in line with commitments and future oriented strategies (i.e. asset replacement, asset management, workforce planning)
- Realign/shift budget dollars as appropriate to ensure effective alignment with priority strategies and ultimately Council's Strategic Priorities and the Corporate Strategic Plan.
- Ensure rigorous scrutiny of any potential adjustments to the budget ensuring alignment with goals and objectives set out.

CONTACT

For more information on this Information Report contact Bob Shelton, Chief Administrative Officer, Lynn Georgeff, Director, Human Resources or Cindy Wackett, Corporate Project Consultant directly.



Cindy Wackett
Corporate Project Consultant

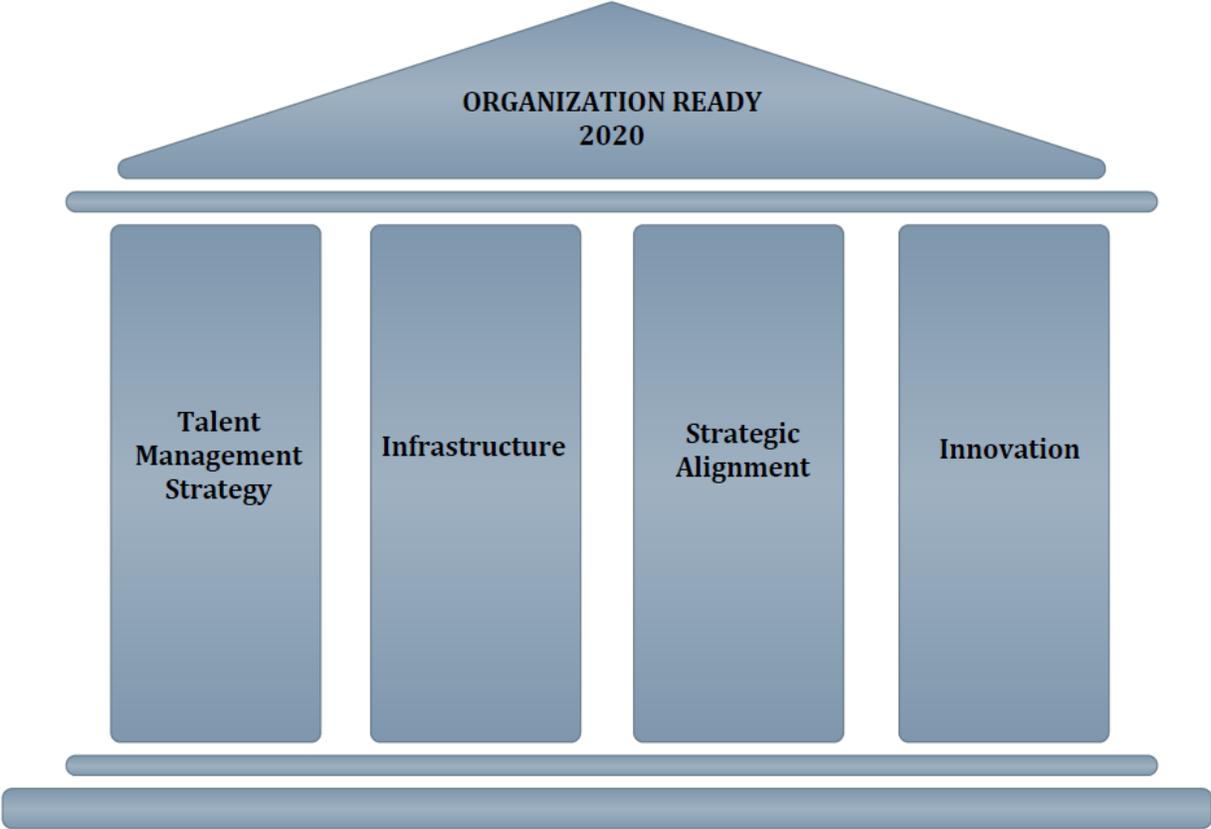


K. Lynn Georgeff
Director, Human Resources



Bob Shelton
Chief Administrative Officer

Attachment #1



ORGANIZATION READY 2020

- **Talent Management Strategy** - ¹**Talent Management** is a set of integrated organizational HR processes designed to attract, develop, motivate, and retain productive, engaged employees. The goal of talent management is to create a high-performance, sustainable organization that meets its strategic and operational goals and objectives.
- **Innovation** - The term innovation has been defined in many ways by many different people. It has been defined as the process of translating an idea or invention into a good or service that creates value or for which customers will pay. It has also been defined more simply as significant positive change; a result, an outcome. Whatever definition you wish to use, it's about creating value through change, thereby incorporating consideration of both efficiency and effectiveness.
- **Infrastructure** - Given the importance of having a sound foundation, network and tools, a focus on strategies around Asset Management and Asset Replacement are a central focus under the OR2020 Program.
- **Strategic Alignment** - Strategic alignment is the process and the result of linking an organization's structure and resources with its strategy and business environment (regulatory, physical, etc.). Strategic alignment enables higher performance by optimizing the contributions of people, processes, and inputs to the realization of measurable objectives and, thus, minimizing waste and misdirection of effort and resources to unintended or unspecified purposes. In the modern, global business environment, strategic alignment should be viewed broadly as encompassing not only the human and other resources within any particular organization but also across organizations with complementary objectives.

¹As defined by Johns Hopkins University

TALENT MANAGEMENT STRATEGY

HR IMPLEMENTATION ROADMAP

