

Section 6.1

Strategic Planning

Executive Summary

The purpose of this document is to provide a working manual for Nova Scotian municipalities to conduct a strategic plan. Whether a municipality wishes to produce a strategic plan in house or, hire a consultant to guide them through the process, this document will provide the material to make informed decisions. This document should be viewed as an introduction to strategic planning and further details on the topic can be found in a host of books, journal articles and web sites.

Strategic planning is a systematic process for identifying and implementing programs that capitalize on the municipality's strengths and weaknesses, while recognizing there are external threats and opportunities that have an impact upon the municipality. Quite simply, it provides the means for a municipality to chart a future it desires rather than reacting to events as they unfold. It provides the opportunity for the municipality to develop a vision of the desired future of the municipality with the participation from all stakeholders. The process also includes steps to ensure the strategic plan remains current, and responds and adapts to a changing environment.

There are seven basic steps in preparing a strategic plan, which are as follows:

1. Getting Organized
 - Striking a Strategic Planning Team
 - Setting Organizational Framework
 - Identifying Municipality's Mandates

2. Clarifying Values and Mission
 - Stakeholder Analysis
 - Municipality's Values
 - Municipality's Mission Statement

3. Assessing the Situation
 - Situation Assessment
 - SWOT Analysis (strengths, weaknesses, opportunities and threats)
 - Identifying Strategic Issues
4. Strategic Plan
 - Formulate Strategies
 - Integrating Strategies to Strategic Plan
 - Municipality's Vision Statement
 - Evaluation Process
 - Prepare Document
5. Adopting the Strategic Plan
6. Implementation
 - Formulate Implementation Process
7. Strategic Issue Management
 - Reassess Strategies and Strategic Planning Process

There are five main benefits of conducting a strategic plan:

1. It promotes strategic thought and action.
2. It focuses attention to critical issues.
3. It enhances a municipality's organizational responsiveness and performance.
4. Policy makers and decision makers are better able to fulfill their roles and the team work of municipal staff is strengthened.
5. A strategic plan provides the ground work for a municipal business plan.

The Strategic Plan can take twelve to twenty working days spread over a six to twelve month period, depending on the breadth and complexity of issues to be addressed. For any municipality, this is a manageable and rewarding endeavor, as a review of many successful municipalities will indicate, a strategic plan is the cornerstone to their success.

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Section 6.1

Strategic Planning

Part I - Background

Introduction

The purpose of this document is to provide a working manual for Nova Scotian municipalities for conducting a strategic plan. Whether a municipality wishes to strike out on their own to produce a strategic plan or hire a consultant to guide them through the process, this document will provide the material to make informed decisions. This document does not presume to be a detailed analysis of strategic planning, because there are numerous books, journal articles and web sites which can provide a detailed review on the topic.

The procedure provided in this document integrates the techniques from a variety of sources, to produce a model for the municipal setting in a clear and simple to use methodology. The reference section provides a review of some of the better source documents and web sites used to compile this paper. Of these, however, John Bryson's book, *Strategic Planning for Public and Non-Profit Organizations* stands out primarily because it focuses on government and non-profit organizations rather than on business applications. Consequently, many of the methods forwarded in other documents dealing with government have usually been based on Bryson's work.

Why Strategic Planning?

Over the last two decades, there have been a wide variety of new management techniques, ranging from cost-benefit analysis, planning-programming-budgeting systems, zero-based budgeting, management by objectives, Total Quality Management, re-invention, re-engineering, etc. On the whole most have disappeared and many were never really implemented. Strategic planning, however, has grown in popularity and use as an effective management tool, especially with municipalities. A quick review of the Internet will quickly illustrate the number of municipalities which have used strategic planning and made it a cornerstone of their organization's success.

Strategic Planning has become the cornerstone for many successful municipalities.

Strategic planning can deal with a changing environment.

It provides a vision to the future, based on a municipalities strengths, weaknesses, threats and opportunities.

Primarily, the world is changing and no community is exempt from change, due to internal and external factors. Increasingly, each municipality is faced with resource limitations. This requires careful choices and requires new directions to deal with these new realities.

Strategic planning is a systematic way to manage change and create the best possible future within this new realm. It is a creative process for identifying and implementing programs capitalizing on a municipality's strengths, weaknesses, threats and opportunities. It focuses on the allocation of scarce resources to critical issues and encourages municipalities to investigate alternative resources. A strategic plan documents a course for the municipality. This can be particularly important in light of potential changes in personnel at the staff and council levels, thus ensuring the course is maintained. Finally, strategic planning can give a community a clearer picture of its own unique identity and draw attention to aspects regarding the municipality that have been overlooked before.

Therefore, as a management tool for Nova Scotian municipalities, strategic planning is highly recommended. For those municipalities which have already embarked on this process, this document will provide further clarification to streamline their strategic planning process to better fit the needs of the municipality.

Allison and Kaye in their book *Strategic Planning for Nonprofit Organizations: A Practical Guide and Workbook*, noted there are three values in completing a strategic plan:

Reactive vs. Opportunistic

1. A municipality's chances for success are greater if the organization has a strategic plan. Over the long haul, a municipality which is intentional and strategic in its thinking will accomplish more than being reactive and opportunistic without a strategic plan.

Shared vision

2. A municipality's chances of success are greater if the organization commits to building a vision which is shared by the councillors, staff and stakeholders.

Inclusive Process

3. An inclusive strategic planning process is an excellent way to develop a strategic plan and build commitment to a shared vision. In the long run a municipality which includes most of its stakeholders in formulating and maintaining its strategic plan will come closest to achieving its true potential.

What is Strategic Planning?

Quite simply, strategic plans attempt to answer the questions:

- Where are we right now?
- Where do we want to be in the future?
- What strategies will we need to implement to get there?
- What internal and external forces are operating that will hinder or help us to achieve our long term goals.

To operate properly, strategic planning requires a broad information gathering process, the development and exploration of strategic alternatives, with an emphasis on the future implications of present decisions. This process can facilitate communication and participation among some divergent groups of interests and values. Through the combined efforts from these groups it can encourage analytical decision making and promote the successful implementation of the plan itself.

Strategic planning builds on the political decision making process.

The strategic planning process is different from other management techniques, in that it builds on the nature of the political decision making process and encourages the inclusion of the major stakeholders in the planning process. Proponents of strategic planning have noted the failure of the other systems is due to the fact they are either ignored or tried to circumvent or to counter the political nature of the organization rather than build on the nature of the political decision making process.

What are the benefits of Strategic Planning?

There are five main benefits for a municipality to complete a strategic plan.

Systematic Information Gathering

1. The major benefit of strategic planning is the promotion of strategic thought and action. This leads to a more systematic information gathering about the municipalities' external and internal environment, various stakeholder interests, clarification of its future direction, and the establishment of priorities for action.

Focus on the issues

2. It provides for improved decision making, as it focuses attention on the crucial issues and it helps key decision makers figure out what to do about them. Strategic planning can help the municipality formulate and clearly communicate its strategic intentions. It can assist in making today's decisions in light of future consequences. It can help develop a coherent and defensible basis for decision making across all levels and functions within the municipality while exercising maximum discretion in those areas under their control.

Enhanced Responsiveness

3. From the first two points, it can enhance a municipality's organizational responsiveness and performance, as the municipality is encouraged to clarify and address major organizational issues, and respond wisely to internal and external demands and pressures. This permits the municipality to effectively deal within a rapidly changing environment. However, strategic thinking and acting are what count, not just thinking alone.

Team Building

4. Strategic planning can directly benefit the policy makers and decision makers to better fulfill their roles and meet their responsibilities. The teamwork and expertise amongst all municipal staff are likely to be strengthened.

Business Plan Development

5. A strategic plan provides the groundwork for a municipality to conduct a comprehensive business plan.

It requires the commitment of the major decision makers and stakeholders.

Although strategic planning can provide all of these benefits, there is no guarantee it will. Strategic planning is simply a set of concepts, procedures and tools. Municipal leaders, managers and planners need to be very careful about how they engage in strategic planning because their success will depend at least in part on how they tailor the process to their specific situation. In other words, strategic planning will only work if enough municipal decision makers, managers and planners support it and use it with common sense.

There are, however, situations when strategic planning should not be contemplated, for example when there is a major crisis in the organization (the municipality is in the process of searching for a

If a consultant is to be hired, what factors should be considered in the selection process.

new Chief Administrative Officer or experiencing a major financial crisis) or there is not the commitment by key decision makers to produce a strategic plan. This is the paradox of strategic planning: where it is needed most, it is least likely to work and where it is least needed, it is most likely to work. Most of the crisis situations are short term considerations and should not preclude the municipality from embarking on strategic planning once the major threat of the crisis has subsided. The lack of commitment by key decision makers, however, is a major obstacle which must be resolved internally.

Consultants

If the municipality lacks the skills or experience to undertake a strategic planning process, it may be well worthwhile to consider a consultant. In many instances, this avenue would be the recommended route as the consultants could assist in producing a strategic plan in a timely manner, keep the participants focused on the issues, minimize potential conflicts and be an invaluable resource throughout the process.

As with all municipal tendering processes, there will be a need to send out an expression of interest for a consultant to conduct the municipal strategic planning. In the evaluation process, the municipality may wish to consider the following:

- Does the consultant have a good grasp of the needs of the municipality?
- Does the proposal clearly outline the methodology, specific tasks to be performed by the consultant, and those required by the Strategic Planning Team?
- Is the methodology a “cookie cutter” exercise or will it be tailored to the specific needs of the municipality?
- How does the consultant plan to work with the staff of the municipality, the stakeholders and the Strategic Planning Team?
- Has the consultant clearly identified what will be included in the final product?

What are the rules of the game to a successful strategic plan?

- Is there a clearly stated completion date and timetable? Are they acceptable?
- Do the consultant's staff have the qualifications to meet the requirements of the task?
- Which of the consultant's staff will be involved in the process? Will there be substitutions with less qualified junior staff once the project has commenced?
- Are the proposed project costs within line for each of the consultants? If not, determine what and why there are differences between the proposals?
- Will the consultant provide the background information and training for the municipality to conduct their own strategic planning in following years?
- Do the consultant's references and general reputation meet expectations?

Rules of the Game

A strategic plan will require the input from a variety of people, including municipal staff, councillors, concerned citizens, business people, etc., which will form part of the Strategic Planning Team (see Part III, Step 1.1). One aspect of this process the members of the Strategic Planning Team should recognize is the Team will consist of individuals with divergent interests, points of views and concerns. In addition, there will be members of the team who will be resistant to organizational change. Assuming the team will be able to obtain full agreement on every issue would be a mistake, for it should be difficult if not near impossible for such a group to agree 100% on every issue. Therefore, the Strategic Planning Team should start the exercise with the notion of building a consensus on each issue. That means, each individual may not fully agree on each point, but the team should strive toward a point which each team member would be able to live with the final decision. This will require some give and take from all individuals as they work from divergent points of view, to a middle ground. Many times, all that is required are subtle changes to the wording.

Confidentiality

If disagreements between members of the Strategic Planning Team

Respect for other s views

do arise, the team should determine how this should be presented to the public. The team may decide that there should be a degree of confidentiality, where the detailed discussions should remain in the confines of the group, and admit that the members have agreed to disagree on specific points. The goal is to build a good working relationship amongst all members. No one likes to see the “airing of dirty laundry in public.”

Following from this point, there is a need to respect everyone’s point of view. Members may not agree with each other, but everyone is entitled to their point of view and this needs to be respected.

Keep an open mind

The Strategic Planning Team members must be open minded and willing to listen and discuss these divergent views. Alternatively, if there is “too much agreement” on the issues, the team may wish to examine opposing points of view to encourage a full discussion of all issues and to further the creative problem solving process. The result will be a Strategic Planning Team which will work well together and encourage full participation from all members.

By following these simple rules, the Strategic Planning Team should be able to work effectively, efficiently and complete the work within a reasonable time frame.

Finally, as a committee of the municipality, the Strategic Planning Team should be aware that their minutes, notes of discussions and work may be accessed under Part XX of the *Municipal Government Act*, Freedom of Information and Protection of Privacy Act.

Dealing with the early organizational issues can save time in the long run.

Part II - Organizational Aspects

Prior to commencing the strategic plan, there is some preliminary work that needs to be completed, dealing with the identification of potential participants of the process and a variety of organizational aspects. This would ensure the process gets off and running without the team having to deal with a number of managerial issues.

Organizational Aspects to Consider for the Strategic Plan

While many of the organizational issues will be addressed in the following sections, a few of the preliminary items to consider would include:

- Assure the funding, disbursement and accounting arrangements are in place to take care of printing costs, office supplies, consulting costs, etc.
- Appoint key municipal staff and clarify their responsibilities in this process. If staff has other responsibilities, clarify their time allocations and availability.
- Establish policies about what decisions are to be made at each level.
- Determine what additional staff and/or stakeholder time may be needed. Will data processing be required? Who produces, copies and sends out the reports?
- Establish where the work will be done and what equipment is required.
- Establish a regular meeting schedule. This is especially important for civic, political and business leaders.
- Determine whether consultants will be required. If they are, the municipality must adhere to the procurement processes.
- Collect available reports, data and other material for the project.

Identify the major stakeholders to the process.

Who should be involved in the Strategic Planning Process?

The key decision makers in a municipality cannot prepare a strategic plan in a vacuum. Rather the major stakeholders must be included in the discussions. This would include customers (interested members of the public and interest groups), councillors and the mayor or warden, municipal managers, employees and unions.

This overall balanced approach to forming a Strategic Planning Team is critical for its success, and each municipality will have to strike the right balance to ensure all major parties are involved. This provides for a collaborative and interactive process at all levels. Consider the following:

- *Leadership doesn't stop at the top.* Leadership at the top levels is important, but leadership by employees in solving problems is equally important to contributing to a successful organization.
- *Listen to your customers and stakeholders.* What is really important to them? It may not always be the same as what the managers and elected officials may think.
- *Listen to your employees and unions.* The employees have the historical knowledge and experience at the day to day operations level. This information and expertise can be very influential to obtaining achievable results from a strategic plan.

With respect to unions, their mandate is to protect and forward the interests of their membership. If union membership is significant in the municipality, their involvement may be critical to the final success, as it ensures the employee's interests are represented as well as a "buy in" on the process and final results. This principle is especially critical in achieving culture change within an organization.

The rationale for including a broad-based committee is two fold:

- Those who are consulted about the plan will take a greater interest and may adopt all or part of it as their own.
- The plan will reflect a broader spectrum of viewpoints and a wider range of resources if more people have an opportunity

Keep the numbers of the strategic planning team manageable.

to contribute.

Obviously, a municipality cannot include all of the interested parties or stakeholders. The Strategic Planning Team must be a manageable group and as the number of participants increases the process is likely to become more unwieldy. Similarly, the greater the diversity among the participants the more time-consuming it will be to reach a consensus. Therefore, tradeoffs will have to be made during the selection process to encourage key participants to join the Strategic Planning Team, based on time and budgetary constraints of the process. It has been suggested if the numbers are to be limited at the outset, consider which individuals might be in a position to veto or block the implementation of the strategy (high-ranking officials and policy makers). These are the people to include at the outset in the Strategic Planning Team. Generally speaking, the Strategic Planning Team should not be more than 15 members. The Strategic Planning Team should also be large enough to operate at two-thirds in full attendance. The appropriate roles for this committee will include the following:

- Develop or approve a list of key issues to be addressed in the planning process.
- Review the draft reports.
- Assist in the identification and allocation of resources, both for the planning effort itself and for the implementation of results.
- Deciding initial issues such as the area to be addressed and major areas of concern.
- Divide up implementation responsibilities among participating organizations.
- Develop or endorse broad goals and at some later point broad strategies.

If there are a large number of people who could make a considerable contribution to the process but could not be part of the team due to size considerations, they should be considered for the various working committees. The size and number of the working committees will be dependent upon the breadth of the strategic plan and the issues to resolve.

Part III - The Strategic Planning Process

The Strategic Planning Steps

There are seven basic steps in preparing a strategic plan, which are as follows:

The seven simple steps to completing a strategic plan.

Strategic Planning

1. Getting Organized
 - Striking a Strategic Planning Team
 - Setting Organizational Framework
 - Identifying Municipality’s Mandates

2. Clarifying Values and Mission
 - Stakeholder Analysis
 - Municipality’s Values
 - Municipality’s Mission Statement

3. Assessing the Situation
 - Situation Assessment
 - SWOT Analysis (strengths, weaknesses, opportunities and threats)
 - Identifying Strategic Issues

4. Strategic Plan
 - Formulate Strategies
 - Integrating Strategies to Strategic Plan
 - Municipality’s Vision Statement
 - Evaluation Process
 - Prepare Document

5. Adopting the Strategic Plan

6. Implementation
 - Formulate Implementation Process

7. Strategic Issue Management
 - Reassess Strategies and Strategic Planning Process

Step 1: Getting Organized

1.1 Striking a Strategic Planning Team

The question of who will be the person or group to initiate this process is key, for they will identify the persons, groups, organizations, etc. who will be involved in the process. In the municipal setting, it has generally been the Town Manager or CAO to initiate the process.

The identification of potential team members will require a preliminary stakeholder analysis. Once the Strategic Planning Team has been selected, they will be assigned the task of setting the parameters of the study, which must be approved by the various key decision makers of the municipality. Generally, a strategic plan should only encompass those parts of an organization or topics that are under the control of or strongly influenced by the members of the Strategic Planning Team, otherwise the commitment to institute the plan can become a major obstacle for its implementation.

Use Worksheet #2 to identify potential members of the Strategic Planning Team. These sheets may also be used to determine, who should be involved in the working committees (if required).

A list of possible participants for the final selection of the Strategic Planning Team could include the following:

- Elected Officials
- Chief Administrative Officer/Municipal Clerk
- Business Leaders and/or Chamber of Commerce
- School Board or School Officials
- Representative for local education/research institutions
- Neighbourhood representatives
- Civic organizations
- Local government department heads
- Union Leaders
- Executives of independent nonprofit institutions
- Special Interest Groups
- Religious Leaders
- Provincial and Federal Leaders
- Local media executives or representatives

Who are the stakeholders and potential members of the strategic team?

1.2 Setting the Organizational Framework

Ensure the team members understand the strategic planning process.

Having set the Strategic Planning Team, the first priority is to ensure that the members have a common understanding of strategic planning and management. It may be useful to distribute a copy of this document, or refer members to many of the various sites on the web on strategic planning or to a few of the books in the reference section.

Briefing the team about strategic planning can be carried out in an evening with a general discussion of the topic, and review the steps in the process. Or the team may wish to invite an outside consultant or members of Strategic Planning Teams from other Nova Scotian communities which have completed a strategic planning project to assist in the first few sessions.

Delineate the parameters of the study.

As the planning team begins to delineate the parameters of the study some of the questions they must answer include:

- Who will lead the strategic planning process?
- What are the role and function of the staff and/or coordinator?
- Who should be involved at various stages of the process?
- What are the purpose and focus of the strategic plan?
- What is the geographical area of the plan?
- What will be the preferred steps in the process?
- What resources will be needed to get the job done?
- What is the time frame of the process?

The answer to these initial questions will help the group organize themselves and focus on the main issues of embarking on the strategic process. In the first step all of the issues will not be completely identified or resolved and the list will require further modification as the group proceeds through the strategic planning process. One thing that must remain clear to all participants is that this is an ongoing process, which should go through a number of cycles as it evaluates and identifies additional critical areas of concern. In other words, do not expect major breakthroughs in the first few steps.

Develop a work plan with achievable time lines.

At this stage, the team needs to develop a work plan to guide the project participants. A draft work plan on Worksheet #1 provides a guide for the whole process and may be used to scope out the strategic plan. The work plan can be an invaluable tool in determining time frames, resources required, tasks for the work

committee, etc. Generally, a Strategic Plan can take twelve to twenty working days spread over a six to twelve month period, depending on the breadth and complexity of issues to be addressed.

It may also be useful to use this information to map out the time lines on a Gantt Chart. These charts can provide a visual reference to determining the length of each step and the whole process. It also provides an effective reference throughout the process to determine if the team is on track and when you should start planning for future tasks. Worksheet #3 illustrates how a Gantt Chart may be set up for your process.

1.3 Identifying the municipality's mandates

What functions does a municipality perform?

This step is often not included in most of the other strategic reviews, however, it can be a fairly important starting point. Typically, few members of any organization have ever read the legislation, ordinances, charters, etc. that determine the organization's official mandate. Therefore, they have made two typical mistakes:

What is the basic legislative framework for our municipality?

- By not knowing what an organization must do, they are unlikely to do it.
- By not understanding the legislative background, they may believe they are more constrained than they actually are.

By doing this initial review of the basic legislative framework, a municipality would be better able to understand what constraints there may be on their actions and the limitations or lack of limitations for their strategic plans. Worksheets' #4 and #5 provide an outline for performing this task.

At this step, the team may wish to include the municipality's solicitors as a resource for any questions the Strategic Planning Team may have on the municipality's charter, policies and by-laws. Questions concerning the Municipal Government Act and other provincial legislation may be referred to your solicitor.

Step 2. Clarify the municipality's mission and values

What is the municipality's mandate?

The mission statement is not a difficult component of the process but it is an essential step, because it clearly documents the purpose

What kind of municipality do we want?

of the municipality. When developing the mission statement the team will be responding to the question, “what is the municipality’s mandate.” It needs careful articulation and communication. A mission statement helps to channel and direct strategic planning and management efforts and therefore, assists all participants in understanding the challenge. The mission statement should be no more than a paragraph or even a slogan. This process should involve a detailed discussion about the municipality’s identity, purpose, the desired response to the stakeholders, and the municipality’s philosophy and values. These discussions will temper the future of the strategic plan and many of the ideas, concepts and visions discussed at this stage will most likely become recurring themes throughout the process influencing the final vision of the strategic plan, and in turn the municipality.

In other words, “what kind of municipality do we really want in the future?” The agreement on the purpose of the municipality provides the avenue for the municipality to follow a sequence of conflict resolution activities, which is to agree on purposes, identify problems and then explore and agree on solutions. By understanding the municipality’s philosophy, values and culture, it is less likely to make serious errors in formulating subsequent strategies to fulfill its mandate and mission.

Expect the completion of the tasks in this step to evoke considerable debate amongst the Strategic Planning Team. Therefore, in developing the work plan, do not scrimp on the allocation of time, as several hours of debate could quite easily evolve at this stage. It would also be unwise to limit the debate on this stage, because its importance to the overall process cannot be overstated, as the results from this step will temper the subsequent steps in the Strategic Planning Process, as outlined in Worksheet #1.

2.1 Stakeholder Analysis

Who are the stakeholders?

The essential aspect of the mission statement is to reflect the stakeholder’s concerns, as the key of the success for a municipality is the satisfaction of the key stakeholders. Therefore, prior to completing the mission statement, a stakeholder analysis is required. The first few steps of this process require the Strategic Planning Team to identify who the municipality’s stakeholders are, what their criteria are for judging the municipality’s performance (eg. what is their stake in the municipality or its output), and how well the

What is their relationship to the municipality?

municipality performs according to those criteria from the perspective of the stakeholder. In addition, the group may also attempt to understand how the stakeholders influence the municipality. Worksheets #6 and #7 provide some of the basic questions to answer to identifying the various stakeholders.

Once all of the various stakeholders have been identified, it may be a useful exercise to use this information to rank all of the stakeholders in terms of importance or influence. This exercise should foster a better understanding of the various stakeholders in terms of size and interests, and to identify those with the greatest needs.

2.2 Municipality s Values

The stakeholder analysis forms the basis for viewing the municipality's values. This step helps in clarifying the municipality's relation to the stakeholders in respect to their expectations and assessments of the municipality's performance. This is a necessary step to the formulation of the Mission Statement and the analysis of the municipality's strengths, weaknesses, opportunities and threats.

Determine the municipality s values by answering six questions.

Worksheets #8 and #9 identifies the six questions that need to be answered:

1. Who are we as a municipality?

In defining this answer, draw a distinction between what the municipality is and what the municipality does. The common error is to define an organization by what it does, and as a result important avenues of strategic response to issues are not pursued. Bryson in his book points to an excellent example of this, at the early part of the century. The railroads only saw themselves in the business of railroads, rather than as transportation companies which happened to be in the railroad business. When the automobile and trucking business began to emerge they found it rather difficult to compete because they were unable to make the paradigm shift.

2. Our municipality must respond to what basic needs or problems? (For example: social, business, protection, education, urban and rural development).

The answer to this question provides the basic social justification for the municipality's existence, which is to meet the needs and address the problems of its stakeholders. Thus the municipality must be viewed as a means to an end and not as an end in itself.

3. What does the municipality want to do to recognize or respond to these needs or problems?

The purpose of this question is to encourage the municipality to respond to the stakeholders' needs and the issues it should address. The problem with many organizations is that they lose touch with the people they are supposed to serve, tending to rely on their own interpretation of the issues and how to deal with them. Therefore, the municipality must be encouraged to maintain a meaningful dialogue with its stakeholders.

This dialogue with the stakeholders is more likely to encourage a constant review and refinement of the municipality's mission, mandates, service levels, financing, management and managerial structures and enables the municipality to remain an effective organization. Generally speaking, most changes to an organization are a result of responding to outside influences and needs.

4. How should the municipality respond to the key stakeholders?

In answering this question, the municipality must decide what relationship it wishes to develop with each of the stakeholder groups and how it wishes to deal with their issues and concerns. This also prompts the initial discussions on potential strategies, which will be addressed in greater detail in Step 4.

5. What is the municipality's philosophy and what are the municipality's core values?

When a municipality is unclear of its philosophy or core values, strategy development becomes more difficult, especially if the desire is to obtain achievable results. For example, if a municipality develops a strategy because it

sounds like the right thing to do and it believes that is what the stakeholders wish to hear, but it does not truly intend on dealing with the issue, then the strategy is valueless and it calls into question the whole process.

6. What makes our municipal government structure distinct or unique?

At one time this would have been relatively easy to answer because municipal government's structure, function and services had been relatively stable. In the last decade, however, municipal governments have gone through a number of transformations with provincial/municipal government restructuring, out sourcing of some municipal operations and with private and nonprofit organizations offering some similar services. As this environment becomes more competitive, those organizations that cannot provide a distinct advantage or contribution may lose out.

2.3 Municipality's Mission Statement

What is the *raison d'être* for the municipality?

After completing the Stakeholder Analysis and the Municipality's Values worksheets the Strategic Planning Team may begin the draft of the Mission Statement. The Mission Statement provides the *raison d'être* for the municipality. It should focus on the end result the municipality hopes to attain with less emphasis on an activity. Once the group has identified a number of points it wishes to express in the Mission Statement the Team may wish to shorten it to a slogan which captures the essence of what the Team wishes to accomplish or express, as it will provide guidance for the direction of the remaining process. Do not expect quick agreement on the Mission Statement, and if it becomes apparent the Team is not making any progress on this step, move onto the next phase of the process and come back to it at a latter date. As the team progresses through the next steps, it may wish to reexamine and refine the Mission Statement with more detail in terms of specific programs, services or relationships that may evolve in the strategy formulation with its stakeholders.

The Mission Statement will become useful in the formulation of goals, identifying strategic issues and plans, and as a basis to resolve conflicts within the group, that is, "do they reflect the Municipality's

Mission Statement?” It may also be a useful tool to ensure the Team remains on course and does not drift beyond the scope or the purpose of the strategic plan.

Examples of Mission Statements

Government Mission Statements

City of Fredericton

“Working together to serve our customers in an effective, efficient, professional and financially responsible manner.”

City of Grand Prairie, Alberta

“Helping to make Grand Prairie ‘The Greatest Place To Be’ by providing, supporting or facilitating municipal services that meet community needs and enhance quality of life for all.”

Department of Housing and Municipal Affairs, Nova Scotia

“Leadership and service in support of effective local government, adequate, affordable housing, equitable property valuation, and an integrated land information system.”

Organization Mission Statements

Institute of Public Administration of Canada (IPAC)

"Dedicated to excellence in public service"

Canadian Institute of Planners

“The Canadian Institute of Planners represents and supports professional planners in Canada and is the national advocate for the growth of health, sustainable and liveable communities created through effective planning.”

Association of Municipal Administrators (AMA), Nova Scotia

“The Association of Municipal Administrators, of Nova Scotia sees as its mission, the improvement of the quality of local government administration in the Province of Nova Scotia by:

- playing an active role in the identification and development of educational programs for its members;
- providing forums for exchanging ideas;

What is the existing situation of the municipality?

- **geographical features,**
- **development patterns,**
- **land use and zoning,**
- **recreation and open space,**
- **roads, water and sewer lines**

- providing a respected resource to municipal elected officials in this province;
- providing services to its members to improve their professional capabilities;

Step 3: Assessing the Situation

3.1 Situation Assessment

Before the municipality can start the SWOT analysis and make choices about the strategic plan, it is important to have a complete understanding of the existing situation of the municipality. This section, provides details on how to prepare a comprehensive assessment of the physical, economic, social, cultural and organizational environment of the municipality. To a large degree, each municipality should have most of this information available, for example Municipal Planning Strategies, land use by-laws, engineering servicing plans, recreation plans, etc. What is needed is to compile the information for the Strategic Planning Team. If the information is not available, this step may involve a fair amount of work, which to a large degree may be compiled at an early stage by the municipal staff prior to starting the process. The other aspect of this section, is that it will encourage involvement from the various departments of the municipality in the strategic planning process, as they prepare and present this material to the Strategic Planning Team. Otherwise the Strategic Planning Team could be divided into workgroups, each responsible for collecting the information for each of the sections.

Worksheets' 11, 12 and 13 provide a suggested listing of the types of information which could be useful for the Strategic Planning Team. To a large degree the level of detail of this step will be determined by how comprehensive the strategic planning process is to become.

1. Physical Environment

“A picture is worth a thousand words,” and when dealing with a municipality, proper maps are critical to promote a better understanding of the issues and the interrelationship between various elements of the municipality. There should

be two series of maps, the first series should include only the limits of the area which will be affected by the strategic plan. This series of maps will include all of the detailed data (physical, economic, social and cultural information) and, urban and rural planning strategies. A second series of maps should include a larger area of the surrounding communities or areas which have an impact upon the study area and vice versa. The second series of maps do not need the level of detail of the strategic planning study area. Rather, they are to provide a context for first series of maps and to facilitate discussions for the SWOT analysis.

There should also be extra maps produced which can be used as working sheets, which members can draw on to facilitate discussions.

If the municipality does not have the maps they require, they may wish to contact the Land Information Services at the Service Nova Scotia and Municipal Relations.

2. Economic Environment

- **economic base**
- **resource base**
- **commercial retail, office, industrial and residential development**
- **tourism**
- **trade area**

The economic environment data should be available from a variety of sources, for example, the planning/development departments, Business Improvement Districts, Regional Development Agencies, at the Federal Government (Statistics Canada, Canada Mortgage and Housing Corporation) or at the Provincial Government (Agriculture and Fisheries, Community Services, Economic Development, Environment, Natural Resources, Tourism and Culture, Transportation and Public works, and Service Nova Scotia and Municipal Relations).

For those items where detailed information is not available, the Strategic Planning Team will have to determine how important the information is to their study and whether it would be worth the time, effort and cost to acquire the information. Assistance in making these decisions should be available from the appropriate departments at the municipal, provincial and federal levels of government.

Some of the information should be relatively easy to transfer to some of the base maps prepared in the previous section.

- **population profile**
- **labour force**
- **social services**
- **community groups**
- **community facilities**

- **historic sites**
- **museums**
- **schools**
- **universities and colleges**
- **theatres**
- **libraries**
- **festivals**

- **government structure**
- **services**
- **resources**
- **finances**
- **staff expertise and resources**

- **business community**
- **environmental groups**
- **cultural groups**
- **service and community organizations**

This would facilitate more productive discussions.

3. Social Environment

Similar to the economic environment section, the information should be available from a variety of sources, especially at the municipal, provincial and federal levels of government. Worksheet 12 provides a listing of the topics which may be reviewed.

4. Cultural

The purpose of this section (see worksheet 12) is to identify cultural aspects of the community which could be utilized by members of the community and to attract visitors from outside of the community. The sources of this information should be the municipality, local historical or cultural societies, the federal and provincial departments of culture and tourism.

5. Municipal Organization

The purpose of gathering this information is to better understand the municipal organizational structure and how it works (see worksheet 13). For example, is there a Chief Administrative Officer or Council Committee structure for administration of the municipality? What are the various municipal departments and what is the reporting structure? What talents and expertise do the staff possess? What resources are available at the municipality, in terms of equipment, land and staff? What are the financial and resource limitations of the municipality? By developing a greater understanding of the resources available at the municipality, it is easier to formulate and realize achievable strategic plans.

6. Interest Groups

The Stakeholder Analysis of worksheet 6, may have identified many of the important interest groups. This

What are the views and concerns of the stakeholders?

section is to ensure that all groups are specifically identified. This is to better understand how a strategic plan may affect them as well as how they may try to affect the strategic plan. Therefore as a result of the identification, they can be either consulted or brought into the strategic planning process.

7. Surveys

Surveys are an invaluable method of soliciting views, concerns, issues and ideas from the various stakeholders. Furthermore, surveys provide an excellent forum to educate and inform stakeholders of the nature and purpose of the strategic plan and to enlist their support. In many ways, this step may be key to the final success and acceptance of the strategic plan, because without this support, implementation of the strategic plan becomes less assured. The scope of the strategic plan will determine the extent of the surveys.

If surveys are to be conducted, the Strategic Planning Team needs to develop a list of topics or key issues to initiate the consultive process. The information gathered to this point should provide the team the ability to identify five to ten key issues. The questionnaires, interviews, focus groups and public meetings can start with the introduction of the purpose of the process, then obtain the participant's views on key issues and then proceed to solicit further views. It is strongly suggested that the Strategic Planning Team not rely on just one method of obtaining information from the public. Rather, use a combination of two or more of the methods identified.

Questionnaires:

A survey, if based on a random sample within the municipality, can provide a reasonably accurate means of measuring the opinions, attitudes, concerns and ideas from the general populous or specific groups. There are two basic methods, either a telephone survey or a mail-out survey.

If you have ever been the recipient of either type of survey, you will understand, they should be short, to the point and easy to answer. Similarly, from the

Strategic Planning Team's perspective, they should be easy to tabulate and analyze. Therefore it is suggested they use predominately closed questions, where there is a list of possible answers from which the respondent must choose. Open questions, where the respondent must answer a question in their own words, are more difficult to transcribe or paraphrase into a useful form and to analyze, therefore they should be used minimally.

The order of the questions can also be important. Keep the questions which can be answered quickly and easily at the first, to allow the respondent to become comfortable with the questionnaire. The more difficult or complex questions should be toward the middle and end of the questionnaire.

The number of surveys to be conducted depends on the size of the community. It needs to obtain some meaningful results within a limited budget and should be defensible by the team. In regards to the telephone interviews, experience has shown it is better to hire people to conduct the interviews rather than to rely on volunteers. Senior high school or university students have often been suggested for such situations.

Finally, the surveys should also include a brief description of the purpose of the strategic plan and how it may relate to the participants.

It is strongly recommended that prior to conducting telephone surveys or sending out questionnaires they should be tested on a sample audience and reviewed by someone with experience in survey techniques.

Interviews:

If the Team plans to conduct interviews, there should be two sets. The first group should include the major politicians (include the three levels of government) and may include major government representatives whose departments or programs have a direct impact upon your municipality. The second group should

include the key individuals in the community, who have a high profile and are active in community affairs. These individuals do not have to be limited to any particular group, association or level of government and might include local business people, social activists, retired politicians or anyone who is actively involved in community affairs and local issues.

The interviews should begin with a short review of specific topics concerning the issue at hand. The focus of the discussion should deal with the problems, prospects and positive features of the community and solicit ideas or suggestions for the future of the community from the interview. The interviewer should take notes throughout the interview and summarize in point form immediately after the interview. The interview should not last much more than one hour.

Focus Groups:

A focus group is another name for a group interview or group discussion, where there is a focus on a particular topic. They usually involve putting together a group of seven to ten individuals in a meeting which should not last longer than two hours. With the guidance of a facilitator, the group reviews a series of questions relevant to the issue identified. Through this method, you can develop a better understanding of the range and depth of opinions, beliefs and ideas from a target group. This in-person setting permits the exploration of unanticipated issues or problems that people raise, and draws out detailed responses. The individuals for the focus group are usually chosen because they represent a target group you are trying to reach to understand. In order to ensure a better representation, three to four focus groups should be conducted.

Normally, a trained facilitator is required to ensure the discussion covers the main points of interest and remains focused on the main issues. The meetings are either recorded on audio tape for transcription

and analysis, or there is an individual to take detailed notes. Focus groups are a qualitative research technique and are often used prior to a more quantitative analysis. For example, the information gathered from a series of focus groups may be used as a basis for the design of a questionnaire.

The weakness of conducting focus groups is that they do require a facilitator who has been trained or has experience in focus groups. The transcribing of the information gathered and its organizing, categorizing and analysis can be a daunting task. Although the focus groups can provide detailed information and be extremely useful, they may not be representative samples of the population and therefore should be interpreted cautiously.

Public Meetings:

Public Meetings may be the most effective way to introduce the strategic planning process, purpose and goals to the widest audience and obtain direct feedback at one time. It is also an opportunity to introduce the members of the Strategic Planning Team to the public and review the preliminary issues identified by the group.

Similar to the focus group, there is a fair degree of preparation required. The first priority is to determine the location, time and date of the meeting. If this includes a larger geographical area, more than one meeting should be scheduled. The meetings should not be longer than two hours and one hour would be preferable. There should be at least two weeks between advertising for the meeting and the actual dates. This would also be an excellent time to try to get some articles in the local papers on the strategic planning process to create an awareness. An agenda should be prepared to include; introduction to the team; what is strategic planning, purpose of strategic planning for this community; time frames; preliminary issues; question and answer sessions; and, a session which should allow the public to forward their ideas, concerns, potential for the

What are the strengths, weaknesses, opportunities and threats to a municipality?

area, etc.

It would be preferable if there was a handout for the meeting covering these main points, the Strategic Planning Team’s names and contact numbers. This also provides an opportunity to include a questionnaire. If the strategic plan is limited to a specific area, provide a map of the area and provide the rationale for this geographic area.

It may also be worthwhile obtaining the names and addresses of the audience so that further mail outs can be sent out. There should also be someone at the meeting to take minutes, ensuring the names of the participants and their comments are documented.

3.2 SWOT Analysis

At this step, the information gathered in the previous steps is organized and analysed through the SWOT Analysis (Strengths, Weaknesses, Opportunities, and Threats). This provides information on the organization’s strengths and weaknesses in relation to the opportunities and threats it faces (see worksheets 14 to 17). The Strengths and Weaknesses of the SWOT analysis generally refer to the internal present state of the organization, while the Opportunities and Threats are generally external and future oriented. For a municipal situation, however, the distinction between internal and external factors is not as meaningful as it is for private business because the municipality serves a more encompassing group of stakeholders, who are generally participants in the municipal governing experience.

As Bryson has noted, some communities have focused on their “hopes and concerns,” rather than doing a SWOT Analysis. In addition, by focusing on the hopes and concerns, the strategic team is more likely to evoke value concerns, which are usually more important to a community-oriented strategic planning process. The decision to do a SWOT analysis or a “hopes and concerns analysis” will be for the Strategic Team to address, however, most methodologies for a strategic plan do focus on the SWOT analysis.

The strengths and weakness’ review should be made with as much

objectivity as possible because if the realities of the municipality and the government organization are not reviewed honestly and openly the realization of the strategies may be severely limited. It is difficult to learn about ourselves if we are not willing to be critical of our own behaviour. Therefore, at this juncture of the process the Strategic Team Members must be willing to check their egos and concerns about protecting their “own turf” at the door, and be willing to have very frank discussions.

The major purpose of any strategic planning is to view and understand the various future oriented threats and opportunities that may prompt an organization to respond before it becomes a crisis. However, any effective response to these threats and opportunities require a thorough knowledge of the internal organization’s strengths and weaknesses. Therefore, strategic planning is concerned with finding the best or most advantageous fit between an organization and its environment.

There are a variety of techniques that may be employed to complete this section; individual analysis; subgroup analysis; “organizational highs, lows and themes” exercise; and the “snow card” technique. It should be noted, this step may require more than one meeting because of the amount of information to cover.

There are four techniques to completing a SWOT analysis?

Individual Analysis:

Individual Analysis involves compiling a SWOT list individually, then meeting as a group to discuss.

A first cut at defining the SWOTs for the municipality may be undertaken by the individuals of the Strategic Team, using the worksheets 14 to 17. After individually creating these lists, the members meet and each member goes over their findings, observations and conclusions.

At the meeting, a facilitator will be required for the review of the individuals lists. Each of the strengths, weaknesses, opportunities and threats should be dealt with separately. Usually, it is quite helpful if the items are listed on the wall, so that they are visible to all members. If an item has been raised by one individual, there is no need to repeat it. The facilitator should keep the discussion focused on each issue at a time and keep the discussion moving at a good pace because there should be a lot of ground to cover. Upon reviewing all of the lists, a final list should be prepared with

items modified or expanded as necessary.

It is common to have an item which may be listed as both a strength and a weakness or an opportunity and a threat. For example, it is determined that many people prefer to shop in another community, this would be perceived as a threat, however, it could also represent an opportunity, because what they want to shop for is not available in your community.

The advantage of this method is that individuals are less likely to be constrained by comments or ideas of other team members and it may facilitate a greater flow of ideas. The disadvantage of this method is that the ideas of one are often the spark needed by others to follow through on another direction.

Group Analysis:

In this instance, rather than doing the work individually, the Strategic Planning Team would divide into four or five groups and compile the list of strengths, weaknesses, opportunities and threats using the attached worksheets. Otherwise this method remains the same as the individual analysis, except a group spokesperson would review the group's findings.

The primary advantage of this method is one of time, as it could speed up the process.

Organizational Highs, Lows and Themes

For an organization, it is sometimes helpful to first look to the past for what was good or worked well and what was not so good or did not work so well, before you can look to the future. As a result, the Team should focus on what the municipality should do differently so as to not repeat the same mistakes. This method was first devised by Kouzes and Posner.

The Strategic Planning Team will need a room with a large wall (or black board) which can be covered with large sheets of paper to make one large sheet. This should be divided into top and bottom halves, representing the highs and the

Group Analysis involves working through the SWOT analysis with four or five sub-groups.

Organizational highs, lows and themes involves working as a group and reviewing what the municipality did in the past.

lows. At the far right draw a vertical line to represent the date for today, at the far left-hand side draw a similar line representing how far back the team wishes to go back (usually five to ten years).

Each member of the Strategic Planning Team should then begin to list on small pieces of paper all of the municipalities “highs” and “lows” within the time frame. This could include the arrival or departure of successful and not so successful leaders, successful or unsuccessful management programs, useful or disastrous innovations and so on. Each item should be dated, and labelled as a high or low and placed accordingly on the wall sheet. The group then identifies common themes relating to the highs and the lows or to both. The themes are analysed in terms of the following questions:

- a. What strengths have the municipality relied on to deal with threats, to take advantage of opportunities? Which were ignored?
- b. What weaknesses have the municipality had in dealing with the threats and opportunities? What has been done about them?
- c. What opportunities have the municipality had? Which were taken advantage of, what ones were the municipality unable to take advantage of and which ones were ignored?
- d. What threats did the municipality deal with? Which were handled successfully, unsuccessfully and which were ignored?

Through the answers to these questions, the Team should identify patterns on the relationship between the strengths, weaknesses, opportunities, threats and themes. In particular, pay close attention to what the municipality’s strategies have actually been rather than what has been voiced in official statements. Based on the previous history, the Team should project what they would like to see in the future and what new themes the team would like to see.

Snow Card

“Snow Card” method is a form of organized brainstorming, where the brain stormed points are listed individually on

The snow card method provides a format for an organized group brainstorming session.

separate sheets of paper (snow cards) and then grouped into categories according to themes (snow balls). There would be four rounds of consideration for the strengths, weaknesses, opportunities and threats.

The Strategic Planning Team can either work as a whole group or break into sub-groups of four to five people. The Team would brainstorm on one of the SWOT issues, listing their ideas on a worksheet. Upon the completion of this list, the team would review the items and pick the best five to ten items for that round. After repeating this process for the four rounds, the team would write the items on separate pieces of paper or cards. The cards are collected and attached to the wall, clustering the cards with similar themes (snowballs). The team should agree on what the theme or category name should be for each group. As the team discusses the various clusters, they should determine whether they are a good fit, whether there are other subcategories and if there are any linkages from one category to another. The various snow balls should be arranged in order of priority. This can be achieved through a group discussion of the “snowballs.” Alternatively, each of the members of the team could be given seven to ten dots and be asked to place one dot on each item they consider to be the important. Once the issues have been ranked, the cards should be collected and prepared in the SWOT categories, in order of importance.

The main point to remember in this section is to attempt to keep the analysis simple. Otherwise, there is the greater potential to get bogged down in completing the assessments. If the discussions do start to lose their focus, the group may wish to examine some of the work they have already completed, with respect to the municipality’s mandates, stakeholder analysis, the municipality’s values and mission statement to bring the item back into focus. The other important factor is to realize this SWOT Analysis is to promote group discussion and the facilitator should ensure all participants are involved in the discussions.

3.3 Identifying Strategic Issues

What are the strategic issues facing a municipality?

Who considers them to be an issue?

Why is it an issue?

What are the consequences of not addressing the issue?

Test to see if the issues are strategic or operational?

The team may wish to review the list of strategic issues with Council and/or the public for feedback.

The identification of the strategic issues is a milestone in the strategic planning process, because once the Strategic Issues have been identified, the path to completing the strategic plan will become much clearer and easier to follow. This is perhaps the most exciting stage as well, because you can expect good healthy debates, especially with respect to setting the priority of the strategic issues. The important point to remember at this stage is to remain focused on the identification of the strategic issues, not on their resolution because that is the next step. Many problems in management arise because they start focusing too early on the potential solutions to a problem, without truly understanding the problem. Consequently the arising strategies will not fully address or resolve the issue. Like the earlier stages, this step needs a facilitator to keep the process moving and on topic. It also suggested that this step take place no more than two weeks after the SWOT Analysis, while it is still fresh in the Strategic Planning Team's minds.

Worksheet 18 provides an example on how the Strategic Team may identify the main issues. The first priority is to ensure this is an issue the municipality can do something about. Otherwise, it is not a strategic issue for the municipality, rather it would be an issue for another organization, for example the provincial or federal levels of government. In the previous sections, the methods outlined as the Individual Analysis, Group Analysis and Snow Card methods may provide an appropriate forum to the identification of these issues.

Worksheet's 19 and 20 provide a quick and easy test on the issues to determine whether the strategic issues identified are truly strategic issues or operational issues (those issues which can be handled by the existing departments within the municipality with minimal difficulty). This testing may also be useful in determining a priority of strategic issues to be resolved.

At the end of this stage, the Strategic Planning Team may wish to consider presenting the Strategic Issues to either Council or at another Public Meeting. The rationale for this is twofold, it keeps the public and Council informed on the process and it provides a forum to discuss the relevancy and ranking of the issues and whether the public or Council agrees. If there are major differences or other issues identified, the Strategic Planning Team has the opportunity to reevaluate their issues and if necessary modify them. In the long

The five steps to formulating strategies.

term, this will also increase a greater “buy in” or acceptance of the work of the Strategic Planning Team.

Step 4. Strategic Plan

4.1 Formulate Strategies

At this stage, the Strategic Planning Team must deal with the strategy formulation to deal with the strategic issues. The process of formulating strategies consists of five steps, these are:

1. Identify the practical alternatives or visions the municipality might pursue to address this strategic issue. For each strategic issue there may be more than one alternative to resolve the issue or vision on what would be desired. At this stage the team is encouraged to be innovative and unrestrained in their formulation of dynamic alternatives and visions. The next steps will determine whether they are realistic or attainable. (Worksheet 21)
2. Identify the barriers to the realization of these alternatives or visions. As innovative or dynamic the alternatives or visions may be, this step provides a “reality check.” What would prevent the attainment of these alternatives or visions? These barriers could include for example, lack of resources (economic and expertise), physical constraints, conflicts with other municipal goals and objectives. (Worksheet 22)
3. Identify the major proposals the municipality might pursue to either achieve the alternatives or visions, or to overcome the barriers to their realization. In other words, are these proposals achievable by the municipality? (Worksheet 23)
4. For those proposals which are achievable, identify the actions which existing staff must undertake to implement these major proposals. The resulting action plan should be a self contained worksheet for each strategy or proposal. It should provide:
 - a detailed description of the project;

- the intended outcome;
- which section of the municipality will be responsible for its completion;
- a listing of the resources and actions required to complete the task;
- the potential impact upon other strategies; and
- a proposed timetable for the strategy.

The completion of this step should involve representation from the municipal departments or organizations responsible for the completion of this initiative. (Worksheet 24)

5. Identify the steps the staff must take within the next six months to commence implementation of these major proposals and ensure the assignment of the areas of responsibility. (Worksheet 25)

Throughout this part of the process, it is important to remember what resources the municipality has and will require to undertake these new programs. Without the proper resources, the realization of these goals will be extremely difficult to achieve.

In using the above five step process, the snow card technique may be used to generate the responses. As Bryson noted, there are five advantages to using this method. It allows for relatively large groups to become involved in the process. Second, it keeps people from immediately jumping to final solutions, without examining all possible alternatives. Third, it keeps people from over evaluating their ideas and keeps a balance between idea creation and evaluation. Fourth, it encourages people to focus on where they are and where they would like to be. And fifth, the participants must deal directly with the implementation problems directly.

In using the five step process, a number of potential conflicts within the Strategic Planning may be avoided, primarily because each step provides a filtering process, eliminating alternatives or visions which are not practically attainable by the municipality. In other words, there must be a balance between what the municipality intends to do, what is needed, what is feasible combined with what the municipality's capable of doing.

4.2 Integrating Strategies to a Strategic Plan

At this stage, it is time to view those strategies which survived the five step review of the previous step. It may be useful to categorize the strategies into functional areas. These should be considered the action plans which will be required by the municipality and by the various municipal departments and stakeholders. These strategies should be compared to the municipality's corporate goals and objectives and the municipal planning strategy to determine if they are compatible and if necessary propose the appropriate amendments to these documents.

These strategies will form the blueprint for action by the municipality, where it provides an outline as to what is to be done, who or what departments will be responsible, when it will be done, the results desired and the results which can be measured in order to evaluate attainment. This will include identifying how the municipality will allocate resources (i.e., financial, human and stakeholder resources). Through this process the Strategic Team should identify which of the strategies can be achieved and form part of the Strategic Plan based on the above evaluations.

The Strategic Planning Team should attempt to rank the strategies at this stage. Again, being mindful of the municipality's resources (i.e., what can be reasonably done within the next few years?).

4.3 Municipality's Vision Statement

The purpose of the vision is to develop a clear and succinct description of what the municipality should look like after implementing its strategies and achieves its full potential. While the Mission statement outlines the municipality's purpose, the Vision Statement goes further to describe how the municipality should look as a result of the implementation of the strategies identified through this process.

This step is purely optional, however, it does provide a clearer picture to all stakeholders where the municipality wants the strategic plan to take them and assists in the future evaluation of the strategic plan. It should provide inspiration to the future of the municipality. The vision statement should not focus more than three to five years into the future. The level of detail is something the Strategic Planning Team will have to decide upon, as vision statements have

What should the municipality look like after implementing the strategic plan?

Once the strategic plan has been implemented, there needs to be an ongoing evaluation process of the various strategies.

ranged from one to ten pages in length. In some instances, teams have left this step until after the adoption and acceptance of the strategic plan itself because they would then know which were the accepted strategies and it would allow participation of other stakeholders. However, considering the evaluation step and the continual evaluation of the strategic plan, it may be more reasonable to complete the vision statement at this time.

The vision should include the mission, core values, basic strategies, performance criteria, decision making rules, ethical standards and emphasize the important social purpose the municipality serves and that justifies its existence. This vision should be a composite view of the Strategic Planning Team, it should have a high impact and be powerful.

4.4 Evaluation process

The action plans for each of the strategies should be prepared in a manner which permit yearly evaluation, in terms of accomplishments within projected time frames, the municipality's budget and staffing requirements. The Strategic Planning Team should recommend a standing subcommittee of this team, whose responsibility will be to monitor the implementation of the action plans. Generally, this should comprise three to five members, who will monitor the progress of the Strategic Plan on an annual basis to report back to the Municipal Council.

Worksheet 27 provides a basic outline for the evaluations under the headings of responsibility, feasibility, resources and timetable. Under these headings some of the questions which may be asked are as follows:

Responsibility:

- Have those identified as having responsibility for this project participated as expected?
- Is additional support required to coordinate the project?
- Is additional direction or help required to allow those responsible for achieving their objective more effectively?
- Are changes required regarding the responsibility for the project?

Feasibility:

- Has the feasibility of projects now been determined?

**Final report format
for the strategic plan.**

- Do changes have to be made to projects as a result of the feasibility assessment?

Resources:

- Are the key people participating?
- Are additional key people required to participate at this time?
- Are the finances in order?

Timetable:

- Is the proposed schedule being followed?
- Have the actions which were identified to be completed at this point in time been completed?
- Should the timetable be adjusted?

4.5 Prepare Document

It is time to start pulling all of the work into a documented form to take to the Council and public, although as Bryson notes the greatest achievement has been accomplished where “shared thinking and acting are what count, not strategic plans in and of themselves.”

The document could include the following headings to help organize the Strategic Planning Teams work:

- Introduction (including purpose, process and participants)
- Mission Statement
- Municipality’s Mandates
- Vision Statement
- Situation Assessment Summary (include appropriate maps)
- SWOT Summary
- Major Strategic Issues
- Functional Strategy Statements
- Implementation Plans, including action plans (include maps and schematics to demonstrate the points)
- Staffing Plans, including municipal staff and volunteers if needed
- Financial Plans, including operating budgets for each year of the plan, plus any necessary capital budgets or fundraising plans
- Monitoring and Evaluation Plans

Council review of the strategic plan and adoption.

Step 5 Adopting the Strategic Plan

At this stage, the Strategic Planning Team has the final document to go to Council for approval. As with any major endeavour of this nature, the team has to determine how they wish to approach this stage. In some instances, the team may wish to hold another Public Meeting to review the results to ascertain public support, review the major initiatives and if necessary modify the plan accordingly. The team may wish to hold a special informal meeting with the Council prior to taking it to a Council Meeting. This would give the councillors the opportunity to review the document to ensure the members of Council have an understanding of the strategic planning process, what process the team went through and the major findings. Again, it also gives the team the opportunity to modify the document to address any issues which were overlooked or to reinvestigate any strategies if required or address specific concerns of any individual or group of councillors and stakeholders. This final consultation with the public and Council should also encourage a greater acceptance of the Strategic Plan.

As suggested with the Public Meetings, there should be a two-week notice given for any meetings. Prior to any meeting, you may also wish to brief the members of the press to ensure they have a full understanding of the document as well.

Step 6 Implementation

Upon the successful adopting of the Strategic Plan, the last function of the Strategic Planning Team revolves around meeting with the major managers of the municipality to initiate the formulation of the action plans and delegation of tasks. To a large degree, much of this work should have been completed with Worksheets 24 and 25. The final detailed action plans, would then be completed by the various municipal departments or other organizations where applicable.

At this point the Strategic Planning Team, may wish to consider the formation of the Evaluation Team to ensure the evaluation process is adhered to, as outlined in Section 4.4 and Worksheet 27. Depending on the circumstances or the strategies involved, such an evaluation can be on an annual basis or every six months, with the annual reviews going to Council.

The strategic plan requires maintenance and adaption to respond to a changing environment.

Step 7 Strategic Issue Management

Once the Strategic Plan is adopted by council and its implementation has commenced that does not mean it is the end of the process. Municipalities do not exist in a static environment, strategies must be maintained and if necessary updated or modified to deal with this ever changing environment. In some situations, if the strategies have proven to be ineffective or the situation has changed, it may be necessary to identify new strategic issues and formulate new strategies and eliminate the ineffective strategies. Similarly, as new issues arise, new strategies will have to be formulated to deal with them, hence the term Strategic Issue Management.

This is not to imply that the municipality must necessarily start the whole process over again, rather it should be considered more as strategy maintenance, especially considering when most of the background work (mission, mandates, SWOT analysis, vision statement, etc.) has been completed.

Therefore, the municipality may wish to set up a systematic process with principal managers to identify key strategic issues which have arisen because of the changing environment or a shift of the priorities of the existing strategic issues for the same reason. Depending on the situation, such a review may be done on an annual or biannual basis. Quite simply, this would involve using the steps already outlined, from the SWOT Analysis or Identification of Strategic Issues (step 3) process, forward.

Summation

As stated in the beginning, the purpose of this document is to provide a better understanding of the Strategic Planning Process and provide a potential model for a municipality to follow if they wish to embark upon a strategic planning process by themselves. As noted previously, the municipality may wish to consider hiring a consultant to guide them through the process and act as a facilitator at various stages. In this case, the document should provide the information to better evaluate potential candidates to best suit the needs of the municipality.

Definitions

Action Plan: Statements of the details of each tactical description, including details of who is responsible for each specific step and when each step will be completed.

Consensus: A general agreement among the constituency.

Goal: A broad statement describing what we will do in the future, how our organization will appear, or how we will deliver services based on our vision. A description of a long-range strategy positioning us to achieve our vision.

Indicator: A specific characteristic or event that is directly measurable and reflects some aspect of the performance being measured.

Mandates: Externally imposed legal requirements and informal requirements and priorities that affect our organization.

Mission Statement: A declaration of our organization's purpose.

Objective: Statement of what needs to be done in order to reach a specific goal and by what date (broad time frame).

Paradigms: the lenses through which we view our world, and include our attitudes, behaviours, and actions. Paradigms can be international, national, ethnic, organizational or individual.

Paradigm shift: A change in the way in which we view our world, or a change in our attitudes, behaviour or actions.

Stakeholder: Any group or individual who is affected by or who can affect the future of our organization, in other words they have a "stake" in what we do. Examples of a municipality's stakeholders group would include citizens (include all citizen groups living within the municipality), taxpayers, service recipients, the governing body, employees, unions, interest groups, the financial community, businesses and other governments (local, provincial and federal).

Strategic Planning: A disciplined effort to guide the activities of the organization.

Vision Statement: A description of how our organization appears in the future including our values. The statement is inspiring and describes our organization as a success in meeting the needs of important stakeholder. The statement also provides guidance and long range direction to staff.

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Wilkinson, George. "Strategic Planning in the Voluntary Sector" in *Handbook of Strategic Planning*, Gardner, James R., and Rachlin, Robert, and Sweeny, H.W. Allen (editors) John Wiley & Sons, New York, 1986.

Websites

City of Grande Prairie: www.city.grande-prairie.ab.ca

City of Kingston: www.city.kingston.on.ca/info

City of Fredericton: www.city.fredericton.nb.ca/cityhall/strategic

City of Moncton.org/english/strategic.htm

Worksheets

The following worksheets are provided as a guide only. As the Strategic Planning Team begins its process, it may become apparent that the team will want to modify them or add additional sheets to suit the individual needs of the municipality.

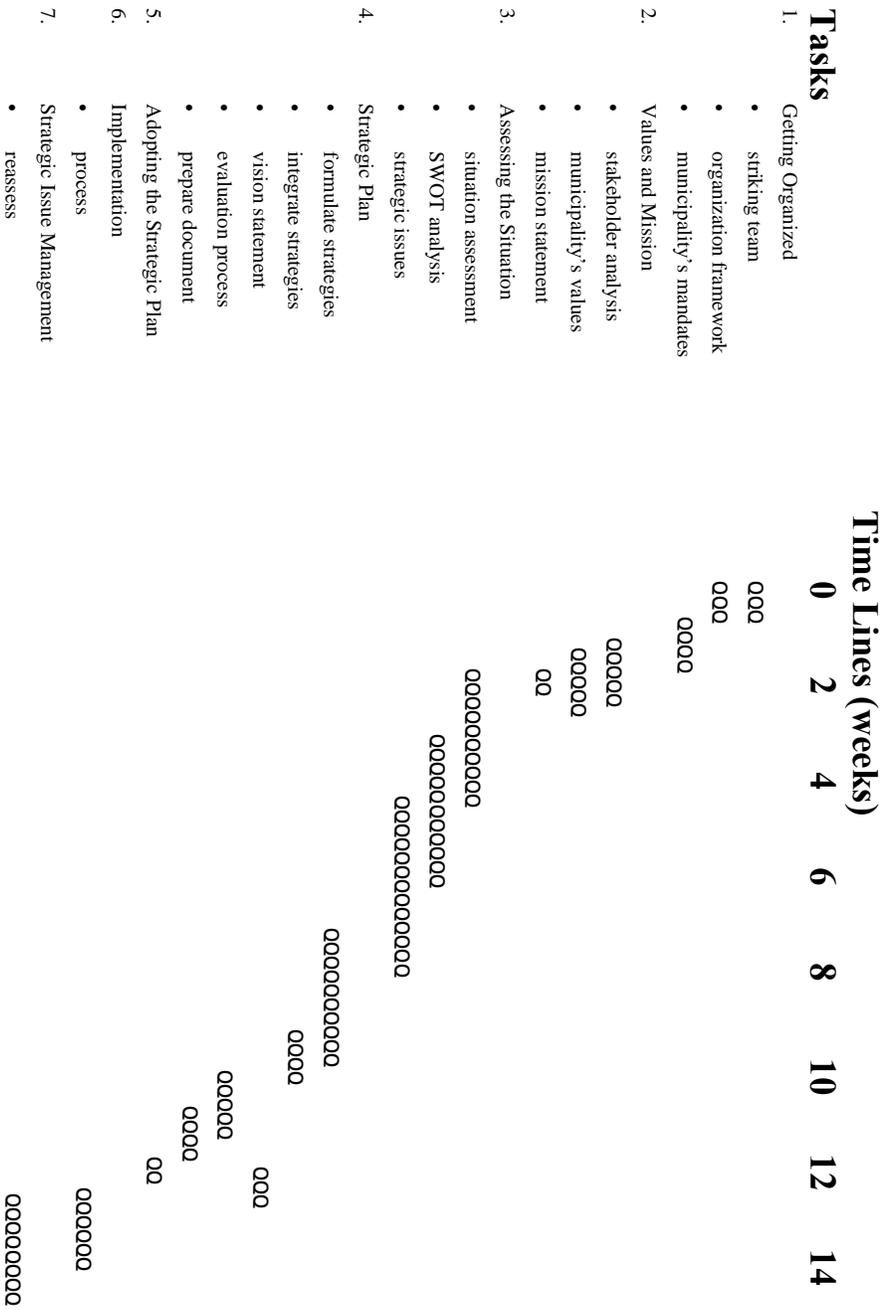


Work Plan

Task	Time	Budget
1. Getting Organized		
• Striking a Strategic Planning Team	_____	_____
• Setting Organizational Framework	_____	_____
• Identifying Municipality's Mandates	_____	_____
2. Values and Mission		
• Stakeholder Analysis	_____	_____
• Municipality's Values	_____	_____
• Municipality's Mission Statement	_____	_____
3. Assessing the Situation		
• Situation Assessment	_____	_____
• SWOT Analysis	_____	_____
• Identifying Strategic Issues	_____	_____
4. Strategic Plan		
• Formulate Strategies	_____	_____
• Integrating Strategies to Strategic Plan	_____	_____
• Municipality's Vision Statement	_____	_____
• Evaluation Process	_____	_____
• Prepare Document	_____	_____
5. Adopting the Strategic Plan	_____	_____
6. Implementation		
• Formulate Implementation Process	_____	_____
7. Strategic Issue Management		
• Reassess Strategies and Strategic Planning Process	_____	_____

Gantt Chart

Strategic Plan - Gantt Chart (Sample)





Municipality s Mandates **(continued)**

- Municipal By-laws and policies

3. What do we hope to achieve?



Stakeholder Analysis

Stakeholder: _____

1. What is the stakeholders' interest or relationship with the municipality?

2. What influence does the stakeholder have with the municipality?

3. What influence does the municipality have with the stakeholder?



Stakeholder Analysis (continued)

4. What criteria does the stakeholder use to judge the municipality?

5. As an organization, what does the municipality need from this stakeholder, to survive and prosper?

6. How important is the stakeholder to the municipality?

7. Rank: _____



Municipality's Values Worksheet

1. Who are we as a municipality?

2. Our municipality must respond to what are the basic needs or problems? (For example: social, business, protection, education, urban and rural development)

3. What does our municipality want to do to recognize or anticipate and respond to these needs or problems?

4. What should the municipality's responses be to the key stakeholders?

- a.
-
-
-
-
-



Municipality's Values Worksheet (continued)

- b. _____

- c. _____

- d. _____

- e. _____

- f. _____

5. What is the municipality's philosophy and what are the municipality's core values?

6. What makes our municipal government structure distinct or unique?



Situation Assessment

Data Collection

1. Physical Environment

- geographical features
- development patterns
- land use and zoning
- natural resources/features
- open space
- infrastructure (e.g. water, sewer, roads)
- condition of developed areas
- major provincial transportation corridors
- _____
- _____
- _____
- _____

2. Economic Environment

- economic base
- resource base
- commercial development
- retail development
- office development
- industrial development
- housing development
- tourism development
- real estate development
- trade area profile and markets
- _____
- _____
- _____
- _____



Situation Assessment

Data Collection (continued)

- 3. Social Environment
 - population/demographics
 - labour force
 - social services
 - community organizations
 - community facilities
 - recreational facilities
 - _____
 - _____
 - _____
 - _____
 - _____
 - _____

- 4. Cultural
 - history
 - historic sites
 - museums
 - schools
 - universities and colleges
 - theatres
 - libraries
 - festivals
 - _____
 - _____
 - _____
 - _____
 - _____
 - _____



Situation Assessment

Data Collection (continued)

- 5. Municipal Organization
 - municipal government structure
 - municipal services (e.g., recreation, fire, police)
 - municipal resources (e.g., equipment, land)
 - budget and financial considerations
 - workforce expertise and resources
 - _____
 - _____
 - _____
 - _____
 - _____

- 6. Interest Groups
 - Business Groups (e.g., downtown, industrial parks)
 - Environmental Groups
 - Cultural Groups
 - Service/Community Organizations
 - _____
 - _____

- 7. Surveys
 - questionnaires
 - interviews
 - focus groups
 - public meetings
 - _____
 - _____



SWOT Analysis
Internal Strengths Worksheet

Strength # _____



SWOT Analysis
Internal Weaknesses Worksheet

Weakness # _____



SWOT Analysis
External Opportunities Worksheet

Opportunity #_____



SWOT Analysis
External Threats Worksheet

Threat # _____



Strategic Issue Identification

1. What is the issue? (This must be an issue which the municipality can take some action.)

2. Who considers this to be an issue?

3. Why is this an issue? (What makes this an issue in terms of the municipality's mission and mandates, and the SWOT analysis?)

4. What are the consequences of not addressing this issue?



Strategic Issues Test

Strategic Issue: _____

1. When will the “strategic” issue confront the municipality?
 - (1) immediately
 - (2) next year
 - (3) two or more yearsScore: _____

2. How broad of an impact will this issue have on the municipality?
 - (1) single division
 - (2) department
 - (3) entire municipalityScore: _____

3. What impact will this strategy have on the municipality’s budget?
 - (1) minor
 - (2) moderate
 - (3) majorScore: _____

4. Will the strategies for issue resolution likely require:
 - a. Development of new service goals and programs?
 - (1) no
 - (3) yesScore: _____

 - b. Significant changes in tax sources or amounts?
 - (1) no
 - (3) yesScore: _____



Strategic Issues Test (continued)

c. Major facility additions or modifications?

(1) no

(3) yes

Score: _____

d. Significant impact upon staffing levels?

(1) no

(3) yes

Score: _____

5. What is the lowest level of management that can decide how to deal with this issue?

(1) Line Staff Supervisor

(2) Department Head

(3) Town Manager, CAO or Council

Score: _____

6. What are the probable consequences of not addressing this issue?

(1) inconvenience or inefficiency

(2) significant service disruption or financial impact

(3) long term service disruption or large financial impact

Score: _____

7. How sensitive is the issue relative to community, social, political or cultural values?

(1) minor

(2) moderate

(3) major

Score: _____

Generally speaking, if the scores are predominately 2 and 3, it can be considered a major strategic issue. If the scores are predominately 1 and 2, it can be considered more of an operational issue.



Practical Alternatives

Strategic Issue: _____

What are the practical alternatives the municipality might pursue to address this strategic issue?

Practical Alternative # _____

Practical Alternative # _____

Practical Alternative # _____



Barriers Identification

What are the barriers to the realization of these alternatives?

Barrier # _____

Barrier # _____

Barrier # _____



Major Proposals

What are the major proposals the municipality might pursue to either achieve the alternatives, or overcome the barriers to their realization?

Strategy # _____

Strategy # _____

Strategy # _____



Strategic Action Plan

Strategy # _____ Name of Initiative: _____

Project/Program description: _____

Intended Outcomes: _____

Responsibility Centres: _____

Feasibility: _____

Resources Needed: _____

Impact upon other Strategies: _____

Timetable: _____

Immediate Action Required: _____



Major Actions Worksheet

What major actions, with existing staff and within the existing job descriptions, must be taken within the next year to implement the strategies or proposals?

Strategy # _____ Major Action # _____

Strategy # _____ Major Action # _____

Strategy # _____ Major Action # _____

Strategy # _____ Major Action # _____



Progress Evaluation

Strategic Action Plan: _____

Responsibility:

Feasibility:

Resources:

Timetable:

Section 6.2

Capital Improvement Plan

The purpose of this guide is to provide a brief overview on what is a Capital Improvement Plan (CIP), the advantages of implementing one and how to prepare one.

The first section includes a review of:

- What is a Capital Improvement Plan?
- What is the purpose of a Capital Improvement Plan?
- Why should a municipality prepare a Capital Improvement Plan?
- What are the steps in preparing a Capital Improvement Plan?

The second section includes a Capital Improvement Plan Workbook, which includes:

- A brief overview handout on how to complete Capital Improvement Plan.
- Worksheet 1 provides a checklist on the items to complete for the steps of the Capital Improvement Plan.
- Worksheet 2 provides the commonly used capital project evaluation criteria.
- Worksheet 3 provides a chart for the listing of the inventory of public facilities.

What is a Capital Improvement Plan?

A Model Capital Improvement Plan for Municipal Units

I. Definition:

A capital improvement plan (CIP) is a multi-year plan identifying capital projects to be funded during the planning period. The CIP identifies each proposed capital project to be undertaken, the year the assets will be acquired or the project started, the amount of funds expected to be expended in each year of the CIP and the way the expenditure will be funded.

A CIP is not a static document. It should be reviewed every year to reflect changing priorities, unexpected events and opportunities. The CIP should include the maintenance, repair and rehabilitation of existing infrastructure as well as the construction of new infrastructure (see chart 1). This can include capital items such as buildings, utility systems, roadways, bridges, parks, landfills and heavy equipment which have a high cost and a useful life of several years.

II. Purpose:

The basic function of a CIP is to provide:

- a formal mechanism for decision making,
- a link to long range plans,
- a financial management tool, and
- a reporting document.

Mechanism for formal decision making

A CIP provides government with a process for the planning and budgeting of capital needs. A CIP answers such questions as what to buy, build, or repair and when to buy or build. It is a useful tool for prioritizing of capital projects.

A link to long range plans

A CIP serves as a link to the planning process and should be developed with the land use plan, strategic plan and other long range plans. When determining whether or not new

What is the purpose of a CIP?

infrastructure should be constructed or existing infrastructure should be replaced, it is important to consider changing demographics and land use patterns.

Financial management tool

A CIP is used to prioritize current and future needs to fit within the anticipated level of financial resources. When looking at capital projects, it is important to consider the operating and maintenance costs that will be incurred with the construction or replacement of infrastructure. A CIP will allow for better financial planning and will smooth the need for sharp increases in tax rates or user fees to cover unexpected repairs, replacements or construction of capital assets.

Reporting document

A CIP presents a description of proposed projects that will be undertaken over the planning period. The CIP is used to communicate to citizens the municipal unit’s capital priorities and plans for implementing projects. It also includes the expected source of funding for projects.

III. Advantages:

What are the advantages of a CIP for municipalities?

The advantages of a CIP are numerous. The major advantages are that a CIP:

- i. It focuses attention on community goals, needs and financial capability. A CIP ensures that the projects that are being done are the ones that will best serve the needs of the majority of citizens. When determining the projects to be addressed in the CIP it is important to balance the community’s needs against the community’s ability to pay.
- ii. It provides a forum for building public consensus for projects and improves community awareness. By involving the citizens in the selection and prioritization of projects, support for the projects is generated thereby eliminating (or reducing) opposition to the projects. It also educates the public as to the

costs of capital projects.

- iii. It improves inter-/intra governmental cooperation and communication. A CIP enhances coordination of capital projects between government departments and agencies. If all departments are aware of the proposed schedule of capital projects, opportunities may exist to schedule projects from different departments in such a manner to ensure an effective use of resources. If a municipal unit communicates its long range plans to other municipal units in an area, the opportunity may exist to reduce duplication of programs and share in joint efforts that could reduce the costs to all residents and improve the services to the residents in the common area.
- iv. It ensures an efficient use of resources. By having a multi year focus on projects, scheduling of phases of the project can be coordinated to ensure the project is finished on time and on budget. A CIP can also reduce the likelihood of costly delays brought about by citizen opposition to the projects and through missed linkages with other projects or project phases or through insufficient funding.
- v. It helps to ensure financial stability. Capital projects are prioritized and scheduled to fit within expected funding. This planning will reduce the occurrence of dramatic tax increases to fund capital projects. Another advantage is that municipal units will not have to take allocated resources from one project to make unanticipated capital expenditures. On a more fundamental level a CIP promotes financial stability through infrastructure maintenance and allowing for long term planning of resources and needs. The details of the impact of capital funding on operating budgets and debt servicing levels are clearly visible.

Limitations to the CIP process exist. Some limitations are the implementation of a CIP requires additional time by administrative and elected officials for preparing, reviewing and revising the CIP and

There are 11 steps to completing a CIP.

Administration Structure

budget. It is important to recognize that the role of the CIP is not to discourage development. Development may still occur in areas where site conditions and development controls permit on-site sewer and water systems or where key support facilities and urban services exist. However, the benefits of performing a CIP far outweigh any limitations to the process.

IV. Steps in the Capital Improvement Process:

The general outlines of the CIP will not vary significantly from one municipal unit to another. The major difference will be the amount of detail that is contained in an individual municipal unit's CIP. The amount of detail that is contained in a CIP is a factor of the size of the municipal unit, its organizational structure, fiscal condition and rate of growth. When preparing a CIP each municipal unit must take into account its specific needs.

The steps each municipal unit follows when implementing a CIP should remain the same. The design of a CIP follows eleven basic steps (see Worksheet 1):

1. Establish the administrative structure. At this point a municipal unit would appoint a coordinating unit or individual, distinguish between capital and operating expenditures, determine the time frame that the CIP will cover, prepare a calendar of key events and set the mechanism for public input.

It is important that the administrative framework include all individuals (departments) that are involved in the capital project decision making process; engineering, planning, finance, etc. While it is important to involve all stakeholders it is vital that the coordination of the CIP be handled by a single office or person.

**Policy
Framework**

2. Establish the policy framework for the CIP. A municipal unit will have a set of long range goals that they want to achieve with respect to the capital program. In many communities the principal criteria for capital improvements is a desired level of service. The policies that the municipal unit put in place provide the framework for achieving those goals and address the issues of: the municipal unit's financial viability, community development, levels of service standards and other strategic goals.

**Policy
Framework**

3. Formulate evaluation criteria to determine capital spending levels and to guide capital project selection. The criteria to evaluate projects should be clearly defined and agreed upon before the selection of capital projects begin. Some of the criteria that should be considered are:

- the fiscal impact (on costs and revenues),
- health and safety effects,
- community economic effects,
- environmental and social effects,
- feasibility including public support and the municipal unit's readiness, and ability to undertake the project,
- implications of deferring the project,
- amount of uncertainty and risk,
- effect on inter-municipal relationships, and
- any advantages that will be realized from undertaking that project at the specified time in relation to other projects (see Worksheet 2).

**Capital
Needs
Assessment**

4. Prepare a capital needs assessment. A capital needs assessment must take into account maintenance of existing infrastructure as well as the construction of new infrastructure. Proper maintenance of infrastructure is vital if governments are to deliver quality services to its residents effectively and efficiently. When looking at existing capital assets you must include the cost of deferring maintenance, the life cycle of the asset (useful

Status of Existing and New Projects

life remaining), the total cost of operating and maintaining the asset versus the total cost of replacing the asset. The municipal unit will prepare an inventory of assets. The inventory should include the age, condition, maintenance history of the asset and the replacement cost of the asset. This information will be instrumental when the municipal unit is trying to decide if they should repair or replace infrastructure (see Worksheet 3).

It is important to identify needs for capital facilities and equipment in the future by reviewing and forecasting demographic information, land use patterns and other relevant information.

5. Determine the status of previously approved projects and identify new projects. It is important that previously approved projects be reviewed in the capital improvement process. By reviewing previously approved projects municipal units will be able to evaluate whether or not the projects are on schedule and on budget. The municipal unit will also have to determine if a project that is not on schedule will impact planned projects for the upcoming year. Unfinished projects may require the financial and human resources that had been committed to current projects.

Municipal units will need to develop information for new project proposals. Decisions makers will need to know the project scope, justification of the project based on capital improvement plan policies or other long range goal, cost and expenditure schedule.

**Financial
Capacity**

6. Assess the financial capacity of the municipal unit to undertake new capital projects. The municipality should look at past, present and future trends in revenue generation, debt levels and ratios, changing regulations and shifting demographics to determine whether or not they can afford to undertake any or all of the proposed capital projects. The objective of the analysis is to determine the amount of funds available from existing revenue sources to pay for capital projects. The analysis should also consider the availability of senior government funding or new revenue sources as well as any tax rate increase that maybe required to finance the project(s).

When looking at the cost of doing a project it is important to look at all the project costs; capital, operating and maintenance. Decision makers should also look at the cost of not doing a project. If you delay a project or maintenance what will the cost of construction be in the future, what are the current yearly operating and maintenance costs and what is the lost opportunity cost to the municipality.

**Evaluate
Options**

7. Evaluate funding options. Once the cost of capital projects are known the municipality must decide on how they will fund the projects. It is helpful if the municipality has a policy in place that deals with investments and financing options. Some financing options are pay as you go, long term borrowing, lease purchase agreements, user fees and special purpose taxes. With limited financial resources it is important that municipalities look at all possible financing options. The decision makers need to be realistic when assessing the feasibility of financing arrangements and must consider their legal authority to enter into financing agreements, financing methods, political acceptability and administrative complexity.

Ranking

8. Compile, evaluate and rank project requests and undertake financial programming. This is where project requests are evaluated and prioritized. The evaluation criteria is used to

rank each project. It is important that all the stakeholders are involved in this process, this will ensure greater fairness in the ranking. Once the ranking is completed, funding sources are identified and the year the project will be undertaken will be determined.

Adoption

9. Adopt a capital program and capital budget. The CIP and capital budget will have to be formally approved and adopted by the municipal council. Ideally the capital budget and the CIP will be for the same time frame. The council would approve the capital plan in principle as the legislative authority to incur expenditures does not extend beyond one year. The CIP is a planning tool and the approval of the capital budget is the legislative authority to incur expenditures in that year. The CIP document should describe the program and budget. It must include enough relevant information about the capital program so that stakeholders (elected officials, residents and staff) can respond to the capital priorities.

Implementation

10. Implement and Monitor the Capital Budget and Projects. The projects must be monitored on an ongoing basis. The projects should be tracked from a cash flow or financial component as well as a time management perspective. A project that is over budget or is behind schedule may have an impact on the capital project schedule and budget for the next year.

Evaluation

11. Evaluate the CIP Process. The CIP must be evaluated on an ongoing basis. The evaluating committee should look at what aspects of the plan worked and what areas of the plan can be improved. This step is particularly important in the first year(s) of a CIP. Once the CIP has been established the administrative and policy areas will need some adjustment, but will not need to be reinvented. Generally once the CIP has been established the process will be able to start at step five most years with a review of steps 1 to 4 every so many years, as the committee

sees fit.

V. Conclusion:

Capital improvement programming is a valuable tool to ensure that choices are made wisely. Every community whether it is experiencing growth, decline or stability needs to budget for capital items to maintain the current asset base and to meet future needs.

The CIP enables decision makers to make the correct long term decisions that benefit the community as a whole both from a financial perspective and a service delivery/quality of life perspective.

Attached as a reference guide are a number of worksheets that have been used by various municipal governments to establish a capital improvement plan. These worksheets are to be used for reference only. Municipal units are encouraged to develop worksheets and a work plan that best suits their own needs.

Reference List:

1. A Capital Improvement Programming Handbook for Small Cities and Other Governmental Units, Municipal Finance Officers Association
2. Planning for Capital Improvements, MIS Report, Vol.25 # 10, October 1993
3. Guide to Setting Priorities for Capital Investment, Guides to Managing Urban Capital, Vol.5
4. Capital Improvement Programming : A Guide for Smaller Governments, Government Finance Officers Association, 1996

Capital Improvement Plan Workbook

The following workbook was developed as a handout to be distributed to the Capital Improvement Plan work team. It includes:

- **Capital Improvement Plan - Overview**
 - Definition
 - Purpose
 - Advantages
 - Steps in the Capital Improvement Plan
 - Conclusions

- **Work Sheet 1**
 - Checklist of the tasks to be completed for each of the 11 steps of the Capital Improvement Plan

- **Work Sheet 2**
 - Commonly Used Capital Project Evaluation Criteria

- **Work Sheet 3**
 - Inventory of Public Facilities

Capital Improvement Plan - Overview

Definition:

A capital improvement plan (CIP) is a multi-year plan identifying capital projects to be funded during the planning period. The CIP identifies each proposed capital project to be undertaken, the year the assets will be acquired or the project started, the amount of funds expected to be expended in each year of the CIP and the means of funding the expenditures.

A CIP is not a static document. It should be reviewed every year to reflect changing priorities, unexpected events and opportunities. The CIP should include the maintenance, repair and rehabilitation of existing infrastructure as well as the construction of new infrastructure.

Purpose:

The basic function of a CIP is to provide a formal mechanism for decision making, a link to long range plans, a financial management tool and a reporting document.

Advantages:

The major advantages of a CIP are:

- 1 Focuses attention on community goals, needs and financial capability.
- 2 Builds public consensus for projects and improves community awareness.
- 3 Improves inter-/intra governmental cooperation and communication.
- 4 Ensure efficient use of resources.
- 5 Promotes financial stability through:
 - a) infrastructure maintenance
 - b) long term planning of resources and needs
 - c) details impact of capital funding on operating budgets, debt servicing

Limitations to a CIP process exist. Some limitations are the implementation of a CIP requires additional time by administrative and elected officials for preparing, reviewing and revising the CIP and budget on an annual basis. It is important to recognize that the role of the CIP is not to discourage development. Development may still occur in areas where site conditions and development controls permit on-site sewer and water systems or where key support facilities and urban services exist. However the benefits of performing a CIP far outweigh any limitations to the process.

Steps in the Capital Improvement Process:

The general outlines of the CIP will not vary significantly from one municipal unit to another. The major difference will be the amount of detail contained in an individual municipal unit's CIP. The amount of detail that is contained in a CIP is a factor of the size of the municipal unit, its organizational structure, fiscal condition and rate of growth. When preparing a CIP each municipal unit must take into account its specific needs.

The steps that each municipal unit follow when implementing a CIP are the same. The design of a CIP follows eleven basic steps:

1. Establish the administrative structure.
2. Establish the policy framework for the CIP.
3. Formulate evaluation criteria to determine capital spending levels and to guide capital project selection.
4. Prepare a capital needs assessment.
5. Determine the status of previously approved projects and identify new projects.
6. Assess the financial capacity of the municipal unit to undertake new capital projects.
7. Evaluate funding options.
8. Compile, evaluate and rank project requests and undertake financial programming.
9. Adopt a capital program and capital budget.
10. Implement and Monitor the Capital Budget and Projects.
11. Evaluate the CIP Process.

Conclusion:

Capital improvement planning is a valuable tool to ensure that choices are made wisely. Every community-whether it is experiencing growth, decline or stability-needs to budget for capital items to maintain the current asset base and to meet future needs. The CIP enables decision makers to make the correct long term decisions that benefit the community as a whole both from a financial perspective and a service delivery/quality of life perspective.

Work Sheet 1 Checklist - Steps in the CIP Process

- 1 Establish the administrative structure.**
 - appoint a coordinating unit or individual
 - distinguish between capital and operating expenditures
 - determine number of years in CIP
 - prepare calendar of key events
 - formulate procedures for citizen input
- 2 Establish the policy framework.**
 - develop programmatic policies
 - develop financial policies
- 3 Develop capital project evaluation criteria. (see worksheet 2)**
- 4 Prepare capital needs assessment. (see worksheet 3)**
 - prepare capital inventory
 - evaluate whether to repair or replace facilities
- 5 Identify projects for capital program.**
 - review status of previously approved projects
 - identify and develop information for new projects
 - examine capital project alternatives
 - complete and submit project request forms
- 6 Undertake financial capacity analysis.**
 - evaluate financial conditions
 - assess likelihood past trends will continue
- 7 Evaluate funding options.**
- 8 Evaluate and program capital projects.**
 - review project applications
 - prioritize capital projects
 - select projects, schedules and assign a funding source
- 9 Adopt capital program and budget.**
 - prepare CIP document
 - submit preliminary CIP to legislative body
 - engage in formal public hearings
 - revise CIP and send to legislative body for adoption
- 10 Implement and monitor capital budget.**
 - assign a project manager
 - refine project milestones and cost schedules
 - prepare progress reports, review and take action as needed
 - monitor external environment
- 11 Evaluate CIP process.**
 - consider organizational/process issues
 - review forms and documents
 - examine financial assumptions and funding sources

Worksheet 2 Commonly Used Capital Project Evaluation Criteria

Consideration	Questions to Ask	Comments
Legal Mandates	Is the project needed to met provincial or federal regulations?	
Fiscal and Budget Impacts	What is the total capital cost? Impact on operating budget? Impact on tax base, tax rate and user fees? Is there any senior government funding available?	
Health and Safety Impacts	Will the project improve the health and/or safety of the residents in a measurable way?	
Environmental, Aesthetic and Social Effects	Does the project reduce pollution levels? Improve the appearance of neighbourhoods? Ensure community values are achieved?	
Economic Development Impacts	Does the project promote the economic vitality of the community (job creation or business development)?	
Project Feasibility	Does the project demonstrate that it can be implemented as planned? Is the timing, phasing and proposed funding reasonable? Is there public support for the project?	
Distributional Effects	Who benefits from the proposed projects? Is the distribution of projects balanced?	
Disruption/Inconvenience	How much disruption or inconvenience is caused by the project?	
Impact of Deferral	What are the implications of deferring the project?	
Uncertainty of Risk	What degree of risk or uncertainty is inherent in acquiring the facility (demand, obsolescence)?	
Inter-municipal Effects	What are the effects on inter-municipal relationships? Is there an opportunity for inter-municipal cooperation?	
Relationship to Other Projects	Are there advantages from this project accruing to other projects?	

These are examples of commonly used criteria that can be used to evaluate project. Each municipal unit can develop their own criteria to met their needs. Once the criteria have been established it is important that they are ranked or weighted so that projects may be prioritized.

Worksheet 3 Inventory of Public Facilities

General Information:

Type of Facility: _____

Unit of Capacity: _____

CIP Time Frame: _____

Name of Facility				
Location				
Service Area				
Facility Capacity				
Needs Work?				
Type of Improvement				
Estimated Cost				
Year Needed (in CIP time frame)				

Section 6.3.1

Risk Management

CONTENTS

PART I: THE BASIC THEORY

Summary

- 1. Introduction**
- 2. Definition**
- 3. The Goals**
- 4. The Basics**
- 5. The Benefits**
- 6. The Process**

PART I: THE THEORY

SUMMARY:

This section outlines the theory behind risk management, provides an outline of what is involved in the process and discusses the goals and strategies that should be considered in the development of a risk management plan. In effect, risk management is a proactive approach to identifying, analyzing and controlling the resources of an organization in order to minimize potential adverse effects of risk. The process consists of identifying possible risks, analyzing the nature and likelihood of their occurrence, taking steps to reduce, mitigate or transfer the risk, and finally monitoring the situation on an ongoing basis to ensure that any potential risks are dealt with before they occur.

Formulating a municipal risk management plan provides an outline of possible alternatives, and establishes a basis for selecting an appropriate course of action. Implementing a risk management plan and effectively communicating it to all personnel can result in increased productivity, reduction of uncertainty, and ultimately a more effective management of personnel and resources.

1. INTRODUCTION:

This part provides a brief overview of the fundamentals of risk management. Although every effort has been made to identify major or generic activities that would involve an element of risk for a municipality, the reader is cautioned that not all elements of risk management can be covered in an article of this scope. In addition, the reader is further cautioned that the preparation of this guide must necessarily involve interpretation of general situations and may not represent specific events. Specific situations may require a careful legal analysis, therefore, reference should be made to the appropriate Nova Scotia statutes and to legal advisors for individual situations.

This part provides a brief overview of the process of risk management as it relates to municipalities and offers some practical examples of how to initiate the process in your municipal unit.

The uncertainty factor**2. DEFINITION:**

Traditionally, risk has been defined as the possibility of loss, injury, disadvantage, or destruction resulting from the day to day operations of a business, or organization. Risk management is a term used to describe the process of analyzing, organizing, planning, directing, and controlling the resources of an organization in order to minimize the potential effects of risk. Risk management is by nature, proactive, and encompasses all management-directed activities aimed at accomplishing optimum results in a professional manner.

A risk is comprised of:

- a *definable* event,
- the *probability* of that event occurring, and
- the *consequences* of such an occurrence.

The types of risk that municipal governments are faced with that can cause economic loss include:

- legal liability to others,
- property loss through disaster, theft etc.,
- extra expense (e.g. to replace equipment or to re-establish service),
- loss of income,
- human resources loss, and
- crime and fidelity loss.

Some of the characteristics of risk are clearly identifiable and include:

- **Situational** - specific risks vary according to particular situations. Certain weather patterns can lead to flooding in certain areas. When those patterns are identified, steps can be taken to alleviate the risk of flooding. What one municipality may do in their locale may not be effective in another municipality.
- **Interdependent** - risks are often interdependent and interrelated. Eliminating one risk may cause another risk to occur or possibly increase the impact of another risk. Hiring extra security personnel to ensure safety during a planned event may impact budget projections for that event and place the

A simple example of Municipal Risk Management

project in financial risk.

- **Proportional** - the greater the expected benefit, the more acceptable the risk becomes,
- **Value based** - the acceptance level of risk may vary from person to person. What may be deemed an acceptable risk to one person may be considered an unacceptable risk to another. Municipal governments, because they are holders of public funds should have a lower tolerance for risk than private sector organizations.
- **Time specific** - risk is a prediction of future events and is related to activities carried on today.

Risk is the uncertainty factor. When planning a project or an activity such as a festival or event in your municipality, risk management involves determining ahead of time just what might happen that you don't want to happen. For example, your recreation department officials are planning a lilac festival to celebrate the arrival of spring and the start of the summer recreation season. Plans for the festival include an outdoor concert featuring a very popular musical group. Inclement weather would be a risk factor that should be considered during the planning stages of such an event. Either spring arrives late and the lilacs don't bloom in time and it's too cold for an outdoor festival, or it rains the whole weekend. These are generally insignificant risks in the grand scheme of things, but they do have a measurable impact on the budget and on the success of your planned event.

Risk management goes beyond merely listing things that could possibly go wrong, it involves analyzing the consequences of such unforeseen events, and determining what steps can be taken to either prevent or lessen the impact of such occurrences. For example, when your lilac festival was rained out, you still had to pay the rental on the tents, and you still had to pay the entertainment even though they couldn't play because of the torrential downpour. A carefully thought out strategy of risk management would enable the municipality to be prepared in advance with alternative sites to hold the concert, or the purchase of an insurance policy which would cover among other things the fees paid to the entertainment if they could not perform due to inclement weather.

Why have a risk management program?**3. THE GOALS:**

Risk management is primarily a specialty within the management function and is specifically targeted towards the elimination or reduction of financial losses resulting from the activities of a municipality.

The obvious goals for initiating a risk management program at the local government level are to eliminate, where possible, the threat of accident and other forms of liability, and where it is not possible to eliminate the risk, to at the very least reduce the possibility of an accident or risk occurring. Beyond this, the goal is to minimize the impact on a municipality when losses occur.

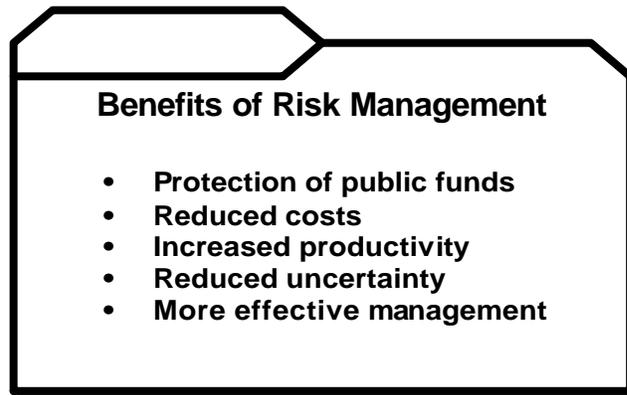
The most effective and efficient municipal risk management program keeps its objectives in line with the needs, goals, and overall well-being of the community it serves. Municipal risk managers must pursue their goals with sensitivity to the limitations on local resources and monitor program costs carefully.

4. THE BASICS:

Risk management involves identifying, analyzing, and responding to risks by minimizing the consequences of adverse events and maximizing the results of positive events. These are the outcomes of risk management planning.

The plan may identify several possible alternatives for each identified risk, and indicate the preferred action to address each one. Such actions may range from simply monitoring the situation and controlling the variables, to making changes to the process. In some instances it may be necessary to alter the goals of the project in order to achieve the desired outcomes. Formulating this kind of risk management plan will provide an outline of the possible alternatives available to the municipality and indicate a course of action.

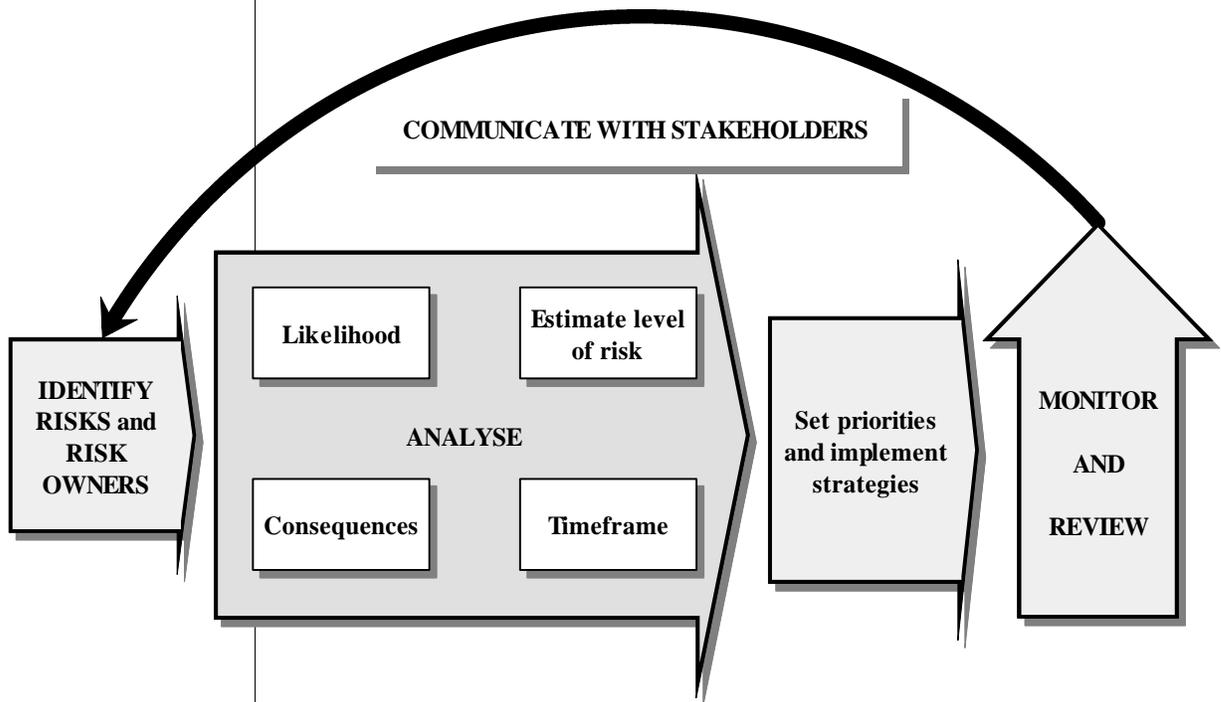
5. THE BENEFITS



The benefits of a comprehensive risk management plan for the municipality are numerous and can be recognized at a number of levels, from the activity level to the senior management level. Such benefits may include:

- more effectively managed and efficiently run projects,
- better control over project budgets,
- increased likelihood of a successful outcome,
- greater community support,
- reducing the possibility of costly surprises and budget overruns,
- increased effectiveness and efficiency, resulting in better program results,
- more openness and transparency in the decision making and management processes, and
- more effective strategic planning resulting from an increased awareness and understanding of risk exposure.

6. THE PROCESS:



The process involves the continued monitoring of all of the activities the municipality is involved with in order to identify new elements of risk as soon they become apparent. Once they are identified, the risks are prioritized according to their impact or importance to each particular situation, and a detailed plan of action is drawn up to address each risk in the most appropriate manner. Simply put, risk management involves the sequence of identifying, analyzing, and responding to risks.

Identify, analyze, and respond

Although specific methods for addressing a particular type of risk may differ, the process remains consistent. The process of risk management involves the following steps:

1. **Identify** - identify the services and assets that could potentially cause financial losses for the municipality. In addition, identify “risk owners,” more specifically, the staff person or project manager responsible for the program, service, or asset.

2. **Analyze** - evaluate the risk: the probability of the risk occurring, the frequency with which it could occur, the impact or severity of the loss resulting from the risk, and the length of time it will take for the municipality to recover from the loss.
3. **Plan** - assess the options and implement the procedures designed to eliminate the conditions that may lead to loss, minimize the effects of the loss or mitigate the risk by finding ways to cover the loss financially.
4. **Monitor** - collect and compile status information on the risk and the mitigation plan, adjust the process, and manage the program accordingly to ensure maximum effectiveness. Re-evaluate and adjust the plan on a regular basis.

The process of risk management can be as simple or as complicated as time and resources permit. The following section provides detailed information on how to implement and carry out the risk management process.

There are numerous invaluable publications available for those wishing to pursue further information on risk management. Please refer to the list of publications in the bibliography at the end of Section III for details on authors and titles.

Section 6.3.2

Risk Management

CONTENTS

PART II: IMPLEMENTATION

SUMMARY:

1. Practical steps to take

- 1.1 The Challenges**
- 1.2 Selecting a Risk Manager**
- 1.3 Duties and responsibilities of a Risk Manager**
- 1.4 Formulating Policy**
- 1.5 Preparing a Risk management plan**

2. The Process

- 2.1 Strategies to Identify the risks**
- 2.2. Analyzing the risks**
- 2.3 Planning your response**
- 2.4 Monitor**

PART II: IMPLEMENTATION

SUMMARY:

This section provides a “how to guide” for implementing a risk management program in a municipality beginning with the selection of a risk manager. Hiring a professional risk manager is one option, however the costs involved may make this impractical for many municipalities. Developing a risk management team under the direction of a senior municipal official may be the most feasible option for most municipalities. The skills and abilities required for the position of risk manager range from having a genuine interest in controlling risk, a desire to learn, and the ability to maintain accurate records to dealing with potentially difficult situations or people. The ability to speak in public and to talk to the media during a crisis is a key attribute for any risk manager.

Once the risk manager has been designated, a risk management plan can be implemented that will involve all municipal personnel. Implementing a risk management process consists of four basic steps: identify, analyze, plan, and monitor. Each step is outlined in detail with practical suggestions on how they can be accomplished.

PRACTICAL STEPS TOWARD MANAGING RISK

1. 1 The Challenges:

One of the major challenges for local government is to make risk management an integral part of the management process. This may require a fundamental change in the culture of the workplace. A successful risk management program depends upon support and sponsorship from the top; coordination of planning and activities at all levels; involvement and cooperation of staff at all levels and the development of a culture that encourages and rewards risk management.

At the management level, managers need to support and encourage prudent risk management. This can be accomplished by following general good management guidelines such as:

- Develop an atmosphere of trust and empowerment with staff,

Appoint or hire a Risk Manager

- Acknowledge, reward and publicize good risk management practices,
- Focus on the positive, recognize what your staff are doing right and don't place undue emphasis on minor mistakes,
- Encourage learning from unexpected results, and
- Develop positive strategies for avoiding recurrence while avoiding restrictive controls.

1.2 Selecting a Risk Manager

The implementation process involves establishing risk management practices at the organizational, activity, project and team levels. The first concern in implementing a risk management process involves a clear demonstration of support for the process at the management level. Communicating the philosophy and awareness of risk can be facilitated by training, and educating staff and management. The most important part of communicating and educating staff is to delegate a risk manager, and a risk management team to sponsor the initiative and to communicate to the organization what is expected of them.

Hiring a professional risk manager is one option, however, few municipalities are in a position where they could justify the expense. Other options include jointly hiring a professional risk manager with one or several other municipal units in the region. In the event that this is not feasible, it may be possible to designate a capable employee as risk manager and back this person up with a risk management committee. A risk management committee involves a significant amount of dedication and effort on the part of its membership which may ideally include the municipal solicitor, the insurance agent, department heads and various other key personnel.

L. E. O'Brien and Duane E. Wilcox offer some valuable insights into the selection of a risk manager in their article *Risk Management Organization and Administration*, some of their suggestions as to the characteristics to look for in a potential risk manager include:

- have an *interest* in being a risk manager,
- have the *ability to learn* how to fulfill the responsibilities of a risk manager with some retraining,

- have the ability to setup and *maintain accurate records*,
- have the ability to *identify risk management implications* of legislation, regulations and administrative guidelines,
- have the ability to *identify issues and trends* and be able to formulate practical conclusions from personal observation, information provided or collected,
- have some *training and understanding* of a broad range of local government operation and procedures,
- have the ability to *deal with potentially difficult situations* and people as he or she may be called upon to intervene in situations that may be problematic,
- have the ability to *deal with people* calmly and tactfully, as well as effectively, and
- have *public speaking skills* as they will be called upon to make presentations, to lead focus groups, and to educate staff on risk management procedures.

The risk manager should be either a top level executive position, or report directly to the top executive position in municipal government, rather than to a middle manager. This will have the effect of emphasizing the importance of the role of the risk manager to other local officials and employees. It will also emphasize the fact that the risk manager has the ability to call upon the highest level of authority for assistance when required.

Transferring some of the risk manager's previous duties to another position may help to free up the needed time for him or her to devote to the new responsibilities. Also, providing administrative assistance can help to combine the previous and new duties without placing an unmanageable work load on their shoulders. Appointing a risk manager however, does not release other municipal employees from the responsibility of identifying risk.

All municipal employees need to be informed that the risk manager is entitled to call upon them for assistance and that they in turn have an obligation to respond positively to any request for assistance. The risk manager may wish to call key officials and employees together on a somewhat regular basis to review the overall program and to discuss any matters requiring attention. Persons with a special obligation to

What does a risk manager do?

assist the risk manager would include the municipal solicitor, the clerk, chief of police, fire chief, city engineer etc.

1.3 Duties and responsibilities of a Risk Manager

The general responsibilities of the risk manager are to identify, evaluate, and deal with risk exposures which may potentially face the municipality. Some of the particular functions of a risk manager described by O’Brien and Wilcox include:

- *Participate* in the preparation of a risk management policy,
- *Identify* facilities, situations or conditions which may present a possible risk,
- *Review* projects and programs for risk management implications,
- *Provide recommendations* for dealing with risk ie: accept the risk, avoid the risk, reduce the opportunity for risk, mitigate the impact of the risk, transfer the risk, and monitor the risk,
- *Establish and maintain records* related to insurance coverage, loss and claims and other pertinent documentation,
- *Negotiate* insurance coverage,
- *Work* with the insurance agent or municipal solicitor when required, and
- *Communicate* with, and educating other employees and management on issues relevant to risk management.

*Municipal Risk Management
Mission Statement*

- Promote proactive risk management techniques in municipal government.
- Provide the mechanism to minimize the adverse impacts of risk and losses for the municipality.
- Absorb risk while maintaining a stable financial profile.
- Ensure the long-term financial security of the municipality.

Developing a risk management policy is essential

1.4 Formulating Policy

Development of a clear policy regarding the management of risk in the organization is essential. The policy should be relevant to the municipality's mandate and should be:

- ***Communicated*** to staff at all levels,
- ***Understood*** clearly by all employees, and
- ***Implemented*** and maintained at all levels and in all departments.

The policy should contain:

- The ***objectives and rationale*** for managing risk,
- The range or ***extent of risk*** that needs to be managed,
- Clear ***guidelines*** on what may be regarded as risk and how to identify risk,

- **Guidance** on what may be regarded as “acceptable risk”,
- Guidance on what level of **documentation** is required,
- **Identification** of the persons (or positions) who “own the risk”,
- Support and expertise in handling risk, and
- A clear **plan for review and evaluation** of performance in managing risk.

Some suggestions for formulating a risk management policy statement include:

- Have the risk management committee produce a draft statement for review,
- Have the risk manager produce a draft statement for review,
- Seek the advice of the insurance agent and the municipal solicitor,
- Adopt a provisional policy statement as a starting point and provide for future modifications, and
- Consider policy statements of other municipal units and adapt them to fit.

1.5 Preparing a Risk Management Plan

The risk management plan is a document which outlines the procedures that will be used to address and manage risks throughout a program or project. This document should contain the risk management matrix and any documents related to the identification and analysis phase. This plan should also outline who is responsible for managing the various areas of risk and indicate how the contingency plans will be implemented.

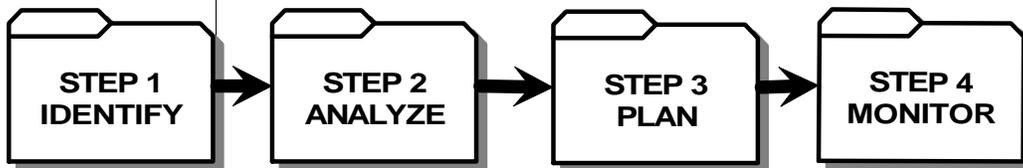
A Risk Management Matrix can be found in Appendix A4.

The risk management plan is a supporting element of the project plan and can either be in minute detail, or a more broad-based approach depending on the specific project. Whether detailed or not, any risk management plan should contain the following elements:

1. List of all the identified risks in a summarized form,
2. Risk management matrix or worksheets,
3. Detailed strategy or plan of response for each major risk to be monitored,
4. Identification of ownership - which section or department is responsible for each identified risk,
5. A review schedule to aid in monitoring progress, and
6. Documentation on the results of the risk management plan and what has been happening with each identified risk, how they were addressed etc.

There are a number of valuable sources for further information on the development of guidelines for risk management in both the public and private sectors. The internet has a wealth of good websites dedicated to this topic. One particular publication that deserves special mention is *“Critical Incident Protocol - A public and Private Partnership”* published by Michigan State University. This publication has particular relevance following the events of September 11, 2001.

A selection of some of the relevant www sites consulted is included at the end of Part III for those who wish to further research the subject.



THE PROCESS:

2.1 Step 1: Identifying Risks

The first step in risk management involves identifying areas of possible risk. In order to manage risk effectively, the local government administrator must know and understand clearly what risks the municipal government faces. For information concerning municipal liability in specific situations, administrators are advised to seek advice from their municipal solicitor.

Risks are often common knowledge

**STEP 1:
IDENTIFY**

See PART XXI of the *Municipal Government Act* regarding municipal liability, sections 504, and 512 to 517.

Some risks are obvious and often well known. Damage to property near a river that is known to flood on a regular basis is a fairly obvious example of this. Not all risks, however, are as easily identified and the establishment of a risk analysis procedure will allow you to identify risks as they arise.

According to Richard Wong in *The A,B,C's of Risk Management*, loss exposures can be categorized into six broad groups:

- **Physical property**- (including buildings, machinery and equipment),
- **Loss of income**,
- **Contingent expenses** - (depending on the circumstance),
- **Human resources**,
- **Legal liability**, and
- **Perils** - (something that creates a danger or risk).

Municipal Liability Risk Management is a compendium of articles published by Butterworths Canada, edited by Frederick P. Crooks, Q.C and M. Rick O'Connor, which provides a wealth of information on municipal liability in specific situations.

Keeping management and key personnel adequately informed is critical, and this can be accomplished by implementing an incident reporting system within your organization. Small problems that are dealt with in a timely manner may prevent larger problems in the future.

One of the tools that a risk manager should have at their disposal is an emergency call list so that they can contact key personnel for assistance in developing contingency plans, and to refer to in case an emergency situation occurs. The list should outline the responsibilities of each of the key personnel and should contain both work and home telephone numbers with space to record the time and date of contact. This list should also include emergency telephone numbers for fire, police, and ambulance services.

Tools to Assist the Risk Manager

Strategies for identifying risk

A tool to assist the risk management team

A brainstorming session involving all the stakeholders, including front line workers, is an extremely valuable tool that can help to identify what could go wrong, when risks are likely to occur, where they are likely to occur, why they may occur and who is apt to be involved. Potential risks identified in this manner can be addressed before they happen and the risk either eliminated or reduced. Detailed information from *The Memory Jogger: A Pocket Guide of Tools for Continuous Improvement and Effective Planning* on how to hold a brainstorming session is contained in **Appendix A3** at the end of this section. This tool can be used to carry out each of the five steps in the risk management process.

Some additional sources of information the risk management team may use to identify potential risk include:

- Past **experience** can often provide insight into what may happen in the future,
- **Investigation** into incidents and accidents can reveal where previous risks may have arisen and how they may be prevented in the future,
- **Interview/focus group** discussions with staff to identify risks that they may already be aware of,
- **Surveys and questionnaires** with the public as well as staff can identify areas that may need to be addressed,
- Carry out **safety audits** (such as outlined in Part III - Section 6.3.3, number 9.1)
- **Focus** on any new projects and on areas of change for new or previously unidentified risk factors, and
- **Network with peers**, other municipalities, and professional associations.

Key questions to ask in identifying risk

Identifying risk is by far the most significant step in dealing with the risk. The risk management matrix in **Appendix A4**, developed by the Australian Agency for International Development, provides a template to assist in answering the following questions to identify and analyze potential problems.

It is important to determine who in the organization is responsible

- **Who, what, when, where, why and how?** These age old questions are the basis for identifying potential risks. At the planning stage of each new venture or activity, a risk identification process should be initiated.

It may be worthwhile to remind the risk management team that although their input and suggestions are most beneficial, the ultimate decision as to if and how their suggestions are to be implemented will be ultimately the responsibility of the risk manager.

Risk ownership

The ownership of risk is an allocation process tailored to the particular area of the organization responsible for the particular function, specialty or discipline. It may be appropriate to keep risk ownership at a relatively high level such as department head, supervisory staff etc. Responsibility goes hand in hand with the authority to act. Without that authority there can be no true risk ownership. Front line employees are often the ones with the expertise and know how to identify potential risk. They deal with such situations on a regular basis and can make suggestions to address problems before they arise. The most effective risk management program will include all employees and have responsibility clearly defined at each level.



2.2: Analyze the risk:

After the initial session, the group will be charged with analyzing each of the identified risks from the first session. After identifying what the risks are, the next step involves looking at all aspects of the risk and determining how it could happen, why it could happen, and what factors need to be considered in order to correct the situation.

Analyzing a risk involves establishing the characteristics of each risk, what is the likelihood of the risk occurring, (either the frequency or the probability), and what are the consequences if it does occur. Identifying the probability and the consequences of each risk enables the risk management team to determine what steps, if any, should be taken to address the risk.

A risk analysis worksheet provides an opportunity to identify sources of risk, the impact of the risk, alternatives for handling the risk, the owner of the risk and provides a method for ranking risk levels. An example of such a risk management matrix is included in *Appendix A 4*.

- ***What is the source of the risk?*** Be specific, outline all possible

What is the source?

sources of risk using the risk management matrix. Have each team member identify any and all possible sources of risk inherent in a project, activity or operation. Indicate in each instance whether the risk is certain to happen, likely to happen etc. By ensuring that everyone working on a project receives a copy of the completed risk management matrix, you can make everyone more aware and better able to prevent the occurrence of the risk. Nicholas Greifer and Brennan Schwarz outline seven categories of sources of risk, including:

- **Physical environment** (snowstorms, earthquakes hurricanes etc.).
- **Legal environment** (laws and legal precedents).
- Operational environment (day to day activities and actions within the government).
- **Political environment** (legislative activity, elections).
- Social environment (cultural composition of the community, social attitudes and preferences).
- **Economic environment** (market trends, interest rates).
- **Cognitive environment** (absence of information, the attitude of individuals towards risk).

The above list is by no means exhaustive, and further examination of individual circumstances may identify more sources of risk that municipalities may face.

When the sources of risk have been identified, further evaluation should include questions such as:

Can you control it?

- Is the source of risk something that you have control over?
- Is the source of risk something that can be changed?
- **What are the consequences of each risk?** How would the occurrence of this risk impact the project? Would a rainstorm during the outdoor band concert planned for your lilac festival result in cancellation of the concert? How would cancellation impact the municipality? Would this lead to financial losses? If it would cause a financial loss, how great would the loss be? If it is an insignificant amount this may be one of those times where it is better to just accept it because the level of risk is not substantial enough to warrant booking an alternate site for the concert.
- **How can you avoid, eliminate or reduce the likelihood of the risk?** Do you have alternatives available that will lessen the

impact of the risk occurring? Can you hold the band concert in the local arena for example? If the planned concert involves a significant expenditure for the recreation department to bring in the entertainment, it is probably a good idea to have a back-up plan in case of inclement weather.

Table 1. provides a template to help identify the level of risk and the type of response that may be most beneficial.

TABLE 1: Consequences
Determine the level of risk and the response level required:

	Extreme	High	Medium	Low	Negligible
Almost certain	<i>Severe</i>	<i>Severe</i>	<i>High</i>	<i>Major</i>	<i>Trivial</i>
Likely	<i>Severe</i>	<i>High</i>	<i>Major</i>	<i>Significant</i>	<i>Trivial</i>
Moderate	<i>High</i>	<i>Major</i>	<i>Significant</i>	<i>Moderate</i>	<i>Trivial</i>
Unlikely	<i>Major</i>	<i>Significant</i>	<i>Moderate</i>	<i>Low</i>	<i>Trivial</i>
Rare	<i>Significant</i>	<i>Moderate</i>	<i>Low</i>	<i>Trivial</i>	<i>Trivial</i>

Source: Better Management: Guidelines for Managing Risk in the Western Australian Public Sector.

RISK LEVEL	ACTION
Severe:	Requires management by senior management with detailed research and an itemized plan for addressing the issue. <i>i.e. the discovery of e-coli or other serious contamination of a municipal water supply which would present a significant health risk to area residents.</i> On site management of the situation by senior staff is imperative. Staff at the front line level would be involved in monitoring the situation, keeping accurate records and ensuring that senior management is kept well informed of the situation as it progresses, and what steps are being taken or recommended to address the situation. Seek expert guidance from outside sources when appropriate.
High:	Requires management by senior management with research and itemized plans for addressing the issue. Senior management would work with front line staff to

monitor the situation and seek expert guidance from outside sources when appropriate.

Major: Requires ongoing monitoring by senior management. *i.e. extended drought conditions causing major concern over the strain on municipal water supplies.*
Front line staff would manage the situation and ensure that senior management is kept informed and updated on a regular and frequent basis.

Moderate: Requires routine monitoring by senior management. Management of the situation would remain with front line staff with regular updates to senior management

Minor: Requires management at the front line level, monitored and managed by routine procedures. Senior management would be kept informed via routine weekly or monthly reports. *i.e. vandalism causing property damage to municipal property such as park or recreation facilities.*

Negligible: Can be managed by routine procedures. *i.e. minor weather damage to park or recreation facilities as a result of wind storm).*

Consequences

When the consequences are extreme, or there is a potential for personal injury, sickness or loss of life, more involvement by senior management is required. The following guide may be used to describe consequence.

Extreme: The consequences represent a threat to not only the project, program, or activity, but would present major problems for the municipality. This would include any significant threat to the health and well being of the residents of the municipality, or significant financial losses to the community. Intense media attention would be expected in these circumstances. Senior management intervention would be required.

High: The consequences represent a significant threat to the effective operation of the project, program or activity or may attract adverse media attention. This level would require senior management intervention. Any risk that would result in significant financial loss to the municipality, or represent a threat to the health and well

being of the residents would be considered high.

Medium: The consequences would represent a significant level of threat to the successful completion of a project, program, or activity and may involve critical review and alteration to the operation of the project, program or activity. This would involve any risk of financial loss, or loss of service to the municipal residents.

Low: The consequences would represent some threat to the success or effectiveness of some aspect of the project, program, or activity, but could be dealt with at the program level.

Negligible: The consequences may be dealt with by routine procedures.

The option you will ultimately choose is based upon the severity of the risk, and the likelihood of it occurring. Some questions to keep in mind when brainstorming in order to develop a risk response plan include:

- ***How will reducing or eliminating one factor increase the probability of another risk factor occurring?*** Using the example of the outdoor concert during a lilac festival again, perhaps your recreation director has considered not hiring this particular popular musical group for the outdoor concert during the lilac festival in order to reduce the financial losses should a rainstorm wash out the planned events. The decision to not hire the popular group may have a number of ramifications:
 - The number of concert goers would be reduced significantly and therefore there would be less revenue generated by the concert,
 - Because there would not be the crowds attending the festival, there would be fewer vendors willing to invest in setting up booths at the festival,
 - The festival would not generate the kind of community support organizers were hoping for, and
 - The publicity that would be generated by having this group perform could mean a dramatic increase in

visitors to the area during the festivities, by not having them perform, the community could be missing out on an opportunity to promote the festival and ultimately negatively impact the financial success of the festival.

What can you do about it? There are a number of alternatives to consider in any situation. In this example, you could choose to:

- Hold the concert rain or shine. If the group you are booking can attract a significant number of concert goers who would attend even in the rain, it may be better to go ahead regardless,
 - Rent a tent,
 - Have an alternate site available in case of rain for example, plan to hold the concert in a local arena instead of planning an outdoor concert so that inclement weather would not be a risk factor to contend with, or
 - Talk to your insurance agent about purchasing cancellation insurance.
- ***Which area would you prefer to have the risk?*** Some risk factors may be easier to monitor or control than others. After analyzing the options in the previous question, you may be better able to identify what could go wrong if you choose one alternative over another. Each individual situation presents unique possibilities and must be addressed on an individual basis depending upon the circumstances.
- ***What are your obligations?*** What are the terms of any contract that may have been undertaken? Are you responsible to pay for all or any expenses incurred by either the parties involved or the public should cancellation be necessary? What is your refund policy? What does your insurance cover?

Once the risk management team has identified what the risks are, and analyzed what the ramifications are for responding to each risk in a specific way, the time has come to decide upon the best course of action to take to deal with the risk. This is a decision that can only come after careful analysis. What appears to be the wisest course of action at first glance may not be the best response after careful analysis. In short the options for dealing with risk are as follows:



2.3 Plan your response

Risk response planning consists of identifying possible responses to the risks that have been identified, and selecting the best response to each particular situation.

Options to consider in a risk response plan

Some of the options to consider when evaluating the risk and possible responses include:

1. *Accept the risk*
2. *Avoid the risk*
3. *Reduce the risk*
4. *Impact mitigation*
5. *Transfer the risk*

Just Accept It?

1. *Accept the risk.* At times, when the level of risk is not substantial, or where it is not practical or economically feasible to make changes, the wisest course may be to just accept the risk. In such situations monitoring may be the recommended course of action. When the following criteria are present, consider accepting the risk and not taking steps to eliminate or reduce it:

- The level of risk is not high,
- the consequences of the risk occurring are not significant, or
- the likelihood of the risk happening is not great.

If it's too risky, Don't do it

2 *Avoid the risk:* Where the level of risk is unacceptable, and controlling the risk is not worthwhile, it may be advisable to avoid the risk. If an activity, or project presents the risk of significant loss to the municipality, it may be preferable to not proceed with the project or activity. However, it should be noted that inappropriate risk avoidance can result in diminished efficiency, cost penalties, loss of community identity or other losses to the community. Avoiding the risk involves a decision not to proceed, or to follow an alternative option. For example, a town may decide not to build an area for skateboarders to practice in order to avoid the liability exposures and the safety risks involved. However, by avoiding the risk in this case, the town may be creating a greater risk. Riding a skateboard on public streets could present an even greater hazard for the

skateboarder, pedestrians, and drivers as well. Some risks are unavoidable however. Police and fire protection involve considerable risk to the municipality but are not avoidable. When the risk is not something easily or practically avoided, then consider the alternative options. Carefully weigh the pros and cons of a project before making a decision. The social benefits may outweigh the risks involved and the decision to go ahead may ultimately be the best for the community despite any risk involved.

3. **Reduce the risk:** taking action to reduce the consequences of risk and planning in advance to deal with the impact include developing emergency contingency plans, evacuation plans, etc. Quality assurance, testing, training, supervision, review, documented policy and procedures, research and development and regular monitoring are all ways of reducing the chance that losses will occur. Natural events such as hurricanes cannot be avoided but the likelihood of losses from such a catastrophic event can be reduced or eliminated by having carefully prepared disaster preparedness plans.

Accidents and disasters are bound to occur in even the most diligent communities. Municipalities should be prepared in advance so that staff are prepared for such an event. The first step is to identify the services and activities that are essential and must not be interrupted for any extended period of time. Next, brainstorm about what types of incidents could interrupt these services. Then, determine alternative plans that can be put into action immediately if normal services are interrupted. For example, have a back up plan for supplying emergency drinking water to the residents in the event of something happening to the municipal water supply.

Techniques for risk reduction include:

- Establish a routine of inventorying and documenting municipal property, equipment and services;
- Systematically conduct safety checks;
- Compose and enforce written policies and procedures concerning municipal operations, with particular emphasis on areas most likely to present risk;
- Establish and communicate an incident reporting system

Have a contingency plan ready.

Tips for reducing risk

so that employees are aware and can report any incident or condition that they see or are involved in that could present risk to the municipality;

- Ensure effective supervision by means of training and performance review;
- Have employees and volunteers participate in regular training activities.

One of the fundamental principles of risk management is that risk should be the responsibility of the party best able to control that risk

4. **Impact mitigation:** Impact mitigation refers to taking steps to reduce the consequences of a risk occurring. Again, careful planning in advance is the method for reducing the impact of a risk occurring. Develop contingency plans. In case of serious or catastrophic events, evacuation plans or emergency response plans should be drawn up with the assistance of the experts, the fire department, police department, ambulance services, local hospitals and the local office of the EMO.

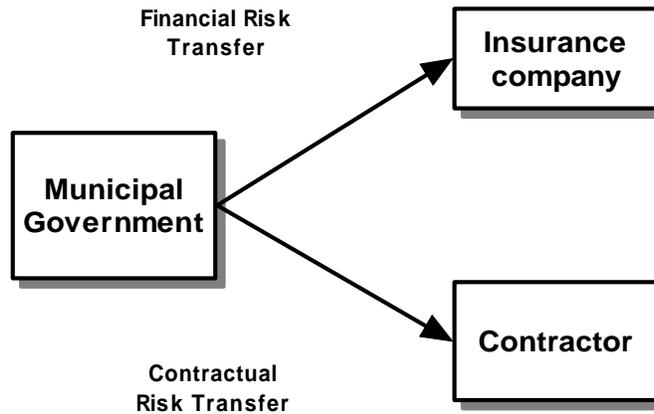
5. **Transfer the risk:** The obvious example of transferring risk is through insurance. It is in the municipality's best interest to be sure that insurance coverage is adequate, covers all assets and is kept up to date. Your insurance agent is the best source for information on how much and what types of insurance are best for the particular circumstance of each municipal unit. It's always a good idea to consult with an expert on such matters. Get quotes from several sources and carefully compare the coverage offered and the rates. The cheapest is not always the best option.

Contracting out is another method of transferring the risk to an outside source. For example, if you hire a company to provide hanging baskets of flowers and other landscaping services for the downtown area of your community it is then the responsibility of that company to ensure that the plants and landscaping features are well cared for and maintained. If the plants die, the landscaper replaces them, not the municipality.

Keep in mind that transferring the risk and the responsibility in this manner comes at a cost. You will be expected to pay for the peace of mind such services provide.

**Let someone else
carry the risk for you**

Risk Transfer



Source: An Elected Official's Guide to Risk Management

The main objective of a risk management program is to reach a level where accidents and injuries do not occur, however that is probably not a realistic expectation. Risk management is a long term process aimed at eliminating at best, and reducing at the least, risk to the municipality.

STEP 4: MONITOR

2.4 Monitor

One of the primary responsibilities of the project manager is to monitor and track risk events. Where proactive strategies have been implemented to address risk factors, continuous monitoring of the situation is imperative to determine whether those strategies are working as planned and to regularly reassess the situation to determine if new strategies are in order.

Part of the risk management plan should include maintaining a log to record events as they occur, and steps taken to address each event. The effectiveness of the risk management plan should be evaluated periodically throughout the project in order to review the actions that have been implemented, and to judge their effectiveness.

The government of Western Australia has a number of extremely useful publications dealing with risk management. In particular *Guidelines for Managing Risk in the Western Australian Public Sector* offers some valuable advice and detailed information on carrying out a risk management plan for local government.

**Keep on top of things:
Monitor and review
regularly**

Monitor the situation:

Keywords for the monitoring phase of the process are educate, inform, and recognize.

- **Educate** - Educate your risk management team to deal with risk and to continually update their skills and keep abreast of issues in the risk management field. Enabling the risk management team to participate in workshops and training programs will make them a more effective and efficient mechanism for carrying out the functions they have been entrusted with.

- **Inform** - Inform your staff about risk management and enable them to become active participants in the process. Establish reporting procedures so that any staff member who becomes aware of a situation that could present a risk to the municipality may record and report what they have discovered. Allowing your staff to become active participants will make the risk management team and the entire process much more effective. An added bonus is the boost to employee morale when they feel they can contribute in a meaningful way.

- **Recognize** - Recognition of the contribution of every staff member in keeping risk factors under control is not only good management, it's good manners. There are numerous ways to recognize and reward the contributions of staff from "employee of the month" type of programs, to a simple letter of thank you for your contribution to the effort.

**The basics of risk
management**

The process, in summary, involves the identification, analyzing, planning, and continued monitoring of all of the activities the municipality is involved with in order to identify new elements of risk as soon they become apparent, and respond to them in a timely fashion. Risks should be prioritized according to their impact or importance to each particular situation, and a detailed plan of action is drawn up to address each risk in the most appropriate manner.

Section 6.3.3

Risk Management

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PART III: APPLYING THE THEORY

SUMMARY:

- 1. Liability for negligent statements**
- 2. Talking to the media**
- 3. By-law enforcement**
- 4. Proactive safety program**
 - 3.1 On Site inspections**
 - 3.2 Motor vehicles**
 - 3.3 EMO**
 - 3.4 Employee training**
 - 3.5 Fire emergencies**
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Appendix

- A 1. Safety Inspection Checklist**
- A 2. Community Safety Audit**
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PART III: APPLYING THE THEORY

SUMMARY:

How a municipality handles communications with the media or the public is critical. Information provided to the public must be accurate, non-interpretive and reliable. Appropriate personnel should be designated to talk to the media and only designated personnel should provide information to the public.

Government at all levels have a responsibility to apply the law consistently, fairly and equitably. Canadian courts tend to find a duty of care to exist in almost any regulatory area where persons who are intended to be protected by the regulatory scheme suffer as a result of careless enforcement.

On site inspections of municipal buildings and properties are an effective and relatively easy way to begin the risk management process. Community safety audits are one way to bring the risk management program to the community at large and to identify areas where citizens may be at risk.

The following suggested courses of action are meant to provide a starting point, not a comprehensive or all inclusive list of the potential risks faced by a municipality.

1. Negligent misrepresentation

Municipalities may find themselves liable for employees who offer negligent statements, incorrect advice, supply invalid permits or approvals while acting on behalf of the municipality. Therefore, caution should be exercised when any municipal employee gives out information to members of the public or the media.

Employees should be advised to not offer information which they are not required to give out. In addition, when staff are in a position to provide information over the telephone, it is advisable to take notes while on the phone, recording who they are speaking with, the date and time of the conversation, the topic of conversation and any pertinent comments made by either party. Such notes made concurrently with a phone call may be referred to in a court of law if the staff person is called as a witness. These notes will provide support to the staff member’s credibility as a witness.

Advise staff to use caution when speaking with the public

When the press wants to talk to you

When an opinion, or an interpretation, is requested, employees should be made aware that because law is open to interpretation, it may be advisable to seek the advice of the municipal solicitor before offering any comment or statement of fact on bylaws or regulations (including permits or approvals). A court may still disagree with that legal interpretation, but having a legal opinion is good evidence that reasonable care has been exercised.

It's a good idea to remind all municipal employees that regulations are put in place for a reason, and they should avoid the temptation to give someone "a break" as it could backfire on the municipality.

The liability for negligent statements by municipal staff is well established. Negligent statements extend to advice, permits and approvals, as well as statements to the public at the reception desk or over the phone.

2. Talking to the media (or the public)

Providing information to the media or to the general public can be a particular source of risk for municipal governments. All information that staff provides to the public should be reviewed to ensure it is correct. Incorrect information could potentially lead to a law suit. It is important also that the information is being supplied by the appropriate staff person. If the information being provided is something that is open to interpretation, staff should be advised against offering any interpretation.

In a crisis situation, media relations must be handled very carefully. It's a time of high tension and it's easy to respond emotionally, off the cuff or in a hostile manner. None of these approaches will get your message out correctly. While it is recommended that senior staff receive media training, some suggestions for dealing with the media include:

- One person should be designated as the media spokesperson and everyone on the crisis response team should refer reporters to him or her.
- Media will often focus their attention on the mayor or warden, as the head of the community, but that doesn't mean the mayor or warden should be the media spokesperson.
- Answers should be short and factual. Steer clear of hypothetical

Tips for dealing with the media

questions and don't guess at answers, or offer personal opinions.

- Be mindful of media deadlines but don't let a newspaper deadline determine your response. Provide accurate information when you have it rather than offering a rushed response that you may later regret just to meet a deadline.
- Provide copies of any press releases to your staff and have them available to the general public in addition to offering them to the media. In this way, your staff will be knowledgeable about the official position if approached with questions. Also, the public will have access to the official statement that you provided rather than the statement edited for publication.

The media will be hungry for information and will often seize on rumour to build a story. Respond with the facts and don't be afraid to defer your response until you can verify the information a reporter provides to you in a question, for example:

- **Question:** Mr. Mayor, is it true that 25 children were injured in the school disaster?
- **Poor response:** I have no idea... It's a terrible thing... I can only imagine the horror those poor kids felt as
- **Better response:** Emergency response crews are on the scene and we are still confirming information. There will be a news conference at the town hall at 4:30 and we will provide you with as much information as we can at that time.

For a more in depth look at how to deal with the media, refer to *How to Handle the Public, The Media and Your Staff* by Peter Gill of the British Columbia Municipal Insurance Association. This article can be found in *Municipal Liability Risk Management* Volume 1, Number 4.

3. By-law enforcement

Government at all levels should presume they are under a legal duty of care to perform their statutory functions responsibly. Canadian courts are clearly ready to find a duty of care to exist in almost any regulatory area where persons who are intended to be protected by the regulatory

Inspections and enforcement

scheme suffer physical or economic damages which may be reasonably foreseeable as a result of careless enforcement.

Legislation and bylaws should be carefully reviewed to identify which impose a duty to conduct inspections. Be particularly aware of legislation which imposes specific duties to regulate or supervise. Review bylaws to see if the words imply a higher level of duty than necessary. Consider things like:

- the likelihood that careless enforcement may cause harm to the person for whose benefit the regulatory program was established,
- the potential for serious harm due to lack of enforcement,
- the degree of public reliance on the program;
- the accepted enforcement practices in other municipalities and jurisdictions.

Inform staff that the municipality may be liable for any inspection or investigation conducted in a negligent manner. Explain that if during an inspection, an inspector fails to discover a failure to comply with the regulations which ought to have been able to be discovered, the municipality may be liable for loss suffered by a person.

Be aware that as a result of the Just decision, governments may be liable for failing to institute a system of inspection or an adequate system of inspection which would disclose failures to comply and not only for failure to discover a breach and subsequent failure to enforce.

Review enforcement methods. Consider things such as:

- Is it reasonably foreseeable that a particular individual or group of persons may be adversely affected as a result of failure to enforce?
- Are the intervals between inspections so lengthy that the program is ineffective?
- Do officials routinely negotiate with significant non-compliers without taking formal enforcement action?
- Do officials routinely escalate enforcement responses in cases of persistent non-compliers?

The importance of documentation

- Are public complaints responded to?
- Is staff trained?
- Do officials routinely permit informal variations of the rules?
- Are there regulations which are never enforced?

After the review, prioritize responsibilities. The budget preparations should include a request for sufficient funding to properly inspect and enforce. If, as a result of the budget process, inadequate resources are allocated, re-evaluate priorities.

Record the decision making process to provide documentation that:

- senior officials had responsibility for the review,
- that the decisions made by council, and were based on the allocation of limited resources in the way best designed to protect both the public interest, and any persons who may be most adversely affected by a failure to inspect or enforce.

The courts will not lightly interfere with true policy decisions, especially when taken at a high level, which involve financial, economic, social or political factors or constraints. But a government must now be ready to demonstrate that balanced against the nature and quantity of the risk involved, its system of inspection and enforcement was reasonable in light of all the circumstances, including budgetary limits, the personnel and equipment available, and that it has met the standard of care imposed on it.

Liability for poor management practices may depend on whether there is a comprehensive compliance and enforcement policy in effect for each regulatory program. Management should designate an officer in charge of compliance, allow for regular reporting, provide for training and the development of manuals and procedures, a system to deal with persistent or emergency situations, and a periodic evaluation of the program with response to the recommendations arising from it.

While the focus is on minimum enforcement responsibilities, governments must also take care not to over enforce by prematurely ordering, for example, the seizure or destruction of property. Civil damages for careless enforcement could arise. The courts will consider whether the officials, on an objective re-assessment of their

actions in all the circumstances, had reasonable grounds to believe the action was necessary. The fact that an official sought legal advice before acting may reinforce the conclusion that there were reasonable grounds to believe the actions were necessary and proportionate.

4. Proactive Safety Program

Nova Scotia's *Occupational Health and Safety Act* states:

“The foundation of this Act is the Internal Responsibility System which

(a) is based on the principle that

(i) employers, contractors, constructors, employees and self-employed persons at a workplace, and

(ii) the owner of a workplace, a supplier of goods or provider of an occupational health or safety service to a workplace or an architect or professional engineer, all of whom can affect the health and safety of persons at the workplace, share the responsibility for the health and safety of persons at the workplace;”

A safety program is an important first step

In light of this legislation, and in the interest of both the employer and the employee, establishing and carrying through a proactive safety program to identify possible risk factors and eliminate or reduce the opportunity for accidents or mishaps to occur is a vital part of any successful risk management program. There are a number of risk management areas that can be addressed by a comprehensive safety program including:

- site safety,
- vehicle safety,
- driver safety,
- emergency situations, and
- human resources.

A proactive safety program begins with a study of the physical surroundings. A walk through survey of the physical environment is a good beginning in identifying possible exposure to risk. On site inspections held at regular intervals can reveal where conditions can be improved, or risks eliminated.

**Municipal buildings
and grounds****4.1 Inspections**

Some considerations to note while doing a walk through site evaluation include:

- Install adequate security equipment - ensure locks, lights, alarms, etc. are maintained in proper working order and are sufficient for the job.
- Control building access and keys - policies for storing, signing out, and returning keys should be developed and followed rigorously. Keys hanging on the wall in plain view are an open invitation to trouble. Be aware of threats from within - Staff, visitors and others who legitimately visit your premises may be a source of risk that can be addressed before a problem arises.
- Check the lighting in all municipal structures. Light fixtures should provide adequate light levels for the work being performed. Well-lit hallways, doorways, stairways, and exits provide for a comfortable work environment and help to prevent accidents. Shadow areas must be kept to a minimum especially in areas that are accessible to the general public. Emergency lighting should be installed and in proper working order. Adequate exterior lighting will help to reduce the possibility of accident or injury in public areas including parking lots, and walkways.
- Outside walkways and parking lots should be well maintained and kept free of obstacles or debris in all seasons. Loose pavers or damaged pavement should be repaired immediately. Snow and ice should be cleared as soon as possible.
- The flooring in buildings should be in good repair. Part of the regular building maintenance routine involves identifying and repairing any damaged areas of flooring such as bunched or loose carpet, loose or missing tiles. If tread mats are used at entrances, they should lie flat without sliding. Stair treads must be in good condition and hand rails must be in place where necessary and firmly secure.
- Emergency exits ought to be clearly marked and accessible, and should be clear of debris both inside and out. Exits should never be chained or bolted and must open easily from the inside even when locked. Hallways and doorways should be clear of any obstacles. Any overflow storage should be

removed to an off site location.

- Fire extinguishers should be available and appropriate for the site and the type of fire which could occur. With the proliferation of computers and electronic equipment, the extinguishing agent should be appropriate for electrical fires, paper, wood, and so on.
- Employee lounge areas ought to be kept free of combustibles. If microwave ovens, toasters, coffee pots etc. are available, someone should be responsible for checking that all appliances are left unplugged unless someone is in the room. Any electrical cord that is frayed, loose or in any kind of disrepair can present a fire hazard and should be discarded. Overloading a circuit can lead to a fire and it may be advisable to consult a professional electrician to ensure that the wiring in an employee lounge area is sufficient to the task.

This is not by any means an exhaustive list of the possible sources of risk on municipal property, however it is a place to begin to assess your own location.

Walk through inspections will not eliminate the possibility of accident or liability, but can be a simple and cost-effective way for municipal administrators to address this aspect of risk management.

See also safety audits in Part III, number 14, and Appendix A2 for further information on doing a walk through assessment of the community.

4.2 Motor Vehicles

Municipal vehicle operation

Municipal Vehicle operation is a good example of how your community can easily avoid risk situations. Taking the time to understand the cause and effect relationship in accident prevention provides an opportunity to avoid losses in the future.

The first priority is to ensure you have adequate insurance coverage for all vehicles owned and operated by the municipality. Coverage should include liability, collision as well as vehicle replacement costs.

Accident prevention measures are an important part of a vehicle risk management program. The three areas to address in such a plan are:

- The *vehicles*;

Regular vehicle maintenance is essential

- The *people* who operate them; and
- The *organization*.

4.2.1. The vehicle:

A good vehicle maintenance program is of prime importance and includes well organized, written records of all maintenance and repairs undertaken on each municipal vehicle. Maintenance schedules outlined in your program ideally will conform or exceed the guidelines and schedule in the vehicle’s owner’s manual. A regular part of a vehicle’s maintenance includes keeping the vehicle clean, and in good repair. Establishing procedures for daily ‘walk about’ checks to examine tires, lights, etc. prior to starting a vehicle may serve to avoid expensive repairs later and may even prevent avoidable mishaps. Such procedures have the added benefit of promoting a sense of pride and confidence not only in your employee/operator, but in the community as well, when your vehicles are looking and performing at their optimum.

If your municipality employs mechanics to work on municipal vehicles, it is also a good idea to ensure that their certification is kept current.

DOT safety inspections are mandatory and should be kept up to date

Vehicle safety is an important responsibility of local government administration. Employees and citizens rely upon their municipal government to ensure that the vehicles and equipment used by municipal staff are well maintained, in good repair and equipped with all the necessary features that are required for safe operation.

4.2.2. The people who operate them:

Another important aspect of this responsibility is ensuring that equipment, machinery and vehicles are operated by reliable, safety-conscious, even-tempered and cautious drivers who acknowledge that safe vehicle operation is an important function of their job.

Reliable, safety conscious vehicle operation

A valid operator’s license is not sufficient to prevent accidents. The people you select to operate a vehicle on behalf of the municipality must have good driving records. Putting a poor driver behind the wheel can be an expensive mistake. Reviewing a driver’s past driving record and experience is essential. The best indication of how a driver

will perform in the future is how they performed in the past. If a driver has a record of minor traffic accidents, chances are that trend will continue, at the expense of the municipality. The municipality should have a policy regarding the use of municipal vehicles.

In order to reduce the opportunity for risk, professional risk managers may recommend:

- Regular review of the motor vehicle records of municipal employees who are operating vehicles. An applicant's good driving record should be a prerequisite for employment.
- Prospective employees can be questioned on their previous driving experience, and have their driving record verified with the Registry of Motor Vehicles. Employees who operate municipal vehicles on a regular basis should have their driving record reviewed periodically.
- Provide a positive incentive for employees to develop courteous driving habits. This can be one of the best ways to encourage safe driving. There are simple and inexpensive ways to encourage courteous driving such as safe driving commendations, certificates and perhaps even awards such as t-shirts etc. for commendable driving habits. Small investments such as these can boost employee morale while encouraging good driving habits, and may even lead to gains in productivity, lower operating costs and good relations with the community.

4.2.3. The organization:

Accidents do happen. The remedial action a municipality chooses to respond to an accident depends upon the circumstances. When an employee is involved in an accident while operating a municipal vehicle consideration must be given to the factors leading up to the accident. If, following a careful review of the incident, the municipal vehicle is found to have been properly maintained, the driver is practicing safe driving, and the accident can be attributed to other contributing factors such as adverse weather conditions, then remedial action would involve no disciplinary action against the employee. If on the other hand, the incident is a result of negligence on the part of the vehicle operator, then reprimand, suspension, dismissal, or even criminal charges might be a more appropriate response. Check with your solicitor prior to taking these actions. Employees should be made aware of municipal policy in the event of any such incident.

Vehicle Safety Program

A municipality can help to prevent accidents by establishing a program of vehicle safety. All incidents involving municipal vehicles should be reviewed with staff as soon as possible after the incident. Invite feedback from all employees on how they feel the incident could have been prevented or minimized. Establishing a routine safety program which includes employees as stakeholders helps to make them part of the solution rather than part of the problem.

A proactive, preventive program of risk management in operation of municipal motor vehicles is an inexpensive way to increase efficiency and managing costs. Keep in mind that all hazards and risks cannot be predicted, this is not intended to be an exhaustive check list for addressing the risks involved with municipal vehicle operations.

4.3. Emergency Measures Organization

The Emergency Measures Organization is the coordinating agency of the Nova Scotia Government responsible for assisting municipalities to plan and prepare for emergencies and for the administration of the province-wide emergency reporting 911 service. Under the Emergency Measures Act, each municipality is required to have emergency measures by-law, an emergency measures organization, a coordinator, committee and emergency measures plan. Municipal units may agree to have a common organization, plan or program. EMO NS may be of assistance in advising municipalities on implementing these requirements.

See Section 10 of the Emergency Measures Act.

Emergency situations

In an emergency, EMO coordinates the efforts of provincial and federal departments and agencies, as well as emergency health and social services to provide assistance to the disaster areas. EMO Nova Scotia maintains a staff of professional planners at the head office in Halifax and at zone offices located in Truro, Kentville, and Sydney.

EMO coordinates all emergency preparedness training for Nova Scotia federal, municipal, and provincial staff at the Canadian Emergency Preparedness College, Arnprior, Ontario, and for regional training within Nova Scotia. EMO manages the Joint Emergency Preparedness Program, which provides a federal cost-sharing formula for emergency equipment for some first-response agencies and EMO (NS) sponsors the Ground Search and Rescue Program.

Mandate and Functions

EMO’s mission is to ensure the safety and security of Nova Scotians

by enabling the most prompt and coordinated response to an emergency.

The Emergency Measures Organization's objectives are to:

- minimize the frequency and significance of emergencies;
- mitigate the effects of emergencies through timely and effective response and appropriate preplanning;
- provide for recovery from emergencies to pre-emergency conditions; and
- maintain cost-effectiveness and consistency with the financial and administrative frameworks and policies of government.

Nova Scotia's Emergency Measures Organization can be accessed via the internet at: <http://www.gov.ns.ca/emo/> and by email at:

E-mail: emo@gov.ns.ca

4.4. Employee CPR training

Although the 911 emergency service is available across the province, it is still a good idea to ensure that municipal employees are certified in first aid and/or CPR. According to the *Occupational Health and Safety Act* there must always be at least one person at a worksite with a valid first aid certificate. The type of first aid certificate required depends on the type of worksite and the number of employees working there. You can find out what is required at individual worksites by checking the First Aid Regulations or by contacting the Occupational Health and Safety Division of the Department of Labour.

- Employees with such training should be identified and other employees made aware of whom in each workplace has had such training.
- Employees should also be briefed on procedures for handling emergency situations.
- A well stocked first aid kit is a necessity in any office, workplace, or site, and there should be a designated person responsible for ensuring that these kits are regularly checked and well stocked with fresh supplies.

For further information on first aid in the workplace, check the provincial Occupational Health and Safety internet site at

<http://www.gov.ns.ca/labr/ohs/legislat.htm>.

CPR, first line of treatment

How to respond to fire emergencies

4.5. Fire emergencies

Advance planning is essential for proper response to a fire emergency.

- Every building should have an evacuation plan in the event of fire.
- All staff should be made aware of the evacuation plan, the location of fire extinguishers, as well as emergency exits, and be familiar with which routes they need to follow in order to quickly and orderly evacuate from any part of the building.
- In an event of an evacuation, staff should be instructed to gather in a particular place so that it can be determined whether everyone has left the building, or site.
- Depending on the size of the building, an adequate number of persons need to be designated with the responsibility of taking roll call to ensure that everyone is accounted for in the event of an evacuation.
- Anyone requiring assistance during an evacuation should be identified during the planning stages, and someone assigned to assist in their evacuation in an emergency. The person requiring assistance should be made aware of who will be assisting them, and a backup plan put in place in the event that the designated helper is not on site during an emergency.
- Regular fire drills are an important way of ensuring that employees are familiar with the procedures to follow. Local fire departments are usually happy to be consulted to review the plan, observe fire drills and make suggestions as to how the plan can be improved.

Dealing with weather emergencies

4.6. Weather emergencies

Weather emergencies are a rare occurrence in Nova Scotia but can include windstorms, snowstorms, flood or severe electrical storms. While procedures may differ from one type of weather emergency to another, the need for advance preparation and good communication is the same for all emergencies.

- The first priority for any weather emergency is to ensure that municipal employees and their equipment are adequately

prepared to keep roads clear and municipal services functioning.

Some general guidelines for dealing with emergency weather situations include:

- Employee manuals should clearly outline the procedures to follow in the event of any emergency. Employees need to be informed of their responsibilities and exactly what is expected of them during an emergency situation.
- Periodic safety exercises, and hands on orientation improve the likelihood that safety procedures will be followed.
- Safety training begins when a new employee is introduced to the workplace. Appropriate sections of the employee manual may be reviewed during the orientation process. Instruction on safety procedures and location of emergency exits may be addressed while introducing the new employee to their new colleagues. This may also be the appropriate time to identify which employees are trained to handle emergency situations.

5. HUMAN RESOURCES RISK MANAGEMENT:

In addition to the human resource risks that immediately jump to mind such as discrimination, violence in the workplace, sexual harassment and wrongful termination there are also potential losses due to losing the employees themselves. It is estimated by some experts that the cost of replacing any employee in today's market is roughly half of that person's annual salary.

- When new employees are introduced around the office conduct a *safety orientation*, showing where fire extinguishers are located, how they operate, where exits and fire doors are located and which employees are trained in CPR or first aid.
- If you haven't yet conducted safety orientations for existing staff, schedule a brief tour and make sure everyone is aware of safety procedures.
- *Safety exercises* enable employees to be prepared for emergency situations. Ask the local fire marshal to attend a fire drill and offer suggestions for improvement.

Human resources and risk management

- Employees need and want a sense of accomplishment, as well as the opportunity to learn and gain new experiences on the job.
- Establishing open two way lines of *communication* between management and employees improves staff morale, promotes a sense of teamwork, and is essential to reducing losses due to employees leaving their jobs.
- Instituting effective mechanisms to investigate and address employee concerns and complaints in a timely manner may limit liability in the event of subsequent legal action.
- *Conflict intervention* training is an effective way to enable your employees to deal with threatening situations and can help to keep people calm and save during a crisis.
- Establish written *policies and procedures* that document how transactions are to be carried out. It is essential that policies and written procedures are clearly communicated to staff. Employees that know what is expected are better equipped to provide what is required of them.

While in fact, the majority of employees are excellent workers and entirely trustworthy, there is another category of risk involving loss due to employee misconduct or dishonesty, and liability resulting from the actions of an employee in the performance of their job.

- Adoption of an *ethics statement* by Council lets your employees and your community know up front that misconduct will not be tolerated in your municipality.

See Local Government Resource Handbook, Section 4.2 Code of Ethics.

A number of measures may be taken to reduce the financial risks resulting from employee misconduct. Prevention begins with the hiring process.

- When a new employee is being considered, it is advisable to prepare in advance a list of questions to ask an applicant's references. Prior consultation with the municipal solicitor will ensure that employment and privacy laws are not compromised.

Preventing opportunities for employee misconduct

- Most frauds require daily attention in order to avoid detection. The same employee should not be responsible for authorizing transactions, collecting or paying bills and maintaining financial records. While this may prove difficult in a small municipality, your municipal auditor may advise on adequate internal controls.
- In the same vein, it may also be advisable to have alternate employees assume the duties of individuals dealing with financial functions periodically during the year. This could be arranged during scheduled vacations or other leave, or could be a part of a cross training arrangement.
- Exposure to employee theft can be prevented to a certain extent but not eliminated completely. Insurance coverage and limits should be reviewed on a regular basis to confirm that coverage is adequate for the needs of the municipality.

6. SPORT AND RECREATION LIABILITY

Principles of risk management may be applied to the municipal sport and recreation department much like any other department. Municipalities have a responsibility to provide the safest programs or events possible for participants as well as spectators.

Ronald L. Baron provides helpful advice for risk managers in the area of sport and recreation in his article *Risk and Litigation Management for Municipal Sports and Recreation Liability*. Mr. Baron offers a number of suggestions for addressing risk in the area of sport and recreation including:

- Develop procedures for inspection and maintenance of sports and recreation facilities and equipment;
- Post adequate warnings about the dangers of events and activities from the perspective of the participant as well as the spectator;
- Ensure adequate supervision of all activities;
- Provide proper training for personnel involved in sport and recreation programs;
- Supply detailed instructions for the use of equipment and facilities;
- Ensure supervisors are made aware of any physical condition that may impair a participant in an activity or event;

Warn people of the risks involved in sport and recreation programs!

- Establish guidelines for safe access, security, crowd control, and emergency situations;
- Develop procedures for documenting and reporting accidents or mishaps and conduct followup investigations.

Spectators and participants need to be informed of inherent risks associated with any recreation activity or event in order to make an informed decision to participate. Failure to warn about the safe use of sport and recreation facilities can result in liability. The degree and detail of the warning, and the informed consent depend upon the type of activity and the level of participation.

Clearly written, well designed signs are vital. A number of points should be considered when placing signs on recreation facilities, or at special events:

- **Appropriate language:** In areas where there are significant non-English speaking communities, signs should be bilingual (in both English and the predominant language of the surrounding community).
- **Age appropriate:** Signs in play areas should be worded so that children can recognize and understand the message. Use of standard symbols may enhance the readability of signs for children or non-English speaking people.
- **Conspicuous:** Signs should be strategically placed in areas where they are most visible, and most likely to attract attention. The higher the level or likelihood of risk involved, the more attention should be paid to making the signs conspicuous.
- **Size appropriate:** The size and style of the lettering used on the sign should be selected for readability. Lettering should be simple yet bold and in a colour chosen for high contrast and visibility.

Use signs that are appropriate for the audience and sufficient for the purpose

In addition, the number of signs erected should be sufficient to warn spectators and participants as they approach all entrances to a facility in addition to be strategically placed throughout. Announcing warnings over the public address system should also be considered prior to the event, and during any breaks in the activities. Publishing any warning announcements in printed programs is another way of ensuring that the public is well informed of any risks.

For a more in-depth look at recreation programs and facilities and how they impact on municipal risk management see *Parks and Playgrounds: A Minefield of Occupiers' Liability* by David G Boghosian, J. Murray Davison, and M. Rick O'Connor, in *Municipal Liability Risk Management* Volume 1, Number 6.

7. E-COMMERCE RISK MANAGEMENT

“My government believes that we increase our opportunities for success when different levels of government come together with communities, our Regional Development Authorities and the private sector to support a common objective. This year, we will bring these partnerships together to implement an aggressive plan for advancing Nova Scotia’s digital economy, from broadband connectivity to e-government.”

Lieutenant Governor for Nova Scotia, April 2001

The opportunity exists now for local government to consult with its citizens inexpensively and regularly on issues facing the municipality. This will undoubtedly lead to improved transparency, increased accountability, and more citizen involvement in the community. This increased transparency and improved access to government also raises new concerns.

E-government means more than just publishing information on the internet however, it enables governments to interact and conduct transactions with citizens and residents via computer.

As the world moves from the industrial society of the past to the information society of the future, the concept of security becomes even more critical. Security, particularly as it relates to computer technology, is a major concern to any business or government that is considering developing an electronic service delivery program.

Computer security involves the developing, implementing, and deploying of new technologies, mechanisms and services that will be used to store, process, and transmit your clients personal information in a safe and secure manner.

Moving toward offering online and internet service involves a number of security risk factors that deserve careful consideration. Some of the risks involved in communicating information over a network or on the Internet include:

Computer and network security

- **Confidentiality** - Information of a confidential nature must be kept confidential.
- **Integrity** - Information must be kept intact and free from tampering.
- **Authenticity** - Information must be authoritative and genuine. Parties accessing the system must be assured of the integrity of the information exchange.
- **Non-repudiating** - Parties involved in the information exchange must not be able to deny having participated in the exchange.
- **Access** - Access control services, commonly known as firewall protection, can include a configuration of static packet filtering, dynamic packet filtering, circuit level gateways, and application level gateways (or proxy servers). Contact your professional IT representative to discuss the risks of unauthorized access to your database or network.
- **Anonymity** - When appropriate, the identity of the parties involved must remain confidential, and;
- **Availability** - Information must be available when and where it is needed and to those parties who require access.

Although a great deal of publicity has been given to the threat from unauthorized persons gaining access to your network and data, hackers in other words, the greatest threat to your system is less likely to come from outside than from inside the walls of your municipal office. The media's obsession with the image of young hackers prowling the internet for opportunities to disrupt government and private business is a distortion of the real problem with network security.

A 1998 survey commissioned by the Computer Security Institute, found that some 70 percent of the organizations polled said that their network defences had been breached. Surprisingly, nearly two-thirds of the attacks reported came from the inside the organization. When you are evaluating the possibility of facing threats to your network, perhaps you would be better off to pay less attention to media hype and focus on the likeliest perpetrators - embittered or careless employees.

Some guidelines recommended by experts to address security issues with a network include:

Network security guidelines

- Make sure there is no one person in control of the whole system;
- Require every person who is logging on to the system uses a password;
- Assign supervisory rights and access to as few people as possible;
- Ensure that backups are done on a regular basis;
- Have a strict sign-in/sign-out system for backup tapes;
- Keep a current copy of the backup tape stored away from the site in case of catastrophic events such as fire;
- Do backups of desktops and laptops routinely as well as servers;
- Rotate backup tapes - don't keep using the same tape over and over again;
- Change passwords on a regular basis and remind staff of selecting passwords that are not easily identifiable such as pets names, telephone numbers etc.;
- Remind staff that when the system prompts for a password to be changed, do not enter an existing password;
- Don't use the same password for everything such as network access, online email programs, database access. Use various passwords so that if one password is compromised a hacker cannot gain access to all systems with one password;
- Keep your server in a secure area under lock and key with limited physical access;
- Keep your virus protection software updated on a regular basis;
- Use firewalls and other intrusion-detection software that will alert you when you are being threatened;
- Be alert for any employee who is in an information-critical position who may be showing signs of trouble. Disgruntled or careless employees represent the greatest threat to network security;

Be Prepared!

- At times of particular stress, increase your security. If there are pressures from layoffs, budget cuts etc. pay close attention to network security;
- Have clearly defined policies in place for what you consider appropriate and inappropriate behavior on the network, email system, or internet usage;

Perhaps most important,

- Prepare and test a recovery plan for system failure or disaster.

When an employee is departing for one reason or another there are certain precautions that should be taken immediately to protect your system.

When an employee leaves

- Change the passwords so that the departing employee no longer has access to the system;
- Verify that the system has not been tampered with and that files are left intact, passwords have not been changed without your permission and knowledge.

Educate staff as to their responsibilities with regard to their use of computers, networks, email and internet usage. People tend to underestimate the impact their actions have on others. Responsibility lies with each staff person to ensure that safe practices will prevent losses due to computer failure or attack from virus or other hazards. Ensure that every employee has a copy of the policy governing how computers are used in the workplace, with particular reference to email and internet use.

*See Appendix A5 for an excerpt from **The ePolicy Handbook** by Nancy Flynn, (c2001) outlining ePolicy do's and don'ts.*

8. FINANCIAL

Transferring the risk

Insurance

Unquestionably a well thought out plan for insurance coverage is one of the most important risk management tools available to a municipality. In addition, insurance may offer protection against catastrophic losses, help to keep municipal finances stable, preserve

Property versus liability insurance

revenue and resources, and provide reserves in order to prevent small claims from growing into big claims.

Probably the most important step you can take in preparing your risk management plan is to develop a rapport with your insurance underwriter and to discuss your needs in detail so that he or she has a complete understanding of what your specific requirements are.

There are numerous types of insurance coverage that a municipal unit can consider purchasing but there are two basic categories.

- ***Property insurance*** protects the municipality's own property; while
- ***Liability insurance*** protects against financial loss arising from damage done to someone else's person or property.

*See Sections 300 and 301 of the **Municipal Government Act** with regard to municipal and fire department liability and the municipal role in fire and emergency services.*

Property insurance or casualty insurance covers municipal owned buildings and their contents. The policy should list the current value of all municipal owned buildings and their contents and should include an up to date inventory.

Special coverages to consider when discussing your needs with your insurance company may include:

- ***Boiler and machinery coverage*** which insures against loss to a building and its contents due to the explosion of boilers or other pressure vessels and machinery. This type of policy would require an inspection which would ultimately be of benefit to the municipality.
- ***Extra expense coverage*** would cover additional expenses resulting from the necessity of using alternative premises because of loss or damage to municipal buildings.
- ***Inflation guard coverage*** provides an automatic increase of limits to your insurance to cover periods of inflation.
- ***Valuable papers coverage*** provides for the cost of reproducing papers lost or destroyed in an emergency.

- **Flood insurance** provides coverage for municipalities in event of flood. Flood plain management measures may be required

Insurance risk management

There are a number of considerations to keep in mind when it comes to risk management regarding insurance coverage for municipal units.

- **Regularly and routinely review** and analyze your existing insurance:
 - know your deductibles,
 - know what is excluded,
 - know the limits of your policy,
 - does your coverage match the value of your assets?

- **Compile a history:**
 - keep a file for a minimum of five years of all claims;
 - identify any recurring accidents or claims;
 - develop a plan to address or prevent recurrences.

- **Do an inventory** of all property and assets:
 - take a physical inventory of all municipal buildings;
 - use a video camera or take photos of equipment etc.;
 - keep a copy of the inventory file off-site in case it is needed.

- **Document**
 - establish a complaint process;
 - assign one employee to handle and deal with complaints;
 - document all complaints completely with dates times and identities.

Some guidelines for purchasing insurance offered by the Nonprofit Risk Management Centre include:

- **Talk to your insurance underwriter.** Each underwriter has basic underwriting guidelines but these guidelines may or may not cover all situations. Taking the time to review your insurance needs with your underwriter on a regular basis may

prevent unexpected financial losses due to insufficient or inappropriate coverage.

- ***Solicit quotes*** from a number insurance providers to be confident that yours is the best coverage, at the best available price. However, let your underwriter know that you have been getting quotes from other agencies and give them the opportunity to match the quote or to discuss the quote with you.
- ***Plan ahead.*** Providing adequate lead time to your insurer gives the underwriter an opportunity to review your insurance needs and to ask questions. It also gives your organization an opportunity to understand the features of your insurance product, to obtain competitive quotes, and to compare terms.
- ***Complete then review the application.*** Every question on an application form is important to the insurance company. An incomplete application may be declined or returned for completion. Taking a few extra minutes to ensure the application is complete and clearly worded before you submit it to the underwriter may save you valuable time later.
- ***Attach all supporting documentation.*** When an insurer requests information it is important to include that information with your application. List enclosed items in the cover letter and check to ensure that each item is in the package when it is sent.
- ***Verify the accuracy of your information.*** An insurer may deny coverage if the information contained in the initial application turns out to be inaccurate.
- ***Anticipate questions*** your insurance agent may have. In consultation with your insurance agent, provide any necessary explanation for the answers on the application form and any unique exposures your organization may have.
- ***Promptly respond*** to requests for further information. Prompt responses may not only save time later, but highlights your professionalism.
- ***Negotiate with respect.*** Sometimes an honest mistake either in filling out an application, or a misunderstanding in discussing your requirements with the underwriter may result in a quote

Making the community a safer place to live

that is unacceptable or unreasonable. While it is good to question the basis for a quotation to try to alter the terms, do so in a respectful way and allow him or her the opportunity to be reasonable.

- **Offer alternatives.** If an insurance quotation is unacceptable, offer suggestions that may improve the terms. If your insurer refuses to cover an activity, ask if there are ways that you can work with the insurer to come to a mutually satisfactory agreement. In some instances offering to institute an insurer-approved risk management plan as a condition of coverage may be an option.

9. SAFE COMMUNITIES

A number of initiatives have been undertaken in communities all over North America designed to enhance the safety of residents and visitors to the area. The **METRAC** organization, of Toronto, has developed a Women’s Safety Audit Guide to help communities of all sizes carry out a program to enhance women’s safety in their neighborhoods. This safety audit guide provides extensive information on how to carry out such a program in a municipality. The following section outlines briefly the recommendations of the guide, however, anyone interested in carrying out this program would be advised to read the guide and contact the authors for further details.

9.1 Safety Audit Program

A “Safety Audit Program” is an important tool used in crime prevention to recognize, appraise and anticipate personal safety and loss potential concerns. A safety audit is an in-depth on-site examination of a physical facility and its surrounding property (other buildings, etc). The audit is conducted to identify deficiencies or security risks, and to outline and define the protection needed. Finally, a safety audit can make recommendations to eliminate the opportunity for crime to occur.

Audits don’t have to involve a lot of people or cost a lot of money to carry out. Students employed in the community for the summer doing recreational programs, or neighborhood volunteers could be called upon to carry out the audit with a little direction and assistance from the local police force. The best size for an audit team is 3 to 7 people.

The audit team

This allows for differing points of view but is still small enough for lots of discussion. The team should reflect the needs of the community at large. While carrying out the safety audit, your audit team should consider the special needs of people who are using a wheel chair, hard of hearing, blind, mentally challenged, very young, elderly, or persons unable to read.

How to prepare for a safety audit.

The first step is to define how big an area you want to cover in your safety audit. You may want to concentrate on just the downtown area or even one or two neighborhoods where you may feel a safety audit would be most beneficial. This is a program that can be carried out over time and eventually cover all areas of the community that may benefit from this kind of program. If you want to cover a large space, you may need several teams.

The time required to carry out a “first audit” depending upon the size of the area selected for study would be approximately 2 to 3 hours. You will need about ½ to 1 hour to discuss the audit and brief the team on the location and the size of the area they are to cover. At the end of the audit, you may want to take ½ hour to 1 hour to discuss the findings and finish taking notes.

Carrying out the actual audit requires a minimum amount of equipment including:

- flashlights;
- notepad and clipboard;
- black marker or pen;
- camera with a high speed film (400 or 800 ASA) to document problem areas or to document positive features;
- reflective vests or clothing so that team members can be visible at night.

The time of day the audit is carried out is most important. The only way to know if an area has adequate lighting is to be there at night. Night time is also when people are most isolated and feel least safe in their communities.

The audit team is trying to find out how people feel in the community at night, where and when and why they feel uncomfortable. To learn these things it is most helpful to talk to the people in the area during the audit, and to pay attention to how they feel themselves when they are in the area. The audit team should be asking questions such as:

The equipment a safety audit team will require

Questions the safety audit team will ask themselves

- Why don't I like this place?
- When and why do I feel uncomfortable here?
- What changes would make me feel safer?

When the team is looking at an area, they should take their time and consider the circumstances that they find themselves in:

What the safety audit team are looking for

- What if you were walking alone here at night?
- What if you were waiting for someone to come pick you up?
- Is there a possible entrapment site nearby?
- Would it feel safe in the rain? In wind?
- Are there fewer people around at a different time of day, week, year?

A suggested check list for carrying out a community safety audit is included in Appendix A2. You may want to add to this list or modify it to suit your individual needs.

After the Audit: Organizing the findings:

When the safety audit is completed there will be a lot of information available about problem areas in the community. There may also be a number of ideas for changes suggested in the audit sheets.

One way of organizing the information is to group together all the points on one factor such as lighting. Comments about how far a person has to go to get help, whether there are enough telephones near by, or how likely it is that other people might see an assault take place, can all be brought together under the category of isolation factors.

Another way of organizing the information from the checklist is by type of space. For example, safety factors common to all parking lots could be grouped together.

When you've finished organizing the findings, you should check to see if any part of the area has been overlooked. If it has, consider collecting more information with a mini-audit, or by asking people in the area.

Sharing the Results:

Whether they were part of the audit or not, you might want to get support, information, ideas, and feedback from people living or working in the area.

Now is the time to include people in the community who were not directly involved in the safety audit process to date. Consider holding small meetings where people can talk about their concerns and help with the recommendations. The members of the community will welcome the initiative to make their neighbourhood a safer place to live or visit. Also, residents may be aware of problems that might have been overlooked by the audit team. This type of neighbourhood meeting will provide more information on the problems, and will also illicit ideas about what could be done to improve things. Last but not least, community meetings can build support for the changes you want to see and promote community spirit.

The safety audit is the easy part, changing problem areas to safe areas is a little more difficult, but well worth the effort both from a risk management point of view and a community point of view.

Conclusion:

Developing, implementing and maintaining a municipal risk management program can provide immediate and long term benefits to the municipality. Although it may seem to be an overwhelming task in the beginning, especially if the resources are not available for hiring a professional risk manager, it is a program that can be initiated one step at a time with minimum investment of personnel and resources. A number of quick and easy tasks such as mentioned in Section III may provide a significant return on investment in a relatively short time span.

In summary, a municipal risk management program begins with the decision makers. Basic guidelines need to be developed, a risk manager designated, and adequate resources dedicated to support the program. List the tasks that can be accomplished within the budgetary restraints of your municipal unit and get started. Make the program a priority for all staff members and the benefits will soon become apparent.

Risk management for municipalities encompasses a large number of topics, and space limitations prevent covering all the possibilities in an

article of this nature. A great number of electronic and print sources were reviewed in writing this article, and a number of experts were consulted for their advice on particular aspects of risk management.

For more detailed information on specific topics, there are numerous resources available both in print and through electronic media. Municipal risk managers are advised to consult the many sources listed in the suggested reading section for a more thorough treatment of specific situations.

Risk managers are reminded however, that it is always advisable to consult with your municipal solicitor for information pertaining to particular situations.

Suggested Reading:

The following is a listing of some of the more useful resources consulted in the preparation of this document.

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<http://www.infoinc.com/rims/canada/crmc.html>

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http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/RiskManagement/rmf-cgr01-1_e.html#ACommonProcess

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<http://enterprisesecurity.symantec.com/article.cfm?articleid=120&PID=na>

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<http://www.fire.org.uk/papers/tecindex.htm#3>

Review of Canadian Best Practices in Risk Management
http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/RiskManagement/rm-rcbp1_e.html

Risk Management Program Guidance for Offsite Consequence Analysis Chemical Emergency Preparedness and Prevention Office, US EPA 1999. 19 July 2001.
<http://www.epa.gov/ceppo/pubs/oca/oca-chps.pdf>

Washington Municipal Clerks Association: Municipal Clerks Handbook
<http://www.mrsc.org/associations/clerk/title-5.htm>

Women's Safety Audit Guide
<http://www.dhgender.org/cdrom98/ccg97/3/050201.htm>

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Safety Inspection Checklist

Department: _____

Date: _____

This list is intended only as a reminder, watch for other unsafe acts or conditions.
Turn one copy in to Personnel with Safety Committee minutes.
Keep one copy for your department's records.

- ✓ **Indicates Satisfactory - no hazards exist**
- Indicates Unsatisfactory - hazards exist**
- S **Indicates Not Applicable to your operations**

FIRE PROTECTION:

- G 1. Fire extinguisher accessible and inspected.
- G 2. Fire extinguisher recharged in last 12 months.
- G 3. Exits unobstructed.
- G 4. Exit signs lighted.
- G 5. Proper electrical fuses.
- G 6. Storage near hot or electrical equipment.
- G 7. Proper storage of flammable material.
- G 8. _____

HOUSEKEEPING:

- G 9. Wet or slippery floors.
- G 10. Holes, splinters, uneven places in floors.
- G 11. Loose objects on floors.
- G 12. Wet or slippery stairs.
- G 13. Holes, splinters, uneven places on stairs.
- G 14. Loose objects or obstructed stairs.
- G 15. Improper storage of overhead items.
- G 16. Improper lighting or ventilation.
- G 17. Materials piled in walkways.
- G 18. Waste improperly disposed of.

- G 19. Hazards in wash or locker rooms.
- G 20. _____

HAND TOOLS AND MATERIALS:

- G 21. Safety devices defective or missing.
- G 22. Other defects in tools.
- G 23. Unprotected sharp edges.
- G 24. Unsafe carrying of tools, nails, etc.
- G 25. Tools and materials left lying around.
- G 26. Improperly placed or stored materials.
- G 27. Improper use of tools and materials.
- G 28. Dangerous materials improperly marked.
- G 29. _____

MACHINERY:

- G 30. Defective wiring.
- G 31. Defective safety devices.
- G 32. Defective belts, pulleys, gears, shafts.
- G 33. Defective cables, ropes, chains, slings.

Community Safety Audit

Safety Audit Questionnaire

LOCATION: _____

DATE: _____

TIME: _____

AUDITED BY: _____

1. GENERAL IMPRESSIONS

Your gut reactions: _____

What 5 words best describe the place? _____

2. LIGHTING

Impression of lighting:

- very poor
- poor satisfactory
- good
- very good
- too dark
- too bright

Is the lighting even?

- yes
- no

How many lights are outs? _____

What proportion of lights are out?

- most
- some
- few

E.g. Maybe only two bulbs in a particular location are burned out, but if there are only three bulbs to start with, then a more powerful way to say this is that two-thirds of the lights are out.

Are you able to identify a face 25 metres (75 feet) away?

- yes
- no

Outdoors:

Do you know where/whom to call if lights are out, broken, not yet turned on, etc.?

- yes
- no

Is the lighting obscured by trees or bushes?

- yes
- no

How well does the lighting illuminate pedestrian walkways and sidewalks?

- very poorly
- poorly
- satisfactorily
- well
- very well

How clearly does the lighting illuminate directional signs or maps?

- very poorly
- poorly
- satisfactorily
- well
- very well

3. SIGNAGE

Is there a sign (i.e. room no., building name) identifying where you are?

- yes
- no

Impression of overall signage:

- very poor
- poor
- satisfactory
- good
- very good

If no, are there directional signs or maps nearby which can help you identify where you are?

- yes
- no

Do exit doors identify where they exit to?

- yes
- no

Are there signs which show you where to get emergency assistance if needed?

- yes
- no

What signs should be added? _____

Are there signs which direct you to wheelchair access?

- yes
- no

Is there information posted describing the hours the building is legitimately open?

- yes
- no

4. SIGHTLINES

Can you clearly see what's up ahead?

- yes
- no

If no, why not?

Are there places someone could be hiding?

- yes
- no

If yes,

where? _____

Indoors:

- sharp corners
- walls

Outdoors:

- pillars bushes
 - fences
 - hill
 - other
-

What would make it easier to see?

E.g.: - transparent materials like glass - angled corners - security mirrors - trimmed bushes - snow cleared - vehicles moved

Other

comments? _____

5. ISOLATION -- EYE DISTANCE

At the time of your audit, does the area feel isolated?

- yes
- no

How many people are likely to be around? _____

In the early morning:

- none
- a few
- several
- many

During the day:

- none
- a few
- several
- many

In the evening:

- none
- a few
- several
- many

Late at night (after 10 pm):

- none
- a few
- several
- many

Is there a monitor or surveillance system?

- yes
- no
- don't know

Is it easy to predict when people will be around?

- yes
- no

Other comments?

6. ISOLATION -- EAR DISTANCE

How far away is the nearest person to hear a call for help?

- don't know

Can you see a telephone, or a sign directing you to emergency assistance?

- yes
- no

How far away is the nearest emergency service such as an alarm, security personnel, crisis telephone?

- don't know

Is the area patrolled?

- yes
- no
- don't know

Other comments?

If yes, how frequently?

- every hour
- once per afternoon/evening
- don't know

7. Movement Predictors (a predictable or unchangeable route or path)

How easy is it to predict a woman's movements? (e.g. her route)?

- very easy
- somewhat obvious
- no way of knowing

Are there corners, alcoves, or bushes where someone could hide and wait for you? • yes • no

Other comments?

Is there an alternative well-lit and frequently travelled route or path available?

- yes
- no
- don't know

Can you tell what is at the other end of the path, tunnel, or walkway?

- yes
- no

8. POSSIBLE ENTRAPMENT SITES

Indoors:

Are there empty rooms that should be locked?

- yes
- no

Are there small, well-defined areas? (E.g.: - stairwells - recessed doorways or lockers - unlocked closets - elevators)

- yes
- no

Details: _____

Outdoors:

Are there small, confined areas where you would be hidden from view? (E.g.: - between garbage bins, unlocked equipment or utility shed, alley or laneway, recessed doorway, construction site)

- yes
- no

Other? _____

9. ESCAPE ROUTES

How easy would it be for an offender to disappear?

- very easy
- quite easy
- not very easy

Is there more than one exit?

- yes
- no
- don't know

10. NEARBY LAND USE

What is the surrounding or nearby land used for?

- stores
- offices
- restaurants
- factories
- residential houses and streets

- busy traffic
- heavily treed/wooded area
- river bank
- parking lots
- campus buildings
- don't know
- Other: _____

Can you identify who owns or maintains nearby land?

- yes
- no

Impressions of nearby land use from the standpoint of personal safety:

- very poor
- poor
- satisfactory
- good
- very good

11 . MAINTENANCE

Impressions of maintenance:

- very poor
- poor
- satisfactory
- good
- very good

Is there litter lying around?

- yes
- no

Do you know to whom maintenance concerns should be reported?

- yes
- no

From your experience, how long do repairs generally take?

- one day
- within one week
- from 1-3 weeks
- more than 3 weeks
- don't know

12. Factors That Make the Place More Human

Does the place feel cared for?

- yes
- no

Are there graffiti on the walls?

- yes
- no

Does the place feel abandoned?

- yes
- no

Would other materials, tones, textures or colours improve your sense of safety?

- yes
- no

Are there signs of vandalism?

- yes
- no

In your opinion are there racist or sexist slogans/signs/images on the walls?

- yes
- no

Why? _____

Other comments? _____

13. OVERALL DESIGN

Impressions of overall design:

- very poor
- poor
- satisfactory
- good
- very good

If you weren't familiar with the place, would it be easy to find your way around?

- yes
- no

Does the place "make sense"?

- yes
- no

Is the place too spread out?

- yes
- no

Are there a confusing number of levels?

- yes
- no

Other comments?

14. IMPROVEMENTS

What improvements would you like to see?

Do you have any specific recommendations?

Please send any in-progress or completed documentation or reports to:

Source: Metropolitan Action Committee on Violence Against Women and Children

Brainstorming

How to hold a brainstorming session

Structured or unstructured

Brainstorming sessions assist a group to generate a variety of innovative ideas on how to identify and address risk factors. This method of problem solving encourages people to think creatively, and enables participants to build on ideas and move beyond the “same old ways”. All team members should have an opportunity to get involved and offer suggestions, not just the same few people who tend to dominate meetings. Some of the most innovative suggestion may come from totally unexpected sources.

Structured

1. Be certain that everyone understands the issue and verify this by asking several people in the group to paraphrase or define the problem. When the question or problem is stated and agreed upon, then it can be written down on a flipchart or blackboard for everyone to see.
2. In rotation around the table everyone in the group gives an idea or solution to the problem. It is essential that everyone feel free to offer a suggestion and no idea should ever be criticized, or derided. Any suggestion, no matter how ludicrous it may appear at first glance should be accepted and recorded. You never know where the innovative solutions are going to come from. The most ridiculous idea at first glance may be just the solution you're looking for with a little tinkering.
3. As each suggestion is offered, write it down on the flip chart in large clear bold letters on the flipchart or blackboard. Use the speakers own words, don't interpret or abbreviate. To ensure that it is written down accurately, always ask the speaker if their suggestion has been recorded accurately.
4. In turn go around the table and have everyone contribute ideas until everyone feels that they have exhausted their ideas. Keep the process moving and keep it relatively short. Five to twenty minutes

usually works well depending upon the number of participants and the complexity of the problem.

5. Review the written list of ideas and be sure that each is stated clearly and eliminate duplications. Discard only ideas that are virtually identical. Sometimes subtle differences can be extremely important so be sure that you aren't throwing out an idea that may prove valuable.

Unstructured:

Follow the same basic procedures as in the structured session except that ideas are tossed out in a random manner. In an unstructured session anyone can contribute at any time and there is no need to “pass” since you aren't following a rotation.

6-3-5 Or, How to Stimulate Creative Thinking in a Team Environment

Helmut Schlicksupp in his book *Creativity Workshop* offers a very handy tool for stimulating creative team thinking. His method called the “6-3-5 Method” involves dividing up the group into teams of six people. Each person in the team of six has five minutes to write down three ideas on a sheet of paper. Then each person passes his or her sheet of paper to the next person, who has five more minutes to add three more ideas that build upon the first three ideas. This rotation is repeated as many times as there are team member, e.g., 6 team members = 6 rotations, 6 sheets of paper, 18 ideas per sheet. This method of generating creative thinking forces participants to consciously build on each others ideas and offer suggestions to proceed.

When organizing a brainstorming session it may be helpful to plan for a full day. Plan to hold a separate session for each of the first three steps involved in the risk management process. The first session would cover identifying the risk, the second session can cover analyzing the risk. Finally, take each of the risks identified and analyzed in the earlier sessions and focus on what responses would be appropriate for addressing each one.

Source: The Memory Jogger II (GOAL/QPC)

E-Policy Handbook

What Every Employer Needs to Know

E-risks are as prevalent in the modern electronic office as eMail is indispensable. For responsible organizations operating in the age of electronic communication and commerce, a written ePolicy is an essential business tool.

EPolicy DO's

1. Establish comprehensive, written ePolicies that address employee use of eMail, the Internet, and software.
2. Educate employees about software piracy. Ensure compliance with all software licenses.
3. Communicate the fact that the organization's eMail and Internet systems are to be used strictly as business communications tools. But don't stop there. Provide clear guidance on what is, and is not, considered appropriate electronic business communication.
4. Bear in mind that some personal use of your organization's eMail may be warranted. Workers today put in more on-the-job hours than at any time in history. For employees who leave the house before dawn and don't return until well past dark, eMail may be the most efficient and effective way to stay in touch with family members. For the sake of employee morale and retention, savvy employers generally are willing to accommodate their employees' need to check in electronically with children and spouses. Let your employees know where you stand on this issue, and how much personal use (if any) is acceptable.
5. Incorporate an overview of your organization's discrimination and sexual harassment policies in your eMail policy. Because of the relaxed, informal nature of eMail, some employees will put in writing comments they never would say aloud. Make sure employees understand that regardless of how it is transmitted, an inappropriate comment is an inappropriate comment. And all it takes is one inappropriate comment to land you on the wrong side of an expensive, protracted lawsuit.
6. Review your written ePolicies with every employee. New hires and long-time employees, managers and supervisors, full-time professionals and part-time staff, telecommuters and temporary employees, independent contractors and freelancers –everyone should be informed of your eMail, Internet, and software usage policies. Have all employees sign and date copies of each policy to confirm that they have read and understand each document.
7. Incorporate your written ePolicies into your organization's employee handbook and new-hire orientation materials. Have the organization's human resources director review ePolicies with every new employee.
8. Address ownership issues and privacy expectations. Let employees know that the contents of the eMail system belong to the organization not the individual user. If management monitors and reads employee eMail, say so. Make sure employees understand that their eMail can, and will, be read at any time without notice to or permission of the employee. If there is any chance you may want to monitor employees' home computers, make that clear as well.
9. Support your eMail and Internet policies with eWriting and cyberlanguage policies designed to reduce risks by controlling content.
10. Establish netiquette policies for eMail senders and receivers, managers and staff.
11. Implement a risk management policy that incorporates retention and deletion policies, password policies, and monitoring and filtering software.
12. Establish a computer security policy. Put into place procedures and tools designed to keep unscrupulous hackers and internal saboteurs out of your system.
13. Install software to monitor and filter eMail and Internet use.

14. Purchase cyberinsurance policies to help mitigate electronic risk.
15. Develop an eCrisis communication policy for dealing with the media and public should an eDisaster occur.

EPolicy DON'T's

- 1 Rely solely on eMail to communicate your ePolicies. Require each employee to read, sign, and date a hard copy of each policy. Do use eMail messages, along with the company's Intranet system, to remind employees of your policies and management's commitment to enforcing them.
- 2 Expect employees to train themselves. Educate employees about the what's, why's, and how's of your ePolicies. Make employees aware of their eRisks, eRights, eResponsibilities, and the repercussions they will face for violating eMail, Internet, and software usage policies.
- 3 Create separate policies for management. Establish corporate eMail, Internet, and software policies, and insist that officers, managers, supervisors, and staff all adhere to them. A supervisor who turns a blind eye to an employee's online gambling addiction, a manager who winks at software piracy, a board member who sends risqué jokes to senior executives—all are putting the organization at risk.

- 4 Forget your international associates. If you do business or operate facilities abroad, incorporate a discussion about effective international eCommunication in your eMail policy.
- 5 Assign one individual the responsibility of single-handedly enforcing your organization's ePolicies. Make all managers and supervisors aware of the important role they play when it comes to monitoring employee behaviour. Assign specific monitoring and enforcement roles to HR and information management professionals.
- 6 Allow employees to dismiss the organization's ePolicies as insignificant or unenforceable. Make sure employees understand that their computer activity will be monitored. Stress the fact that ePolicy violators will face disciplinary action that may include termination. Let employees know you mean business by enforcing your ePolicies consistently.

Excerpted from the ePolicy Handbook by Nancy Flynn, c2001. Permission to reprint granted, provided the material is reproduced in its entirety and www.ePolicyInstitute.com is cited as the source.
 <[Http://www.epolicyinstitute.com/d&d.html](http://www.epolicyinstitute.com/d&d.html)>

Section 6.3.1

Risk Management

CONTENTS

PART I: THE BASIC THEORY

Summary

- 1. Introduction**
- 2. Definition**
- 3. The Goals**
- 4. The Basics**
- 5. The Benefits**
- 6. The Process**

PART I: THE THEORY

SUMMARY:

This section outlines the theory behind risk management, provides an outline of what is involved in the process and discusses the goals and strategies that should be considered in the development of a risk management plan. In effect, risk management is a proactive approach to identifying, analyzing and controlling the resources of an organization in order to minimize potential adverse effects of risk. The process consists of identifying possible risks, analyzing the nature and likelihood of their occurrence, taking steps to reduce, mitigate or transfer the risk, and finally monitoring the situation on an ongoing basis to ensure that any potential risks are dealt with before they occur.

Formulating a municipal risk management plan provides an outline of possible alternatives, and establishes a basis for selecting an appropriate course of action. Implementing a risk management plan and effectively communicating it to all personnel can result in increased productivity, reduction of uncertainty, and ultimately a more effective management of personnel and resources.

1. INTRODUCTION:

This part provides a brief overview of the fundamentals of risk management. Although every effort has been made to identify major or generic activities that would involve an element of risk for a municipality, the reader is cautioned that not all elements of risk management can be covered in an article of this scope. In addition, the reader is further cautioned that the preparation of this guide must necessarily involve interpretation of general situations and may not represent specific events. Specific situations may require a careful legal analysis, therefore, reference should be made to the appropriate Nova Scotia statutes and to legal advisors for individual situations.

This part provides a brief overview of the process of risk management as it relates to municipalities and offers some practical examples of how to initiate the process in your municipal unit.

The uncertainty factor**2. DEFINITION:**

Traditionally, risk has been defined as the possibility of loss, injury, disadvantage, or destruction resulting from the day to day operations of a business, or organization. Risk management is a term used to describe the process of analyzing, organizing, planning, directing, and controlling the resources of an organization in order to minimize the potential effects of risk. Risk management is by nature, proactive, and encompasses all management-directed activities aimed at accomplishing optimum results in a professional manner.

A risk is comprised of:

- a *definable* event,
- the *probability* of that event occurring, and
- the *consequences* of such an occurrence.

The types of risk that municipal governments are faced with that can cause economic loss include:

- legal liability to others,
- property loss through disaster, theft etc.,
- extra expense (e.g. to replace equipment or to re-establish service),
- loss of income,
- human resources loss, and
- crime and fidelity loss.

Some of the characteristics of risk are clearly identifiable and include:

- **Situational** - specific risks vary according to particular situations. Certain weather patterns can lead to flooding in certain areas. When those patterns are identified, steps can be taken to alleviate the risk of flooding. What one municipality may do in their locale may not be effective in another municipality.
- **Interdependent** - risks are often interdependent and interrelated. Eliminating one risk may cause another risk to occur or possibly increase the impact of another risk. Hiring extra security personnel to ensure safety during a planned event may impact budget projections for that event and place the

A simple example of Municipal Risk Management

project in financial risk.

- **Proportional** - the greater the expected benefit, the more acceptable the risk becomes,
- **Value based** - the acceptance level of risk may vary from person to person. What may be deemed an acceptable risk to one person may be considered an unacceptable risk to another. Municipal governments, because they are holders of public funds should have a lower tolerance for risk than private sector organizations.
- **Time specific** - risk is a prediction of future events and is related to activities carried on today.

Risk is the uncertainty factor. When planning a project or an activity such as a festival or event in your municipality, risk management involves determining ahead of time just what might happen that you don't want to happen. For example, your recreation department officials are planning a lilac festival to celebrate the arrival of spring and the start of the summer recreation season. Plans for the festival include an outdoor concert featuring a very popular musical group. Inclement weather would be a risk factor that should be considered during the planning stages of such an event. Either spring arrives late and the lilacs don't bloom in time and it's too cold for an outdoor festival, or it rains the whole weekend. These are generally insignificant risks in the grand scheme of things, but they do have a measurable impact on the budget and on the success of your planned event.

Risk management goes beyond merely listing things that could possibly go wrong, it involves analyzing the consequences of such unforeseen events, and determining what steps can be taken to either prevent or lessen the impact of such occurrences. For example, when your lilac festival was rained out, you still had to pay the rental on the tents, and you still had to pay the entertainment even though they couldn't play because of the torrential downpour. A carefully thought out strategy of risk management would enable the municipality to be prepared in advance with alternative sites to hold the concert, or the purchase of an insurance policy which would cover among other things the fees paid to the entertainment if they could not perform due to inclement weather.

Why have a risk management program?**3. THE GOALS:**

Risk management is primarily a specialty within the management function and is specifically targeted towards the elimination or reduction of financial losses resulting from the activities of a municipality.

The obvious goals for initiating a risk management program at the local government level are to eliminate, where possible, the threat of accident and other forms of liability, and where it is not possible to eliminate the risk, to at the very least reduce the possibility of an accident or risk occurring. Beyond this, the goal is to minimize the impact on a municipality when losses occur.

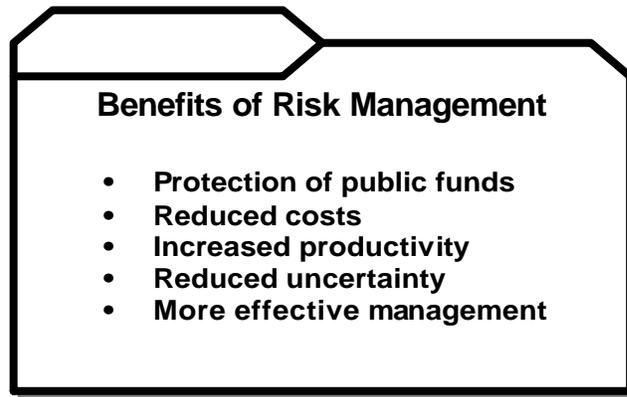
The most effective and efficient municipal risk management program keeps its objectives in line with the needs, goals, and overall well-being of the community it serves. Municipal risk managers must pursue their goals with sensitivity to the limitations on local resources and monitor program costs carefully.

4. THE BASICS:

Risk management involves identifying, analyzing, and responding to risks by minimizing the consequences of adverse events and maximizing the results of positive events. These are the outcomes of risk management planning.

The plan may identify several possible alternatives for each identified risk, and indicate the preferred action to address each one. Such actions may range from simply monitoring the situation and controlling the variables, to making changes to the process. In some instances it may be necessary to alter the goals of the project in order to achieve the desired outcomes. Formulating this kind of risk management plan will provide an outline of the possible alternatives available to the municipality and indicate a course of action.

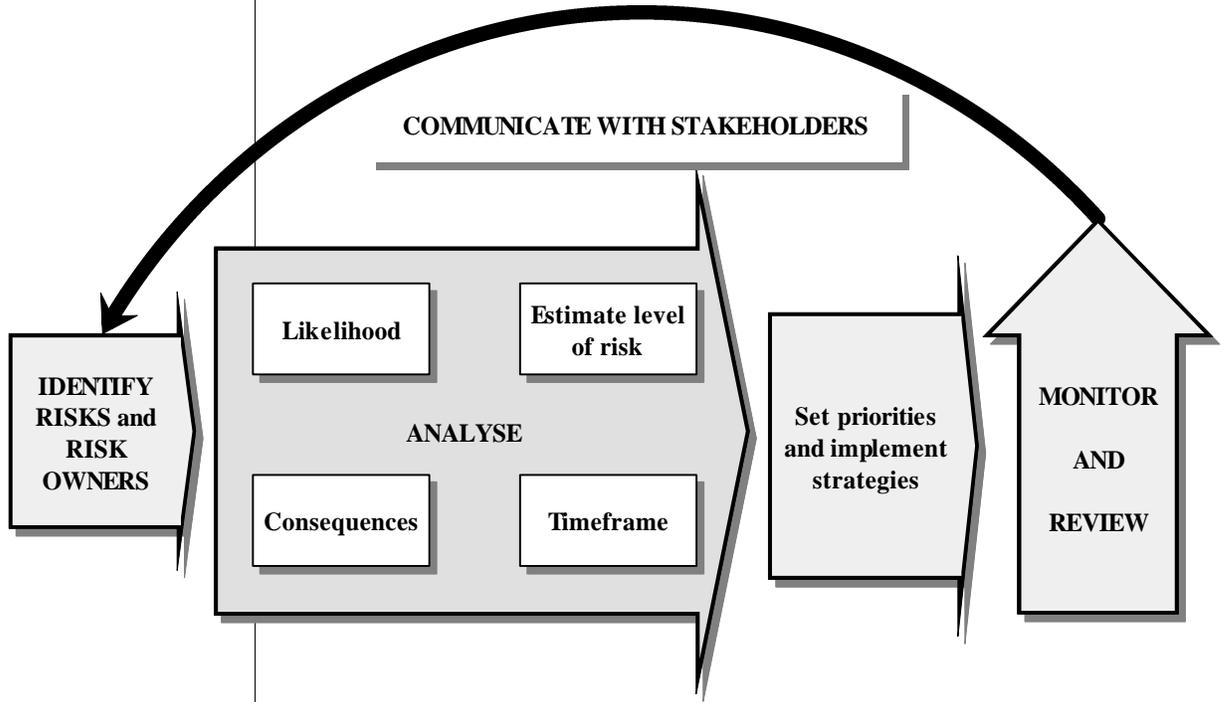
5. THE BENEFITS



The benefits of a comprehensive risk management plan for the municipality are numerous and can be recognized at a number of levels, from the activity level to the senior management level. Such benefits may include:

- more effectively managed and efficiently run projects,
- better control over project budgets,
- increased likelihood of a successful outcome,
- greater community support,
- reducing the possibility of costly surprises and budget overruns,
- increased effectiveness and efficiency, resulting in better program results,
- more openness and transparency in the decision making and management processes, and
- more effective strategic planning resulting from an increased awareness and understanding of risk exposure.

6. THE PROCESS:



The process involves the continued monitoring of all of the activities the municipality is involved with in order to identify new elements of risk as soon they become apparent. Once they are identified, the risks are prioritized according to their impact or importance to each particular situation, and a detailed plan of action is drawn up to address each risk in the most appropriate manner. Simply put, risk management involves the sequence of identifying, analyzing, and responding to risks.

Identify, analyze, and respond

Although specific methods for addressing a particular type of risk may differ, the process remains consistent. The process of risk management involves the following steps:

1. **Identify** - identify the services and assets that could potentially cause financial losses for the municipality. In addition, identify “risk owners,” more specifically, the staff person or project manager responsible for the program, service, or asset.

2. **Analyze** - evaluate the risk: the probability of the risk occurring, the frequency with which it could occur, the impact or severity of the loss resulting from the risk, and the length of time it will take for the municipality to recover from the loss.
3. **Plan** - assess the options and implement the procedures designed to eliminate the conditions that may lead to loss, minimize the effects of the loss or mitigate the risk by finding ways to cover the loss financially.
4. **Monitor** - collect and compile status information on the risk and the mitigation plan, adjust the process, and manage the program accordingly to ensure maximum effectiveness. Re-evaluate and adjust the plan on a regular basis.

The process of risk management can be as simple or as complicated as time and resources permit. The following section provides detailed information on how to implement and carry out the risk management process.

There are numerous invaluable publications available for those wishing to pursue further information on risk management. Please refer to the list of publications in the bibliography at the end of Section III for details on authors and titles.

Section 6.3.2

Risk Management

CONTENTS

PART II: IMPLEMENTATION

SUMMARY:

1. Practical steps to take

- 1.1 The Challenges**
- 1.2 Selecting a Risk Manager**
- 1.3 Duties and responsibilities of a Risk Manager**
- 1.4 Formulating Policy**
- 1.5 Preparing a Risk management plan**

2. The Process

- 2.1 Strategies to Identify the risks**
- 2.2. Analyzing the risks**
- 2.3 Planning your response**
- 2.4 Monitor**

PART II: IMPLEMENTATION

SUMMARY:

This section provides a “how to guide” for implementing a risk management program in a municipality beginning with the selection of a risk manager. Hiring a professional risk manager is one option, however the costs involved may make this impractical for many municipalities. Developing a risk management team under the direction of a senior municipal official may be the most feasible option for most municipalities. The skills and abilities required for the position of risk manager range from having a genuine interest in controlling risk, a desire to learn, and the ability to maintain accurate records to dealing with potentially difficult situations or people. The ability to speak in public and to talk to the media during a crisis is a key attribute for any risk manager.

Once the risk manager has been designated, a risk management plan can be implemented that will involve all municipal personnel. Implementing a risk management process consists of four basic steps: identify, analyze, plan, and monitor. Each step is outlined in detail with practical suggestions on how they can be accomplished.

PRACTICAL STEPS TOWARD MANAGING RISK

1.1 The Challenges:

One of the major challenges for local government is to make risk management an integral part of the management process. This may require a fundamental change in the culture of the workplace. A successful risk management program depends upon support and sponsorship from the top; coordination of planning and activities at all levels; involvement and cooperation of staff at all levels and the development of a culture that encourages and rewards risk management.

At the management level, managers need to support and encourage prudent risk management. This can be accomplished by following general good management guidelines such as:

- Develop an atmosphere of trust and empowerment with staff,

Appoint or hire a Risk Manager

- Acknowledge, reward and publicize good risk management practices,
- Focus on the positive, recognize what your staff are doing right and don't place undue emphasis on minor mistakes,
- Encourage learning from unexpected results, and
- Develop positive strategies for avoiding recurrence while avoiding restrictive controls.

1.2 Selecting a Risk Manager

The implementation process involves establishing risk management practices at the organizational, activity, project and team levels. The first concern in implementing a risk management process involves a clear demonstration of support for the process at the management level. Communicating the philosophy and awareness of risk can be facilitated by training, and educating staff and management. The most important part of communicating and educating staff is to delegate a risk manager, and a risk management team to sponsor the initiative and to communicate to the organization what is expected of them.

Hiring a professional risk manager is one option, however, few municipalities are in a position where they could justify the expense. Other options include jointly hiring a professional risk manager with one or several other municipal units in the region. In the event that this is not feasible, it may be possible to designate a capable employee as risk manager and back this person up with a risk management committee. A risk management committee involves a significant amount of dedication and effort on the part of its membership which may ideally include the municipal solicitor, the insurance agent, department heads and various other key personnel.

L. E. O'Brien and Duane E. Wilcox offer some valuable insights into the selection of a risk manager in their article *Risk Management Organization and Administration*, some of their suggestions as to the characteristics to look for in a potential risk manager include:

- have an *interest* in being a risk manager,
- have the *ability to learn* how to fulfill the responsibilities of a risk manager with some retraining,

- have the ability to setup and *maintain accurate records*,
- have the ability to *identify risk management implications* of legislation, regulations and administrative guidelines,
- have the ability to *identify issues and trends* and be able to formulate practical conclusions from personal observation, information provided or collected,
- have some *training and understanding* of a broad range of local government operation and procedures,
- have the ability to *deal with potentially difficult situations* and people as he or she may be called upon to intervene in situations that may be problematic,
- have the ability to *deal with people* calmly and tactfully, as well as effectively, and
- have *public speaking skills* as they will be called upon to make presentations, to lead focus groups, and to educate staff on risk management procedures.

The risk manager should be either a top level executive position, or report directly to the top executive position in municipal government, rather than to a middle manager. This will have the effect of emphasizing the importance of the role of the risk manager to other local officials and employees. It will also emphasize the fact that the risk manager has the ability to call upon the highest level of authority for assistance when required.

Transferring some of the risk manager's previous duties to another position may help to free up the needed time for him or her to devote to the new responsibilities. Also, providing administrative assistance can help to combine the previous and new duties without placing an unmanageable work load on their shoulders. Appointing a risk manager however, does not release other municipal employees from the responsibility of identifying risk.

All municipal employees need to be informed that the risk manager is entitled to call upon them for assistance and that they in turn have an obligation to respond positively to any request for assistance. The risk manager may wish to call key officials and employees together on a somewhat regular basis to review the overall program and to discuss any matters requiring attention. Persons with a special obligation to

What does a risk manager do?

assist the risk manager would include the municipal solicitor, the clerk, chief of police, fire chief, city engineer etc.

1.3 Duties and responsibilities of a Risk Manager

The general responsibilities of the risk manager are to identify, evaluate, and deal with risk exposures which may potentially face the municipality. Some of the particular functions of a risk manager described by O’Brien and Wilcox include:

- *Participate* in the preparation of a risk management policy,
- *Identify* facilities, situations or conditions which may present a possible risk,
- *Review* projects and programs for risk management implications,
- *Provide recommendations* for dealing with risk ie: accept the risk, avoid the risk, reduce the opportunity for risk, mitigate the impact of the risk, transfer the risk, and monitor the risk,
- *Establish and maintain records* related to insurance coverage, loss and claims and other pertinent documentation,
- *Negotiate* insurance coverage,
- *Work* with the insurance agent or municipal solicitor when required, and
- *Communicate* with, and educating other employees and management on issues relevant to risk management.

*Municipal Risk Management
Mission Statement*

- Promote proactive risk management techniques in municipal government.
- Provide the mechanism to minimize the adverse impacts of risk and losses for the municipality.
- Absorb risk while maintaining a stable financial profile.
- Ensure the long-term financial security of the municipality.

Developing a risk management policy is essential

1.4 Formulating Policy

Development of a clear policy regarding the management of risk in the organization is essential. The policy should be relevant to the municipality's mandate and should be:

- ***Communicated*** to staff at all levels,
- ***Understood*** clearly by all employees, and
- ***Implemented*** and maintained at all levels and in all departments.

The policy should contain:

- The ***objectives and rationale*** for managing risk,
- The range or ***extent of risk*** that needs to be managed,
- Clear ***guidelines*** on what may be regarded as risk and how to identify risk,

- **Guidance** on what may be regarded as “acceptable risk”,
- Guidance on what level of **documentation** is required,
- **Identification** of the persons (or positions) who “own the risk”,
- Support and expertise in handling risk, and
- A clear **plan for review and evaluation** of performance in managing risk.

Some suggestions for formulating a risk management policy statement include:

- Have the risk management committee produce a draft statement for review,
- Have the risk manager produce a draft statement for review,
- Seek the advice of the insurance agent and the municipal solicitor,
- Adopt a provisional policy statement as a starting point and provide for future modifications, and
- Consider policy statements of other municipal units and adapt them to fit.

1.5 Preparing a Risk Management Plan

The risk management plan is a document which outlines the procedures that will be used to address and manage risks throughout a program or project. This document should contain the risk management matrix and any documents related to the identification and analysis phase. This plan should also outline who is responsible for managing the various areas of risk and indicate how the contingency plans will be implemented.

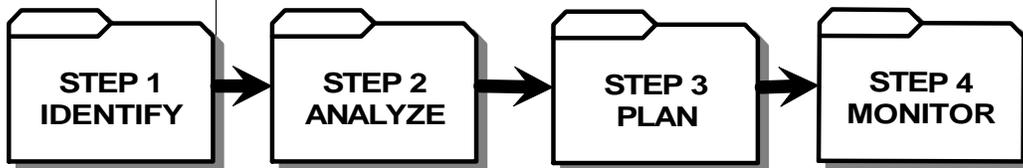
A Risk Management Matrix can be found in Appendix A4.

The risk management plan is a supporting element of the project plan and can either be in minute detail, or a more broad-based approach depending on the specific project. Whether detailed or not, any risk management plan should contain the following elements:

1. List of all the identified risks in a summarized form,
2. Risk management matrix or worksheets,
3. Detailed strategy or plan of response for each major risk to be monitored,
4. Identification of ownership - which section or department is responsible for each identified risk,
5. A review schedule to aid in monitoring progress, and
6. Documentation on the results of the risk management plan and what has been happening with each identified risk, how they were addressed etc.

There are a number of valuable sources for further information on the development of guidelines for risk management in both the public and private sectors. The internet has a wealth of good websites dedicated to this topic. One particular publication that deserves special mention is *“Critical Incident Protocol - A public and Private Partnership”* published by Michigan State University. This publication has particular relevance following the events of September 11, 2001.

A selection of some of the relevant www sites consulted is included at the end of Part III for those who wish to further research the subject.



THE PROCESS:

2.1 Step 1: Identifying Risks

The first step in risk management involves identifying areas of possible risk. In order to manage risk effectively, the local government administrator must know and understand clearly what risks the municipal government faces. For information concerning municipal liability in specific situations, administrators are advised to seek advice from their municipal solicitor.

Risks are often common knowledge

**STEP 1:
IDENTIFY**

See PART XXI of the *Municipal Government Act* regarding municipal liability, sections 504, and 512 to 517.

Some risks are obvious and often well known. Damage to property near a river that is known to flood on a regular basis is a fairly obvious example of this. Not all risks, however, are as easily identified and the establishment of a risk analysis procedure will allow you to identify risks as they arise.

According to Richard Wong in *The A,B,C's of Risk Management*, loss exposures can be categorized into six broad groups:

- **Physical property**- (including buildings, machinery and equipment),
- **Loss of income**,
- **Contingent expenses** - (depending on the circumstance),
- **Human resources**,
- **Legal liability**, and
- **Perils** - (something that creates a danger or risk).

Municipal Liability Risk Management is a compendium of articles published by Butterworths Canada, edited by Frederick P. Crooks, Q.C and M. Rick O'Connor, which provides a wealth of information on municipal liability in specific situations.

Keeping management and key personnel adequately informed is critical, and this can be accomplished by implementing an incident reporting system within your organization. Small problems that are dealt with in a timely manner may prevent larger problems in the future.

One of the tools that a risk manager should have at their disposal is an emergency call list so that they can contact key personnel for assistance in developing contingency plans, and to refer to in case an emergency situation occurs. The list should outline the responsibilities of each of the key personnel and should contain both work and home telephone numbers with space to record the time and date of contact. This list should also include emergency telephone numbers for fire, police, and ambulance services.

Tools to Assist the Risk Manager

Strategies for identifying risk

A tool to assist the risk management team

A brainstorming session involving all the stakeholders, including front line workers, is an extremely valuable tool that can help to identify what could go wrong, when risks are likely to occur, where they are likely to occur, why they may occur and who is apt to be involved. Potential risks identified in this manner can be addressed before they happen and the risk either eliminated or reduced. Detailed information from *The Memory Jogger: A Pocket Guide of Tools for Continuous Improvement and Effective Planning* on how to hold a brainstorming session is contained in **Appendix A3** at the end of this section. This tool can be used to carry out each of the five steps in the risk management process.

Some additional sources of information the risk management team may use to identify potential risk include:

- Past **experience** can often provide insight into what may happen in the future,
- **Investigation** into incidents and accidents can reveal where previous risks may have arisen and how they may be prevented in the future,
- **Interview/focus group** discussions with staff to identify risks that they may already be aware of,
- **Surveys and questionnaires** with the public as well as staff can identify areas that may need to be addressed,
- Carry out **safety audits** (such as outlined in Part III - Section 6.3.3, number 9.1)
- **Focus** on any new projects and on areas of change for new or previously unidentified risk factors, and
- **Network with peers**, other municipalities, and professional associations.

Key questions to ask in identifying risk

Identifying risk is by far the most significant step in dealing with the risk. The risk management matrix in **Appendix A4**, developed by the Australian Agency for International Development, provides a template to assist in answering the following questions to identify and analyze potential problems.

It is important to determine who in the organization is responsible

- **Who, what, when, where, why and how?** These age old questions are the basis for identifying potential risks. At the planning stage of each new venture or activity, a risk identification process should be initiated.

It may be worthwhile to remind the risk management team that although their input and suggestions are most beneficial, the ultimate decision as to if and how their suggestions are to be implemented will be ultimately the responsibility of the risk manager.

Risk ownership

The ownership of risk is an allocation process tailored to the particular area of the organization responsible for the particular function, specialty or discipline. It may be appropriate to keep risk ownership at a relatively high level such as department head, supervisory staff etc. Responsibility goes hand in hand with the authority to act. Without that authority there can be no true risk ownership. Front line employees are often the ones with the expertise and know how to identify potential risk. They deal with such situations on a regular basis and can make suggestions to address problems before they arise. The most effective risk management program will include all employees and have responsibility clearly defined at each level.



2.2: Analyze the risk:

After the initial session, the group will be charged with analyzing each of the identified risks from the first session. After identifying what the risks are, the next step involves looking at all aspects of the risk and determining how it could happen, why it could happen, and what factors need to be considered in order to correct the situation.

Analyzing a risk involves establishing the characteristics of each risk, what is the likelihood of the risk occurring, (either the frequency or the probability), and what are the consequences if it does occur. Identifying the probability and the consequences of each risk enables the risk management team to determine what steps, if any, should be taken to address the risk.

A risk analysis worksheet provides an opportunity to identify sources of risk, the impact of the risk, alternatives for handling the risk, the owner of the risk and provides a method for ranking risk levels. An example of such a risk management matrix is included in *Appendix A 4*.

- ***What is the source of the risk?*** Be specific, outline all possible

What is the source?

sources of risk using the risk management matrix. Have each team member identify any and all possible sources of risk inherent in a project, activity or operation. Indicate in each instance whether the risk is certain to happen, likely to happen etc. By ensuring that everyone working on a project receives a copy of the completed risk management matrix, you can make everyone more aware and better able to prevent the occurrence of the risk. Nicholas Greifer and Brennan Schwarz outline seven categories of sources of risk, including:

- **Physical environment** (snowstorms, earthquakes hurricanes etc.).
- **Legal environment** (laws and legal precedents).
- Operational environment (day to day activities and actions within the government).
- **Political environment** (legislative activity, elections).
- Social environment (cultural composition of the community, social attitudes and preferences).
- **Economic environment** (market trends, interest rates).
- **Cognitive environment** (absence of information, the attitude of individuals towards risk).

The above list is by no means exhaustive, and further examination of individual circumstances may identify more sources of risk that municipalities may face.

When the sources of risk have been identified, further evaluation should include questions such as:

Can you control it?

- Is the source of risk something that you have control over?
- Is the source of risk something that can be changed?
- **What are the consequences of each risk?** How would the occurrence of this risk impact the project? Would a rainstorm during the outdoor band concert planned for your lilac festival result in cancellation of the concert? How would cancellation impact the municipality? Would this lead to financial losses? If it would cause a financial loss, how great would the loss be? If it is an insignificant amount this may be one of those times where it is better to just accept it because the level of risk is not substantial enough to warrant booking an alternate site for the concert.
- **How can you avoid, eliminate or reduce the likelihood of the risk?** Do you have alternatives available that will lessen the

impact of the risk occurring? Can you hold the band concert in the local arena for example? If the planned concert involves a significant expenditure for the recreation department to bring in the entertainment, it is probably a good idea to have a back-up plan in case of inclement weather.

Table 1. provides a template to help identify the level of risk and the type of response that may be most beneficial.

TABLE 1: Consequences
Determine the level of risk and the response level required:

	Extreme	High	Medium	Low	Negligible
Almost certain	<i>Severe</i>	<i>Severe</i>	<i>High</i>	<i>Major</i>	<i>Trivial</i>
Likely	<i>Severe</i>	<i>High</i>	<i>Major</i>	<i>Significant</i>	<i>Trivial</i>
Moderate	<i>High</i>	<i>Major</i>	<i>Significant</i>	<i>Moderate</i>	<i>Trivial</i>
Unlikely	<i>Major</i>	<i>Significant</i>	<i>Moderate</i>	<i>Low</i>	<i>Trivial</i>
Rare	<i>Significant</i>	<i>Moderate</i>	<i>Low</i>	<i>Trivial</i>	<i>Trivial</i>

Source: Better Management: Guidelines for Managing Risk in the Western Australian Public Sector.

RISK LEVEL	ACTION
Severe:	Requires management by senior management with detailed research and an itemized plan for addressing the issue. <i>i.e. the discovery of e-coli or other serious contamination of a municipal water supply which would present a significant health risk to area residents.</i> On site management of the situation by senior staff is imperative. Staff at the front line level would be involved in monitoring the situation, keeping accurate records and ensuring that senior management is kept well informed of the situation as it progresses, and what steps are being taken or recommended to address the situation. Seek expert guidance from outside sources when appropriate.
High:	Requires management by senior management with research and itemized plans for addressing the issue. Senior management would work with front line staff to

monitor the situation and seek expert guidance from outside sources when appropriate.

Major: Requires ongoing monitoring by senior management. *i.e. extended drought conditions causing major concern over the strain on municipal water supplies.*
Front line staff would manage the situation and ensure that senior management is kept informed and updated on a regular and frequent basis.

Moderate: Requires routine monitoring by senior management. Management of the situation would remain with front line staff with regular updates to senior management

Minor: Requires management at the front line level, monitored and managed by routine procedures. Senior management would be kept informed via routine weekly or monthly reports. *i.e. vandalism causing property damage to municipal property such as park or recreation facilities.*

Negligible: Can be managed by routine procedures. *i.e. minor weather damage to park or recreation facilities as a result of wind storm).*

Consequences

When the consequences are extreme, or there is a potential for personal injury, sickness or loss of life, more involvement by senior management is required. The following guide may be used to describe consequence.

Extreme: The consequences represent a threat to not only the project, program, or activity, but would present major problems for the municipality. This would include any significant threat to the health and well being of the residents of the municipality, or significant financial losses to the community. Intense media attention would be expected in these circumstances. Senior management intervention would be required.

High: The consequences represent a significant threat to the effective operation of the project, program or activity or may attract adverse media attention. This level would require senior management intervention. Any risk that would result in significant financial loss to the municipality, or represent a threat to the health and well

being of the residents would be considered high.

Medium: The consequences would represent a significant level of threat to the successful completion of a project, program, or activity and may involve critical review and alteration to the operation of the project, program or activity. This would involve any risk of financial loss, or loss of service to the municipal residents.

Low: The consequences would represent some threat to the success or effectiveness of some aspect of the project, program, or activity, but could be dealt with at the program level.

Negligible: The consequences may be dealt with by routine procedures.

The option you will ultimately choose is based upon the severity of the risk, and the likelihood of it occurring. Some questions to keep in mind when brainstorming in order to develop a risk response plan include:

- ***How will reducing or eliminating one factor increase the probability of another risk factor occurring?*** Using the example of the outdoor concert during a lilac festival again, perhaps your recreation director has considered not hiring this particular popular musical group for the outdoor concert during the lilac festival in order to reduce the financial losses should a rainstorm wash out the planned events. The decision to not hire the popular group may have a number of ramifications:
 - The number of concert goers would be reduced significantly and therefore there would be less revenue generated by the concert,
 - Because there would not be the crowds attending the festival, there would be fewer vendors willing to invest in setting up booths at the festival,
 - The festival would not generate the kind of community support organizers were hoping for, and
 - The publicity that would be generated by having this group perform could mean a dramatic increase in

visitors to the area during the festivities, by not having them perform, the community could be missing out on an opportunity to promote the festival and ultimately negatively impact the financial success of the festival.

What can you do about it? There are a number of alternatives to consider in any situation. In this example, you could choose to:

- Hold the concert rain or shine. If the group you are booking can attract a significant number of concert goers who would attend even in the rain, it may be better to go ahead regardless,
 - Rent a tent,
 - Have an alternate site available in case of rain for example, plan to hold the concert in a local arena instead of planning an outdoor concert so that inclement weather would not be a risk factor to contend with, or
 - Talk to your insurance agent about purchasing cancellation insurance.
- ***Which area would you prefer to have the risk?*** Some risk factors may be easier to monitor or control than others. After analyzing the options in the previous question, you may be better able to identify what could go wrong if you choose one alternative over another. Each individual situation presents unique possibilities and must be addressed on an individual basis depending upon the circumstances.
- ***What are your obligations?*** What are the terms of any contract that may have been undertaken? Are you responsible to pay for all or any expenses incurred by either the parties involved or the public should cancellation be necessary? What is your refund policy? What does your insurance cover?

Once the risk management team has identified what the risks are, and analyzed what the ramifications are for responding to each risk in a specific way, the time has come to decide upon the best course of action to take to deal with the risk. This is a decision that can only come after careful analysis. What appears to be the wisest course of action at first glance may not be the best response after careful analysis. In short the options for dealing with risk are as follows:



2.3 Plan your response

Risk response planning consists of identifying possible responses to the risks that have been identified, and selecting the best response to each particular situation.

Some of the options to consider when evaluating the risk and possible responses include:

Options to consider in a risk response plan

1. *Accept the risk*
2. *Avoid the risk*
3. *Reduce the risk*
4. *Impact mitigation*
5. *Transfer the risk*

Just Accept It?

1. *Accept the risk.* At times, when the level of risk is not substantial, or where it is not practical or economically feasible to make changes, the wisest course may be to just accept the risk. In such situations monitoring may be the recommended course of action. When the following criteria are present, consider accepting the risk and not taking steps to eliminate or reduce it:
 - The level of risk is not high,
 - the consequences of the risk occurring are not significant, or
 - the likelihood of the risk happening is not great.

If it's too risky, Don't do it

- 2 *Avoid the risk:* Where the level of risk is unacceptable, and controlling the risk is not worthwhile, it may be advisable to avoid the risk. If an activity, or project presents the risk of significant loss to the municipality, it may be preferable to not proceed with the project or activity. However, it should be noted that inappropriate risk avoidance can result in diminished efficiency, cost penalties, loss of community identity or other losses to the community. Avoiding the risk involves a decision not to proceed, or to follow an alternative option. For example, a town may decide not to build an area for skateboarders to practice in order to avoid the liability exposures and the safety risks involved. However, by avoiding the risk in this case, the town may be creating a greater risk. Riding a skateboard on public streets could present an even greater hazard for the

skateboarder, pedestrians, and drivers as well. Some risks are unavoidable however. Police and fire protection involve considerable risk to the municipality but are not avoidable. When the risk is not something easily or practically avoided, then consider the alternative options. Carefully weigh the pros and cons of a project before making a decision. The social benefits may outweigh the risks involved and the decision to go ahead may ultimately be the best for the community despite any risk involved.

3. **Reduce the risk:** taking action to reduce the consequences of risk and planning in advance to deal with the impact include developing emergency contingency plans, evacuation plans, etc. Quality assurance, testing, training, supervision, review, documented policy and procedures, research and development and regular monitoring are all ways of reducing the chance that losses will occur. Natural events such as hurricanes cannot be avoided but the likelihood of losses from such a catastrophic event can be reduced or eliminated by having carefully prepared disaster preparedness plans.

Accidents and disasters are bound to occur in even the most diligent communities. Municipalities should be prepared in advance so that staff are prepared for such an event. The first step is to identify the services and activities that are essential and must not be interrupted for any extended period of time. Next, brainstorm about what types of incidents could interrupt these services. Then, determine alternative plans that can be put into action immediately if normal services are interrupted. For example, have a back up plan for supplying emergency drinking water to the residents in the event of something happening to the municipal water supply.

Techniques for risk reduction include:

- Establish a routine of inventorying and documenting municipal property, equipment and services;
- Systematically conduct safety checks;
- Compose and enforce written policies and procedures concerning municipal operations, with particular emphasis on areas most likely to present risk;
- Establish and communicate an incident reporting system

Have a contingency plan ready.

Tips for reducing risk

so that employees are aware and can report any incident or condition that they see or are involved in that could present risk to the municipality;

- Ensure effective supervision by means of training and performance review;
- Have employees and volunteers participate in regular training activities.

One of the fundamental principles of risk management is that risk should be the responsibility of the party best able to control that risk

4. **Impact mitigation:** Impact mitigation refers to taking steps to reduce the consequences of a risk occurring. Again, careful planning in advance is the method for reducing the impact of a risk occurring. Develop contingency plans. In case of serious or catastrophic events, evacuation plans or emergency response plans should be drawn up with the assistance of the experts, the fire department, police department, ambulance services, local hospitals and the local office of the EMO.

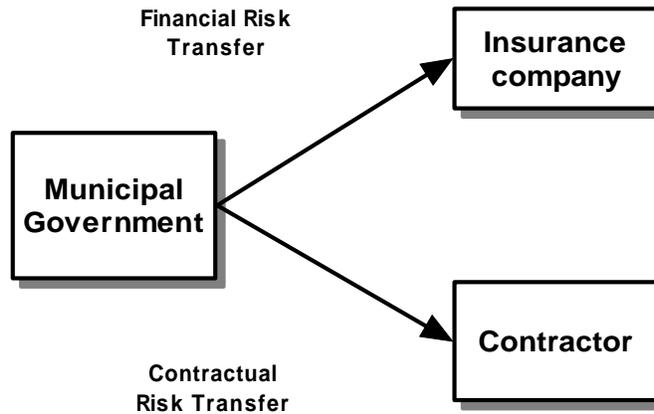
5. **Transfer the risk:** The obvious example of transferring risk is through insurance. It is in the municipality's best interest to be sure that insurance coverage is adequate, covers all assets and is kept up to date. Your insurance agent is the best source for information on how much and what types of insurance are best for the particular circumstance of each municipal unit. It's always a good idea to consult with an expert on such matters. Get quotes from several sources and carefully compare the coverage offered and the rates. The cheapest is not always the best option.

Contracting out is another method of transferring the risk to an outside source. For example, if you hire a company to provide hanging baskets of flowers and other landscaping services for the downtown area of your community it is then the responsibility of that company to ensure that the plants and landscaping features are well cared for and maintained. If the plants die, the landscaper replaces them, not the municipality.

Keep in mind that transferring the risk and the responsibility in this manner comes at a cost. You will be expected to pay for the peace of mind such services provide.

**Let someone else
carry the risk for you**

Risk Transfer



Source: An Elected Official's Guide to Risk Management

The main objective of a risk management program is to reach a level where accidents and injuries do not occur, however that is probably not a realistic expectation. Risk management is a long term process aimed at eliminating at best, and reducing at the least, risk to the municipality.

STEP 4: MONITOR

2.4 Monitor

One of the primary responsibilities of the project manager is to monitor and track risk events. Where proactive strategies have been implemented to address risk factors, continuous monitoring of the situation is imperative to determine whether those strategies are working as planned and to regularly reassess the situation to determine if new strategies are in order.

Part of the risk management plan should include maintaining a log to record events as they occur, and steps taken to address each event. The effectiveness of the risk management plan should be evaluated periodically throughout the project in order to review the actions that have been implemented, and to judge their effectiveness.

The government of Western Australia has a number of extremely useful publications dealing with risk management. In particular *Guidelines for Managing Risk in the Western Australian Public Sector* offers some valuable advice and detailed information on carrying out a risk management plan for local government.

**Keep on top of things:
Monitor and review
regularly**

Monitor the situation:

Keywords for the monitoring phase of the process are educate, inform, and recognize.

- **Educate** - Educate your risk management team to deal with risk and to continually update their skills and keep abreast of issues in the risk management field. Enabling the risk management team to participate in workshops and training programs will make them a more effective and efficient mechanism for carrying out the functions they have been entrusted with.

- **Inform** - Inform your staff about risk management and enable them to become active participants in the process. Establish reporting procedures so that any staff member who becomes aware of a situation that could present a risk to the municipality may record and report what they have discovered. Allowing your staff to become active participants will make the risk management team and the entire process much more effective. An added bonus is the boost to employee morale when they feel they can contribute in a meaningful way.

- **Recognize** - Recognition of the contribution of every staff member in keeping risk factors under control is not only good management, it's good manners. There are numerous ways to recognize and reward the contributions of staff from "employee of the month" type of programs, to a simple letter of thank you for your contribution to the effort.

**The basics of risk
management**

The process, in summary, involves the identification, analyzing, planning, and continued monitoring of all of the activities the municipality is involved with in order to identify new elements of risk as soon they become apparent, and respond to them in a timely fashion. Risks should be prioritized according to their impact or importance to each particular situation, and a detailed plan of action is drawn up to address each risk in the most appropriate manner.

Section 6.3.3

Risk Management

CONTENTS

PART III: APPLYING THE THEORY

SUMMARY:

- 1. Liability for negligent statements**
- 2. Talking to the media**
- 3. By-law enforcement**
- 4. Proactive safety program**
 - 3.1 On Site inspections**
 - 3.2 Motor vehicles**
 - 3.3 EMO**
 - 3.4 Employee training**
 - 3.5 Fire emergencies**
 - 3.6 Weather emergencies**
- 5. Human resources**
- 6. Sport and recreation**
- 7. E-Commerce**
- 8. Financial**
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 - 9.1 Safety Audit Program**

Appendix

- A 1. Safety Inspection Checklist**
- A 2. Community Safety Audit**
- A 3. Brainstorming**
- A 4. Risk Management Matrix**
- A 5. E-Policy Handbook**

PART III: APPLYING THE THEORY

SUMMARY:

How a municipality handles communications with the media or the public is critical. Information provided to the public must be accurate, non-interpretive and reliable. Appropriate personnel should be designated to talk to the media and only designated personnel should provide information to the public.

Government at all levels have a responsibility to apply the law consistently, fairly and equitably. Canadian courts tend to find a duty of care to exist in almost any regulatory area where persons who are intended to be protected by the regulatory scheme suffer as a result of careless enforcement.

On site inspections of municipal buildings and properties are an effective and relatively easy way to begin the risk management process. Community safety audits are one way to bring the risk management program to the community at large and to identify areas where citizens may be at risk.

The following suggested courses of action are meant to provide a starting point, not a comprehensive or all inclusive list of the potential risks faced by a municipality.

1. Negligent misrepresentation

Municipalities may find themselves liable for employees who offer negligent statements, incorrect advice, supply invalid permits or approvals while acting on behalf of the municipality. Therefore, caution should be exercised when any municipal employee gives out information to members of the public or the media.

Employees should be advised to not offer information which they are not required to give out. In addition, when staff are in a position to provide information over the telephone, it is advisable to take notes while on the phone, recording who they are speaking with, the date and time of the conversation, the topic of conversation and any pertinent comments made by either party. Such notes made concurrently with a phone call may be referred to in a court of law if the staff person is called as a witness. These notes will provide support to the staff member's credibility as a witness.

Advise staff to use caution when speaking with the public

When the press wants to talk to you

When an opinion, or an interpretation, is requested, employees should be made aware that because law is open to interpretation, it may be advisable to seek the advice of the municipal solicitor before offering any comment or statement of fact on bylaws or regulations (including permits or approvals). A court may still disagree with that legal interpretation, but having a legal opinion is good evidence that reasonable care has been exercised.

It's a good idea to remind all municipal employees that regulations are put in place for a reason, and they should avoid the temptation to give someone "a break" as it could backfire on the municipality.

The liability for negligent statements by municipal staff is well established. Negligent statements extend to advice, permits and approvals, as well as statements to the public at the reception desk or over the phone.

2. Talking to the media (or the public)

Providing information to the media or to the general public can be a particular source of risk for municipal governments. All information that staff provides to the public should be reviewed to ensure it is correct. Incorrect information could potentially lead to a law suit. It is important also that the information is being supplied by the appropriate staff person. If the information being provided is something that is open to interpretation, staff should be advised against offering any interpretation.

In a crisis situation, media relations must be handled very carefully. It's a time of high tension and it's easy to respond emotionally, off the cuff or in a hostile manner. None of these approaches will get your message out correctly. While it is recommended that senior staff receive media training, some suggestions for dealing with the media include:

- One person should be designated as the media spokesperson and everyone on the crisis response team should refer reporters to him or her.
- Media will often focus their attention on the mayor or warden, as the head of the community, but that doesn't mean the mayor or warden should be the media spokesperson.
- Answers should be short and factual. Steer clear of hypothetical

Tips for dealing with the media

questions and don't guess at answers, or offer personal opinions.

- Be mindful of media deadlines but don't let a newspaper deadline determine your response. Provide accurate information when you have it rather than offering a rushed response that you may later regret just to meet a deadline.
- Provide copies of any press releases to your staff and have them available to the general public in addition to offering them to the media. In this way, your staff will be knowledgeable about the official position if approached with questions. Also, the public will have access to the official statement that you provided rather than the statement edited for publication.

The media will be hungry for information and will often seize on rumour to build a story. Respond with the facts and don't be afraid to defer your response until you can verify the information a reporter provides to you in a question, for example:

- **Question:** Mr. Mayor, is it true that 25 children were injured in the school disaster?
- **Poor response:** I have no idea... It's a terrible thing... I can only imagine the horror those poor kids felt as
- **Better response:** Emergency response crews are on the scene and we are still confirming information. There will be a news conference at the town hall at 4:30 and we will provide you with as much information as we can at that time.

For a more in depth look at how to deal with the media, refer to *How to Handle the Public, The Media and Your Staff* by Peter Gill of the British Columbia Municipal Insurance Association. This article can be found in *Municipal Liability Risk Management* Volume 1, Number 4.

3. By-law enforcement

Government at all levels should presume they are under a legal duty of care to perform their statutory functions responsibly. Canadian courts are clearly ready to find a duty of care to exist in almost any regulatory area where persons who are intended to be protected by the regulatory

Inspections and enforcement

scheme suffer physical or economic damages which may be reasonably foreseeable as a result of careless enforcement.

Legislation and bylaws should be carefully reviewed to identify which impose a duty to conduct inspections. Be particularly aware of legislation which imposes specific duties to regulate or supervise. Review bylaws to see if the words imply a higher level of duty than necessary. Consider things like:

- the likelihood that careless enforcement may cause harm to the person for whose benefit the regulatory program was established,
- the potential for serious harm due to lack of enforcement,
- the degree of public reliance on the program;
- the accepted enforcement practices in other municipalities and jurisdictions.

Inform staff that the municipality may be liable for any inspection or investigation conducted in a negligent manner. Explain that if during an inspection, an inspector fails to discover a failure to comply with the regulations which ought to have been able to be discovered, the municipality may be liable for loss suffered by a person.

Be aware that as a result of the Just decision, governments may be liable for failing to institute a system of inspection or an adequate system of inspection which would disclose failures to comply and not only for failure to discover a breach and subsequent failure to enforce.

Review enforcement methods. Consider things such as:

- Is it reasonably foreseeable that a particular individual or group of persons may be adversely affected as a result of failure to enforce?
- Are the intervals between inspections so lengthy that the program is ineffective?
- Do officials routinely negotiate with significant non-compliers without taking formal enforcement action?
- Do officials routinely escalate enforcement responses in cases of persistent non-compliers?

The importance of documentation

- Are public complaints responded to?
- Is staff trained?
- Do officials routinely permit informal variations of the rules?
- Are there regulations which are never enforced?

After the review, prioritize responsibilities. The budget preparations should include a request for sufficient funding to properly inspect and enforce. If, as a result of the budget process, inadequate resources are allocated, re-evaluate priorities.

Record the decision making process to provide documentation that:

- senior officials had responsibility for the review,
- that the decisions made by council, and were based on the allocation of limited resources in the way best designed to protect both the public interest, and any persons who may be most adversely affected by a failure to inspect or enforce.

The courts will not lightly interfere with true policy decisions, especially when taken at a high level, which involve financial, economic, social or political factors or constraints. But a government must now be ready to demonstrate that balanced against the nature and quantity of the risk involved, its system of inspection and enforcement was reasonable in light of all the circumstances, including budgetary limits, the personnel and equipment available, and that it has met the standard of care imposed on it.

Liability for poor management practices may depend on whether there is a comprehensive compliance and enforcement policy in effect for each regulatory program. Management should designate an officer in charge of compliance, allow for regular reporting, provide for training and the development of manuals and procedures, a system to deal with persistent or emergency situations, and a periodic evaluation of the program with response to the recommendations arising from it.

While the focus is on minimum enforcement responsibilities, governments must also take care not to over enforce by prematurely ordering, for example, the seizure or destruction of property. Civil damages for careless enforcement could arise. The courts will consider whether the officials, on an objective re-assessment of their

actions in all the circumstances, had reasonable grounds to believe the action was necessary. The fact that an official sought legal advice before acting may reinforce the conclusion that there were reasonable grounds to believe the actions were necessary and proportionate.

4. Proactive Safety Program

Nova Scotia's *Occupational Health and Safety Act* states:

“The foundation of this Act is the Internal Responsibility System which

(a) is based on the principle that

(i) employers, contractors, constructors, employees and self-employed persons at a workplace, and

(ii) the owner of a workplace, a supplier of goods or provider of an occupational health or safety service to a workplace or an architect or professional engineer, all of whom can affect the health and safety of persons at the workplace, share the responsibility for the health and safety of persons at the workplace;”

A safety program is an important first step

In light of this legislation, and in the interest of both the employer and the employee, establishing and carrying through a proactive safety program to identify possible risk factors and eliminate or reduce the opportunity for accidents or mishaps to occur is a vital part of any successful risk management program. There are a number of risk management areas that can be addressed by a comprehensive safety program including:

- site safety,
- vehicle safety,
- driver safety,
- emergency situations, and
- human resources.

A proactive safety program begins with a study of the physical surroundings. A walk through survey of the physical environment is a good beginning in identifying possible exposure to risk. On site inspections held at regular intervals can reveal where conditions can be improved, or risks eliminated.

**Municipal buildings
and grounds****4.1 Inspections**

Some considerations to note while doing a walk through site evaluation include:

- Install adequate security equipment - ensure locks, lights, alarms, etc. are maintained in proper working order and are sufficient for the job.
- Control building access and keys - policies for storing, signing out, and returning keys should be developed and followed rigorously. Keys hanging on the wall in plain view are an open invitation to trouble. Be aware of threats from within - Staff, visitors and others who legitimately visit your premises may be a source of risk that can be addressed before a problem arises.
- Check the lighting in all municipal structures. Light fixtures should provide adequate light levels for the work being performed. Well-lit hallways, doorways, stairways, and exits provide for a comfortable work environment and help to prevent accidents. Shadow areas must be kept to a minimum especially in areas that are accessible to the general public. Emergency lighting should be installed and in proper working order. Adequate exterior lighting will help to reduce the possibility of accident or injury in public areas including parking lots, and walkways.
- Outside walkways and parking lots should be well maintained and kept free of obstacles or debris in all seasons. Loose pavers or damaged pavement should be repaired immediately. Snow and ice should be cleared as soon as possible.
- The flooring in buildings should be in good repair. Part of the regular building maintenance routine involves identifying and repairing any damaged areas of flooring such as bunched or loose carpet, loose or missing tiles. If tread mats are used at entrances, they should lie flat without sliding. Stair treads must be in good condition and hand rails must be in place where necessary and firmly secure.
- Emergency exits ought to be clearly marked and accessible, and should be clear of debris both inside and out. Exits should never be chained or bolted and must open easily from the inside even when locked. Hallways and doorways should be clear of any obstacles. Any overflow storage should be

removed to an off site location.

- Fire extinguishers should be available and appropriate for the site and the type of fire which could occur. With the proliferation of computers and electronic equipment, the extinguishing agent should be appropriate for electrical fires, paper, wood, and so on.
- Employee lounge areas ought to be kept free of combustibles. If microwave ovens, toasters, coffee pots etc. are available, someone should be responsible for checking that all appliances are left unplugged unless someone is in the room. Any electrical cord that is frayed, loose or in any kind of disrepair can present a fire hazard and should be discarded. Overloading a circuit can lead to a fire and it may be advisable to consult a professional electrician to ensure that the wiring in an employee lounge area is sufficient to the task.

This is not by any means an exhaustive list of the possible sources of risk on municipal property, however it is a place to begin to assess your own location.

Walk through inspections will not eliminate the possibility of accident or liability, but can be a simple and cost-effective way for municipal administrators to address this aspect of risk management.

See also safety audits in Part III, number 14, and Appendix A2 for further information on doing a walk through assessment of the community.

4.2 Motor Vehicles

Municipal vehicle operation

Municipal Vehicle operation is a good example of how your community can easily avoid risk situations. Taking the time to understand the cause and effect relationship in accident prevention provides an opportunity to avoid losses in the future.

The first priority is to ensure you have adequate insurance coverage for all vehicles owned and operated by the municipality. Coverage should include liability, collision as well as vehicle replacement costs.

Accident prevention measures are an important part of a vehicle risk management program. The three areas to address in such a plan are:

- The *vehicles*;

Regular vehicle maintenance is essential

- The *people* who operate them; and
- The *organization*.

4.2.1. The vehicle:

A good vehicle maintenance program is of prime importance and includes well organized, written records of all maintenance and repairs undertaken on each municipal vehicle. Maintenance schedules outlined in your program ideally will conform or exceed the guidelines and schedule in the vehicle’s owner’s manual. A regular part of a vehicle’s maintenance includes keeping the vehicle clean, and in good repair. Establishing procedures for daily ‘walk about’ checks to examine tires, lights, etc. prior to starting a vehicle may serve to avoid expensive repairs later and may even prevent avoidable mishaps. Such procedures have the added benefit of promoting a sense of pride and confidence not only in your employee/operator, but in the community as well, when your vehicles are looking and performing at their optimum.

If your municipality employs mechanics to work on municipal vehicles, it is also a good idea to ensure that their certification is kept current.

DOT safety inspections are mandatory and should be kept up to date

Vehicle safety is an important responsibility of local government administration. Employees and citizens rely upon their municipal government to ensure that the vehicles and equipment used by municipal staff are well maintained, in good repair and equipped with all the necessary features that are required for safe operation.

4.2.2. The people who operate them:

Another important aspect of this responsibility is ensuring that equipment, machinery and vehicles are operated by reliable, safety-conscious, even-tempered and cautious drivers who acknowledge that safe vehicle operation is an important function of their job.

Reliable, safety conscious vehicle operation

A valid operator’s license is not sufficient to prevent accidents. The people you select to operate a vehicle on behalf of the municipality must have good driving records. Putting a poor driver behind the wheel can be an expensive mistake. Reviewing a driver’s past driving record and experience is essential. The best indication of how a driver

will perform in the future is how they performed in the past. If a driver has a record of minor traffic accidents, chances are that trend will continue, at the expense of the municipality. The municipality should have a policy regarding the use of municipal vehicles.

In order to reduce the opportunity for risk, professional risk managers may recommend:

- Regular review of the motor vehicle records of municipal employees who are operating vehicles. An applicant's good driving record should be a prerequisite for employment.
- Prospective employees can be questioned on their previous driving experience, and have their driving record verified with the Registry of Motor Vehicles. Employees who operate municipal vehicles on a regular basis should have their driving record reviewed periodically.
- Provide a positive incentive for employees to develop courteous driving habits. This can be one of the best ways to encourage safe driving. There are simple and inexpensive ways to encourage courteous driving such as safe driving commendations, certificates and perhaps even awards such as t-shirts etc. for commendable driving habits. Small investments such as these can boost employee morale while encouraging good driving habits, and may even lead to gains in productivity, lower operating costs and good relations with the community.

4.2.3. The organization:

Accidents do happen. The remedial action a municipality chooses to respond to an accident depends upon the circumstances. When an employee is involved in an accident while operating a municipal vehicle consideration must be given to the factors leading up to the accident. If, following a careful review of the incident, the municipal vehicle is found to have been properly maintained, the driver is practicing safe driving, and the accident can be attributed to other contributing factors such as adverse weather conditions, then remedial action would involve no disciplinary action against the employee. If on the other hand, the incident is a result of negligence on the part of the vehicle operator, then reprimand, suspension, dismissal, or even criminal charges might be a more appropriate response. Check with your solicitor prior to taking these actions. Employees should be made aware of municipal policy in the event of any such incident.

Vehicle Safety Program

A municipality can help to prevent accidents by establishing a program of vehicle safety. All incidents involving municipal vehicles should be reviewed with staff as soon as possible after the incident. Invite feedback from all employees on how they feel the incident could have been prevented or minimized. Establishing a routine safety program which includes employees as stakeholders helps to make them part of the solution rather than part of the problem.

A proactive, preventive program of risk management in operation of municipal motor vehicles is an inexpensive way to increase efficiency and managing costs. Keep in mind that all hazards and risks cannot be predicted, this is not intended to be an exhaustive check list for addressing the risks involved with municipal vehicle operations.

4.3. Emergency Measures Organization

The Emergency Measures Organization is the coordinating agency of the Nova Scotia Government responsible for assisting municipalities to plan and prepare for emergencies and for the administration of the province-wide emergency reporting 911 service. Under the Emergency Measures Act, each municipality is required to have emergency measures by-law, an emergency measures organization, a coordinator, committee and emergency measures plan. Municipal units may agree to have a common organization, plan or program. EMO NS may be of assistance in advising municipalities on implementing these requirements.

See Section 10 of the Emergency Measures Act.

Emergency situations

In an emergency, EMO coordinates the efforts of provincial and federal departments and agencies, as well as emergency health and social services to provide assistance to the disaster areas. EMO Nova Scotia maintains a staff of professional planners at the head office in Halifax and at zone offices located in Truro, Kentville, and Sydney.

EMO coordinates all emergency preparedness training for Nova Scotia federal, municipal, and provincial staff at the Canadian Emergency Preparedness College, Arnprior, Ontario, and for regional training within Nova Scotia. EMO manages the Joint Emergency Preparedness Program, which provides a federal cost-sharing formula for emergency equipment for some first-response agencies and EMO (NS) sponsors the Ground Search and Rescue Program.

Mandate and Functions

EMO's mission is to ensure the safety and security of Nova Scotians

by enabling the most prompt and coordinated response to an emergency.

The Emergency Measures Organization's objectives are to:

- minimize the frequency and significance of emergencies;
- mitigate the effects of emergencies through timely and effective response and appropriate preplanning;
- provide for recovery from emergencies to pre-emergency conditions; and
- maintain cost-effectiveness and consistency with the financial and administrative frameworks and policies of government.

Nova Scotia's Emergency Measures Organization can be accessed via the internet at: <http://www.gov.ns.ca/emo/> and by email at:

E-mail: emo@gov.ns.ca

4.4. Employee CPR training

Although the 911 emergency service is available across the province, it is still a good idea to ensure that municipal employees are certified in first aid and/or CPR. According to the *Occupational Health and Safety Act* there must always be at least one person at a worksite with a valid first aid certificate. The type of first aid certificate required depends on the type of worksite and the number of employees working there. You can find out what is required at individual worksites by checking the First Aid Regulations or by contacting the Occupational Health and Safety Division of the Department of Labour.

- Employees with such training should be identified and other employees made aware of whom in each workplace has had such training.
- Employees should also be briefed on procedures for handling emergency situations.
- A well stocked first aid kit is a necessity in any office, workplace, or site, and there should be a designated person responsible for ensuring that these kits are regularly checked and well stocked with fresh supplies.

For further information on first aid in the workplace, check the provincial Occupational Health and Safety internet site at

<http://www.gov.ns.ca/labr/ohs/legislat.htm>.

CPR, first line of treatment

How to respond to fire emergencies

4.5. Fire emergencies

Advance planning is essential for proper response to a fire emergency.

- Every building should have an evacuation plan in the event of fire.
- All staff should be made aware of the evacuation plan, the location of fire extinguishers, as well as emergency exits, and be familiar with which routes they need to follow in order to quickly and orderly evacuate from any part of the building.
- In an event of an evacuation, staff should be instructed to gather in a particular place so that it can be determined whether everyone has left the building, or site.
- Depending on the size of the building, an adequate number of persons need to be designated with the responsibility of taking roll call to ensure that everyone is accounted for in the event of an evacuation.
- Anyone requiring assistance during an evacuation should be identified during the planning stages, and someone assigned to assist in their evacuation in an emergency. The person requiring assistance should be made aware of who will be assisting them, and a backup plan put in place in the event that the designated helper is not on site during an emergency.
- Regular fire drills are an important way of ensuring that employees are familiar with the procedures to follow. Local fire departments are usually happy to be consulted to review the plan, observe fire drills and make suggestions as to how the plan can be improved.

Dealing with weather emergencies

4.6. Weather emergencies

Weather emergencies are a rare occurrence in Nova Scotia but can include windstorms, snowstorms, flood or severe electrical storms. While procedures may differ from one type of weather emergency to another, the need for advance preparation and good communication is the same for all emergencies.

- The first priority for any weather emergency is to ensure that municipal employees and their equipment are adequately

prepared to keep roads clear and municipal services functioning.

Some general guidelines for dealing with emergency weather situations include:

- Employee manuals should clearly outline the procedures to follow in the event of any emergency. Employees need to be informed of their responsibilities and exactly what is expected of them during an emergency situation.
- Periodic safety exercises, and hands on orientation improve the likelihood that safety procedures will be followed.
- Safety training begins when a new employee is introduced to the workplace. Appropriate sections of the employee manual may be reviewed during the orientation process. Instruction on safety procedures and location of emergency exits may be addressed while introducing the new employee to their new colleagues. This may also be the appropriate time to identify which employees are trained to handle emergency situations.

5. HUMAN RESOURCES RISK MANAGEMENT:

In addition to the human resource risks that immediately jump to mind such as discrimination, violence in the workplace, sexual harassment and wrongful termination there are also potential losses due to losing the employees themselves. It is estimated by some experts that the cost of replacing any employee in today's market is roughly half of that person's annual salary.

- When new employees are introduced around the office conduct a *safety orientation*, showing where fire extinguishers are located, how they operate, where exits and fire doors are located and which employees are trained in CPR or first aid.
- If you haven't yet conducted safety orientations for existing staff, schedule a brief tour and make sure everyone is aware of safety procedures.
- *Safety exercises* enable employees to be prepared for emergency situations. Ask the local fire marshal to attend a fire drill and offer suggestions for improvement.

Human resources and risk management

- Employees need and want a sense of accomplishment, as well as the opportunity to learn and gain new experiences on the job.
- Establishing open two way lines of **communication** between management and employees improves staff morale, promotes a sense of teamwork, and is essential to reducing losses due to employees leaving their jobs.
- Instituting effective mechanisms to investigate and address employee concerns and complaints in a timely manner may limit liability in the event of subsequent legal action.
- **Conflict intervention** training is an effective way to enable your employees to deal with threatening situations and can help to keep people calm and save during a crisis.
- Establish written **policies and procedures** that document how transactions are to be carried out. It is essential that policies and written procedures are clearly communicated to staff. Employees that know what is expected are better equipped to provide what is required of them.

While in fact, the majority of employees are excellent workers and entirely trustworthy, there is another category of risk involving loss due to employee misconduct or dishonesty, and liability resulting from the actions of an employee in the performance of their job.

- Adoption of an **ethics statement** by Council lets your employees and your community know up front that misconduct will not be tolerated in your municipality.

See Local Government Resource Handbook, Section 4.2 Code of Ethics.

A number of measures may be taken to reduce the financial risks resulting from employee misconduct. Prevention begins with the hiring process.

- When a new employee is being considered, it is advisable to prepare in advance a list of questions to ask an applicant's references. Prior consultation with the municipal solicitor will ensure that employment and privacy laws are not compromised.

Preventing opportunities for employee misconduct

- Most frauds require daily attention in order to avoid detection. The same employee should not be responsible for authorizing transactions, collecting or paying bills and maintaining financial records. While this may prove difficult in a small municipality, your municipal auditor may advise on adequate internal controls.
- In the same vein, it may also be advisable to have alternate employees assume the duties of individuals dealing with financial functions periodically during the year. This could be arranged during scheduled vacations or other leave, or could be a part of a cross training arrangement.
- Exposure to employee theft can be prevented to a certain extent but not eliminated completely. Insurance coverage and limits should be reviewed on a regular basis to confirm that coverage is adequate for the needs of the municipality.

6. SPORT AND RECREATION LIABILITY

Principles of risk management may be applied to the municipal sport and recreation department much like any other department. Municipalities have a responsibility to provide the safest programs or events possible for participants as well as spectators.

Ronald L. Baron provides helpful advice for risk managers in the area of sport and recreation in his article *Risk and Litigation Management for Municipal Sports and Recreation Liability*. Mr. Baron offers a number of suggestions for addressing risk in the area of sport and recreation including:

- Develop procedures for inspection and maintenance of sports and recreation facilities and equipment;
- Post adequate warnings about the dangers of events and activities from the perspective of the participant as well as the spectator;
- Ensure adequate supervision of all activities;
- Provide proper training for personnel involved in sport and recreation programs;
- Supply detailed instructions for the use of equipment and facilities;
- Ensure supervisors are made aware of any physical condition that may impair a participant in an activity or event;

Warn people of the risks involved in sport and recreation programs!

- Establish guidelines for safe access, security, crowd control, and emergency situations;
- Develop procedures for documenting and reporting accidents or mishaps and conduct followup investigations.

Spectators and participants need to be informed of inherent risks associated with any recreation activity or event in order to make an informed decision to participate. Failure to warn about the safe use of sport and recreation facilities can result in liability. The degree and detail of the warning, and the informed consent depend upon the type of activity and the level of participation.

Clearly written, well designed signs are vital. A number of points should be considered when placing signs on recreation facilities, or at special events:

- **Appropriate language:** In areas where there are significant non-English speaking communities, signs should be bilingual (in both English and the predominant language of the surrounding community).
- **Age appropriate:** Signs in play areas should be worded so that children can recognize and understand the message. Use of standard symbols may enhance the readability of signs for children or non-English speaking people.
- **Conspicuous:** Signs should be strategically placed in areas where they are most visible, and most likely to attract attention. The higher the level or likelihood of risk involved, the more attention should be paid to making the signs conspicuous.
- **Size appropriate:** The size and style of the lettering used on the sign should be selected for readability. Lettering should be simple yet bold and in a colour chosen for high contrast and visibility.

Use signs that are appropriate for the audience and sufficient for the purpose

In addition, the number of signs erected should be sufficient to warn spectators and participants as they approach all entrances to a facility in addition to be strategically placed throughout. Announcing warnings over the public address system should also be considered prior to the event, and during any breaks in the activities. Publishing any warning announcements in printed programs is another way of ensuring that the public is well informed of any risks.

For a more in-depth look at recreation programs and facilities and how they impact on municipal risk management see *Parks and Playgrounds: A Minefield of Occupiers' Liability* by David G Boghosian, J. Murray Davison, and M. Rick O'Connor, in *Municipal Liability Risk Management* Volume 1, Number 6.

7. E-COMMERCE RISK MANAGEMENT

“My government believes that we increase our opportunities for success when different levels of government come together with communities, our Regional Development Authorities and the private sector to support a common objective. This year, we will bring these partnerships together to implement an aggressive plan for advancing Nova Scotia’s digital economy, from broadband connectivity to e-government.”

Lieutenant Governor for Nova Scotia, April 2001

The opportunity exists now for local government to consult with its citizens inexpensively and regularly on issues facing the municipality. This will undoubtedly lead to improved transparency, increased accountability, and more citizen involvement in the community. This increased transparency and improved access to government also raises new concerns.

E-government means more than just publishing information on the internet however, it enables governments to interact and conduct transactions with citizens and residents via computer.

As the world moves from the industrial society of the past to the information society of the future, the concept of security becomes even more critical. Security, particularly as it relates to computer technology, is a major concern to any business or government that is considering developing an electronic service delivery program.

Computer security involves the developing, implementing, and deploying of new technologies, mechanisms and services that will be used to store, process, and transmit your clients personal information in a safe and secure manner.

Moving toward offering online and internet service involves a number of security risk factors that deserve careful consideration. Some of the risks involved in communicating information over a network or on the Internet include:

Computer and network security

- **Confidentiality** - Information of a confidential nature must be kept confidential.
- **Integrity** - Information must be kept intact and free from tampering.
- **Authenticity** - Information must be authoritative and genuine. Parties accessing the system must be assured of the integrity of the information exchange.
- **Non-repudiating** - Parties involved in the information exchange must not be able to deny having participated in the exchange.
- **Access** - Access control services, commonly known as firewall protection, can include a configuration of static packet filtering, dynamic packet filtering, circuit level gateways, and application level gateways (or proxy servers). Contact your professional IT representative to discuss the risks of unauthorized access to your database or network.
- **Anonymity** - When appropriate, the identity of the parties involved must remain confidential, and;
- **Availability** - Information must be available when and where it is needed and to those parties who require access.

Although a great deal of publicity has been given to the threat from unauthorized persons gaining access to your network and data, hackers in other words, the greatest threat to your system is less likely to come from outside than from inside the walls of your municipal office. The media's obsession with the image of young hackers prowling the internet for opportunities to disrupt government and private business is a distortion of the real problem with network security.

A 1998 survey commissioned by the Computer Security Institute, found that some 70 percent of the organizations polled said that their network defences had been breached. Surprisingly, nearly two-thirds of the attacks reported came from the inside the organization. When you are evaluating the possibility of facing threats to your network, perhaps you would be better off to pay less attention to media hype and focus on the likeliest perpetrators - embittered or careless employees.

Some guidelines recommended by experts to address security issues with a network include:

Network security guidelines

- Make sure there is no one person in control of the whole system;
- Require every person who is logging on to the system uses a password;
- Assign supervisory rights and access to as few people as possible;
- Ensure that backups are done on a regular basis;
- Have a strict sign-in/sign-out system for backup tapes;
- Keep a current copy of the backup tape stored away from the site in case of catastrophic events such as fire;
- Do backups of desktops and laptops routinely as well as servers;
- Rotate backup tapes - don't keep using the same tape over and over again;
- Change passwords on a regular basis and remind staff of selecting passwords that are not easily identifiable such as pets names, telephone numbers etc.;
- Remind staff that when the system prompts for a password to be changed, do not enter an existing password;
- Don't use the same password for everything such as network access, online email programs, database access. Use various passwords so that if one password is compromised a hacker cannot gain access to all systems with one password;
- Keep your server in a secure area under lock and key with limited physical access;
- Keep your virus protection software updated on a regular basis;
- Use firewalls and other intrusion-detection software that will alert you when you are being threatened;
- Be alert for any employee who is in an information-critical position who may be showing signs of trouble. Disgruntled or careless employees represent the greatest threat to network security;

Be Prepared!

- At times of particular stress, increase your security. If there are pressures from layoffs, budget cuts etc. pay close attention to network security;
- Have clearly defined policies in place for what you consider appropriate and inappropriate behavior on the network, email system, or internet usage;

Perhaps most important,

- Prepare and test a recovery plan for system failure or disaster.

When an employee is departing for one reason or another there are certain precautions that should be taken immediately to protect your system.

When an employee leaves

- Change the passwords so that the departing employee no longer has access to the system;
- Verify that the system has not been tampered with and that files are left intact, passwords have not been changed without your permission and knowledge.

Educate staff as to their responsibilities with regard to their use of computers, networks, email and internet usage. People tend to underestimate the impact their actions have on others. Responsibility lies with each staff person to ensure that safe practices will prevent losses due to computer failure or attack from virus or other hazards. Ensure that every employee has a copy of the policy governing how computers are used in the workplace, with particular reference to email and internet use.

*See Appendix A5 for an excerpt from **The ePolicy Handbook** by Nancy Flynn, (c2001) outlining ePolicy do's and don'ts.*

8. FINANCIAL

Transferring the risk

Insurance

Unquestionably a well thought out plan for insurance coverage is one of the most important risk management tools available to a municipality. In addition, insurance may offer protection against catastrophic losses, help to keep municipal finances stable, preserve

Property versus liability insurance

revenue and resources, and provide reserves in order to prevent small claims from growing into big claims.

Probably the most important step you can take in preparing your risk management plan is to develop a rapport with your insurance underwriter and to discuss your needs in detail so that he or she has a complete understanding of what your specific requirements are.

There are numerous types of insurance coverage that a municipal unit can consider purchasing but there are two basic categories.

- **Property insurance** protects the municipality's own property; while
- **Liability insurance** protects against financial loss arising from damage done to someone else's person or property.

*See Sections 300 and 301 of the **Municipal Government Act** with regard to municipal and fire department liability and the municipal role in fire and emergency services.*

Property insurance or casualty insurance covers municipal owned buildings and their contents. The policy should list the current value of all municipal owned buildings and their contents and should include an up to date inventory.

Special coverages to consider when discussing your needs with your insurance company may include:

- **Boiler and machinery coverage** which insures against loss to a building and its contents due to the explosion of boilers or other pressure vessels and machinery. This type of policy would require an inspection which would ultimately be of benefit to the municipality.
- **Extra expense coverage** would cover additional expenses resulting from the necessity of using alternative premises because of loss or damage to municipal buildings.
- **Inflation guard coverage** provides an automatic increase of limits to your insurance to cover periods of inflation.
- **Valuable papers coverage** provides for the cost of reproducing papers lost or destroyed in an emergency.

- **Flood insurance** provides coverage for municipalities in event of flood. Flood plain management measures may be required

Insurance risk management

There are a number of considerations to keep in mind when it comes to risk management regarding insurance coverage for municipal units.

- **Regularly and routinely review** and analyze your existing insurance:
 - know your deductibles,
 - know what is excluded,
 - know the limits of your policy,
 - does your coverage match the value of your assets?

- **Compile a history:**
 - keep a file for a minimum of five years of all claims;
 - identify any recurring accidents or claims;
 - develop a plan to address or prevent recurrences.

- **Do an inventory** of all property and assets:
 - take a physical inventory of all municipal buildings;
 - use a video camera or take photos of equipment etc.;
 - keep a copy of the inventory file off-site in case it is needed.

- **Document**
 - establish a complaint process;
 - assign one employee to handle and deal with complaints;
 - document all complaints completely with dates times and identities.

Some guidelines for purchasing insurance offered by the Nonprofit Risk Management Centre include:

- **Talk to your insurance underwriter.** Each underwriter has basic underwriting guidelines but these guidelines may or may not cover all situations. Taking the time to review your insurance needs with your underwriter on a regular basis may

prevent unexpected financial losses due to insufficient or inappropriate coverage.

- ***Solicit quotes*** from a number insurance providers to be confident that yours is the best coverage, at the best available price. However, let your underwriter know that you have been getting quotes from other agencies and give them the opportunity to match the quote or to discuss the quote with you.
- ***Plan ahead.*** Providing adequate lead time to your insurer gives the underwriter an opportunity to review your insurance needs and to ask questions. It also gives your organization an opportunity to understand the features of your insurance product, to obtain competitive quotes, and to compare terms.
- ***Complete then review the application.*** Every question on an application form is important to the insurance company. An incomplete application may be declined or returned for completion. Taking a few extra minutes to ensure the application is complete and clearly worded before you submit it to the underwriter may save you valuable time later.
- ***Attach all supporting documentation.*** When an insurer requests information it is important to include that information with your application. List enclosed items in the cover letter and check to ensure that each item is in the package when it is sent.
- ***Verify the accuracy of your information.*** An insurer may deny coverage if the information contained in the initial application turns out to be inaccurate.
- ***Anticipate questions*** your insurance agent may have. In consultation with your insurance agent, provide any necessary explanation for the answers on the application form and any unique exposures your organization may have.
- ***Promptly respond*** to requests for further information. Prompt responses may not only save time later, but highlights your professionalism.
- ***Negotiate with respect.*** Sometimes an honest mistake either in filling out an application, or a misunderstanding in discussing your requirements with the underwriter may result in a quote

Making the community a safer place to live

that is unacceptable or unreasonable. While it is good to question the basis for a quotation to try to alter the terms, do so in a respectful way and allow him or her the opportunity to be reasonable.

- **Offer alternatives.** If an insurance quotation is unacceptable, offer suggestions that may improve the terms. If your insurer refuses to cover an activity, ask if there are ways that you can work with the insurer to come to a mutually satisfactory agreement. In some instances offering to institute an insurer-approved risk management plan as a condition of coverage may be an option.

9. SAFE COMMUNITIES

A number of initiatives have been undertaken in communities all over North America designed to enhance the safety of residents and visitors to the area. The **METRAC** organization, of Toronto, has developed a Women’s Safety Audit Guide to help communities of all sizes carry out a program to enhance women’s safety in their neighborhoods. This safety audit guide provides extensive information on how to carry out such a program in a municipality. The following section outlines briefly the recommendations of the guide, however, anyone interested in carrying out this program would be advised to read the guide and contact the authors for further details.

9.1 Safety Audit Program

A “Safety Audit Program” is an important tool used in crime prevention to recognize, appraise and anticipate personal safety and loss potential concerns. A safety audit is an in-depth on-site examination of a physical facility and its surrounding property (other buildings, etc). The audit is conducted to identify deficiencies or security risks, and to outline and define the protection needed. Finally, a safety audit can make recommendations to eliminate the opportunity for crime to occur.

Audits don’t have to involve a lot of people or cost a lot of money to carry out. Students employed in the community for the summer doing recreational programs, or neighborhood volunteers could be called upon to carry out the audit with a little direction and assistance from the local police force. The best size for an audit team is 3 to 7 people.

The audit team

This allows for differing points of view but is still small enough for lots of discussion. The team should reflect the needs of the community at large. While carrying out the safety audit, your audit team should consider the special needs of people who are using a wheel chair, hard of hearing, blind, mentally challenged, very young, elderly, or persons unable to read.

How to prepare for a safety audit.

The first step is to define how big an area you want to cover in your safety audit. You may want to concentrate on just the downtown area or even one or two neighborhoods where you may feel a safety audit would be most beneficial. This is a program that can be carried out over time and eventually cover all areas of the community that may benefit from this kind of program. If you want to cover a large space, you may need several teams.

The time required to carry out a “first audit” depending upon the size of the area selected for study would be approximately 2 to 3 hours. You will need about ½ to 1 hour to discuss the audit and brief the team on the location and the size of the area they are to cover. At the end of the audit, you may want to take ½ hour to 1 hour to discuss the findings and finish taking notes.

Carrying out the actual audit requires a minimum amount of equipment including:

- flashlights;
- notepad and clipboard;
- black marker or pen;
- camera with a high speed film (400 or 800 ASA) to document problem areas or to document positive features;
- reflective vests or clothing so that team members can be visible at night.

The time of day the audit is carried out is most important. The only way to know if an area has adequate lighting is to be there at night. Night time is also when people are most isolated and feel least safe in their communities.

The audit team is trying to find out how people feel in the community at night, where and when and why they feel uncomfortable. To learn these things it is most helpful to talk to the people in the area during the audit, and to pay attention to how they feel themselves when they are in the area. The audit team should be asking questions such as:

The equipment a safety audit team will require

Questions the safety audit team will ask themselves

- Why don't I like this place?
- When and why do I feel uncomfortable here?
- What changes would make me feel safer?

When the team is looking at an area, they should take their time and consider the circumstances that they find themselves in:

What the safety audit team are looking for

- What if you were walking alone here at night?
- What if you were waiting for someone to come pick you up?
- Is there a possible entrapment site nearby?
- Would it feel safe in the rain? In wind?
- Are there fewer people around at a different time of day, week, year?

A suggested check list for carrying out a community safety audit is included in Appendix A2. You may want to add to this list or modify it to suit your individual needs.

After the Audit: Organizing the findings:

When the safety audit is completed there will be a lot of information available about problem areas in the community. There may also be a number of ideas for changes suggested in the audit sheets.

One way of organizing the information is to group together all the points on one factor such as lighting. Comments about how far a person has to go to get help, whether there are enough telephones near by, or how likely it is that other people might see an assault take place, can all be brought together under the category of isolation factors.

Another way of organizing the information from the checklist is by type of space. For example, safety factors common to all parking lots could be grouped together.

When you've finished organizing the findings, you should check to see if any part of the area has been overlooked. If it has, consider collecting more information with a mini-audit, or by asking people in the area.

Sharing the Results:

Whether they were part of the audit or not, you might want to get support, information, ideas, and feedback from people living or working in the area.

Now is the time to include people in the community who were not directly involved in the safety audit process to date. Consider holding small meetings where people can talk about their concerns and help with the recommendations. The members of the community will welcome the initiative to make their neighbourhood a safer place to live or visit. Also, residents may be aware of problems that might have been overlooked by the audit team. This type of neighbourhood meeting will provide more information on the problems, and will also illicit ideas about what could be done to improve things. Last but not least, community meetings can build support for the changes you want to see and promote community spirit.

The safety audit is the easy part, changing problem areas to safe areas is a little more difficult, but well worth the effort both from a risk management point of view and a community point of view.

Conclusion:

Developing, implementing and maintaining a municipal risk management program can provide immediate and long term benefits to the municipality. Although it may seem to be an overwhelming task in the beginning, especially if the resources are not available for hiring a professional risk manager, it is a program that can be initiated one step at a time with minimum investment of personnel and resources. A number of quick and easy tasks such as mentioned in Section III may provide a significant return on investment in a relatively short time span.

In summary, a municipal risk management program begins with the decision makers. Basic guidelines need to be developed, a risk manager designated, and adequate resources dedicated to support the program. List the tasks that can be accomplished within the budgetary restraints of your municipal unit and get started. Make the program a priority for all staff members and the benefits will soon become apparent.

Risk management for municipalities encompasses a large number of topics, and space limitations prevent covering all the possibilities in an

article of this nature. A great number of electronic and print sources were reviewed in writing this article, and a number of experts were consulted for their advice on particular aspects of risk management.

For more detailed information on specific topics, there are numerous resources available both in print and through electronic media. Municipal risk managers are advised to consult the many sources listed in the suggested reading section for a more thorough treatment of specific situations.

Risk managers are reminded however, that it is always advisable to consult with your municipal solicitor for information pertaining to particular situations.

Suggested Reading:

The following is a listing of some of the more useful resources consulted in the preparation of this document.

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Canadian Risk Management Council
<http://www.infoinc.com/rims/canada/crmc.html>

Chubb Electronic Insurance Library <http://www.chubb.com/library/>

Civil Liability in Canada
http://www.fraserinstitute.ca/publications/books/laws_markets/civil_liability_in_canada_no_tip.html

Community Risk Management & Insurance: A Publication of the Nonprofit Risk Management Center. 19 July 2001.
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<http://www.pwcglobal.com/extweb/pwcpublishations.nsf/docid/FACACEBE4B3D74D68525687E006A019B?OpenDocument>

Government of Canada. Integrated Risk Management Framework
http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/RiskManagement/rmf-cgr01-1_e.html#ACommonProcess

Greifer, Nicholas and Brennan L. Schwarz. An Elected Official's Guide to Risk Management. Gov. Finance Officers Association of the US and Canada. 2001

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<http://www.mpc.wa.gov.au/psmd/pubs/psrd/governance/risk.html>

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How to Make Your Job Healthier: NJDHSS, Occupational Disease Epidemiology and Surveillance Program 1998. 19 July 2001.
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Intrusion Prevention: a Comprehensive Risk Management Guide
<http://enterprisesecurity.symantec.com/article.cfm?articleid=120&PID=na>

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<http://www.butterworths.ca/municipalliabilityriskmanagement.htm>

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SK, 1996

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Public Entity Risk Institute <http://www.riskinstitute.org/>

Recovery: An Emergency Management Guide. Home Office UK 19 July 2001.
<http://www.fire.org.uk/papers/tecindex.htm#3>

Review of Canadian Best Practices in Risk Management
http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/RiskManagement/rm-rcbp1_e.html

Risk Management Program Guidance for Offsite Consequence Analysis Chemical Emergency Preparedness and Prevention Office, US EPA 1999. 19 July 2001.
<http://www.epa.gov/ceppo/pubs/oca/oca-chps.pdf>

Washington Municipal Clerks Association: Municipal Clerks Handbook
<http://www.mrsc.org/associations/clerk/title-5.htm>

Women's Safety Audit Guide
<http://www.dhgender.org/cdrom98/ccg97/3/050201.htm>

Wong, Kwok-Sze Richard and Kathleen M. Rakestraw. The A,B,C's of Risk Management. MIS Report Vol 23/No.9. Sept 1991.

Safety Inspection Checklist

Department: _____

Date: _____

This list is intended only as a reminder, watch for other unsafe acts or conditions.
Turn one copy in to Personnel with Safety Committee minutes.
Keep one copy for your department's records.

- ✓ **Indicates Satisfactory - no hazards exist**
- Indicates Unsatisfactory - hazards exist**
- S **Indicates Not Applicable to your operations**

FIRE PROTECTION:

- G 1. Fire extinguisher accessible and inspected.
- G 2. Fire extinguisher recharged in last 12 months.
- G 3. Exits unobstructed.
- G 4. Exit signs lighted.
- G 5. Proper electrical fuses.
- G 6. Storage near hot or electrical equipment.
- G 7. Proper storage of flammable material.
- G 8. _____

HOUSEKEEPING:

- G 9. Wet or slippery floors.
- G 10. Holes, splinters, uneven places in floors.
- G 11. Loose objects on floors.
- G 12. Wet or slippery stairs.
- G 13. Holes, splinters, uneven places on stairs.
- G 14. Loose objects or obstructed stairs.
- G 15. Improper storage of overhead items.
- G 16. Improper lighting or ventilation.
- G 17. Materials piled in walkways.
- G 18. Waste improperly disposed of.

- G 19. Hazards in wash or locker rooms.
- G 20. _____

HAND TOOLS AND MATERIALS:

- G 21. Safety devices defective or missing.
- G 22. Other defects in tools.
- G 23. Unprotected sharp edges.
- G 24. Unsafe carrying of tools, nails, etc.
- G 25. Tools and materials left lying around.
- G 26. Improperly placed or stored materials.
- G 27. Improper use of tools and materials.
- G 28. Dangerous materials improperly marked.
- G 29. _____

MACHINERY:

- G 30. Defective wiring.
- G 31. Defective safety devices.
- G 32. Defective belts, pulleys, gears, shafts.
- G 33. Defective cables, ropes, chains, slings.

Community Safety Audit

Safety Audit Questionnaire

LOCATION: _____

DATE: _____

TIME: _____

AUDITED BY: _____

1. GENERAL IMPRESSIONS

Your gut reactions: _____

What 5 words best describe the place? _____

2. LIGHTING

Impression of lighting:

- very poor
- poor satisfactory
- good
- very good
- too dark
- too bright

Is the lighting even?

- yes
- no

How many lights are outs? _____

What proportion of lights are out?

- most
- some
- few

E.g. Maybe only two bulbs in a particular location are burned out, but if there are only three bulbs to start with, then a more powerful way to say this is that two-thirds of the lights are out.

Are you able to identify a face 25 metres (75 feet) away?

- yes
- no

Outdoors:

Do you know where/whom to call if lights are out, broken, not yet turned on, etc.?

- yes
- no

Is the lighting obscured by trees or bushes?

- yes
- no

How well does the lighting illuminate pedestrian walkways and sidewalks?

- very poorly
- poorly
- satisfactorily
- well
- very well

How clearly does the lighting illuminate directional signs or maps?

- very poorly
- poorly
- satisfactorily
- well
- very well

3. SIGNAGE

Is there a sign (i.e. room no., building name) identifying where you are?

- yes
- no

Impression of overall signage:

- very poor
- poor
- satisfactory
- good
- very good

If no, are there directional signs or maps nearby which can help you identify where you are?

- yes
- no

Do exit doors identify where they exit to?

- yes
- no

Are there signs which show you where to get emergency assistance if needed?

- yes
- no

What signs should be added? _____

Are there signs which direct you to wheelchair access?

- yes
- no

Is there information posted describing the hours the building is legitimately open?

- yes
- no

4. SIGHTLINES

Can you clearly see what's up ahead?

- yes
- no

If no, why not?

Are there places someone could be hiding?

- yes
- no

If yes, where? _____

Indoors:

- sharp corners
- walls

Outdoors:

- pillars bushes
- fences
- hill
- other

What would make it easier to see?

E.g.: - transparent materials like glass - angled corners - security mirrors - trimmed bushes - snow cleared - vehicles moved

Other comments? _____

5. ISOLATION -- EYE DISTANCE

At the time of your audit, does the area feel isolated?

- yes
- no

How many people are likely to be around? _____

In the early morning:

- none
- a few
- several
- many

During the day:

- none
- a few
- several
- many

In the evening:

- none
- a few
- several
- many

Late at night (after 10 pm):

- none
- a few
- several
- many

Is there a monitor or surveillance system?

- yes
- no
- don't know

Is it easy to predict when people will be around?

- yes
- no

Other comments?

6. ISOLATION -- EAR DISTANCE

How far away is the nearest person to hear a call for help?

- don't know

Can you see a telephone, or a sign directing you to emergency assistance?

- yes
- no

How far away is the nearest emergency service such as an alarm, security personnel, crisis telephone?

- don't know

Is the area patrolled?

- yes
- no
- don't know

Other comments?

If yes, how frequently?

- every hour
- once per afternoon/evening
- don't know

7. Movement Predictors (a predictable or unchangeable route or path)

How easy is it to predict a woman's movements? (e.g. her route)?

- very easy
- somewhat obvious
- no way of knowing

Are there corners, alcoves, or bushes where someone could hide and wait for you? • yes • no

Other comments?

Is there an alternative well-lit and frequently travelled route or path available?

- yes
- no
- don't know

Can you tell what is at the other end of the path, tunnel, or walkway?

- yes
- no

8. POSSIBLE ENTRAPMENT SITES

Indoors:

Are there empty rooms that should be locked?

- yes
- no

Are there small, well-defined areas? (E.g.: - stairwells - recessed doorways or lockers - unlocked closets - elevators)

- yes
- no

Details: _____

Outdoors:

Are there small, confined areas where you would be hidden from view? (E.g.: - between garbage bins, unlocked equipment or utility shed, alley or laneway, recessed doorway, construction site)

- yes
- no

Other? _____

9. ESCAPE ROUTES

How easy would it be for an offender to disappear?

- very easy
- quite easy
- not very easy

Is there more than one exit?

- yes
- no
- don't know

10. NEARBY LAND USE

What is the surrounding or nearby land used for?

- stores
- offices
- restaurants
- factories
- residential houses and streets

- busy traffic
- heavily treed/wooded area
- river bank
- parking lots
- campus buildings
- don't know
- Other:

Can you identify who owns or maintains nearby land?

- yes
- no

Impressions of nearby land use from the standpoint of personal safety:

- very poor
- poor
- satisfactory
- good
- very good

11 . MAINTENANCE

Impressions of maintenance:

- very poor
- poor
- satisfactory
- good
- very good

Is there litter lying around?

- yes
- no

Do you know to whom maintenance concerns should be reported?

- yes
- no

From your experience, how long do repairs generally take?

- one day
- within one week
- from 1-3 weeks
- more than 3 weeks
- don't know

12. Factors That Make the Place More Human

Does the place feel cared for?

- yes
- no

Are there graffiti on the walls?

- yes
- no

Does the place feel abandoned?

- yes
- no

Would other materials, tones, textures or colours improve your sense of safety?

- yes
- no

Are there signs of vandalism?

- yes
- no

In your opinion are there racist or sexist slogans/signs/images on the walls?

- yes
- no

Why? _____

Other comments? _____

13. OVERALL DESIGN

Impressions of overall design:

- very poor
- poor
- satisfactory
- good
- very good

If you weren't familiar with the place, would it be easy to find your way around?

- yes
- no

Does the place "make sense"?

- yes
- no

Is the place too spread out?

- yes
- no

Are there a confusing number of levels?

- yes
- no

Other comments?

14. IMPROVEMENTS

What improvements would you like to see?

Do you have any specific recommendations?

Please send any in-progress or completed documentation or reports to:

Source: Metropolitan Action Committee on Violence Against Women and Children

Brainstorming

How to hold a brainstorming session

Structured or unstructured

Brainstorming sessions assist a group to generate a variety of innovative ideas on how to identify and address risk factors. This method of problem solving encourages people to think creatively, and enables participants to build on ideas and move beyond the “same old ways”. All team members should have an opportunity to get involved and offer suggestions, not just the same few people who tend to dominate meetings. Some of the most innovative suggestion may come from totally unexpected sources.

Structured

1. Be certain that everyone understands the issue and verify this by asking several people in the group to paraphrase or define the problem. When the question or problem is stated and agreed upon, then it can be written down on a flipchart or blackboard for everyone to see.
2. In rotation around the table everyone in the group gives an idea or solution to the problem. It is essential that everyone feel free to offer a suggestion and no idea should ever be criticized, or derided. Any suggestion, no matter how ludicrous it may appear at first glance should be accepted and recorded. You never know where the innovative solutions are going to come from. The most ridiculous idea at first glance may be just the solution you're looking for with a little tinkering.
3. As each suggestion is offered, write it down on the flip chart in large clear bold letters on the flipchart or blackboard. Use the speakers own words, don't interpret or abbreviate. To ensure that it is written down accurately, always ask the speaker if their suggestion has been recorded accurately.
4. In turn go around the table and have everyone contribute ideas until everyone feels that they have exhausted their ideas. Keep the process moving and keep it relatively short. Five to twenty minutes

usually works well depending upon the number of participants and the complexity of the problem.

5. Review the written list of ideas and be sure that each is stated clearly and eliminate duplications. Discard only ideas that are virtually identical. Sometimes subtle differences can be extremely important so be sure that you aren't throwing out an idea that may prove valuable.

Unstructured:

Follow the same basic procedures as in the structured session except that ideas are tossed out in a random manner. In an unstructured session anyone can contribute at any time and there is no need to “pass” since you aren't following a rotation.

6-3-5 Or, How to Stimulate Creative Thinking in a Team Environment

Helmut Schlicksupp in his book *Creativity Workshop* offers a very handy tool for stimulating creative team thinking. His method called the “6-3-5 Method” involves dividing up the group into teams of six people. Each person in the team of six has five minutes to write down three ideas on a sheet of paper. Then each person passes his or her sheet of paper to the next person, who has five more minutes to add three more ideas that build upon the first three ideas. This rotation is repeated as many times as there are team member, e.g., 6 team members = 6 rotations, 6 sheets of paper, 18 ideas per sheet. This method of generating creative thinking forces participants to consciously build on each others ideas and offer suggestions to proceed.

When organizing a brainstorming session it may be helpful to plan for a full day. Plan to hold a separate session for each of the first three steps involved in the risk management process. The first session would cover identifying the risk, the second session can cover analyzing the risk. Finally, take each of the risks identified and analyzed in the earlier sessions and focus on what responses would be appropriate for addressing each one.

Source: The Memory Jogger II (GOAL/QPC)

Risk Management Matrix

Municipality: _____

Department: _____

Date: _____

Signature: _____

Respondent: _____

Sources of risk (How?)	Risk event (What?)	Impact on project (Why?)	L	C	R	Risk treatment	Responsibility	Timing

Key:

L - Likelihood	5 - almost certain	C - Consequence	6 - severe	R - Risk Level	4 - extreme
	4 - likely		5 - high		3 - high
	3 - possible		4 - major		2 - medium
	2 - unlikely		3 - moderate		1 - low
	1 - rare		2 - minor		
			1 - negligible		

Source: Australian Agency for International Development

E-Policy Handbook

What Every Employer Needs to Know

E-risks are as prevalent in the modern electronic office as eMail is indispensable. For responsible organizations operating in the age of electronic communication and commerce, a written ePolicy is an essential business tool.

EPolicy DO's

1. Establish comprehensive, written ePolicies that address employee use of eMail, the Internet, and software.
2. Educate employees about software piracy. Ensure compliance with all software licenses.
3. Communicate the fact that the organization's eMail and Internet systems are to be used strictly as business communications tools. But don't stop there. Provide clear guidance on what is, and is not, considered appropriate electronic business communication.
4. Bear in mind that some personal use of your organization's eMail may be warranted. Workers today put in more on-the-job hours than at any time in history. For employees who leave the house before dawn and don't return until well past dark, eMail may be the most efficient and effective way to stay in touch with family members. For the sake of employee morale and retention, savvy employers generally are willing to accommodate their employees' need to check in electronically with children and spouses. Let your employees know where you stand on this issue, and how much personal use (if any) is acceptable.
5. Incorporate an overview of your organization's discrimination and sexual harassment policies in your eMail policy. Because of the relaxed, informal nature of eMail, some employees will put in writing comments they never would say aloud. Make sure employees understand that regardless of how it is transmitted, an inappropriate comment is an inappropriate comment. And all it takes is one inappropriate comment to land you on the wrong side of an expensive, protracted lawsuit.
6. Review your written ePolicies with every employee. New hires and long-time employees, managers and supervisors, full-time professionals and part-time staff, telecommuters and temporary employees, independent contractors and freelancers –everyone should be informed of your eMail, Internet, and software usage policies. Have all employees sign and date copies of each policy to confirm that they have read and understand each document.
7. Incorporate your written ePolicies into your organization's employee handbook and new-hire orientation materials. Have the organization's human resources director review ePolicies with every new employee.
8. Address ownership issues and privacy expectations. Let employees know that the contents of the eMail system belong to the organization not the individual user. If management monitors and reads employee eMail, say so. Make sure employees understand that their eMail can, and will, be read at any time without notice to or permission of the employee. If there is any chance you may want to monitor employees' home computers, make that clear as well.
9. Support your eMail and Internet policies with eWriting and cyberlanguage policies designed to reduce risks by controlling content.
10. Establish netiquette policies for eMail senders and receivers, managers and staff.
11. Implement a risk management policy that incorporates retention and deletion policies, password policies, and monitoring and filtering software.
12. Establish a computer security policy. Put into place procedures and tools designed to keep unscrupulous hackers and internal saboteurs out of your system.
13. Install software to monitor and filter eMail and Internet use.

14. Purchase cyberinsurance policies to help mitigate electronic risk.
15. Develop an eCrisis communication policy for dealing with the media and public should an eDisaster occur.

EPolicy DON'T's

- 1 Rely solely on eMail to communicate your ePolicies. Require each employee to read, sign, and date a hard copy of each policy. Do use eMail messages, along with the company's Intranet system, to remind employees of your policies and management's commitment to enforcing them.
- 2 Expect employees to train themselves. Educate employees about the what's, why's, and how's of your ePolicies. Make employees aware of their eRisks, eRights, eResponsibilities, and the repercussions they will face for violating eMail, Internet, and software usage policies.
- 3 Create separate policies for management. Establish corporate eMail, Internet, and software policies, and insist that officers, managers, supervisors, and staff all adhere to them. A supervisor who turns a blind eye to an employee's online gambling addiction, a manager who winks at software piracy, a board member who sends risqué jokes to senior executives—all are putting the organization at risk.

- 4 Forget your international associates. If you do business or operate facilities abroad, incorporate a discussion about effective international eCommunication in your eMail policy.
- 5 Assign one individual the responsibility of single-handedly enforcing your organization's ePolicies. Make all managers and supervisors aware of the important role they play when it comes to monitoring employee behaviour. Assign specific monitoring and enforcement roles to HR and information management professionals.
- 6 Allow employees to dismiss the organization's ePolicies as insignificant or unenforceable. Make sure employees understand that their computer activity will be monitored. Stress the fact that ePolicy violators will face disciplinary action that may include termination. Let employees know you mean business by enforcing your ePolicies consistently.

*Excerpted from the ePolicy Handbook by Nancy Flynn, c2001. Permission to reprint granted, provided the material is reproduced in its entirety and www.ePolicyInstitute.com is cited as the source.
<[Http://www.epolicyinstitute.com/d&d.html](http://www.epolicyinstitute.com/d&d.html)>*

Section 6.4

Transition to Single-Window Government (e-Government)

Forward

On October 16, 2001, Service Nova Scotia and Municipal Relations, the Union of Nova Scotia Municipalities and the Association of Municipal Administrators held a joint seminar on e-Government for municipal administrators and elected officials. This seminar sparked considerable interest with a number of the municipalities who wanted to venture further in the provision of e-Government services and participate in joint projects.

At the first meeting of the interested parties, it was decided to have a “how to manual” produced to provide guidance for all municipal units wishing to initiate or further develop their e-Government services. SNSMR contracted CGI to prepare this document because of their many years of direct experience working with government organizations around the world developing e-government systems.

SNSMR would also like to thank the following for their review, input and direction to CGI on completing this document:

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Section 6.4

Transition to Single-Window Government (e-Government)

Executive Summary

Local government readers who have already embarked upon service improvements in the delivery of their municipal services through traditional and electronic means and have adopted an approach and methodology may wish to validate their methodology by quickly reviewing this Executive Summary. Those who are considering a service improvement initiative may wish to pay closer attention to the units in this section and may wish to consider them as a guide or “road map” to service improvement work.

The Executive Summary will provide the reader who is more experienced in service improvement with a tool to quickly “scan” the contents to check practice against recommended methodology for electronic service delivery.

The methodology documented herein constitutes proven “best practices” used by public organizations in moving to single window service delivery. It recommends a “whole organization” approach focusing on the organization’s business strategy, the design and development of the organization, its people, business processes, systems and technology infrastructure. While some organizations have been able to make notable progress towards service improvement by adopting some, but not all, of the approaches recommended in this document, those that have been most successful have taken the enterprise-wide approach that the road map recommends, and by doing so have leveraged all the advantages that this holistic framework delivers.

Following is a summary of the road map to single window government.

Self Assessment Tool: Planning for Single Window Government

The move to single window government by a municipality will affect everything in that government: organizational design, technology, people, business processes, goals and objectives. Governments that have made significant changes in how they deliver services have discovered that the challenges lie in how well the change is planned and staged and the extent to which the organization is prepared to manage and lead change. An organizational self-assessment tool is offered to determine readiness for change. The tool deals with the current state of the following organizational elements:

- Leadership and planning
- Customer focus
- Staff focus
- Internal communications
- External communications
- Change management
- Organization structure
- Process focus
- IT Infrastructure
- Physical Infrastructure

Understanding these elements will help to establish the “call to action” and chart the way for service and organizational improvements.

Business Strategy

This unit lays out a cascading planning process for the organization, beginning with a corporate plan for moving to single window government (**the what**) cascading down through each municipal department’s plan to deliver on the objectives, through to each individual’s work plan (**the how**). Measurement of corporate performance against goals and objectives, the development of values and principles that frame and drive staff performance as well as the performance appraisal and management processes are included.

No different from most organizations, public service agencies must be concerned about the bottom line: the investments they make in people, and infrastructure (**inputs**), the service experience (**outputs**) and the quality of life (**outcomes**) for citizens. The road map recommends that the organization be clear on the services it should deliver and the channels (over-the-counter, electronic) through which it delivers them.

Organization

This unit deals with the restructuring and redesign of the organization as it moves to deliver services in a different way. Planned and focused communications to staff, stakeholders, media and customers is recommended to ensure clarity and understanding, encourage ownership and lay the foundation for organizational change.

People

Capturing the hearts, minds and creativity of staff is the key to moving an organization forward to embrace new ways of delivering services. This unit deals with one of the most difficult challenges, rivalling the challenges presented by business process reengineering or technology adoption: designing and managing the change management process. Included in this unit are approaches for skill and training needs analysis, skill profiling, customer consultation and obtaining staff input on ways to improve service.

Business Processes

In this unit, a fast track to electronic service delivery which uses an iterative/use/reuse/ process to develop Web services is described. As well, the section deals with approaches to packaging services according to “life events” and reengineering the process for delivering current services to make the delivery more efficient for citizens and for the organization.

Systems and Technology Infrastructure

Understanding the organization's current technological capability in order to plan for the future, updating technology, and using existing infrastructure in new ways are dealt with in this unit. Factors to be considered in portal development (look and feel, branding, navigation and structure of the site, information and service definition security and technology requirements) are all described in this portion of the manual.

In summary, this section presents a road map to assist municipalities to navigate through their electronic service improvement initiative. Although it is recommended that the road map be followed, it is not mandatory. Municipalities may, after self-assessment, chart a route that is most in keeping with their vision, culture and customer requirements. Notwithstanding the road map presented in this section, off-ramps are at the discretion of the municipality. However, a stepped, co-ordinated approach to the strategies presented here is highly recommended.

CGI's Experience

CGI's experience in the area of government service delivery, or what they have termed g-Commerce, has been at the forefront of the industry. Their experience has not only been in integrating traditional over-the-counter government service delivery with new electronic service delivery channels, but also in addressing the 'front office' and 'back office' functionality required across multiple departments – thus providing *single-window* access for the citizen regardless of channel chosen. SNSMR contracted CGI to prepare this document because of their many years of direct experience working with government organizations such as the Ontario and Alberta Governments, PWGSC, and Service New Brunswick, to facilitate change in delivery of services including electronic service delivery. As well, CGI and British Telecom have joined forces to service Local Authorities in the United Kingdom. There are very few companies (and governments) that have actually rolled out a working one-window delivery system. CGI has been part of the most fully integrated one-window delivery initiative in Canada and perhaps the world.

Introduction

This document provides guidelines for municipalities to assist in planning the transition to electronic service delivery.

The keen interest of governments around the world to move services to electronic doors suggest that it is in the interest of the public, elected representatives, staff and management to deliver services online. Among the benefits are:

- ❑ Increase in customer satisfaction and better service integration
- ❑ Increase in service satisfaction by developing a single portal providing a range of packaged and single services in ways that make sense to customers
- ❑ Branding a jurisdiction as a model user and bringing its citizens into the digital world
- ❑ Putting the jurisdiction ahead of its class, and so increasing its competitive position for attracting trade and investment
- ❑ Public perception that good government manifests itself in a concern for and action on service delivery improvements, customer choice and convenience

In the municipal context, e-Government matters from two perspectives:

People/Customers and Government /Councilors.

People/Customers:

- ❑ Citizens want services to be more accessible: at times and places (weekends and evenings) convenient to them
- ❑ The service experience is expected to be more responsive: knowing where to start, who to see, getting action on their request
- ❑ Citizens want service to be delivered in a way that saves them time

Key Concepts:

e-Government will transform the relationship between citizens and municipal representatives.

Notes:

Key Concepts:

Culture change will impact customer, people, structure, roles and responsibilities.

Notes:

Government/Councilors:

- ❑ Moving to e-Government has the potential to transform and improve the relationship between citizens and their municipal representatives and staff
- ❑ e-Government services can increase customer participation in municipal activities, provide better and more information to customers, make transactions more efficient and make it easier for citizens to access services
- ❑ The move to e-Government enables municipalities to raise their delivery methods to the level that citizens have come to expect by virtue of their dealings with the private sector

The transition to e-Government will have its most profound effect upon the organization and on the people who normally interface with citizens. Knowing what underpins the success of the transition is important to achieving success. The underpinnings of the transition are fundamentally as follows:

- ❑ Capacity to manage the change process in the municipality
- ❑ Redesigned business processes

Service improvement initiatives fail when planning, staff, customer and organizational issues that underpin service delivery are not considered. Improvement initiatives also fail when poorly delivered services that are not user-friendly are automated. In this case, “physical run around” for the customer may be replaced with “electronic run around” and there may be no appreciable improvement in customer satisfaction.

If local governments are to improve services and generate cost savings, a wholistic approach is required that manages the cultural aspects of the organization, and analyses, assesses and redesigns business processes and

technology where warranted.

Getting started: Framework

The goal of a single-window initiative is to create an environment whereby every citizen is provided a convenient method to access government and its services through a single point of contact.

The implications for citizens are that:

- ❑ all services, irrespective of the department or division, will be accessible through this single point of contact
- ❑ services may be available through multiple channels (face-to-face, telephone, Internet, etc.), and moreover all channels will provide an equal and common response.

The implications for government are:

- ❑ that all departments and divisions will be prepared and equipped to support a common citizen (customer) interface
- ❑ that government will be able to maximize opportunities for the re-use of both data and business process steps and realize savings in deploying, managing and operating a citizen-centred service system

Making the transition to single window government will entail:

- ❑ changing the working “culture” of the organization into a full, service-oriented government, where the emphasis and the focus are upon providing improved services to citizens across all possible channels for their convenience. This has an impact on

Key Concepts:

“Reach” visible Internet presence but with no cross-departmental integration: a beginning but remains a “service island”.

Notes:

Key Concepts:

“Richness”:
integrated services,
intuitive services,
simple, easy for
customers to get the
services they want.

Notes:

- planning, people (customers, staff and other stakeholders), organization structure, and roles and responsibilities.
- improving access to services via the institution of a Web-enabled facility. Here the emphasis is generally on Internet access, but it may equally be deployed to the Intranet to improve access to information and to decision support systems, and to improve reporting and other functions within the internal government environment. Web enabling will, by definition and necessity, have an effect upon the organizations and people who normally interface with citizens and/or provide these ‘Web-enabled’ services. To that end, change must be anticipated and managed.

E-Government: “Fad” or commitment to better service?

The move to e-Government can constitute participation in a “fad”, or it can result in the achievement of dramatically improved service. Too often organizations focus only on business processes and technology as they consider enhancements to better address the needs of customers. Leaders often see technology and technological innovation as the essence of transformation itself instead of seeing them as “key enablers” that support the people, organizational and process changes.

Organizations that fall into this trap never fully realize the potential benefits of their efforts. By focusing only upon business processes and technology, they achieve “reach” which is a degree of visible electronic (Internet) presence in the delivery of services and processes within service ‘silos’.

Typical of these organizations are:

- ❑ Web sites with little interactive capability
- ❑ “Sneaker ware” Call centers in the mid and back-offices
- ❑ Service centres that provide services in silos: no integration with other services to create service packages

The organizational changes that would permit and enhance integrated service delivery are not made. The promise of “richness” – defined as the architectural foundation and framework for improving both business processes and service delivery—can only be achieved through:

- ❑ full enlistment of customers, staff and other stakeholders in the process
- ❑ development of customer-focused service packaging, and
- ❑ deployment of technologies that support both vertical and horizontal integration; such as:
 - Enterprise Resource Planning,
 - Customer Relations Management systems,
 - Computer: Telephony integration etc.

Where “reach” only is achieved, citizens will never experience the potential benefits of the investment being made to improve business processes and improve the cultural environment so that continual process improvement become a “way-of-life” for the organization

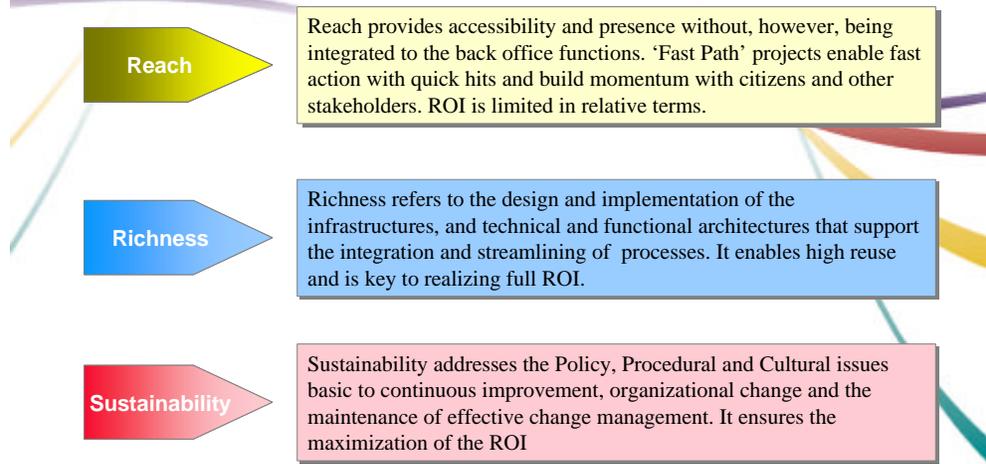
Framework

A framework that encompasses “Reach, Richness and Sustainability” ensures that changes result in long term “transformation” of the organization, that changes are “sustained” through ensuing administrations and that the organization is prepared to address the challenges of the future. Below is the “reach, richness, sustainability” framework.

Notes:

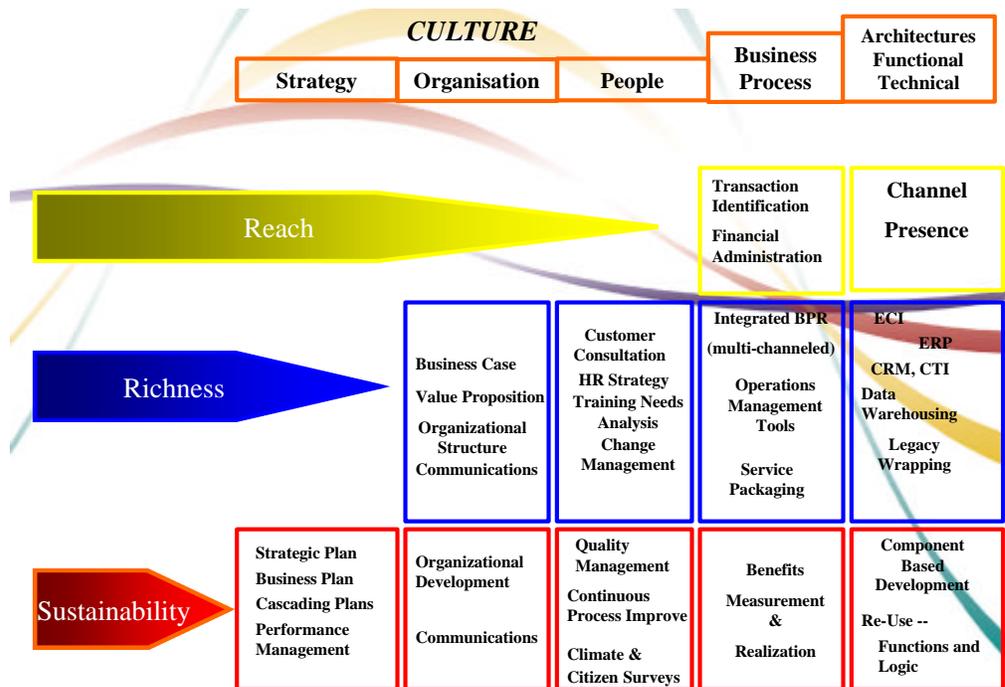
Single-Window e-Government

Framework for Single-Window Government



Many organizations move from reach to sustainability in relatively short order while others become “stuck” in providing a wide range of services (reach) with no integration behind the “pretty” face. “Reach” provides only limited return on investment (ROI), while “Reach, Richness and Sustainability” taken together ensures maximum return on investment.

Maturation Model Reach – Richness – Sustainability
the path to continuous improvement



Transformation to Single-Window Government

The Maturation Model illustrates clearly that a service improvement effort that sets only “reach” as its objective, does not consider strategy, people or organization. However, to achieve “richness” and “sustainability” organizations must be prepared to work with the cultural aspects of the organization to achieve full and lasting transformation.

Readers of this manual may have already initiated various actions associated with the reach, richness and sustainability strategies identified in the model above. Determining where you are on the “readiness for change” continuum is important for elected representatives, staff and management when contemplating a major service transformation project.

Key Concepts:

“Reach, Richness and Sustainability”:
accessibility
presence,
streamlining,
continuous
improvement.

Notes:

Notes:

In order to assist municipalities contemplating such change, an organization assessment tool is appended to this section. The tool measures the municipality's *status quo* on:

- ❑ Leadership and planning
- ❑ Customer Focus
- ❑ Staff Focus
- ❑ Internal Communications
- ❑ External Communications
- ❑ Quality Focus
- ❑ Change Management
- ❑ Organization Structure
- ❑ Process Focus
- ❑ Physical Infrastructure
- ❑ IT Infrastructure

The tool can be used where a municipality has decided to make the transition to e-Government and wishes as a next step in launching the initiative, to collect the views of councillors, staff and management on readiness for change. It can also be used as an educational tool to alert municipalities who are contemplating a transformation to the elements that will come into play in managing the transformation.

Road Map to Single Window Government

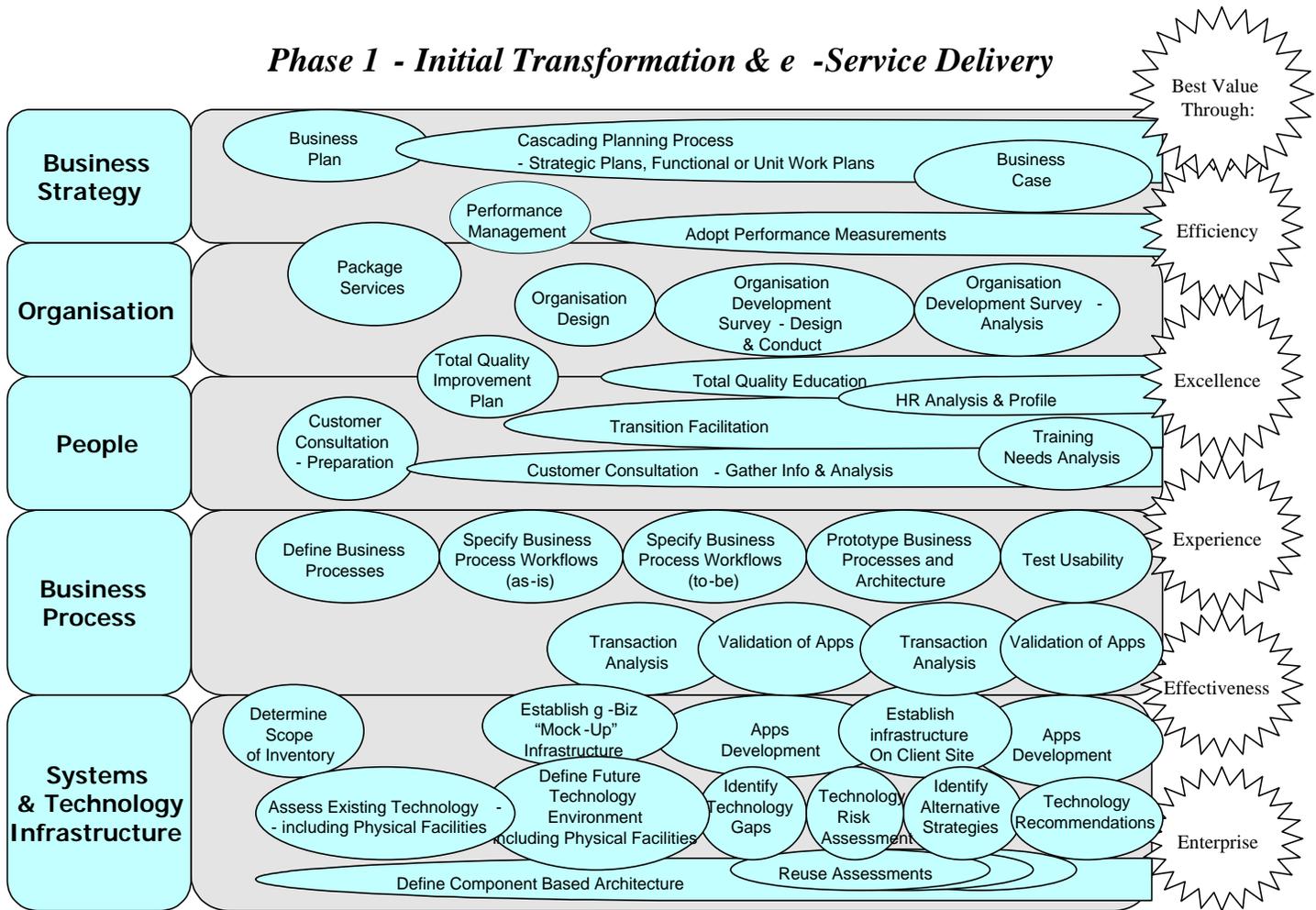
The following diagrams outline an approach or road map as a guide for any organization wanting to prepare for a move to single-window, E-Government. Many municipalities will, no doubt, already be immersed in some of the steps of the 'Road Map'. Others may find they lack the resources to embark on some of these initiatives or may not like aspects of the approach. Undertaking any of these initiatives will help move the yardstick for the municipality closer to a comprehensive transition to single-window.

There are five critical components of the approach: Business Strategy, Organization, People (customers, staff and other stakeholders), Business Process and System and Technology Infrastructure.

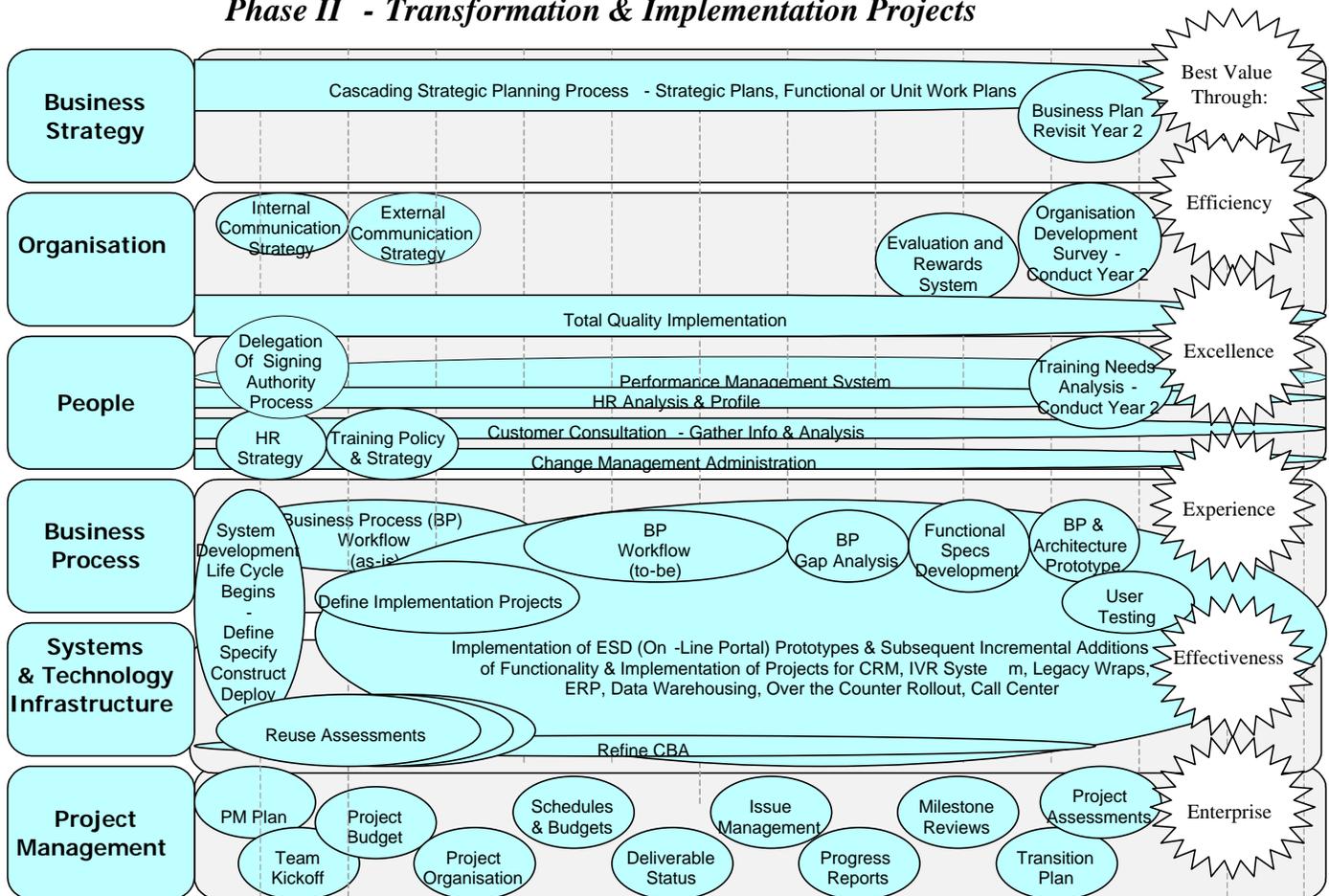
Business Strategy	<i>Establish a shared and confirmed vision and commitment to a Business Planning process as reflected in a 3 year Business Plan.</i>
Organization	<i>Evaluate the organization's strengths and weaknesses in order to set a plan towards building a strong organization capable of reaching its transformation objectives.</i>
People	<i>Establish the foundation that will grow Human Resources (staff) in a Transformation enabled organization. Consult Customers to ensure Transformation plans are continuously aligned with customers needs and expectations.</i>
Business Process (BP)	<i>Define Business Processes required to support service packages to the extent that a reuse assessment against the g-Commerce Component Based Architecture can be conducted. Implementation of Business Process prototypes for identified priorities with high visibility.</i>
Systems & Technology Infrastructure	<i>Assess current technology and systems environment. Establish a desired technology infrastructure model. Adapt the g-Commerce Component Based Architecture to meet customer requirements.</i>

These five components are divided into a number of modules and activities as depicted in Phase I and Phase II in the following diagrams and are discussed in greater detail in this section.

Phase 1 - Initial Transformation & e -Service Delivery



Phase II - Transformation & Implementation Projects



Underlying Functional and Technical Infrastructure

The following schematic attempts, at a very rudimentary level, to outline the functional and technical issues a service delivery organization such as a municipality needs to consider in providing the necessary enablers to support the transition to E-Government. This is true irrespective of whether the channel for dialogue with the citizen is physical (an Over-the-Counter office), or whether it is an electronic form of interface (WEB, Call Centre, Interactive Voice response, etc.)

The function and the purpose

The tools used



NAVIGATION

Signage
Portals
Search Tools
Agent Assist
IVR Menu



SERVICING / SELLING

Enabling the user to actually select the service and proceed to the point where it can be acquired conveniently.

Catalog
Pay Per View
Digital File
Publishing
Partial Paym't
Calendar



PAYMENT

Enabling the citizen to make the payment (where required) in the most appropriate and convenient manner.

Credit Card
Debit Card
Cash
EFT
On-Account



FULFILLMENT

Facilitating the steps whereby the service request may actually be fulfilled by either the service unit itself, or by other agents where that is necessary.

OTC
Canada Post
Outsource
SMPT
XML Stream
ODBC



POSTING

The types of tools (systems and software) that will be used both by the Service entity as well as the fulfilment department to link and integrate to other government systems.

Oracle
Tuxedo
CICS
TIP



REPORTING

The types of tools used to provide information, both operational and managerial, to the various stakeholder departments, as well as to the Service delivery unit itself.

IM
MIS / EIS
Statements

These issues are dealt with again in the Business Process section of this manual.

A More Detailed Road Map

The following section provides greater detail of the rationale and means of implementing the components identified in the Road Map.

A. Business Strategy

A. 1 Strategic Planning

Section 6.1 of this manual provides municipalities with a very thorough guide to conducting a strategic planning process. It provides a model that is clear and simple to use. Worksheets are also provided to facilitate planning workshops. Readers are referred to Section 6.1 for a thorough guide to the process.

However, governments that wish to move to e-Government delivery must be prepared to integrate the e-Government vision with the regular strategic planning process. Accordingly, it is recommended that the municipality focus on the transition to single window government as it moves through the strategic planning process.

A vision statement, outlining the view the Strategic Planning Team has of the organization 3-5 years out at 100,000 feet needs to be developed to give context to the planning process. Transition to single window government and the electronic service delivery initiatives that are part of this process must be reflected within the vision for the organization to ensure consistency of purpose among stakeholders and the elimination of conflicting and competing goals and objectives.

The vision should be lofty, with stretch targets, but not unattainable. **Tip:** developing a ‘contextual’ statement to guide the strategic planning process will be more focused if the ‘Service Model’ and ‘Business Case/Business Model’ are completed first.

Key Concepts:

Integrate the e-Government vision with the regular strategic planning process.

Notes:

Key Concepts:

Integrating the e-Government vision with the regular planning process provides consistency of purpose.

Notes:

A. 2 Cascaded Planning

This process drives the vision, strategic direction (goals and objectives) and performance indicators – down to the level of the front line employee.

The Council and executives envision the possible future, they develop and articulate a vision for the future for the betterment of citizens, and they decide, with input from key stakeholders, **what** needs to be done.

Management transcribes that vision into strategic plans that cascade down through the organization to the business unit level -they figure out **how to do it**.

Every employee in the municipality should see themselves in the mission, vision and strategic plans. If they don't, implementation will be slow and the road will be bumpy. Front line staff must be involved in determining **who**, **when**, and **measurement** of achievement in order to be able to report on achievement of objectives. Much of this process is about effective communication and involves intensive, backbreaking, single-minded driving of the process throughout the organization.

A. 3 Business Plan / Business Case

The Business Planning process will move the Executive (and assigned staff) of the local government through the process of defining, describing and analyzing the existing service delivery infrastructure and help them to determine the desired approach for the future as well as the 'GAP' that exists between the present and future.

Current operating costs, development costs, and future service delivery costs are estimated and various funding scenarios are developed for consideration. This effort is essential if the transition to single window government is to be adequately resourced.

Suggested area for review of funding alternatives include:

- ❑ Analysis of the Human Resource Strategy to determine whether staffing/succession /downsizing plans are going to result in any net savings under the wage bill through attrition and when those are likely to occur
- ❑ Potential savings through rationalization of the physical infrastructure
- ❑ Savings through re-engineering of work processes should amount to a 'minimum' of 25%, (providing that there is sufficient volume in operation to enable the pursuit of economies of scale)
- ❑ Funding available through federal or provincial infrastructure modernization programs
- ❑ Implementation of an 'across-the-board' budget reduction program to line departments
- ❑ Surplus funds on hand that can be earmarked for the transition process.

Key Concepts:

Business Planning: essential to understanding where you are and where you're going.

Notes:

Key Concepts:

Savings from use of less costly channels will emerge eventually – but not within first 2 – 3 years of business case.

An e-Government municipality will be measuring different things than it did before.

Notes:

- Savings from the reduction of any services pursuant to application of the ‘Service Model’ process.

It is recommended that you do not count on savings from customers using less costly service channels. The reason is that the physical infrastructure must be maintained in parallel to new electronic channels. Experience has taught that the migration of customers to less costly channels is evolutionary. The savings will, of course, materialize ultimately. However, expecting savings in a 2-3 year business case is realistic.

Costs to be used in the business case formulation can be based on industry standards adjusted for local needs and anomalies. It is wise to be conservative by building sufficient contingency costs into each development scenario.

Depending on the magnitude of the transition effort, consideration may be given to development of a 5-year business case because benefits realization will increase in time commensurate with the magnitude of change.

A. 4 Performance Measurement And Management

As the transition to single window progresses, monitoring and measurement of results will be impacted in two ways. Firstly, what is to be measured will change.

You will want to measure service volumes by channel, progress toward ESD targets, customer reactions. Secondly, the means available for measurement will improve significantly, enabling enhanced decision-support and executive information.

Integrating the measurement and management system with the Strategic and Cascaded Plans will bring about a comprehensive approach toward planning and measuring the transition to e-Government.

Notes:

Step 1: Establishing Success Indicators

As goals and objectives are established to address Key Result Areas, additional factors must be considered and determined:

- ❑ What is the target date for accomplishment?
- ❑ How will we know when we get there?
- ❑ What measurement are we going to use to determine our progress?
- ❑ Are the systems in place to capture and report the chosen measurements?

In considering each goal and objective, think about:

- ❑ Financial Criteria - What is the targeted savings or revenue generation?
- ❑ Customer Measures – How and by how much do we expect achievement of the goal to impact customers?
- ❑ Internal Processes – What business processes will be impacted and how?
- ❑ Learning and Growth – What result are we expecting in terms of staff learning and growth of the organization?

Key Concepts:

Business Plan



Strategic Plans



Tactical Plans



Individual Work Plans

Notes:

Step 2: Rolling out the Business Plan

The corporate Business Plan, once reviewed and vetted by management and staff, is adopted as the approved “road map” for the organization for the established period (i.e. 3-5 years).

This Plan will be used:

- ❑ By members of the Executive as a guide for carrying out essentially the same planning process within their area(s) of responsibility to derive strategic plans.
- ❑ By managers within their departments/units of activity to develop tactical plans with their staff for their business units.
- ❑ By staff as a guideline to complete their individual work plans.

At each successive level in the planning process, managers and staff will articulate goals and objectives that identify responsibilities that contribute to achievement of the Business Plan. Each successive level also identifies how performance of their unit will be measured.

Step 3: Reviewing Performance Measures

The development of a Performance Measurement System is iterative. This means that measurements at successive levels within the organization are repeated and revisited regularly. The first major review of Performance Measurements created as a part of the Business Plan, will be completed following strategic planning within the divisions/departments/units then again following unit work planning.

The reason for this is that resource requirements, timelines and measures tend to be salted with certain realities as the process cascades closer to the point where plans become reality – i.e. at the front line. The goals, objectives, timelines and measures of success should be revisited following each of these implementation phases. In addition, in a similar manner to the performance review process at the individual level, the business and strategic plans also should be subjected to a regular review schedule. Hence, the entire process should be viewed as dynamic, not static.

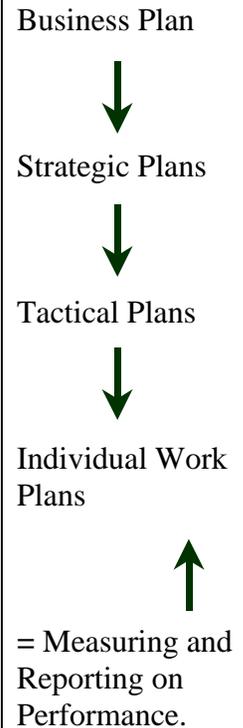
Step 4: Validating the Business Plan

The performance measures and actual performance of the municipality are best validated by comparison with other municipalities recognized as practitioners of ‘best practices’. This process is termed ‘benchmarking’.

Through a rigorous program of comparing the performance targets and achievements with those recognized as being outstanding performers, the municipality can assess whether they are on the ‘right track’ and how they are progressing.

The other essential comparison is ‘year over year’ comparisons within the local government.

Key Concepts:



“Benchmark” to determine how well you are doing.

Notes:

Key Concepts:

Take a long view: plan, measure, follow-up.

Regular teams reviews cascaded up to measure achievement of Business Plan goals

At the earliest opportunity, determine how results will be measured.

Notes:

All of the needed improvements within a municipality are not going to be accomplished within a single fiscal period or two. However, by planning, prioritizing, executing priorities, measurement and follow-up, major gains will be made over time.

Step 5: Measuring

Teams should review the work plans of individual members on a rotational basis so that every individual on the team receives a minimum of 3 work plan reviews per year.

The team should also review their unit or functional work plan 3 times per year. The work plan of the team is, de facto, the work plan of the team leader or manager. Managers should carry out follow-up reviews with superiors following each teamwork plan review. Reviews should be clearly minuted, dated and signed off. The purpose is to ensure that management at all levels is aware of the status of progress on established goals and objectives and agrees on any necessary adjustments to plans and measurements.

To the extent possible, the reporting of performance on goals and objectives should cascade upward through successive levels of management, culminating in measures of Business Plan goals and objectives, based upon established criteria.

During the Business Plan workshop, managers should consider which goals and objectives have performance indicators that can readily be measured through existing systems, (e.g. cost reduction for a business unit measured through the existing financial information system). Consideration should also be given to those performance measurements that can be addressed through the performance review process versus those that require system development to establish measurements that cascade up.

A. 5 Values & Principles

Section 6, Part III, Step 2, 2.2 refers to agreement on “municipal values”. This is a critical component of the road map to e-Government in that a common set of values and principles within the organization provides a framework for decision-making and assists in definition of the context for organizational success. Periods of rapid and extensive change are often manifested in stresses and strains for management and staff as the need arises for rapid ‘course alteration’. Values and principles that are accepted and practiced widely across the organization will serve as a rudder to steady the course during this potentially tumultuous period and thereafter.

It is helpful for an organization to announce what it values so that those who come in contact with it, as well as its own staff, understand the basis for its actions. If the organization does not establish and communicate its values, people are left to ‘infer’ them from organizational actions.

Shared values bind the members of a group together and provide a common path for individual and group efforts. Values jointly shared provide a framework for decision-making, and define the road to personal and organizational success.

In implementing shared values, extensive consultation with staff and other stakeholders is undertaken. To the extent possible, there should be unanimity among stakeholders in regard to the final set of values adopted: they are that important. The critical success factor to effective implementation is the commitment of leaders. Once developed, it is not possible to overdo communication of the organization’s values. The process is somewhat time consuming but pays major dividends in terms of service to the customer, and commitment to the process by staff.

Key Concepts:

Values and principles: the “rudder” to steady the course.

Notes:

Key Concepts:

Staff and customer involvement in developing value statements pay big dividends in customer support and staff commitment.

Notes:**A. 6 Service Model**

Most government organizations have increased service offerings over time far beyond legislated requirements and in some instances far beyond the needs and desires of constituents. Service modeling assists councilors and the executive to challenge service offerings and ensure that resources and efforts are channeled towards well thought out e-Government initiatives. A rationalization process will result in identification on a service-by-service basis of what in their collective opinion the municipality should deliver, what should be managed (i.e. outsourced), and what the municipality should stop delivering.

To the extent possible, information on cost, associated revenues and history/rationale for each program will be necessary for this review.

Step 1: Key Questions

Focus the review on the following key questions:

- Why is the service offered?
- Who is the competition?
- What is the competitive advantage of the authority?
- How sustainable is that competitive advantage?

Step 2: Make Decisions

Make decisions on:

- What to drop?
- What to manage (i.e. outsource)?
- What to deliver?

A. 7 Channel Strategy

Citizens will want to use several different service channels depending on whether they like self-serve or over-the-counter service. Business rules for a service may make it impossible to deliver a service on many different channels.

Through the development of a formalized service channel strategy, customer attributes and service attributes are compared and evaluated, and services developed for delivery on the channel that “fits”.

Channel Options

Single window service delivery channels include:

- Walk-in centres
- Mail
- Call centres
- Interactive Voice Response systems
- Screen Phones
- Internet, including digital television

Ask Questions

A number of questions may be asked:

- What channel does the customer prefer for a given transaction or a set of transactions in a service package? What is the second choice?
- Why does the customer prefer this channel?
- Is the choice of channel time sensitive? (e.g. Would the choice of Web or call centre change if a walk-in centre were open during the same hours?)

Key Concepts:

Ask the hard questions about your current service: why, who what, how.

Customers have certain characteristics and so do service channels: what is the “fit”?

Notes:

Key Concepts:

All services do not fit all channels: understanding characteristics of channels, services and customers is the key.

Notes:

- ❑ Is the desired service or package of services available using the preferred channel?
- ❑ What barriers exist for the organization to make the service available on the preferred channel?
- ❑ What barriers exist for the customer to access the service on the preferred channel?
- ❑ What are the customer’s priorities for improvement?
- ❑ If there is more than one contact required to complete/fulfill a service, what channels are involved?
- ❑ Is there simplicity and is it seamless as the customer moves from channel to channel and window to window?
- ❑ What are the obstacles if a customer steps outside the window they are currently in?

Issues, Challenges and Barriers that stand in the way of the “fit”

Organizational silos	Multiple entry points
Confidentiality restrictions	Navigation
Identification	Authorizations
Fulfillment	System integration

Legacy operating restrictions (e.g. business hours, maintenance time, batch update routines etc.)

The Service Channel Puzzle:

Theoretically, any service can be delivered over any channel. However, it is apparent that not “all” services can or should be delivered over “all” channels in the short term. Therefore, a means for prioritization is needed.

The economics (i.e. cost of development, productivity and efficiencies derived, cost of service) are also consistent across all channels for all services. The attributes among customers are also not sufficiently homogeneous to warrant a “one size fits all approach”. In addition, the business rules for some services may render the development of multiple-channel offerings difficult, if not impossible.

Willingness to review and alter business rules will either enhance or impede the development and implementation of new channels for some services. What is needed is a process that compares and evaluates customer, channel and service attributes and prioritizes services for channel development based on customer preferences and economics.

Lessons learned and *course corrections* in a physical, over-the counter (OTC) service delivery model will assist the municipality to learn the nature of customers, what constitutes good and poor customer service, and understand issues around business rules. Understanding this will result in maximization of benefits when e-channels are developed.

For a more comprehensive discussion of the components of the service channel puzzle, readers are referred to the Appendix attached to this section.

Notes:

B. Organization

B. 1 Organizational Structure & Design

Transition to single window, e-Government will create changes in the way work is completed within the organization, and changes in accountabilities for service delivery and reporting relationships. Consequently, some re-organization within the municipality will be required.

Organization design is a powerful tool available to leaders to signal change. Restructuring of the organization as well as the service delivery infrastructure can serve notice to the public, staff and other key stakeholders that a major change is underway. Since reorganization is such a powerful tool, it is not one to be used frequently or haphazardly.

Rarely will a single organizational design accommodate a large, multi-purposed, multi-faceted organization such as a local Government, with the wide range of responsibility for service delivery. There is no such thing as “one size fits all” in organizational design. Structural alignment decisions need to be based on a clear understanding of:

- ❑ the internal and external environment in which the organization operates
- ❑ mission of the organization
- ❑ strategic direction toward single window and e-Government as established for the organization and the resulting vision that the organization is trying to achieve
- ❑ services the organization provides
- ❑ profile of customers to whom services are to be delivered
- ❑ the channel strategy that the organization has adopted

Key Concepts:

Re-organize with care: Make the new design reflect the vision and direction of your government

Notes:

Notes:

B. 2 Communications – External

In determining an approach to external communications the following should be considered:

- ❑ Creating “Brand” Recognition
- ❑ Managing the media
- ❑ Developing a manual for staff to communicate key messages to customers for specific lines of business
- ❑ Facilitating associated training
- ❑ Link external communications to ‘marketing’ of:
 - New delivery channels (particularly e-doors)
 - New products and services
 - New organization (e.g. delivery infrastructure)

The municipality will need to blend content and delivery of the communications program to address the environment and needs. The following provides a ‘thumb nail sketch’ of the process to achieve this program:

- ❑ review the current communications strategy and approach
- ❑ define necessity, format and technique for the new Service Delivery ‘BRAND’
- ❑ define the customer and determine how to reach him/her
- ❑ develop a communications action plan where appropriate
- ❑ discuss and elicit approval from Council as required
- ❑ activate steps in plan and ensure that adequate resources are in place to follow through.

If done effectively, the municipality will derive a clear brand or differentiator that members of its electorate readily identify with, a strategic approach to media management, and a staff which functions as a delivery mechanism for municipal messages to the public.

The benefits of doing this are:

- ❑ clarity in the brand that differentiates the municipality from other municipalities
- ❑ public recognition and identification with the municipality and its councilors
- ❑ a strategic approach to media management
- ❑ consistency in messages delivered by councillors, and staff

B. 3 Communications – Internal

The informal communication grapevine in an organization rarely supports the change underway. This is particularly true in the face of major transition described here. The organization will therefore develop tactical plans for delivery of an effective internal communications program to ensure that:

- ❑ Successive levels of management and staff receive a consistent and accurate message
- ❑ Management and staff are delivering the correct message(s) to unions and other stakeholders in context with the purpose, objectives, work plans and activities of the e-Government initiatives
- ❑ The free flow of information underlines the pre-eminence of and is consistent with a customer-focused organizational culture.

Staff members, unions, and other stakeholders must all be brought on side with the purpose, objectives, work plans and activities of the transition project(s). A

Key Concepts:

A very senior person becomes spokesperson and keeps all stakeholders informed of progress on a regular basis.

Notes:

Notes:

champion/leader who is credible and has earned the trust of staff is an essential player in the change initiative: this person will deliver updates and key messages to those involved in the change program.

The foci in terms of internal communications include:

- ❑ Promoting the “BRAND” (of Service delivery)
- ❑ Key messages delivered consistently by the leader
- ❑ Establishment of discipline in the internal communications regime
- ❑ Managing the internal “news” network – including the rumour mill

Communications is the most important and time-consuming function in management. If pursued tactically and with discipline, the result will be an improved level of understanding and commitment among staff, improvement in management/staff dialogue, and a clear demonstration of change taking place in the working environment.

C. People

C. 1 Change Management

The most important and difficult element in moving an organization to a radically different environment is the transition required of managers and staff. Leaving the past behind brings with it a host of challenges and opportunities for leaders.

William Bridges from the book Managing Transitions points out that:

.... “It isn’t the changes that do you in, it’s the transitions. Change is not the same as transition. Change is situational: the new boss, the new site, the new team roles, the new policy. Transition is the psychological process people go through to come to terms with the new situation. Change is external. Transition is internal.”

As municipalities go through dramatic changes, problems tend to be multiplied as new systems and processes necessitate greater effort.

Change Management is ***the management of interventions*** and is intended to ensure that members of the organization effectively leave the past behind. Leaders will be required to anticipate the impact of endings and losses that are certain to occur. Losses must be acknowledged and compensated. The past must be treated with respect. Look for and expect grieving, including anger, bargaining to stay in the past, anxiety, sadness, disorientation and depression. The adeptness with which management can lead the organization through this departure phase of the transition will have direct impact on the extent to which planned changes are completed within targeted time frames and with the desired results.

Key Concepts:

Executive leadership shepherds the organization and its people over the bumps in the road.

Notes:

Key Concepts:

Organization development service are “gifts” to managers and staff; they tell you what is going well, and what can be improved.

Ask questions, seek joint solutions, make action plans, act, follow-up and report.

Match staff skills and abilities with new job competency profiles – train to close the gap.

Notes:**C. 2 Staff Surveys/Organizational Development**

The organizational development (OD) survey diagnoses organizational process, policy, human resource and work environment issues that affect staff and organizational performance. Surveying on a regular basis will pay impressive dividends.

Organizational development is a systematic process through which relevant data about the organization and its processes is collected and analyzed and corrective actions planned, implemented and monitored. The specific outcomes sought through an effective organizational development program include alignment of structure, strategy, values and actions, identification of innovative solutions to organizational problems, and establishment of the organization’s ability to develop and renew itself. Further discussion of the benefits of organizational surveying can be found in the appendix of this section.

C. 3 Human Resource Analysis and Profiling

Municipalities need to ensure that their human capital is appropriately trained, motivated and otherwise ‘positioned’ to address future challenges as the organization experiences business transformation.

It is assumed that as local governments embark upon transition to single-window e-Government, many employees will not be ready to perform the functions that will be required as services and processes are re-defined and re-designed and as cultural changes take place within the organization. Hence, there will be a gap between human resource requirements and existing human resource capability and availability. To develop strategies to address this, it is first necessary to identify the magnitude and

characteristics of the gap. To identify this gap, it will be necessary to develop a comprehensive inventory of staff skills and abilities to match against job competency profiles in the new organization.

Local governments will need to take a view of downsizing, staffing up, and training as part of a continuum that ebbs and flows in parallel with a changing organizational culture as catalyst and enabler for continuous process improvement.

Organizational improvements will flow from human resource planning, work process improvement, training and an open communications regime. Moreover, it is essential that a municipality embroiled in a program of rapid change maintain a focus on the aging work force to ensure that there is a combined and integrated succession and training strategy in place. Readers are referred to the appendix attached for further discussion of this issue.

Competency Profiling

A critical enabler for an effective Human Resource Strategy and its component parts -Training Needs Analysis/Training Plan, Succession Plan, Reallocation and Right-Sizing Plan, Staffing Plan - is the development of competency profiles for management and worker positions in the local government.

Competency profiling is important because, as the municipality evolves from a process-oriented to a knowledge-based work environment, the core competencies of those delivering the local government's services will change. The roles of managers will change from 'command and control' to coaches and counsellors whose primary objective is to clear the financial, human, physical and system/information 'hurdles' that

Key Concepts:

Staff the organization to provide good customer service, not to maintain internal power and prestige.

An effective Human Resource Strategy guides hiring, succession planning, staff training and development.

Notes:

Key Concepts:

Match staff skills and abilities with new job competency profiles – train to close the gap.

Training needs analysis focuses on the individual and the organization.

Notes:

prevent front line workers from doing their best. Moreover, the interpersonal, specialized and technical skills that front line workers require in a customer-focused technologically enabled work environment bear little resemblance to those required in traditional government organizations. Core competencies can be developed through a focus group process, with the results subsequently vetted by staff and management.

This information is used in a constructive review process led by the Human Resources section. Once developed, the challenge is to measure existing competencies against the desired future state. It is then employed in staffing actions, especially in succession planning, and as the basis for the training needs analysis.

Training Needs Analysis

Training is one of the essential enablers of ‘business transformation’, communications and technology being the others.

The question is ‘how to identify the training that is essential or necessary to get the job done’ from that which stems from misdirected individual perception or that which would be a ‘nice and rewarding’ experience.

A proper training needs analysis process identifies the training for staff that will:

- ❑ enable the organization to address its mandated requirement
- ❑ enhance the progress of the organization toward its vision
- ❑ assist employees to achieve their full potential and career objectives

- permit the development of a Training Plan that is compatible with the various work schedules within the organization
- facilitate the prioritization of training activities within budget constraints

The Appendix attached presents strategies for developing a training plan.

C 4 Customer Consultation

Section 5.5 of the manual provides guidance for community advisory committees, focus groups and citizen surveys. As a key ingredient in the road map to e-Government, it warrants repetition here. Single window, customer-focused government requires that citizens be an integral part of the processes of planning, delivery, evaluation and re-design of services. Citizens must be engaged in an ongoing dialogue about services, service packages, service standards, and service delivery. They must also be involved in a customer complaints system that expeditiously addresses service problems encountered through each delivery channel.

The private sector needs to consult with customers to maintain their market share. Public organizations also need to know their customers, provide the services that citizen's want, and evaluate themselves based

Citizens know that governments have greater difficulty than the private sector in providing excellent service, but they expect the service to be as good or better, (Citizens First, Treasury Board of Canada). Governments now must work as hard as the private sector to know their customers and to understand the gaps between customer expectations and service delivery standards, satisfaction levels and priorities for service improvement. In fact, since most bureaucracies have expended little effort historically in gathering,

Key Concepts:

Services are re-designed on the strength of citizen input

Citizens expect government service to be as good as private sector service.

Notes:

Key Concepts:

Avoid re-work: build quality into the work process.

Notes:

analyzing and reacting to customer input and have in general cared very little about “delighting their customers”, we now must work “harder” than our colleagues in the private sector to catch up.

It’s all about customers and economics: consulting with customers

Government, like it or not, is in the business of service delivery and as anyone in the private sector service industry will affirm, staying in business is all about “customers and economics”.

The single largest cost factor is the same in the service sector as in the industrial sector: **re-work**. In government, many millions have been expended building and financing processes and systems to correct problems after they have occurred. Unfortunately, this mentality and approach has resulted in most errors being detected after the customer (the citizen) has been engaged. Hence, there are entire work units assigned to recover over-payments to social welfare recipients, to handle referrals and appeals for citizens who believe their taxes have been improperly assessed, and there are massive programs to resolve improperly processed special needs cases and those exiting untrained from the education system. There are no shortages of examples in any government or in almost any government program anywhere in the world.

The answers:

- ❑ Plan and design quality “in” using customer information / Ask the customer up front
- ❑ Train staff to see the world through the eyes of the customer instead of through the eyes of the bureaucracy
- ❑ Institute continuous process improvement based on customer feedback

For greater detail on customer consultation approaches, please see the appendix following this section

C. 5 Total Quality Management

Total Quality Management is a comprehensive and structured approach to organizational management. The approach is premised on a series of quality principles that focus on the enablers and drivers in an organization that lead to success.

These principles tend to be consistent across all total quality management literature, and are well articulated in easily understood terms by the National Quality Institute as follows:

- ❑ **Cooperation, teamwork and partnering**
- ❑ **Leadership through involvement and by example**
- ❑ **Primary focus on clients/stakeholders.**
- ❑ **Respect for the individual and encouragement for people to develop their full potential**
- ❑ **Contribution of each and every individual**
- ❑ **Process oriented and prevention-based**
- ❑ **Continuous improvement of methods and outcomes**
- ❑ **Factual approach to decision making**
- ❑ **Obligations to stakeholders, including concern for responsibility to society.**

Focusing on quality is important for all modern organizations, particularly those with a preoccupation with the provision of ‘excellence in customer service’. The hurdles facing organizations moving toward implementation of electronic service delivery tend to be more challenging due to changing

Key Concepts:

Staff the organization to provide good customer service, not to maintain internal power and prestige.

Notes:

Key Concepts:

Total Quality Management:

- Understanding
- Education
- Training
- Continuous Improvement

Notes:

business processes, changing job requirements, different avenues for interfacing with clients and staff, and an overwhelming need to monitor and measure progress toward the attainment of objectives.

Total Quality Management provides an excellent framework for the devolution of decision-making from management to workers and for changing the role of managers and the management paradigm from 'command and control' to one where managers are 'coaches, counselors and clearers of the path' for workers.

Implementation of Total Quality Management focuses first on '**understanding**' by the most senior leadership in the organization of the essence of Total Quality Management. This is followed by '**education**' in principles and concepts for management and staff. Subsequently, '**training**' of management and staff in the structures and tools to be employed in diagnosis and planning of improvements to deliver '**continuous process improvements**' in all processes within the organization is undertaken.

Many of the other modules identified within this document as important parts of the 'road map' to single window government are integral to the Total Quality Management process. These include planning, communications, customer consultation, staff consultation, continuous training, performance measurement and management.

Implementation of a framework for quality improvement not only provides an overarching approach to implementation of single window/E-Government, but also fosters the development of organizational excellence across public sector entities.

D. Business Processes

D.1 Package Services

A customer-focused e-Government provides services to individuals and businesses in a linked, user-focused manner. A “customer-centric” approach is used to meet a commonality of customer needs. The customer is the starting point when considering services that can be “packaged”. Services to individuals are combined into “life-cycle” events, and business interfaces with government are linked based upon functionality (i.e. in an Enterprise Registry) and enterprise segment (e.g. trucking industry, hotel and restaurant sector).

The appendix at the end of this section provides greater detail of the steps required to build a service package “from the outside in”, that is, from the customer’s perspective. The steps outlined in the Appendix are:

- ❑ Begin with a briefing of the Executive Team
- ❑ Identify and define customer groups
- ❑ Define service packages by target group
- ❑ Conduct customer consultation
- ❑ Define customer target group needs
- ❑ Define service packages by target group
- ❑ Prioritize service packages

D.2 Fast Track to Electronic Service Delivery

To be achieved, the move to e-Government will involve a sustained effort over several years. An approach has been developed that enables early wins in the transition to e-Government and, more particularly, Web-enabled services. Through this approach, prototyped Web-enabled services are developed and implemented through a highly iterative, flexible, fast track software development process. Potential transactions are identified,

Key Concepts:

Build your Service package “from the outside in”: based on customer needs.

Know your customers.

Know which customer wants what service packages.

Notes:

Key Concepts:

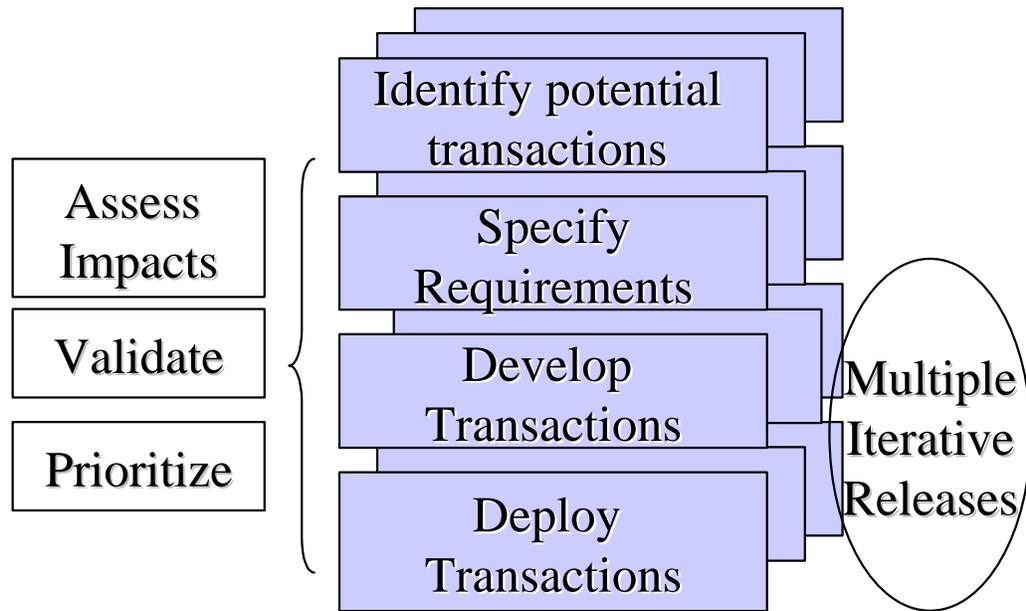
A fast-track software development process will deliver early wins in the transition to e-Government.

Notes:

business requirements gathered and specified, and discrete chunks of Web-enabled functionality are developed and deployed in frequent small releases of short duration. Impact assessment, feedback, validation, and prioritization from the government organization (staff and executives) and citizens are injected into the process throughout, ensuring that the functionality produced is aligned with service goals and customer satisfaction.

The overall approach during this initial implementation of on-line services is to act on quick and simple improvement opportunities while keeping the whole context of business process, customer satisfaction, organization needs and operational efficiency in mind.

ESD Fast-Track Processes



Fast Track Processes can include the following activities and deliverables, depending on the unique constraints and opportunities that every project presents. A step-by-step guide to each of these activities is provided in the Appendix.

Notes:

Step 1 - Plan the Project

- ❑ Confirm Goals and Objectives
- ❑ Organize and Plan Project

Step 2 – Understand the Requirements – Business and Technical

- ❑ Gather requirements
- ❑ Determine opportunities for Web-enabling
- ❑ Define transactions
- ❑ Identify technical infrastructure
- ❑ Conduct Impact analysis

Step 3 - Specify Requirements

- ❑ List features and functions required from the on-line application.
Identify and define the overall business requirements for the on-line store
- ❑ Identify technology constraints and required Web technology attributes.
- ❑ Examine implementation options

Step 4 – Establish infrastructure

- ❑ Look to your IT group to assist you with finding solutions to meet e-Government needs

Step 5 – Prioritize

- ❑ Prioritize to align services with vision
- ❑ Release strategy

Notes:

Step 6 – Design Transactions

- ❑ Align the ‘Look and Feel’ of on-line services with the ‘Look and Feel’ of your Web portal
- ❑ Adhere to a foundation for common business function requirements within the government community
- ❑ Use OPEN technologies for ease of adaptation and integration with the existing system and for ready adoption when new systems are to be implemented

Step 7 – Develop Transactions

- ❑ Develop something today, get user feedback early, modify, get feedback, test on citizen population and users, modify in readiness for deployment.

Step 8 – Obtain feedback – Executive, Citizen-facing personnel, Citizens

- ❑ Involve citizens in testing the transactions

D.3 Business Process Improvement

A Business Process Improvement (BPI) project can be undertaken in parallel with the ‘Fast Track to Electronic Service Delivery’ project. Strategies for conducting a business improvement project are contained in the appendix following this section. An outline of the steps follows below:

Step 1- Plan the Project

- ❑ Look at services holistically
- ❑ Examine why the service is provided
- ❑ Examine ways to improve the service

Step 2- Define Processes behind the services

- ❑ “Asis” workflow
- ❑ Gap Analysis

Step 3 – Where do You Want to Be

- ❑ “To-Be: process workflow
- ❑ Business Process Prototype

Step 4 – Making it Reality

- ❑ Implementation of new processes, architecture and electronic solutions

Notes:

The function and the purpose

The tools used



Enabling the customer (citizen) to identify and select the service(s) desired.

Signage
Portals
Search Tools
Agent Assist
IVR Menu



Enabling the user to actually select the service and proceed to the point where it can be acquired conveniently.

Catalog
Pay Per View
Digital File
Publishing
Partial Paym't
Calendar



Enabling the citizen to make the payment (where required) in the most appropriate and convenient manner.

Credit Card
Debit Card
Cash
EFT
On-Account



Facilitating the steps whereby the service request may actually be fulfilled by either the service unit itself, or by other agents where that is necessary.

OTC
Canada Post
Outsource
SMPT
XML Stream
ODBC



The types of tools (systems and software) that will be used both by the Service entity as well as the fulfilment department to link and integrate to other government systems.

Oracle
Tuxedo
CICS
TIP



The types of tools used to provide information, both operational and managerial, to the various stakeholder departments, as well as to the Service delivery unit itself.

IM
MIS / EIS
Statements

E. Technology Infrastructure

This section contains activities to:

- ❑ Assess your current technology capability to deliver services (transactions) electronically
- ❑ Develop the technical architecture required to build a portal with transactional capability
- ❑ Establish a prototype architecture to “see” your transactions in action prior to going public
- ❑ Develop your Web portal

E.1 ESD Capability Assessment

Assessing the Municipality’s current and planned technology status requires the following activities to be conducted. Details on each of the activities are contained in the Appendix.

- a. **Review Current Technology**
- b. **Review Business Strategy and Planned IT Infrastructure**
- c. **Identify Major Issues, Constraints, and Risks**

E.2 ESD Architecture and Strategy

In this activity, the goal is to develop the target architecture that will enable the Municipality to achieve its service delivery objectives as described in the business strategy, and in business and technical requirements gathering activities. As well, alternative strategies for achieving that architecture and recommendations for selection are noted. The following activities are performed: Further detail on these activities can be found in the Appendix.

- ❑ Define Future Technology Environment & Infrastructure Requirements
- ❑ Assess Infrastructure Standards & Guidelines

Key Concepts:

Develop architecture that enables achievement of service delivery objectives.

Notes:

Notes:

- ❑ Middleware Assess Infrastructure
- ❑ Assess Ongoing and Planned Infrastructure Initiatives
- ❑ Define Target Environment
- ❑ Perform Reusability Assessment
- ❑ Gap Analysis
- ❑ Risk Assessment
- ❑ Identify Alternatives
- ❑ Develop Recommendations

E.3 Establish Infrastructure Prototype

It is recommended that the *ESD Capability Assessment* and the *ESD Architecture and Strategy* activities be well underway prior to establishing the infrastructure prototype for the *ESD Fast Track Processes*. Data gathered and recommendations made in those two activities will provide input to establishing an infrastructure prototype to validate the Web-enabled services that you select. There are robust prototyping tools available with which you can develop functions that are reusable in your initial deployment to the public. The following steps outline in brief the steps to prototyping the technical infrastructure:

Step 1 – Define prototype

In this activity, the technical parameters of the prototype (on-line transaction, application) are defined, including the objective and scope of what it must achieve. How, why, and expected outcomes are articulated.

Step 2 – Prepare Plan

Specify the tasks required to accomplish the prototype. Required resources (both human and technology) must be identified for each task, and an estimated time-to-complete should also be associated with each distinct task.

Step 3 – Establish Prototype Environment

The Prototype environment should ideally resemble the proposed environment as closely as possible. The establishment of any environment requires consideration of the following:

- Hardware
- Software

Key Concepts:

Use prototyping tools to develop reusable functions

Notes:

Key Concepts:

Deal with key issues before developing portal.

Notes:

- Middleware
 - Your IT group or external provider also has to consider such things as transaction management, quality, transaction load balancing, persistence management, and naming services, all from a technical point of view.

- Security
 - Security of data is critical in a government setting. Environment Security Specification must take into account:
 - ❖ User Authentication
 - ❖ Authorization
 - ❖ Encryption
 - ❖ Auditing and Logging
 - Implement Security Administration Framework
 - Test Environment Security
 - Approve Environment Security

- Storage (e.g. databases)
- Standards
- Resources
- Operations Management

Step 4 – Execute Plan & Record Results

The various parts of the infrastructure are tested to validate they work as expected within the whole infrastructure. Sample transactions are executed and followed through the various parts to ensure they function, as they should. The findings discovered as a result of the prototyping exercise are documented and adjustments are made where possible to refine the prototype. After assessing the results, recommendations are made regarding the proposed infrastructure solution(s) in question, and new tasks or approaches triggered by the findings are also brought forward.

E.4 Portal Development

You are now ready to develop your Web presence. Among other things, you have:

Notes:

- Documented business objectives for developing your portal and the services and information offered on that portal
- Identified potential improvements to business processes
- Packaged services from the citizen's perspective
- Identified the target citizen/customer groups and their requirements
- Assessed your electronic service delivery capability
- Developed a target technical architecture
- Established an infrastructure prototype to build transactions ready for deployment on your portal

A detailed treatment of portal development is provided in the appendix. The content below steps readers through portal development approaches in summary format.

Key Concepts:

Make the portal appealing

Smooth navigation, clear organization of material.

Make content interesting and of consequence to customers.

Keep security top of mind.

Notes:

1. First things first.

- Determine user management issues
- Identify integration, aggregation and accessibility issues
- Determine front-end features
- Determine portal ownership
- Determine content and Data Issues

Development of your portal can now begin.

2. Checklist of things to consider when developing your portal.

- Define / understand your goals for creating a Web presence
- Look and Feel
- Structure of site / navigation
- Define the information / services you currently have
- Technology
- Promoting your new site

3. Developing your Portal - Overview

In developing a Web-portal presence, the factors to consider include:

- Look and feel/ Branding
- Navigation/Structure of site
- Information and services definition
- Security Issues
- Technology requirements

Summary – Portal Development

To effectively establish and evolve a presence on the Web, a Municipality's portal will allow citizens to conduct the types of activities that they would be able to do at a counter with a Service Representative. This will encourage citizens to acknowledge the Web presence as a channel for interacting with the Municipality. To provide the ability for citizens to conduct such tasks as paying water bills, registering their children for swimming lessons, applying for a burn permit, etc. and to allow the Municipality to effectively manage these activities, the Municipality's citizen-facing presence on the Web will include content and portal solutions. The shape of those solutions is what the Municipality needs to discover, depending on business objectives and requirements.

Notes:

APPENDIX 1: Organization Assessment Tool: Planning for e-Government

This tool enables the municipality to determine the state of readiness for E-Government. This assessment tool will also help the municipality to identify priorities and the sequence for focusing on each area. The tool should be completed by managers and staff. The perspectives of the two groups will be important for identifying the changes that are required in the organization and the potential barriers to those changes. An outline of the tool follows:

ORGANIZATION ASSESSMENT TOOL: OUTLINE

Leadership and Planning

- Sponsorship
 - Executive
 - Political

- Strategic Planning
 - Values and Principles
 - Mission
 - Vision
 - Cascading Planning Process
 - Performance Management
 - Business Model/Business Case
 - Service Model
 - Channel Strategy

- Leadership in Innovation

- Elimination of Departmental Boundaries

- Promotion of Teamwork

- Open Communications

- Clarity of Authorities/Accountabilities

- Organizational Development Plans

Customer Focus

- ❑ Identification/Stakeholder Analysis
- ❑ Involvement in Planning
- ❑ Extent of Self-Service
- ❑ Involvement in Evaluation
- ❑ Involvement in Re-Design
- ❑ Service Standards
- ❑ Customer Complaints
- ❑ Choice
- ❑ Convenience
- ❑ Control

Staff Focus

- ❑ Competency Profiling
- ❑ Integrated Staffing/Downsizing/Succession Plans
- ❑ Corporate Training
- ❑ Training Needs Analysis
- ❑ Training Plan
- ❑ Labour Relations
- ❑ Performance Management
- ❑ Measurement of Staff Satisfaction

Internal Communications

- ❑ Disciplined Internal Communications
- ❑ Effective Meetings Training
- ❑ Managing the Grapevine

External Communications

- ❑ Plan and Approach
- ❑ Involvement of Staff
- ❑ Media Management

Quality Focus

- ❑ Philosophy
- ❑ Education/Training
- ❑ Continuous Process Improvement Infrastructure

Change Management

- ❑ Appetite for Change
- ❑ Communications
- ❑ Human Resource Policies and Practices
- ❑ Training in Change Management
- ❑ Capture of Innovation

Organization Structure

- ❑ Philosophy
- ❑ Established Remits
- ❑ Focus on Service Delivery

Process Focus

- ❑ Major Processes Defined, Mapped and Documented
- ❑ Key Processes Monitored (to ensure consistency in service delivery)
- ❑ Processes Reviewed Constantly and Improved

IT Infrastructure

- ❑ Hardware/Software Inventory
- ❑ Business Systems
- ❑ Data Bases
- ❑ Architecture Definition (including Security and Interface Architectures)
- ❑ IT Facilities, Organization and Staff
- ❑ Standards and Guidelines
- ❑ Evergreen Plans
- ❑ Strategic IT Plan

Physical Infrastructure

- ❑ Customer/Staff Evaluation
- ❑ Acquisition, Maintenance and Disposal Strategy
- ❑ Access
- ❑ Navigation
- ❑ Health and Safety
- ❑ Ergonomics

ORGANIZATION ASSESSMENT - INSTRUCTIONS

This assessment is a tool available to government organizations to enable them to determine their state of preparedness to begin a service delivery improvement project or to determine the extent to which they have progressed to date. Many organizations wish to move to electronic service delivery to provide greater choice and convenience to their citizens and to achieve reductions in cost. **However, the greatest single reason why such initiatives fail or fail to achieve the potential and desired benefits envisaged is the failure to address cultural issues within the organization.** This tool provides local governments with a holistic review of the organization, including cultural, process and technology issues.

It also provides a means for identifying the specific areas where the organization is well advanced as well as those where some additional effort is required.

There is a possible total score of 100 in each section. The evaluation form can be completed electronically or manually. If completed electronically, (using Excel), the total score of each section will be calculated automatically.

If you do not understand any statement sufficiently to complete the self-assessment, it is advisable to give a '0' for that item.

It is recommended that results will increase in validity if the tool is completed by many people in the organization and all results factored into an average. If lower levels of management or front line staff participate in the evaluation, it may be instructive to aggregate final scores into 3 views:

- Management
- Staff
- Total responses

The perspectives of the two groups will be brought into sharp focus.

In terms of the evaluation results, the following conclusions are suggested:

- 90-100 – The organization is doing very well in this area.
- 80-90 – The organization has some additional work to do, but is certainly headed in the right direction.
- 60-80 – The organization should consider the allocation of additional resources to this area.
- Less than 60 – Consideration should be given to a thorough review of the approaches used in this area. Fundamentals need to be addressed.

THE EVALUATION TOOL

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
Leadership and Planning	Sponsorship-Executive	The CEO and a majority of the Executive understand and are supportive of the cultural and business changes needed to move the organization to an e-organization.	10	
	Sponsorship-Political	The mayor and a majority of the Councillors understand and are supportive of the cultural and business changes needed to move the organization to an e-organization.	5	
	<u>Strategic Planning:</u>			
	Values and Principles	The organization has developed and documented values and principles and its operation is based on these	10	
	Mission	The mission of the organization is clearly articulated and well known	5	
	Vision	There is a well-understood vision throughout the organization of the e-aspirations of the municipality.	10	
	Cascading Planning Process	Strategic plans are expressed through tactical plans that cascade down to the level of individual employee work plans.	10	
	Performance Management	A system is in place to monitor organizational performance to determine whether strategic goals and business objectives are being met.	10	

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
	Business Model/Business Case	A business case with service delivery costs and funding scenarios has been developed	5	
	Service Model	The organization has identified the services it should deliver and those that should be outsourced or terminated.	5	
	Channel Strategy	Consideration has been given to customer preferences, channel attributes and service attributes to derive a service channel strategy for the organization.	5	
	Leadership in Innovation	The Executive is personally involved in innovation in service delivery and ensures that the staff, customers and other stakeholders are aware of their commitment.	5	
	Elimination of Departmental Boundaries	The Executive takes action to eliminate barriers between business units that impede excellence in customer service.	5	
	Promotion of Teamwork	Management continually encourages teamwork through performance management, recognition and training.	5	
	Open Communications	Management ensures that information flows freely throughout the organization.	5	
	Clarity of Authority/Accountabilities	Management ensures that authority to make decisions is consistent with accountability for all processes.	5	
	Sub Total		100	0

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
Customer Focus	Identification/Stakeholder Analysis	The organization knows its customers and knows which services are used by customer groups	10	
	Involvement in Planning	Customers participate in planning and developing services and in service delivery improvements	10	
	Extent of Self-Service	Customers are able to access information and self serve without staff assistance.	10	
	Involvement in Evaluation	Systems are in place to ensure that customers regularly evaluate services and that action is taken based on those evaluations.	10	
	Involvement in Re-Design	Customer input is employed in implementing changes in business processes.	10	
	Service Standards	Service standards are developed and monitored with customer input.	10	
	Customer Complaints	Processes are in place to ensure that complaints are followed up within an established standard time frame	10	
	Choice	Initiatives are in place to ensure that there are many ways for customers to access services.	10	
	Convenience	Steps have been taken to ensure that customers can access municipal services at times and in ways convenient to them.	10	
	Control	Processes have been modified to ensure that customers control the means used to make payments to the municipality.	10	
	Sub Total		100	0

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
Staff Focus	Competency Profiling	The competencies that employees require to excel in their jobs have been identified and documented.	10	
	Integrated Staffing / Downsizing / Succession Planning	Long term, integrated plans to “right size” the organization have been developed.	20	
	Corporate Training	Training and retraining is provided in, among other areas, customer service, team work, computer, business processes and management education.	10	
	Training Needs Analysis	An annual process is in place to identify and provide individual and team training based on job, professional and personal requirements and aspirations.	10	
	Training Plan	A training plan is in place and is being continually implemented, monitored and followed-up.	10	
	Labour Relations	The union(s) is considered to be a valuable stakeholder that is actively involved in planning activities within the organization.	10	
	Performance Management	A performance measurement system that promotes corporate values is in place.	10	
	Measurement of Staff Satisfaction	Staff satisfaction is measured annually at a minimum and the results are used to create an Organizational Development Plan that is regularly monitored.	20	
	Sub Total		100	0

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
Internal Communications	Disciplined Internal Communications	There is a communications plan in place. It is monitored to ensure that there is open, efficient and constant communications at all levels of the organization.	50	
	Effective Meeting Training	Managers and staff have been provided with training to ensure that meetings are of appropriate lengths, focused and result in actions.	25	
	Managing the Grapevine	A process is in place to effectively manage potentially negative communications and communications channels.	25	
	Sub Total		100	0
External Communications	Plan and Approach	A strategy to address external communications is in place and is articulated in tactical terms (i.e. specific objectives and activities, resources and measures of success)	50	
	Involvement of Staff	Front line staff is actively involved in disseminating corporate messages to the public.	25	
	Media Management	The External Communications strategy and tactical plans address management of the media.	25	
	Sub Total		100	0
Quality Focus	Philosophy	Management has articulated commitment to quality services.	20	
		Employees are encouraged to innovate and take risks to achieve organizational goals and objectives.	20	
	Education / Training	Management and staff have received quality education.	10	

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
		Management and staff have been trained in the principles of “quality” management	10	
	Continuous Process Improvement (CPI) Infrastructure	A “guidance team” composed of senior managers is in place to approve and oversee continuous process improvement projects.	10	
		A process for developing, reviewing and approving proposals for process improvement is in place.	10	
		Resources have been allocated to support innovation and continuous improvement.	10	
		A process for working on proposals for continuous improvement and innovation is in place.	10	
	Sub Total		100	0
Change Management	Appetite for Change	Management and staff want the organization to change and are looking forward to it.	20	
	Communications	There are strategic and tactical plans to help the organization and its people to leave	20	
	Human Resource Policies and Procedures	Interim policies and procedures needed to support the change initiatives have been considered, documented and made known throughout.	20	
	Training in Change Management	Training for managers and staff in change management has been initiated.	20	
	Innovation	Mechanisms have been put in place to capture and manage new ideas and innovations that always materialize during periods of rapid change.	20	
	Sub Total		100	0

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
Organization Structure	Philosophy	There is a management philosophy(ies) in place which drives the current organization structure.	40	
	Established Units	The structure, mandates and criteria underlying the composition of business units in the organization are known.	30	
	Focus on Service Delivery	The organization is structured to support excellence in customer services.	30	
	Sub Total		100	0
Process Focus	Major Processes Defined, Mapped and Documented	All significant business processes have been defined and mapped, validated by staff and clearly documented.	30	
	Key Processes Monitored	Performance indicators for all business processes are established, regularly monitored and followed-up.	40	
	Processes Reviewed Constantly and Improved	There are processes in place to ensure that all business processes are constantly analyzed and subjected to continuous process improvement.	30	
	Sub Total		100	0
Information Technology	HW/SW Inventory	Hardware and Software Inventory is available and up to date	3	
		Mainframes and server platforms conform to current industry standards	6	
		Desktop platforms conform to current industry standards	6	
	Business Systems	Business systems share the same customer data.	7	
		Business Systems use a common customer identifier.	8	

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
	Data Bases	Databases are integrated as part of a single architecture.	5	
		Databases have a SQL Interface.	5	
	Architecture definition, including security and interface architectures	Technology architecture addresses business requirements.	5	
		Information architecture addresses business requirements.	5	
		Business systems architecture address business requirements	5	
		IT security addresses business requirements.	3	
		Data and systems architectures have a customer focus.	2	
	IT facilities, organization and staff	There is a single chief IT executive, or Chief Information Officer.	5	
		IT is organized enterprise-wide instead of separately by line of business.	5	
		There is an architecture group addressing IT functions across lines of business.	3	
		The IT section has the capability to undertake major new initiatives.	2	
	Standards and guidelines	Standards and guidelines are complete.	3	
		Standards and guidelines are complied with.	3	
	Evergreen plans	IT inventory has a lease or depreciation period of 4 years or less.	5	
		There is a formal programme for technology renewal.	5	
	Strategic IT Plan	There is a strategic IT plan.	3	

Organization:				
CRITERIA	KEY RESULT AREA	EVALUATION STATEMENT	Relative weight Assigned	Evaluation
		The IT Strategic Plan is linked to the Business Strategic Plan.	3	
		The IT Strategic Plan drives IT initiatives.	3	
	Sub Total		100	0
Physical Infra-structure	Customer/Staff Evaluation	The input of staff has been solicited to evaluate the adequacy of work space.	10	
		The input of customers has been solicited to evaluate the adequacy of space used to provide customer services.	20	
		There has been follow-up on suggestions provided by staff and customers.	20	
	Acquisition, Maintenance and Disposal Strategy	Plans are in place and are followed for the acquisition, maintenance and disposal of physical assets.	10	
	Access	Municipal premises are accessible to the physically challenged.	10	
	Navigation	Good signage is in place to ensure that customers can easily access services.	10	
	Health and Safety	There is an active Health and Safety Committee in place.	10	
	Ergonomics	Steps have been taken to ensure that the working environment is ergonomically sound.	10	
	Sub Total		100	0

APPENDIX 2: Organizational Structure and Design

Notes:

Traditional organizational structures:

- ❑ tend to fragment the organization
- ❑ create vertical communication channels and inhibit horizontal communications
- ❑ insulate service units from one another, ignoring the cross functional requirements of customers
- ❑ prevent business units from sharing their strengths and learning from each other.

Some of the approaches to organizational design are to group people and work units by:

- ❑ customer
- ❑ knowledge or skills – universities and hospitals tend to use this structure extensively
- ❑ work process and function – many manufacturing firms organize themselves in this manner
- ❑ time – used in conjunction with grouping by work process and function to organize work into shifts
- ❑ product or output
- ❑ place – geographical location

There is a place for application of all of these methods; however, for an organization to be citizen centric and customer-oriented, customers and their needs must be given priority.

In addition, there are five predominant structural types to consider:

- ❑ Functional

Key Concepts:

Design organizational silos out of your organization.

- ❑ Divisional
- ❑ Hybrid
- ❑ Matrix
- ❑ Network

Notes:

The characteristics as well as the advantages and disadvantages of each of these types is well known and does not warrant repetition here. Generally speaking, purely functional and divisional organizations have disappeared in favour of matrix organization structures. Network structures have appeared where extensive outsourcing of services has occurred.

However, self-service is not, and will not for the foreseeable future be the only manner in which local authorities deliver services. No single organizational design will, therefore be universally effective. Managers must examine the external and internal environment to identify the design to suit the circumstances.

The design adopted will be most effective if input from customers and employees is sought and utilized. In soliciting the input of customers, staff and management in the redesign initiative, leaders can articulate the vision for the new organization. The organization needs to be **lean, flat and fast**.

As our approach to service delivery reform moves to a format where customers help to design systems and procedures, customers self-serve, customers evaluate the service (on-line), and customers assist with re-design (i.e. “continuous process improvement”), **client/customer perspective** as mentioned above, must be kept front and centre.

In view of these objectives, it is essential that information and data are easily available throughout the organization. This means that we must ‘build in’ as **few silos** as possible. “No” silos would be preferred; however, as soon as an organization chart is drawn with lines of authority, responsibilities and accountabilities, the natural human tendency is to move toward a “command and control” mentality. Only through training, teamwork and vigilant and progressive **leadership** will the negative impact of silo-ed thinking be driven out, or at least minimized.

Self directed work teams and the placing of decision-making at the staff level are most appropriate ways to ensure an organization that is reactive to customer needs, essentially delighting the customer. Organizations like this realize the benefits of continuous process improvement, and react quickly to the market place and opportunities made available through innovation.

Performance reporting is absolutely integral to the success of an organization. If a local government is to be lean and efficient, it is essential that the new organization be structured around data flow and workflow:

- ❑ Eliminate hand-offs, redundancy and re-work
- ❑ Structure in a manner that reflects the logic and interrelationships of the work and the needs of customers.

(Note: No attempt will be made in this document to describe a step-by-step process for organization design, since that design would, of necessity, follow an analysis of the current structure and extensive validation of the future vision for the organization with the leaders. However, the following “Guiding Principles” are presented for consideration:

Key Concepts:

Structure to simplify work process.

Notes:

Notes:

- ❑ The organization should be designed to effectively deliver the services necessary to meet its mission, goals and objectives rather than to accommodate individuals. Never design an organization around incumbent managers. Managers are simply too mobile.
- ❑ A regional system should provide the same or similar core services in each region.
- ❑ Responsibility for specified tasks should be assigned to the lowest level of the organization at which there can be found sufficient ability and information to carry them out competently. In that way, the organization will make most efficient use of its resources.
- ❑ Duplication and fragmentation of roles and responsibilities should be avoided.
- ❑ Clear delegation of authority, sufficient to carry out assigned tasks, should exist for all responsibility centres.
- ❑ The degree of decentralization (and centralization) should be based on environmental forces outside the organization, its history, size and growth, and internal characteristics such as the work to be performed and the philosophy of management.
- ❑ The span of management, which gives consideration to the variety of functions and nature of the services delivered, should reflect a desire to keep management costs at a minimum while providing effective support and control.
- ❑ The number of management levels should be kept to a minimum with no one-on-one reporting relationships.
- ❑ Each employee should be accountable to one supervisor on a line basis. Employees need to understand that they can and will report on both a line and functional basis, and the differences between the two. This is essential as the move to e-services occurs.
- ❑ The structure should reflect the primary responsibility of managing divisional programs effectively within available resources.

APPENDIX 3: Staff Surveys/Organizational Development

Notes:

Staff surveys can be implemented using off-the-shelf tools such as the *Campbell Survey*. The exercise is extremely valuable in terms of measuring staff attitudes toward the organization and management and in setting the course for corrective action. However, these formal tools tend to be expensive to sustain year over year.

The major benefit of the process is achieved through very simple “add-on” questions to the statistical portion of the survey and the debriefings on a team basis that follow the surveys. Staff views are obtained through a diagnostic exercise to identify the root problems of the symptoms frequently identified during the surveys. Staff and management then work together to identify solutions, time frames and assignment of resources.

Management involvement is critical. Neglecting to do this will render the process sterile, to the point where response rates will be reduced to a level where the process becomes a waste of time for management and staff. A comprehensive program of debriefings, organizational development planning and follow-up “report cards” will avoid a sterile process, ensure that problems and concerns are addressed, and result in a healthier organization.

This methodology also provides assistance in shaping and molding a development program for middle managers. There is a danger that staff input can be misused to ‘purge’ the system of those managers deemed incapable of leading the organization over the anticipated hurdles as rapid change occurs. This is a pit fall to be avoided as it can quickly undermine the entire process. There are other, more effective means of addressing a ‘middle management problem’ that will not compromise the organizational development survey

Notes:

process. The most effective way of addressing this problem is training and coaching those managers who require it.

Organization Development and Change Management are inextricably intertwined. The origin of the two processes must be at the top: with the Executive. The organization must be viewed as a living organism and as such guided, nurtured, evaluated and constantly subjected to course corrections. Understanding and diagnosing organizations is essential if the gains made, as the organization becomes customer-focused and moves into the world of electronic service delivery, are to be sustained.

APPENDIX 4: Human Resource Analysis and Profiling

Analyzing and addressing the gap between human resource requirements and current human resource skills can be complicated by the fact that some organizations are over-staffed. For many years organizations (arguably public more so than private) espoused a “bigger is better” ethic during which they acquired more employees than needed, especially managers. In an environment where funding was relatively easy to access and a monopoly existed, growth in numbers of employees went largely unnoticed. Moreover, as a symbol of prestige and power, senior managers were highly motivated to maintain numbers at excessive levels.

Thus, the challenge becomes more than matching staff available to the requirements of the re-invented organization. Steps must be taken to ensure that the numbers of managers and staff are commensurate with delivering outstanding services to the customer on an economical basis.

The scarcity of resources and the need to identify sources of funding to fuel business transformation needed to enable survival adds complexity to the situation.

However, the experience of literally thousands of organizations that have attempted to accomplish these objectives by means of a “short term” approach have generally resulted in short term cost reduction followed by long term woes. Part of the problem has been that the reason for staff reductions has often been cash shortages as opposed to elimination of the gap between needs and resources available. Research into organizations that have embarked upon downsizing using a short term, quick hit approach has shown that these organizations did not improve organizational performance.

Key Concepts:

An effective Human Resource Strategy guides hiring, succession planning, staff training and development.

Notes:

Key Concepts:

Roles of managers will change; roles and skills of workers will change to reflect new service delivery methods.

Notes:

It is also essential that a Human Resource Strategy be based on the strategic direction of the organization.

Once operational, an effective strategy will serve to guide succession planning, staff development, and staff acquisition/downsizing.

This information is needed to implement the tactical plans that will be instrumental in moving the organization towards achievement of its vision and in determining the extent to which there is a business case, which in turn will dictate the speed at which the vision can be realized.

This part of the road map provides a comprehensive set of interrelated processes designed to help the local government identify:

- ❑ those employees who will exit the organization during the transition period through retirement and who are also considered ‘mission critical’;
- ❑ incumbents who will not be required in their present positions due to outsourcing, elimination of unnecessary work, re-engineering of work processes;
- ❑ employees who have the aptitude and desire to accept new responsibilities or replace exiting staff who will be needed in the organization;
- ❑ foreseen vacancies where timely staffing action is required.

APPENDIX 5: Training Needs Analysis

The process to develop a training plan is as follows:

- ❑ provide data from succession planning to identify those incumbents exiting the work force together with identification of those with the interest and aptitudes to replace them
- ❑ provide human resource needs by position type based upon the business plans of the organization
- ❑ identify the 'core competencies' for all categories of positions in the organization
- ❑ provide a comprehensive history of training experiences by individual
- ❑ enable identification of prioritized training needs by individual based on a self-assessment against core competencies for the position occupied as well as for the next position in their career path
- ❑ provide for vetting of the self-assessment through a 360-degree review.

Locate sources of information that will provide facts and opinions to define training precisely. Look for information here:

- ❑ customers
- ❑ policies
- ❑ laws
- ❑ management practices
- ❑ budgets
- ❑ financial results
- ❑ annual plans
- ❑ schedules
- ❑ procedures
- ❑ equipment/hardware
- ❑ systems/software
- ❑ performance appraisals
- ❑ productivity reports
- ❑ departments
- ❑ work groups
- ❑ informal cliques
- ❑ physical environment
- ❑ specifications

APPENDIX 6: Consulting Customers: customers and economics

Organizations are moving swiftly toward implementation of what they believe to be less costly “electronic service delivery”. Depending on the service in question, the implementation of live operator tele-services can typically reduce the cost of delivery ‘over-the-counter (OTC) by 25%. Automated tele-services (i.e. Interactive Voice Response) can reduce OTC costs by 75%. Web-based services can reduce OTC costs by up to 99%.

However, those who rush head long into electronic service delivery without first establishing open channels of communications with their customers will almost certainly exchange physical silos for electronic ones. Now, instead of the customer being required to ‘run around’ physically, they must ‘run around’ electronically. Unless customer communications strategy and structure are firmly established, new channels of service delivery mean new ways for the customer to ‘run around’ to chase down government services. Potential cost savings will be forgone. In the worst case scenario, costs can increase if the customer does not take advantage of the new, less expensive channel that the organization has just expended scarce resources to construct. More importantly, the citizen will not be delighted with the service. Ideally, organizations that wish to reduce costs and delight their customers will attempt to establish a culture where:

- the customer helps to plan the systems and processes through which they access desired services;

Notes:

- ❑ the customer navigates through the e-Government network solo and actually carries out the transaction on their own;
- ❑ the customer evaluates the transaction, the process or the entire system on-line and submits their evaluation electronically; and
- ❑ the customer provides input to the system re-design.

All modern service organizations, including governments, must invest in customer consultation and quality if they are to survive. The citizen will accept nothing less once they realize that it is possible and that they deserve it.

What Information to Gather and What to Measure:

Step 1: Clarity on Services

First, the organization will need to be clear on the services that they provide to the public and who their customers are. These are deceptively simple issues to raise, but may require some work to identify unless a stakeholder analysis and ‘grouping’ process has been completed, and service packages have been defined. When embarking on effective customer consultation, it is advisable to segment customers into appropriate target groupings to enable communications that relate specifically to services received and that are therefore important to both customer and the municipality.

For example, it may be useful to divide services, data and customers into 3 major groupings – those relating to land, those relating to enterprises, and those relating to individuals. Further analysis of the services provided within these sectors may disclose that some services are accessed

Notes:

sequentially to achieve an end result. In such instances, any evaluation associated with any one service may have little relevance, since it is the ‘service package’ to which the customer relates the service experience.

Step 2: Choose Consultation Method

Once customer groupings and service packages have been identified, consideration is needed with respect to the form of customer consultation most suited to the process, service and service delivery vehicle. For example, an advisory committee structure, interview process, and/or focus group regime may be deemed appropriate to assist in the planning of physical or electronic architecture or for process re-design. Customer comment cards, exit surveys and annual telephone or mail-out surveys may be most appropriate to define customer service expectations and satisfaction levels.

Step 3: Determine service satisfaction

The following service features would commonly be evaluated in determining customer satisfaction with government services:

- accessibility
- waiting time
- service time
- knowledge of service representative
- completion of service or quality of service
- physical facilities

It is important to ensure that whichever service features are selected for benchmark measurement and evaluation, that they are repeated at designated intervals, using consistent criteria.

In addition to an appropriate mix of service features, opportunities may also be presented through customer consultation to gather demographic data, although care must be taken not to be too intrusive. A significant response rate is always high on the list of critical success factors for customer consultation.

APPENDIX 7: Business Processes

Step 1 – Executive Briefing

An understanding of the “service packaging” concept, particularly from the citizen (customer) perspective, is essential at all levels of the municipality, starting at the CAO/ Executive level. The commitment of Senior Management is key to the success of linking services for improved service delivery to the citizen.

A Workshop is recommended to:

- a) Prepare executives and process owners;
- b) Brainstorm ideas, following steps below
- c) Assign resources to gather data about citizens’ needs, as required

A Follow-up session is required to:

- d) Prioritize service packages
- e) Select processes that support service packages for “process improvement”.

In preparation for the Workshop:

- Prepare a list of services to citizens and businesses provided by your Municipality
- Obtain results from Stakeholder Analysis

Understanding who your customers (citizens) are and what their needs are is integral to packaging services. The Stakeholder Analysis that the Municipality has already performed is a starting point for gaining that customer knowledge. There will be other opportunities in this process to solicit customer feedback.

- Obtain Business Plan already prepared by your Municipality
- Create “Service Package Concepts & Process” presentation

Key Concepts:

Know your customers.

Notes:

Notes:

- Create agenda
- Invite participants

Step 2 - Define Target Groups

Who are you serving? Do you know who your customers (citizens) are? Using brainstorming techniques, note all of the possible groups of citizens based on common needs. Start by:

- Segmenting the citizen population you serve into major distinctive customer groups, for example:
 - (1) Enterprises/businesses,
 - (2) Individuals
 - (3) Users of GIS services

- Identifying Target Customer Groups within each segment
 - (1) Businesses - e.g. car dealerships, law offices, construction companies
 - (2) Individuals – commuters, new home owners,
 - (3) Users of GIS services – home owners, law offices, hikers, off-shore drilling

Step 3 - Define Service Packages by Target Groups

- Identify services to outsource or drop.

At the time of reviewing Services or Service Packages with Executive Stakeholders at a Municipality, services need to be reviewed to determine which non-mission critical services may be candidates for outsourcing, or which ones may not be providing the Municipality with a sustainable competitive advantage, in other words, there is no sound reason to continue delivering some services. This examination of services is a valuable exercise, because it will eliminate from the list those services that will be provided by a third party, or be dropped entirely, and therefore will not be considered as part of your service delivery.

- Identify Service Packages by Life Episodes

‘Life episodes’ or ‘Life events’ are particularly useful because services can be related that help the individual citizen – **people** - achieve specific goals, thereby providing meaning and connectedness to the citizen. Some examples are:

- Lost wallet
- Going away
- Moving house
- Learning to drive
- Child to enroll in school
- Marriage
- Having a baby
- Pensions and Retirement
- Death and Bereavement
- Looking for recreation
- Buying a car
- Getting a driver’s license
- Looking for a job
- Complaints about services
- Looking after someone
- Buying property

Key Concepts:

Know which customer wants what service packages.

Notes:

Key Concepts:

Consult individuals, the business community in general and special interest groups.

- Identify Service Packages by Events

For **enterprises**, relate services by 'Events'. The events may be:

- Opening a Restaurant
- Purchasing commercial property
- Opening a Convenience Store

Step 4 - Conduct Customer Consultation

The approach to gathering feedback from customers needs to consider who the customer is, i.e. a business, an individual, or users of geographical services. Therefore Customer Consultation needs to be adapted to the major groupings, or segments, of customers, as follows:

Enterprise Consultation

- Interview businesses
- For each type of business (e.g. car dealer, restaurant owners), interview at least 2 businesses
- Use questionnaire to gather data.
- Document a customer process map depicting activities, documents and information required of the customer, points of contact with government, information required from other levels of government, other agencies or the private sector

Note: You can create your own questions and documentation if an external consultant is not being used for this exercise.

People Consultation

- Interview customers one-on-one or in focus groups to determine their experience with various services, or service packages
- Use questionnaire to gather data.

- Document a customer process map depicting things and information required of the customer, points of contact with government, information required from other levels of government, other agencies or the private sector.

Note: You can create your own questions and documentation if an external consultant is not being used for this exercise.

Consultation with primary users of Geographical Services

Geographical Services might include digital mapping, land title registry, and property assessment. Generally, it is not individual citizens who use these services, but specific kinds of businesses or associations such as housing developers, realtors, property appraisers, financial institutions, paralegals and lawyers.

- Set up an Advisory Committee with participation from these businesses or associations
- Use questionnaire to gather data.
- Document a customer process map depicting activities, documents and information required of the customer, points of contact with government, information required from other levels of government, other agencies or the private sector.

Note: You can create your own questions and documentation if an external consultant is not being used for this exercise.

Ongoing Customer Consultation

- Further to these initial customer consultations, ensure customer feedback loops wherever and whenever feasible. This can be achieved in a variety of ways:

Key Concepts:

Set up ongoing customer consultation strategies.

Notes:

Notes:

- ❑ Ask for citizen comments (e.g. Exit Surveys – brief, few questions) at Over-the-Counter Centers or on your own Web site
- ❑ Conduct ongoing customer focus groups
- ❑ Ensure that each Service Package addresses all customer concerns for specified needs.
- ❑ In larger Municipalities, name a Customer Liaison for each major Target Customer Group. Each liaison works with a designated Customer Group, relaying information on needs back to the department(s) responsible for service delivery. (Customer → Customer Liaison → Feedback to service delivery).

Step 5 - Define Target Groups (based on Customer feedback)

- ❑ Update Target Group definitions using customer feedback.

Based on Customer Consultation, describe customer needs, objectives, complaints, and usage patterns of services. As well, describe real-life examples of the customer experience to illustrate areas for improvement.

Step 6 - Define Service Packages by Target Group

- ❑ Update the initial Service Packages using customer feedback.

Add or delete or modify services that meet customers' needs. These services are internal and external, as well as future. Consider opportunities to integrate processes of other local governments, central government, other agencies, and the private sector with that of the Municipality.

Step 7 - Prioritize Service Packages

- ❑ Classify the Service Packages using criteria such as:
 - (1) Complexity to delivery (e.g. crosses departments, crosses different government entities)

Notes:

- (2) Complexity to the customer

- (3) Mandatory, or not. For example, is this service legislated?
 - Review service packages with Executive Stakeholders and prioritize.
 - Obtain direction on the “Top 10” service packages for further definition.

Summary – Packaging Services

You now have a key signpost in the road map to e-Government. You know which service delivery areas to focus on for electronic service delivery, regardless of the channel through which the services are delivered. You will decide in the Channel Strategy exercise which services should be delivered On Line, Over the Counter, Call Center, IVR, from the customer’s perspective. You now know which processes you will select for improvement and automation.

APPENDIX 8: Fast Track to Electronic Service Delivery

Notes:

Step 1 - Plan the Project

- Confirm Goals and Objectives

In your Business Planning exercise, your Municipality would have articulated its electronic service delivery, or e-Government, vision and goals. This vision may be a joint effort with other Municipalities and Service Nova Scotia. Now that you are planning implementation you will want to examine the vision and goals, and identify objectives and critical success factors to include in your e-Government project. If your objective is to provide services on-line to the citizens you serve, the project you will be implementing is a Fast Track to Electronic Service Delivery.

- Organize and Plan Project

1. Assemble the team

- Establish a project manager position, internally or externally, to ensure your project is successful. If your Municipality has teamed up with other Municipalities and other government entities, a project manager to coordinate activities across government groups is essential. If you are working with an external provider for project management as well as business requirements and technical needs, verify their project management standards for quality assurance.
- The ‘fast track’ team consists of
 - Project Manager
 - Lead technologist

Notes:

- Business analyst(s)
- Process owners in the Municipality
- Application Analyst(s)
- Application Developer(s)
- Citizen representative(s)

2. Identify activities required to fulfill the objectives of the project.
3. Create a project plan with dates, resources, time durations assigned.
4. Review plan with Executive Stakeholders

Step 2 – Understand the Requirements – Business and Technical

- Gather requirements

Interview those within your organization who are responsible for delivering services – front office and back office personnel, process owners and technical personnel – to obtain descriptions of how services are delivered today, including any that may already be Web-enabled. If your Municipality is very small, this might be quite obvious. However, documenting how services are currently delivered, even at a high-level, will be useful as you proceed.

- Determine opportunities for Web-enabling

If you have engaged an Information Technology company to Web-enable your services, a business analyst from that company would work with process owners in your organization in identifying content and transactions that could be placed on line. The external provider may have already developed or acquired functionality, rather than creating it from scratch.

Some of the **Customer Facing** services to consider are:

- Electronic forms
- View & purchase catalog products on-line
- Make bill payment by credit card
- Frequently Asked Questions (FAQ)
- Link to other Web sites

Notes:

- Allow external applications to ‘jump’ into the middle of *on-line transactions* from an external location
- On-line tutorials, or wizards to assist with learning or decision making

Some of the **Fulfillment** services to consider are:

- File generation
- Report generated automatically
- Batch update to another application
- Immediate on-line update to another application
- Log an unsuccessful update to another transaction
- Generate report of unsuccessful updates to another transaction
- On-line cross validation to another application or system

Web technology tools that can enable these and other services are listed below:

The function and the purpose

The tools used



Enabling the customer (citizen) to identify and select the service(s) desired.

Signage
Portals
Search Tools
Agent Assist
IVR Menu



Enabling the user to actually select the service and proceed to the point where it can be acquired conveniently.

Catalog
Pay Per View
Digital File
Publishing
Partial Paym't
Calendar



Enabling the citizen to make the payment (where required) in the most appropriate and convenient manner.

Credit Card
Debit Card
Cash
EFT
On-Account



Facilitating the steps whereby the service request may actually be fulfilled by either the service unit itself, or by other agents where that is necessary.

OTC
Canada Post
Outsource
SMTP
XML Stream
ODBC



The types of tools (systems and software) that will be used both by the Service entity as well as the fulfilment department to link and integrate to other government systems.

Oracle
Tuxedo
CICS
TIP



The types of tools used to provide information, both operational and managerial, to the various stakeholder departments, as well as to the Service delivery unit itself.

IM
MIS / EIS
Statements

□ Define transactions

An application analyst takes the data gathered by the business analyst and defines and categorizes the transactions – simple to do, medium, complex – depending on the technical infrastructure in place or to be installed in the near future. (See Establish Infrastructure)

□ Identify technical infrastructure

A technical analyst takes inventory of your existing infrastructure (servers, communication network, operating system, interfaces) to understand what exists today and what is required to enable you to reach your e-Government goals. (See Establish Infrastructure)

□ Impact Analysis

Assess impacts of implementing on-line transactions on various aspects, such as: citizen, service packages, business processes, technology, organization, and delivery channels. The goal of establishing transactions on-line is to improve and enable service delivery to citizens, to streamline processes, to reduce costs and efforts where possible. Therefore, the ability to complete a transaction electronically is considered in context of the benefit that it will provide.

Notes:

The table below gives you a guideline to assess whether or not you are aligned with your e-Government objectives:

	Perspective	Questions
When	After initial identification of potential transactions	Assess impacts as soon as potential electronic transactions are identified, in order to eliminate undesired candidates early.
What	Mission and Key Result Areas (KRA)	Does the on-line transaction align with mission and KRA?
	Service Package	Does the transaction fit into a Service Package? What is the overall e-capability of the Service Package?
	Priority	Is the transaction a high priority to the citizen? It may not fit into a Service Package, but should be included for implementation because it is high priority.
	Business Process	Has the “as-is” Business Process been defined, at least high-level? What changes are required to the Business Process with the implementation of this on-line transaction?
	Channel Strategy	Does electronic transaction align with your Channel Strategy?
Who	Citizens; Businesses	Does the transaction provide effective interaction between citizens, businesses, organizations and partners?
	Media Strategy	How will citizens be informed of this capability?
	Citizen-facing personnel	Will training of your personnel be required?
	Back-office personnel	Will changes be required to back-end systems and processes?
	Organizational Structure	Does the organization support services delivered on-line? What needs to be added/changed to support?

Impact analysis enforces the integration of key aspects of ‘Transition to Single Window Government’, as follows:

- **Business** - business analyst and Municipality representatives (business process owner, technical analyst, citizen liaison) has investigated the business process, system and citizen impacts
- **Cultural, organization, people** - cultural architect has investigated alignment with priority, mission and key result area(s), channel strategy, organizational structure, training needs of customer-facing personnel
- **Technical - application** analyst has defined and confirmed the transaction as a firm candidate for on-line development; lead technical architect will know what infrastructure and technical environment are required to develop the transaction.

Notes:

Step 3 - Specify Requirements

- List features and functions required from the on-line application. Identify and define the overall business requirements for the on-line store, such as:

Identify requirements for:
• Bilingual Support
• Hours of Service
• Graphical Presentation
• Anonymous users
• Security
• Tax calculation
• Methods of Payment
• Support
• Notifying partner that payment collected
• Links to Accounting/Financial
• Reporting
• Automatically generated Receipt e-mail
• Other requirements

Notes:

- Identify technology constraints and required Web technology attributes.
- Examine implementation options

Step 4 – Establish infrastructure

Your Information Technology group, or external IT provider, looks at the capabilities of electronic service delivery (ESD) solutions in the market place to meet your e-Government needs. Infrastructure requirements are provided by the IT group, and presented to your procurement process for approval and purchase. Pre-production testing and demonstration of the selected Web-enabled services can take place if (a) technical infrastructure and test environment is in place; or, if not (b) if the IT group/provider has already developed the capability to build a prototype and demonstrate the transaction.

This step is presented in fuller detail in the Section E *Technology Infrastructure*.

Step 5 – Prioritize

- Prioritize

Prioritize with Executive Stakeholders to determine which transactions are in line with their Vision and Key Result Areas for service delivery to their citizens.

- Release strategy

Develop a release strategy that incorporates your priorities, ease of building prototype or test transactions, technology infrastructure in place, implementation options. Each release proposed will list the transactions to be developed, and development and user acceptance work effort expected.

Step 6 – Design Transactions

The IT group/provider that you choose for Web development should have a software development methodology it follows to develop what you have specified in previous steps. A few principles that you want the software developers to follow are:

- ❑ Align the ‘Look and Feel’ of on-line services with the ‘Look and Feel’ of your Web portal resulting in a common ‘face’ to your citizens, regardless of the particular government service or product requested
- ❑ The interaction between citizens and government fall into one or more components of the Shop Cycle: Navigate, Purchase, Collect, Fulfill, Post, Inform. Each transaction is matched to appropriate component(s) in the Shop Cycle
- ❑ Adhere to a foundation for common business function requirements within the government community
- ❑ Where possible, use OPEN technologies for ease of adaptation and integration with the existing system and for ready adoption when new systems are to be implemented

Notes:

Notes:

Step 7 – Develop Transactions

The intent here is not to illustrate the development phase of the software application development cycle. That is the domain of your IT group or external IT provider. However, it is necessary to advise that an iterative development process is preferable, whereby there is heavy user involvement. The user is your front-line personnel and citizens. Rapid development methodologies take the approach of ‘develop something today, get user feedback early, modify, get feedback, test on citizen population and users, modify in readiness for deployment. This approach fosters ownership of the service delivery within your Municipality, transfer of knowledge about the transaction, rapid time to delivery, and conscious media management.

Step 8 – Obtain feedback – Executive, Citizen-facing personnel, Citizens

It is recommended that your personnel and representatives from the citizen population you serve participate in testing the transactions throughout the various stages of the software development life cycle. The idea is to expose these new transactions early to your stakeholders or their representatives to confirm their viability as a mechanism for service delivery. Some transactions will not stand scrutiny. This is seen as a positive, providing early opportunity to examine variations or to abandon without further effort.

APPENDIX 9: Business Process Improvement

Business Process Improvement

Step 1 – Plan the Project

A Business Process Improvement (BPI) project can be undertaken in parallel with the ‘Fast Track to Electronic Service Delivery’ project. The scope of the BPI project is the whole service delivery process, not just the parts that you Web-enable. This kind of project examines why a service is provided, how all parts of it can be improved, including manual processes. Looking at the processes holistically, with involvement from front-line personnel and citizens, as well as back office staff, can result in connecting up services where previously there was runaround.

Step 2 – Define Processes behind the Services

- “As-is” workflow

Describe the current workflow prior to Web-enabling services. In the ‘Fast-Track’ process, business process definitions specifically address workflow around the new on-line transactions to be deployed. If your objective had a wider business process improvement scope, business process definition would incorporate *all* aspects of service delivery – manual processes, other systems and technologies used in delivering services, and so on. In either case, you want your IT group/provider to address the processes that support delivery of service and how the processes change because of the implementation of on-line transactions. These process changes impact how your Municipality is organized, skills required of your personnel, training needs, and so on, addressed

Key Concepts:

Look at all parts of a service to find improvements.

Notes:

Key Concepts:

Describe current workflow.

Describe future workflow.

Notes:

throughout this document.

□ Gap Analysis

A gap analysis is performed between the business requirements for the new processes (future state) and the existing process. This analysis will highlight the issues and constraints, providing input to designing new processes to support the new transactions.

Step 3 – Where do you want to be

□ “To-Be” process workflow

During the **design** phase, various factors are considered when designing improved processes, such as:

- Business goals for service delivery,
- Feedback from citizens and businesses
- Disconnects in the service delivery processes
- Duplication of effort
- Excessive manual processes
- Bottlenecks and relationships
- Resources, skills and training, and so on.

Workflow activity diagrams of the “To Be” processes are developed, gap analysis is performed between the current processes and the “To-Be” processes, and proposed solutions and architectures are developed to meet the needs identified by the gap analysis. These are verified with process owners, executives and citizens. Alternatives within the entire business process that supports a Service Package may be developed, and decisions are required

from the Municipality prior to prototyping the new processes, on-line services and automated functions.

□ Business Process Prototype

Business process improvements are integral to implementation of e-Government – otherwise local government faces the obvious risk of automating very poor processes. The approaches employed to ensure that appropriate processes are automated are as follows:

- Business processes within the organization and interfaces with external agencies or other governments that currently support the services being delivered are examined.
- The current processes are juxtaposed against the service objectives to identify opportunities for improvement.
- Based on priorities, these are then developed into business process and electronic transaction prototypes.
- Re-engineering tools are applied to develop prototypes that are customer focused, cross-functional and efficient.

A prototype is created to showcase the new processes and technology-enabled solutions. This prototype could be purely conceptual in nature (e.g. architecture) or could have elements that can be demonstrated (e.g. Web-enabled transactions). The point is to communicate to the Municipality stakeholders, and to your citizens, the ‘workability’ of the proposed solutions. This ‘proof of concept’ improves your understanding of the proposed solutions allows for modifications prior to implementation, and provides a decision point for going forward with implementation.

Key Concepts:

Create prototype to demonstrate feasibility.

Notes:

Step 4 – Making it Reality

Key Concepts:

Form an implementation team.

Notes:

Understand current technology infrastructure: be prepared to use it in new ways.

- Implementation of new processes, architecture and electronic solutions

During **implementation**, representatives from all of the impacted organizational groups and Municipalities form an Implementation Project Team. Empowered representatives from the IT provider and/or external service provider, departments, human resources, customer-facing front office personnel, back office personnel, corporate communications, management, other levels of government and citizen groups may all be involved. Changing the way your organization delivers services to your citizens has far reaching impacts, both internally and externally. Implementation is a collaborative effort, and all impacted groups need representation and a mandate to execute the new processes successfully.

In fact, implementation may be considered a project onto itself. There are many activities, such as:

- Realign organization
- Create and conduct a training session on new process(es)
- Create support program for processes, application, interfaces as required
- Test on-line services with front-line users and citizens
- Test automation and connection to back-office processes
- Test integrated redesigned processes – staff, on-line, front to back office automation
- Make it Reality - Go Live!

APPENDIX 10: Technology Infrastructure

It is inevitable that some amount of updating with respect to tools and technologies will be required as Municipalities move toward e-Government. This does not necessarily demand the acquisition and implementation of new tools and technologies. However, it will likely require using the existing infrastructure in new ways. Accordingly, the organization will need to understand the current technological capability in order to identify what needs to be addressed to achieve its vision for the future. This work results in the development of an architecture and strategy focused on electronic service delivery (ESD).

Assessing the Municipality's current and planned technology status requires the following activities to be conducted.

a. Review Current Technology

- ❑ Inventory of Computer Hardware / Software
- ❑ Inventory of Communications Network Hardware
- ❑ Assess Security Architecture
- ❑ Assess Standards & Guidelines
- ❑ Assess Inventory of Business Systems
- ❑ Assess Inventory of Data Stores
- ❑ Identify existing Interfaces (User, Enterprise and Data Base)
- ❑ Inventory Physical Facilities, Organizational Structure, Staff
- ❑ Review IT Budgets, Plans and Current activities

Key Concepts:

Develop architecture that enables achievement of service delivery objectives.

Notes:

Notes:

b. Review Business Strategy and Planned IT Infrastructure

c. Identify Major Issues, Constraints, and Risks

An ESD capability assessment incorporating these main areas of focus provides a Municipality with an understanding of its current technological capability to deliver services electronically. This assessment is provided as input to producing a target architecture and e-Government strategy.

APPENDIX 11: ESD Architecture and Strategy

Notes:

In this activity, the goal is to develop the target architecture that will enable the Municipality to achieve its service delivery objectives as described in the business strategy, and in business and technical requirements gathering activities. As well, alternative strategies for achieving that architecture and recommendations for selection are noted.

The following activities are performed:

- **Define Future Technology Environment & Infrastructure Requirements**

Review Business and IT Strategic Plans. Interpret the findings of the business analyst's efforts - highlighting those business requirements that affect infrastructure design decisions and recording how identified requirements impact technology.

- **Assess Infrastructure Standards & Guidelines**

Identify and understand any standards related to technology, which must be adhered to within the service delivery project initiative. Capture and understand any constraints or guidelines imposed on the technology team when designing proposed infrastructure solutions.

- **Assess Infrastructure**

Understand the existing technical infrastructure – software, hardware, interfaces, facilities management, operations management procedures, resource responsibilities, standards, security, etc.

Notes:

❑ **Assess Ongoing and Planned Infrastructure Initiatives**

Research, identify and understand other ongoing, related initiatives within your organization. Where appropriate, alignment with another initiative may occur, justifying the establishment of a consolidated solution better accommodating both initiatives.

❑ **Define Target Environment**

Establish an early view of the proposed or target infrastructure at a high-level by assessing the information gathered around the factors influencing infrastructure design.

❑ **Perform Reusability Assessment**

Determine those processes in an existing infrastructure that are candidates for reuse in the new, proposed infrastructure.

❑ **Gap Analysis**

Identify all aspects of the proposed architecture that will be new or changed as a result of this project initiative, and cannot be addressed through reuse of objects in the existing architecture.

❑ **Risk Assessment**

Identify and communicate risks associated with the proposed architecture and recommend approaches for addressing identified risks.

❑ **Identify Alternatives**

Identify the implementation options that may be considered in deciding how the future technology environment may be achieved.

❑ **Develop Recommendations**

Recommend an approach to achieving the target architecture from among the identified alternatives.

APPENDIX 12: Portal Development

Notes:

Portal Development

You are now ready to develop your Web presence. Among other things, you have:

- ❑ Documented business objectives for developing your portal and the services and information offered on that portal
- ❑ Identified potential improvements to business processes
- ❑ Packaged services from the citizen's perspective
- ❑ Identified the target citizen/customer groups and their requirements
- ❑ Assessed your electronic service delivery capability
- ❑ Developed a target technical architecture
- ❑ Established an infrastructure prototype to build transactions ready for deployment on your portal

1. First things first.

There are some requirements or issues (listed below) that you will want to address prior to developing your portal. These issues may require attention prior to actual selection of Web portal tools as they may impact the selection process itself. Giga Information Group advises that it may be smart to deal with these issues first.¹ And, as well as attending to these issues, realize that regardless of the available functionality of the portal, the portal itself cannot address the quality of the underlying content and services that will be exposed.

¹ Giga Information Group, Don't Rush Enterprise Portal Decisions, IdeaByte RIB-102000-00197, Kathleen Hall, October 23, 2000

Issue	Requirements to be determined
Determine user management issues	<p>What privileges are assigned to a user.</p> <p>What content a user can access.</p> <p>What will the roles be for content providers and content receivers.</p> <p>What are the variations amongst these groups.</p>
Identify integration, aggregation and accessibility issues.	<p>What content, data and services that must be integrated, aggregated and accessed.</p> <p>What are integration points between portal and other solutions, e.g. directory services.</p>
Determine front-end features.	<p>What front-end features are required, for example, personalization and collaboration.</p>
Determine portal ownership	<p>Who will own each portal and be responsible for deciding what the portal will contain and how it is structured?</p> <p>With multiple portals, what group will ensure consistent presentation, effective management and operations?</p>
Determine Content and Data Issues	<p>What data and content can be presented?</p> <p>What implication does privacy legislation have on the content and data?</p> <p>Have the content and data been validated for accuracy and timeliness?</p> <p>Who would perform the validation, initially and ongoing?</p>

Development of your portal can now begin.

2. Checklist of things to consider when developing your portal.

1. Define / understand your goals for creating a Web presence
 - a. Difference between government e-commerce and private e-commerce

2. Look and Feel
 - a. Includes colors, graphics, layout, typeface, navigation tools
 - b. KISS principle, appealing and recognizable
 - c. Understanding the broad audience you are building for
 - d. General ease of use, placement of images and media
 - e. Readability of content
 - f. Are there any defined standards for Look & Feel, accessibility within the government that must be considered

3. Structure of site / navigation
 - a. Don't necessarily structure by hierarchy, but provide a site map with this type of navigation
 - b. Structure by Services offered
 - c. Smooth logical navigation, clear organization
 - d. Levels of information (keep it to 3 levels)
 - e. Search functionality – format to provide this is (search across different content sources – db, text files, etc)
 - f. Links to other sources/sites
 - g. Registering with Search engines – choosing key terms and phrases to represent your site

4. Define the information / services you currently have
 - a. Decide which must be provided on-line in some format
 - b. Offer content (information and services) that are of interest and consequence to the user, consider Copyright issues
 - c. Consider how often it needs to be updated, who maintains the information and what is their technical knowledge (from using Office, Internet to Web dev tools)
 - d. Approval process for placing information (new, updated, deleted) on the Web (Champions)
 - e. Consider a phased-approach to creating a Web presence
 - i. Prioritize the services and information to provide on-line
 - ii. Provide them in an organized, planned deployment
 - f. Contacting you directly
 - i. Providing good contact information
 - ii. CRM (Citizen Relationship Management)

Notes:

Key Concepts:

Make the portal appealing.

Notes:

- g. Security Considerations
 - i. Authentication – How do you verify a person is who they say who they say they are? This is particularly important when sharing personal information such as registrations of birth, marriages or displaying financial information such as balances left on an account. One way is to identify “shared secrets” between the citizen and the Municipality.

5. Technology

- a. Choose a development technology
 - i. Time to market
 - ii. RAD (Rapid Application Development)
 - iii. Budget
- b. Identify internal resources (Project Manager, etc) and their level of experience
 - i. Retaining a Webmaster
 - ii. Identifying resource required to keep information on the site updated
- c. Identify requirements for outside resources (consultants)
 - i. Define roles and responsibilities
- d. Choose a consulting partner
 - i. Level of experience with technology
 - ii. Project Management knowledge/expertise
 - iii. Resources available
 - iv. Knowledge of government programs and services
 - v. Rates
 - vi. Reference of similar scope and size
- e. Identify Budget
 - i. Software and development tools
 - ii. Security software
 - iii. Licensing issues
 - iv. Contractors
 - v. Webmaster

6. Promoting your new site**3. Developing your Portal - Overview**

In developing a Web-portal presence, the factors to consider include:

- Look and feel/ Branding

Defining the look and feel for the portal is an important process in portal development. The portal must be appealing and recognizable, easy to use

and have content that is readable by a broad audience. Look and Feel includes the consideration of colors, layout, typeface, and navigation tools as well as the placement of images and media. It is important to identify early if there are any current standards for look and feel and in particular accessibility. Standards are important to define so that users can be ensured access to the services and information on-line.

□ Navigation/Structure of site

Navigation is a primary issue in portal development that is part of defining the look and feel of the site. The portal must have a smooth logical navigation and clear organization. It is important not to define a navigation structure necessarily by the government hierarchy, but to consider a structure aligned to the services and information offered on-line. Navigation levels should be kept to a reasonable level and search facilities need to be considered that expand different content available on the site (databases, documents, etc...).

Personalization and links to other sites are also considered at this time.

□ Information and services definition

Deciding what information and services to provide within the portal and to what level of functionality is the primary requirement for Portal Development. Consider content that is of interest and consequence to the audience keeping in mind that not all information and services translate to an on-line format easily. Prioritize and provide services and information in an organized, planned deployment process.

Some of the services defined will be e-commerce services. Some of the requirements to identify are:

Key Concepts:

Smooth navigation, clear organization of material.

Make content interesting and of consequence to customers.

Keep security top of mind.

Notes:

Key Concepts:

Reliability and availability are important.

Notes:

- Shopping sales cycle
- Payment processing
- Posting to legacies
- Reporting

As the information and services are identified, document the administration requirements of this content. Consider how often it needs to be updated, who is responsible for keeping it updated, content expiration rules and approval processes. Furthermore, identify where and when notification of expiring content rules and processes is required.

□ Security Issues

The services provided on-line will help identify the security requirements for the portal. How the information and services are provided, personalization and registration capabilities and content administration processes must be considered and defined. Security issues also extend to the technology used and where the Web portal resides in relation to any back-end systems accessed by the on-line services.

□ Technology requirements

Building a portal that is highly reliable (availability, downtime), is scalable (easily supports a growing number of users) and is secure is vital. Choosing a development technology that supports these concerns must be considered in relation to the content provided.

Consider the time to market required, the budget identified for

software, hardware, internal and external development and support resources. Look for a consulting partner with a high level of experience and knowledge of government programs and services.

4. Developing your Portal - Detailed

For the purpose of customer-facing interactions, **Web content management** solutions would be focused in the areas of Web-site content and e-Government transactional content.

Guidelines to consider in developing your Web presence are:

□ **Look and Feel**

To be consistent each page contains these components:

1.	Logo	Contains whatever Logo the Municipality wishes to show on its portal.
2.	Session Links Log	This displays the list of links that has taken the user to a particular point. The user can use this Links Log to link back to any point in the list.
3.	List of links	This contains a dynamically created list of links. The links that will show are dependent upon whether the user is anonymous, has been identified as a member of a group or has loaded their personal profile.
4.	Portal Logo (Header)	One of the methods that each portal can use to give it an independent look and feel. In this space the portal/page/department can put its

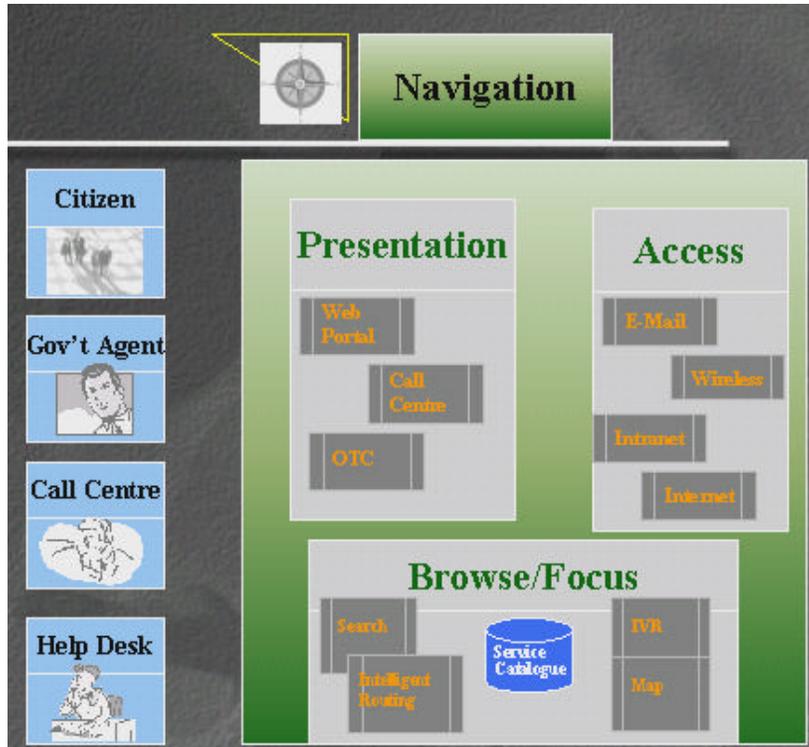
		own logo or header.
5.	Group Buttons	One of the ways for a user to identify themselves and thus limit the number of links that show. A user would click a group to bring up a template indicating the services that are used by that group. For example an individual that does not want to fill out a personal profile can click on the "Individual" group to bring up the template of the list of links normally used by an individual.
6.	Personal Profile Button	A person that wishes to may fill out a personal profile that will allow the list of links to be customized to show only those that are of importance to that user.
7.	Chat Button	A button that will load a chat in the content frame or a list of chats in the list of links. (Future)
8.	Content Space	The frame in which all the portal content will be contained and displayed to the user. This is another component that will be customizable by the portal management tool that will enable the portals to have an independent look and feel.
9.	Search Element	The component that will allow word and theme searches to be performed.
10	Footer	Component that will allow the Municipality to display information at the bottom of each portal. One idea may be to run banner ads of upcoming events at the bottom of each portal.

There are also tools that help with ‘Look and Feel’, such as:

- A **design template** lets your internal Web administrators put text or graphics onto a blank form. The template automatically "marks up" the content according to pre-defined rules. This gives a common look and feel to the site and enables the separation of form and content — a key concept for allowing easy content reuse.
- **Dynamic content** means that content is continually refreshed to provide new or updated information to attract new viewers, and to keep viewers returning to the Web site.
- **Personalization** of content is the tailoring of information for a particular site visitor or category of visitors. It can range from general profiling based on business rules to targeting specific components on the page based on user behaviour or demographics.
- **Consistent Design.** Content design can be addressed using tools that are specifically designed to ensure uniformity in format, style, layout, etc. Content may also be addressed through the definition and adoption of standards throughout the municipal government departmental units. Uniformity and consistency on content (form and style) is ‘automatically’ assured in every instance.

Notes:

- **Navigation/Structure of site**



Determine architecture requirements to present, fulfil and deliver various services.

- **Logical Steps**

The Portal structure can be designed to represent logical steps to the users (customer-facing personnel, citizen, etc.), but each of these steps would accommodate the data gathering, transformation and 'linkage' needs to either external systems (i.e. Payment validation services), internal systems (i.e. Registry applications), or to other components to forward this data to the appropriate down-stream business processes.

- **Clean visual appearance**

Provide a clean and uncluttered technical and visual appearance that allows for predictable navigation by a Web site customer.

By having a consistent template embedded into the Content Manager tool and by defining certain styles that are to be followed it can be assured that the portals will have an uncluttered and pleasant look and feel for the user.

- **Web site map**

Include a Web site map. Many styles of Web site mapping are possible and your IT provider will provide you with various options to choose from.

- **Information and Services definition**

For Service Definition, see *ESD Fast Track to Electronic Service Delivery*.

For Information content, there are many aspects to consider. A few are listed below:

- **Mobility** is the movement of content between back-end systems as well as between trading partners.
- **Portability** refers to the formatting of content so that it can be transported and processed easily by receiving applications.

Key Concepts:

Standard security mechanisms: part of Web architecture.

Notes:

Notes:

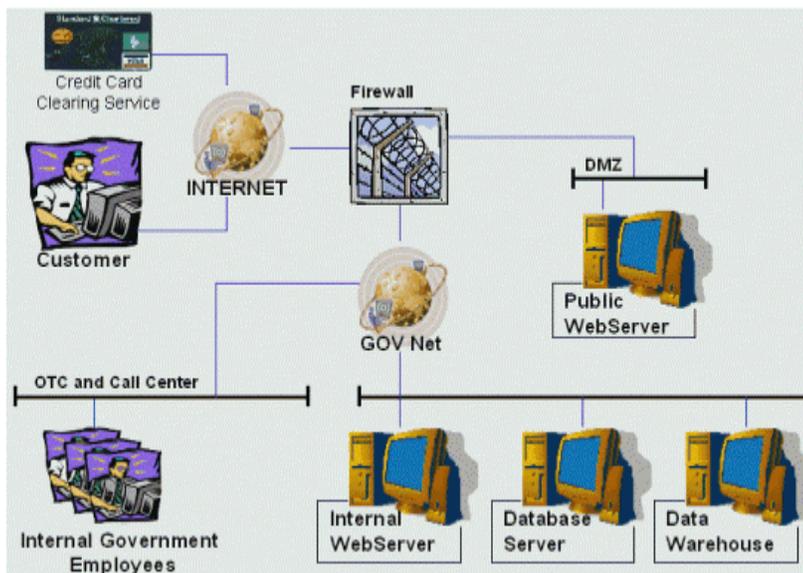
- **Publishing** system must be able to render and present content for each targeted channel, being aware of the capabilities of each channel. This means that if you have a call center, you may want your call center staff to see more or different information than those accessing the Web external to your organization.
- Allow portal front-ends to be **loosely coupled with back-end systems**, processes and other Web enabled functions and sites, e.g. interfaces to new and legacy systems across multiple computing environments, whereby changes in the front or back-end will not affect the other.
- Consider **linking** organization-wide content and document management, for structured and unstructured information, and linked with Municipality's document and records management tools, where this possible.
- Portal is capable of **accepting "plug in"** Web software modules to support extensible functionality such as survey forms, payment infrastructures, etc.
- **Forms creation** should be a core function of the Web software. **Payment taking** and movement of the resulting data becomes part of the core functional modules of the architecture.

□ **Security Issues**

Notes:

Each Municipality, regardless of size, needs to describe its portal and content management security needs for interactions, transactions, and financial transactions, in relation to confidentiality, integrity, and availability.

A typical environment would look like the illustration below. In the illustration, the public enters the Portal via the Internet to a Web Server in the DMZ (De-militarized Zone). Access via this method is anonymous, and the user is not challenged to authenticate. All users coming in via this access point can see only those products, services and departments that have been designated as ‘public’.



Your Web architecture should contain standard security mechanisms and a firewall environment. Internal government employees access the site via the internal Web Server. All

Notes:

access to this server requires authentication. This can be via Microsoft authentication based on the users logon to the LAN, or it can be a basic HTTP authentication. The user is then shown the specific products, services and departments that are attached to the individual and personal profiles that they are permitted to define and use. Additional authentication is possible through the use of certificates although care must be taken when incorporating this feature given that certificates can be explicitly browser-dependent.

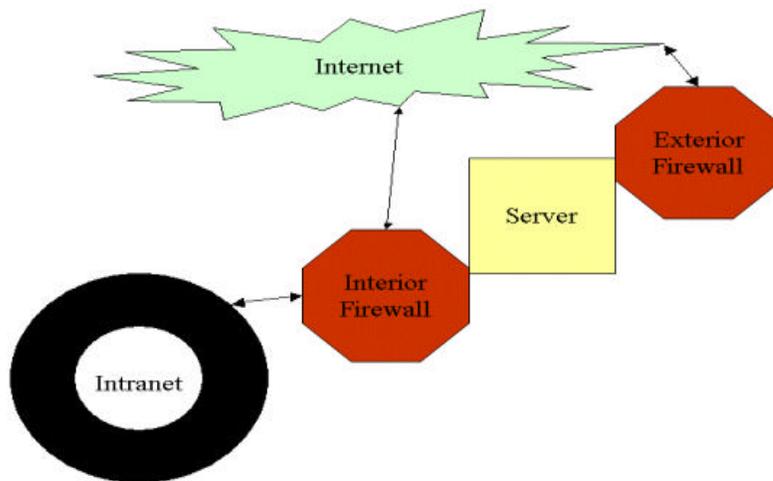
Note that all users may share access to the same Database server (and data), but the behaviour of Web software application changes depending on each user's permissions.

There are a number of methods available to ensure the security and the method used will be dependent upon the type of transaction and the parties involved.

It is recommended that the security scheme for each transaction would have to be decided upon on a transaction-by-transaction basis. The one clear necessity is that the various servers should reside behind at least one firewall, and a configuration of double firewalls is steadily becoming a popular option.

The first firewall prevents an intruder from hacking into the server. In the event that someone should succeed in hacking into a server, the second firewall prevents the intruder from gaining access to the remainder of the network. This is sometimes referred to as a DMZ (De-Militarized Zone) configuration and is shown in the diagram below.

Notes:



It is sometimes difficult to convince a user (citizen) that a Web enabled transaction is secure; sometimes there must be a certain amount of a “trust me” relationship. In dealing with government it is generally easier for the user to acknowledge that trust relationship because if something goes wrong they know “where to find you”. Frequently the addition of a notice on the Web site stating that it is secure is enough information. Conversely, by providing too much insight into the security methodology, the user may become a potential hacker to the site. It is often best to keep security schemes on a “need to know” basis and rely upon the “trust me” factor from the user community.

Notes:

□ **Technology Requirements**

Pure Play portal products are typically more off the shelf and they work well with standard data types and with common applications. They can be a good choice for intranets or simple extranet portals. They typically offer built-in features for personalization, full-text search, automatic categorization, collaboration and the ability to integrate functionality from common applications within the enterprise.

An **infrastructure** portal makes it easier for an application to access platform services for integration, workflow, transactions and other complex services. Giga defines comprehensive components of an infrastructure portal as:

- A transaction engine
- Facilities for application integration
- Metadata definition and management
- Content Management and personalization
- Information broadcast / notification
- Query, reporting and other business intelligence integration
- Workflow, business-process integration and collaboration facilities
- Security²

² Giga Information Group, Enterprise Portals: What Defines Portal Infrastructure?, Ideabyte RIB-062000-00244, Mike Gilpin, June 26, 2000

Summary – Portal Development

To effectively establish and evolve a presence on the Web, a Municipality's portal will allow citizens to conduct the types of activities that they would be able to do at a counter with a Service Representative. This will encourage citizens to acknowledge the Web presence as a channel for interacting with the Municipality. To provide the ability for citizens to conduct such tasks as paying water bills, registering their children for swimming lessons, applying for a burn permit, etc. and to allow the Municipality to effectively manage these activities, the Municipality's citizen-facing presence on the Web will include content and portal solutions. The shape of those solutions is what the Municipality needs to discover, depending on business objectives and requirements.

Notes:

Section 6.5

Benchmarking

INTRODUCTION

In the past decade the terms “Benchmarking” and “Best Practices” have been used almost synonymously as they have become part of the language and culture for both private and public organizations. For many organizations, benchmarking and best practices have become a cornerstone of their success, which in turn has created even greater interest in these processes.

The simple definition of the term benchmarking is a standard of performance. That standard may be one established by the municipality as a goal to aspire to, or the standard may be one established by looking at other municipalities to see how they are performing in a specific area.

There is no great mystery to benchmarking or best practices. It is a simple concept that has been used since the beginning of time for those individuals who strive to improve and become the best in their field.

Picture if you will a caveman crouched at the riverside scooping up handfuls of water to drink because he has a long day of hunting ahead of him and he knows he will get thirsty. Our caveman looks up and notices that one of his companions has made a cup out of an animal’s horn to carry water for the hunting trip. He’s found a way to bring the river water with him to use later in the day. Our caveman considers the benefits of such a handy device when he notices that another one of his companions has fashioned a pouch of animal skins and he’s filling it with water and tying it to his waist. This is benchmarking in it’s simplest terms, looking at how others are doing the same task. When our caveman considers the alternatives and decides that the skin pouch is the better of the two options because the water is less apt to spill, and it’s easier to carry, then he is deciding which of the two methods for carrying water is the “best practice”.

This combination of benchmarking and best practices is a process we can use to our advantage in just about every aspect of our daily lives. It is a process that we use all the time, but we have probably never considered what it was called before.

Demystifying the concept

Benchmarking for municipalities is the same basic idea. It is the continuous process of identifying, adapting and implementing the practices and processes that can result in improved performance. It is a learning process primarily, that involves measuring the gaps, first between your municipality and the best performing municipality, and second, between current performance and previous performance.

Quite simply, benchmarking involves the process of:

- examining how we do certain things,
- examining how other people do those things;
- review each process,
- take mental notes on how they do it,
- compare it to the way we do it or others do it,
- determine which way we think would be the best way (best practice) of doing it for ourselves,
- implementing the best practice for ourselves, and
- once implemented, begin the whole review process again.

WHAT DOES BENCHMARKING DO?

What can a municipality hope to accomplish by establishing a benchmarking process? Benchmarking enables a municipality to define what it could accomplish, set goals, and develop a realistic plan for achieving those goals.

What can Benchmarking do for you?

- **Connect goals to results:** Benchmarking can enable a community to develop measurable outcome indicators relating to each specific municipal department or function, and identify the section responsible for each goal. The process helps develop clearly defined long term goals for each section, and provides a mechanism for attaining those goals.
- **Build an inventory of Municipal Data:** Information is key to improving performance. Benchmarking enables an organization to gather relevant data, identify areas where data is currently unavailable or incomplete, and develop procedures for acquiring the desired data
- **Use the data to achieve goals:** Making use of the data collected in the process of benchmarking enables municipal governments to assess the progress they are making towards

accomplishing tasks, and achieving their goals.

For private and public sector organizations benchmarking focuses on how to improve any given business process by exploiting a “best practice” rather than merely measuring the best performance. It is this exploitation of best practices that result in the best performance. Studying best practices provides the greatest opportunity for gaining a strategic, operational and financial advantage.

It is an example of a continuous improvement tool that can:

- Provide meaningful performance information;
- Improve strategic planning and provide an assessment of the organization’s strengths and weaknesses;
- Establish challenging performance goals and stimulate better financial management;
- Foster implementation of best practices and lead to increased efficiency in the use of resources; and
- It promotes the emergence and evolution of a “learning culture” throughout the organization, a key to continuous improvement, total quality and competitiveness over the long term

As noted, benchmarking is linked very closely to strategic planning, as it provides the long-term focus of the organization to become the best in their class. It also provides the action plans for implementing the results of the study to achieve the strategic goals.

For further information on Strategic Planning and its value to your organization, please refer to Section 6.1 of this document.

There is an extensive body of research and literature on benchmarking, while the literature is varied, and at times specific to a particular situation, there are elements that are applicable to most situations. Rather than recreating an extensive review on benchmarking, the purpose of this guide is to present an overview on benchmarking, its benefits, procedures, methodologies and direction for further study.

WHY SHOULD MUNICIPALITIES BE CONCERNED?

In the private sector, the bottom line of profits and losses, market share, growth potential etc. are the driving forces for the private sector to incorporate the benchmarking process as part of their ongoing

business culture. The rationale for the private sector, is therefore quite straight forward, it is a matter of survival.

For municipalities, the rationale for including the benchmarking process are a little different, but never the less, just as important. Although municipalities do not have the concern of competition, there is an electorate and politicians who have an expectation of quality service while maintaining a reasonable tax rate. Therefore, benchmarking becomes an invaluable tool for municipalities to enable them to do more with less when they incorporate the best practice throughout their municipality. There is a growing realization that increasing taxes is not a viable option. Increased grants from upper levels of government to municipalities is not a likely event in the foreseeable future. The argument that one does not have the time or resources to deal with benchmarking is akin to a lumberjack facing a large stack of wood to cut saying that he has too much wood to cut to take the time to sharpen his dull saw blade.

TYPES OF BENCHMARKING FOR MUNICIPALITIES

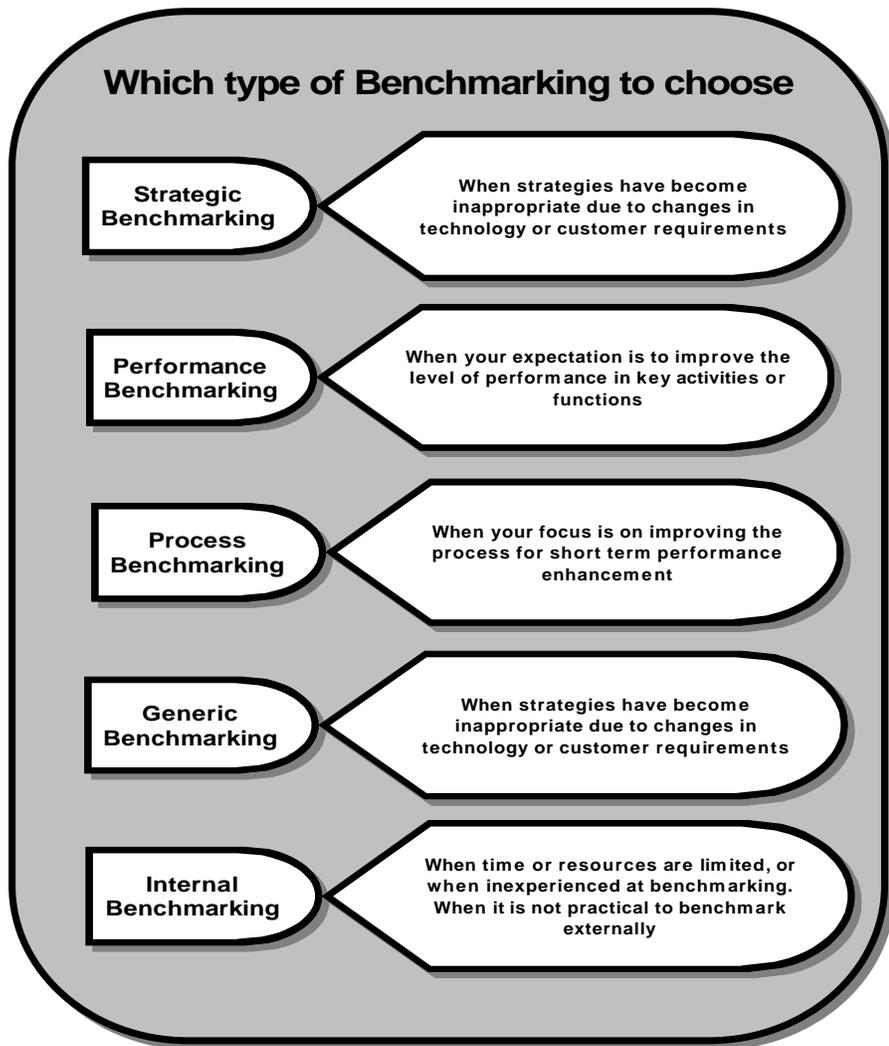
There are a wide variety of types of Benchmarking identified in the literature, however, for the purposes of this discussion the following types are suggested:

- **Internal Benchmarking** compares performance and practices within your organization between different departments. This is the least expensive and time consuming for a municipality as it involves data and information available within the municipal organization. One advantage of this type of benchmarking is the ease with which you can access the data therefore requiring fewer resources. The disadvantage of this type of benchmarking is that the possibility of learning new methods is limited. Viewing how customer service is provided in the various functional areas of the municipality, including over the counter service, telephone service, electronic service to the public, private industry, other government agencies and the other departments of the municipality is an example of Internal Benchmarking.
- **Process Benchmarking** compares the process or how things are done to achieve an end product. It seeks the best practice for conducting a particular business process, which is

What does it all mean?

considered to be the best in the field. Once the best practice is identified and understood it may then be adapted and improved for application in another organization.

- **Performance Benchmarking** compares the performance or how well the process is done. Generally, performance benchmarking compares a number of indicators. These could measure the performance of just one process, but usually this type of benchmarking covers a wider range of the organization’s processes.
- **Sector Benchmarking** involves making comparisons with organizations in the same industry. This form of benchmarking is particularly relevant for municipalities as it allows local governments to network to determine what is working well in other localities and adopt best practices for their own units. For the municipal sector, Australia and England lead the way for municipal benchmarking information.
- **Generic Benchmarking**, or “best in class” benchmarking compares practices that are independent of the industry. This type of benchmarking has been identified as the one which can result in a paradigm shift leading to innovation and creativity in the function or process. A good example of this would be the application of bar-coding, which use ranges from product identification to tracking shipments of material or billing.
- **Strategic Benchmarking**, which looks at the organization, identifies the long term strategies, and the needs served. Finally, strategic benchmarking identifies the resources and the skills required to fulfill those needs. This may involve consideration of core competencies, and skills development. This type of benchmarking can be most relevant combined with a review of the mission and mandate of an organization.
- **Informal Benchmarking** is the practice of comparing our performance with the performance of other organizations similar to our own. This type of benchmarking has been carried on through attending workshops, conferences and other activities where there is an opportunity to compare one organization with others of a similar nature. This can be useful but will not be effective for developing strategies for improvement.



WHICH TYPE SHOULD YOU USE?

Deciding which type is right for your municipality

Before you can decide which type of benchmarking is most appropriate for your situation, it is important to be very clear about what you expect to achieve by the process. Consideration should be given to the time available, the resources required, the level of experience as well as the benchmarking partner you have selected.

Circumstances will dictate which type of benchmarking is most appropriate for a particular situation.

The PSBS (Public Sector Benchmarking Service) in London England provides valuable information on benchmarking for the public sector on their website www.benchmarking.gov.uk.

KEY FACTORS TO BENCHMARKING SUCCESS

Drawing from the experiences of others who have gone through the benchmarking process, there are a number of factors which can contribute to a successful benchmarking experience for your municipality. These key factors include:

- Careful planning and resourcing from the beginning,
- Committed support from management and cooperation from staff at all levels,
- Setting clearly defined objectives,
- Focusing on the issues that are important to your organization,
- Identifying appropriate partners,
- Thorough understanding of the processes under review and of the process of benchmarking as well,
- Clearly defined measures for comparison,
- Understanding the reasons why performance varies,
- A willingness and commitment to change,
- Strong lines of communication throughout the organization.

Once a benchmarking project gets underway, it may take several months before actual improvements may be achieved. For this reason, a strong commitment to the process is vital to a successful endeavour. The process itself can be demanding on staff and require a good deal of energy, time and commitment. It is crucial for the benchmarking team to have sufficient time to devote to the work in order to gain a complete understanding of how and why performance differs, and further, it is important for the organization to permit staff sufficient time for learning new ways of doing things.

THE BENCHMARKING TEAM

The team that will be undertaking the benchmarking project should be formed as early in the process as possible in order to be actively involved in the planning stages. Normally the benchmarking team would be comprised of municipal staff however, there may be times when it may be more beneficial to bring in an outside consultant. When should you bring in an external consultant?

Building a team

Where do you begin?

When -

- you need a fresh perspective,
- you lack experience or expertise in-house,
- time restraints prevent in-house personnel from completing a project before a deadline.

Process analysis skills are probably the most important skill required of the benchmarking team. Understanding each process is critical to a successful endeavour. In addition, team members should be skilled communicators and team builders.

WHAT SHOULD BE BENCHMARKED?

The rationale for doing a benchmarking process is that the municipality may have identified a problem area or there is a strategic change in initiatives. The municipality may have become aware that another organization has been able to do a particular activity better or more efficiently, or perhaps the municipality has made a commitment to continuous improvement. There are no rules as to what is the best thing to benchmark, rather there are a number of factors to consider, for example, what are your resources for doing the study, what is the time line, and what would other organizations be willing to reveal.

To begin the benchmarking process for any organization, select an item or process which is easily definable, measurable, evaluated and can result in achievable results, then build on your successes. As people see the value of this work, they will be more willing to become involved and the organization can move to more complex processes.

Benchmarking can be a time consuming and expensive process and therefore clear objectives should be set out in advance. Some areas to focus on include:

What to benchmark

- Product delivery: Are there ways of providing the goods and services that will be more cost effective or less labour intensive.
- Work processes: A work process can be defined as a function that enables a municipality to successfully deliver its services to the community.
- Support functions: Work processes not associated directly with providing municipal services. (Such as financial services or human resources).
- Performance indicators: How satisfied are the residents of your community in the operation of your organization? Are there ways of improving quality of services, reducing response times, or making the community a better place to live.
- Strategic Planning: Does your municipality have a business plan? Does your Council plan for the immediate, mid and long term, or

react to situations as they arise?

Because of the cost and commitment involved in benchmarking, it is essential that the areas chosen to be benchmarked should be carefully selected. Activities to be benchmarked must be clearly defined in order to maintain focus. Areas selected to be benchmarked should be important not only to those who will ultimately be using the service, but should also fit in with the goals and business plan of the municipal organization.

The Audit Commission in the UK offers some helpful advice on carrying out a successful benchmarking project in the management paper *“Getting Better all the Time: Making Benchmarking Work”*. This paper is available online and the web address is included in the bibliographic section at the end of this paper.

WHO IS TO BE BENCHMARKED?

Identifying the appropriate target as a benchmarking partner, can be the most difficult aspect of the benchmarking process. The key depends on what type of benchmarking is to occur: internal, process, performance, strategic, generic or sector benchmarking. The answer to this, will to a large degree determine which organization will be surveyed. It also has to be recognized that some of the best organizations have been inundated with requests for benchmarking studies and are therefore less likely to want to participate.

An other thing to keep in mind is to not limit your view of potential organizations to study. For example, if your goal is to improve your over the counter and telephone customer service you may wish to look beyond the public sector and look at what banks or fast food services are doing.

THE FIVE STEPS OF BENCHMARKING

In the literature there are a variety of steps to benchmarking, however, they follow a similar pattern, some are just a little more detailed than others. The common point in all the models is that benchmarking is a continuous learning process, and a process which is never ending, if continuous improvement is the desired result.

The Strategis Canada website offers a wealth of information on benchmarking and benchmarking tools including a ten step process.

For the purposes of this review, the simple version will suffice and it is illustrated in the following chart.

The steps in the process

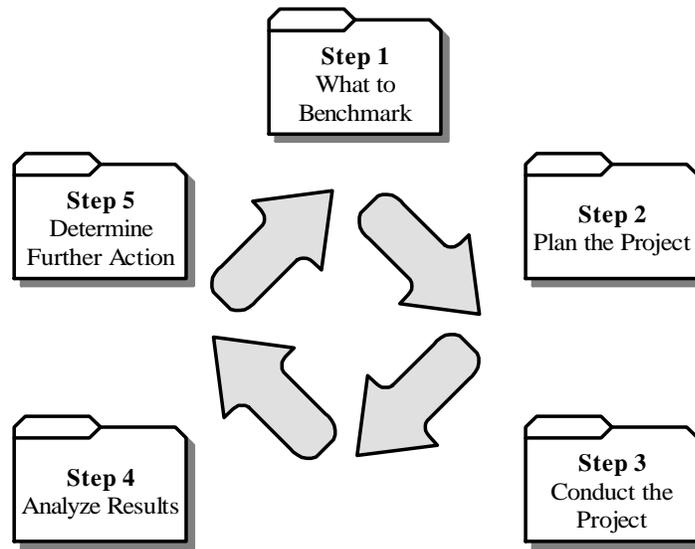
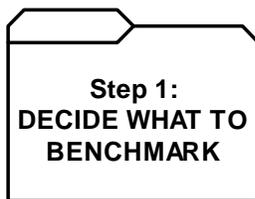


Chart 1:

Benchmarking Process

STEP 1: DECIDE WHAT TO BENCHMARK

- **Select benchmarking team**
Involve staff who are involved in delivering the service you are benchmarking. The team ideally would also include a staff member from support services / finance to help in estimating costs, and someone with training in research who has knowledge of conducting surveys and analyzing processes.
- **Make the initial Choice**
It is important to spend time deciding which process or performance you wish to benchmark. For the first time out, keep it simple, measurable and achievable.
- **Refine Choice**
Focus and refine your initial choice to identify aspects of the practice you want to benchmark. How does it relate to the final goal you may wish to achieve and is it something that is measurable or identifiable in other organizations?
- **Define objectives**
Have a clear idea of what it is you want to accomplish, which processes you want to improve, and what goals you want to achieve.



- Identify the participants**
 Every process involves particular staff members. Identify all those involved in the process you have chosen to benchmark. Bring your staff onside by communicating clearly what it is you are doing and how you plan to accomplish your goals. Having your work reviewed in such detail can seem threatening to some people so keep relevant staff informed about the project. By keeping clear and open lines of communication you will encourage cooperation and participation. Allow feedback from the staff members involved because they may have valuable suggestions for improving the process.

Output of Step 1:

- Project plan,
- Communications plan,
- Presentation to management and senior staff.

STEP 2: PLAN PROJECT

- Analyze current procedures**
 Take a careful look at your organization to determine which aspects are in most need of improvement. Focus your attentions on one area at a time. Select processes where you can achieve some initial successes to build confidence and a sense of teamwork. These early successes will provide valuable experience for when you need to tackle the more complicated processes later on. Such detailed analysis may reveal areas where improvements can be made before looking to outside organizations for comparison. In order for the benchmarking process to have an optimum effect on an organization, staff at all levels should be involved in the process. Allowing staff to have a sense of ownership over their individual responsibilities enables them to understand how their role impacts the overall performance of the organization as a whole. At the same time, management needs to be sensitive to the risk of demoralizing staff when comparing their performance with similar services in another community. Exercise caution to avoid a tendency to place blame and cause a defensive response instead of a learning comparison.



- Choose Partners**
 If you are doing internal or process benchmarking, the

partners you choose will be the people involved in the particular process under review. If you select external benchmarking, decide who to benchmark with and why. While it may be beneficial to benchmark with a similar municipal government, it is advisable to not limit your focus to a narrow view of the types of organizations or businesses to survey. Perhaps you are already aware of another municipal organization that is doing an exceptional job of some aspect of municipal government, then that municipality would be the ideal choice for a benchmarking project.

- **Plan Comparisons**
Select the most effective way of comparing your performance or process with that of your benchmarking partners. It is important not to “jump the gun” and go off to visit your benchmarking partner before you have done a thorough job of studying the processes under review and have a clear understanding of how your organization carries out those processes. You will need to have your process mapping completed prior to visiting with your benchmarking partner so that you can effectively compare the way your organizations carry out the same processes.
- **Manage the Project**
Manage the project so that it is completed on time and within budget. This type of project can grow to the point where it becomes completely unmanageable so it is vital to keep focused on the particular processes that you have identified in step one.

Output of Step 2:

- Identification of processes and functions to be benchmarked,
- Schedule of visits with benchmarking partner,
- List of questions and topics to discuss with benchmarking partner,
- Presentation to management and senior staff.

STEP 3: CONDUCT PROJECT

- **Gather Data**
The approach to data analysis should be consistent across all participating organizations. Gathering data involves careful analysis of each process and all the steps involved in each process. Take it one at a time and construct a detailed process map for each process being benchmarked. Use

**Step 3:
CONDUCT
PROJECT**

business tools such as process mapping and flow charts in order to examine each practice to analyze and identify each individual phase of the process. *Appendix A1 provides details on how to construct a flow chart and process map.*

- **Review the Data**
Do a walk through of the flowchart and process map. It is a common pitfall when process mapping to show the process as it should be done rather than how it actually is done. Doing a walk through examination involves watching the process as it is carried out. This requires sensitivity and patience as people being observed tend to be apprehensive about being watched. Reassure them that you are not finding fault with the way they are doing things, rather you are studying the process itself.
- **Analyze Data**
Ensure that the quality and quantity of information being gathered meets the requirements to allow for a successful outcome.
- **Produce Report**
The report must provide clear comparisons, easily understood by people from each partner organization.

Output of step 3

- Process maps,
- Flowcharts,
- Database of findings,
- Written report,
- Presentation to management and senior staff.

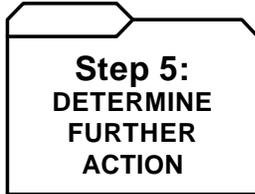
**Step 4:
ANALYZE
RESULTS**

STEP 4: ANALYZE RESULTS

- **Analyze the report**
Participants in a performance benchmarking project need to conduct their own analysis of the results.
- **Examine Overview**
Analyze in detail both individual performance indicators as well as overview. Internal information and criteria may assist.

Output of step 4:

- Summary of the findings
- Charts, graphs, tables and other appropriate diagrams



STEP 5: RECOMMENDATIONS / IMPLEMENTATION

- **Primary Actions**
Once the analysis is completed, there are usually some obvious actions which can be acted upon immediately.
- **Improve Process**
Gaps may be identified in some areas where improvements to the process can be introduced . Improvements can often be implemented by consulting with the appropriate staff and considering their suggestions.
- **Follow-up Benchmarking**
Performance benchmarking is best done on a multi-year basis. Appropriate process benchmarking projects can be identified more easily after performance benchmarking.

Output of step 5:

- Final report on the benchmarking project, and recommendations,
- Presentation to management and senior staff,
- Implementation plan for applying the lessons learned.

CONCLUSIONS:

Benchmarking is an effective business tool that municipal governments can use to achieve improvements in services, reduce costs, and improve efficiency. Certain factors will determine if your benchmarking efforts are successful. Management must of course be absolutely clear on what it is you want to achieve before you begin the process. Achieving improvements may involve changing the way you currently carry out service delivery, administration, management processes or even changing your fundamental organizational culture. Such changes are not always easy to accomplish and will require a concerted effort and cooperative attitude at all levels in the organization. Sufficient funding needs to be allocated in order to carry out the required studies and implementation of the resulting recommendations.

Everyone in the organization needs to be realistic about what can be accomplished by the benchmarking process. This is a powerful tool for improvement, but it is not a magic wand and there are a number of obstacles that can derail the process. Try to avoid concentrating so much on the collection of data that you lose sight of the overall objectives.

Perhaps one of the most important things to emphasize is maintaining clear and ongoing communications between management and staff throughout the benchmarking process. As reported in the National Partnership for Reinventing Government's *Balancing Measures: Best Practices in*

Performance Management (c1999),

“Involving your employee in the planning process makes him or her a part of the team. Moreover, communication translates to respect for the individual employee—an especially important consideration to public sector employees. These people are dedicated to their jobs and believe very firmly in the service they offer...”.

Do's and don'ts of benchmarking

DO

- **Ensure there is strong commitment and support from senior management.**
- **Communicate and encourage feedback.**
- **Select processes or services that are important to your customers.**
- **Be clear about the improvements you expect, whether cost /efficiency or quality/implementation of good practice.**
- **Use the data to identify where there is the best opportunity for improvement.**
- **Ensure your benchmarking team and your staff have the skills, training and attitude required.**
- **Be sure the process fits into the overall goals and business plans.**

DON'T

- **Waste time on unimportant processes.**
- **Undertake a project to just defend the status quo.**
- **Lose focus.**
- **Become overwhelmed in data and lose sight of the goals of the project.**
- **Allow the cost of the activity to outweigh the benefits in performance or possible savings.**
- **Underestimate the time and effort required to make real change possible.**

Source: Audit Commission, Scotland

DEFINITIONS:

Activities: The functions or tasks that are involved in a process.

Benchmarking: The continuous, systematic process of measuring and assessing products, services and practices of recognized leaders in the field to determine the extent to which they might be adapted to achieve superior performance.

Benchmark: The term has its origins from geographic surveying, where it means to take a measurement from a reference point. In the benchmarking process it is an external point of reference by which the performance of an activity, function, operation, process or service can be measured.

Best Practices: Management practices and work processes that serve as goals for organizations striving for excellence. The search for best practices is an intrinsic part of benchmarking.

Controls: Internal controls include agreed upon procedures, standing orders, budget limitations, legislative restrictions etc.

Inputs: The materials or resources required to produce an output. Inputs are typically transformed or consumed during the process. Inputs include, staff time involved, but not the staff. Budget expenditures required to carry out the process, and the materials consumed during the process such as paper, ink, etc.

Outputs: The end result, either a product or service that is produced.

Outcome: An outcome is a higher level consequence of the activity, and reflect the intended results of actions. For example, improving the overall health status of the population is an outcome.

Performance Measure: A measure of how well a service is performing compared to it's objectives.

Process: A process is a set of activities that converts inputs (resources) to outputs (services). It is in essence the combination of people and equipment and the activities they go through to produce the service.

Process Map: A process map is a diagram that shows in some detail what an organization does, and how it delivers its services. A process map shows the key activities involved, the sequence of those activities, the inputs or resources required, and the outputs or services produced.

Resources: Resources are those things required to produce the outputs but are not consumed during the process. Resources can include people and equipment as well as the facilities. For example, a photocopier, a computer, a clerk and the municipal building are all resources

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<http://www.urbaninstitute.org/community/results-based-stategovt.html>

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<http://govinfo.library.unt.edu/npr/initiati/benchmk/index.html>

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<http://www.scoresearch.com/outline.htm>

The map to success - Using process mapping to improve performance. The Accounts Commission for Scotland . Web published 01/02/2001. Dec. 13,2001. <http://www.accounts-commission.gov.uk/search/ndx/01m01ac.htm>

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<http://govinfo.library.unt.edu/npr/library/papers/bkgrd/balmeasure.html>

APPENDIX A1:

PROCESS MAPPING

Process mapping is an essential part of the benchmarking procedure. In order to improve performance it is imperative that you understand the process in great detail. A process map is a diagram which shows in detail what an organization does and how it does it. Each key activity in the process is illustrated in the diagram in the sequence it is carried on.

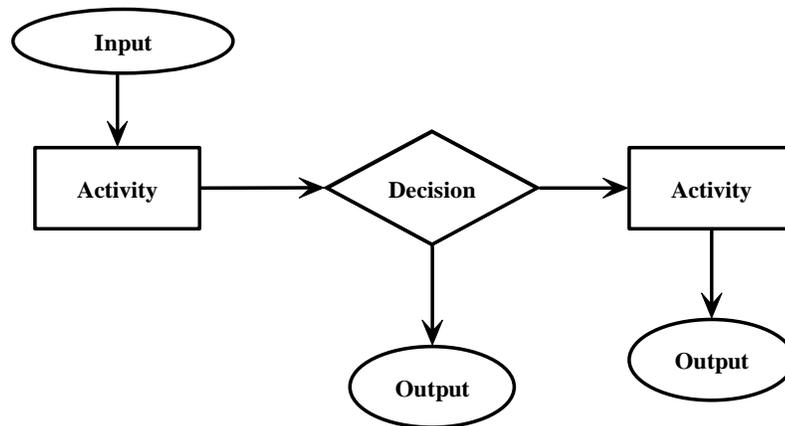
The two types of diagram that make up a process map are:

- **flow charts** - showing the sequence of activities in the process,
- **process map** which shows
 - the resources required,
 - the inputs,
 - the outputs,
 - the controls that regulate the activity, and,
 - the sequence of activities.

FLOWCHART

A flowchart is a simple tool that enables you to understand each step in a process or activity. It can show complexity and underline problem areas in a process, and can be used to illustrate any set of activities in an organization. It makes it possible to view a process as it actually is performed and compare it to the ideal, illustrating specifically where the process may be bogging down and may be improved.

Flowchart:



Source: *The Memory Jogger II: A Pocket Guide of Tools for Continuous Improvement and Effective Planning.* <http://goalqpc.com>

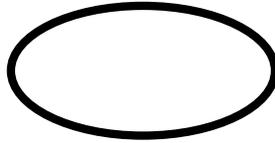
Ten Easy Steps to Building a Flowchart

BUILDING A FLOWCHART:

- 1.** Hold a brainstorming session to determine all the activities, the inputs, the outputs, the actions and decision points. Use flipcharts to list all the possible steps in the process and add or remove steps as required.
- 2.** Clearly define the process: Have a clear picture of the process you are studying. Decide where you are going to begin the flowchart (input) and where you are going to end the flowchart (output). Arrange the items in the list you developed in Step 1, in the order they would flow.
- 3.** Have the team come to a consensus on how detailed the flowchart is to be so that you may clearly understand the process and be able to identify areas of concern. Start with a fairly general view of the process and add complexity as it is required.
- 4.** Draw the flowchart using the proper symbols, shapes etc. so that the finished flowchart will be easily understood.
- 5.** Be consistent with each flowchart you create. Keep the level of detail consistent for each process.
- 6.** Use labels to identify each process so that the flowchart can be easily understood. Be sure to include the organization name, the date, the names of the team members who developed the flowchart, and any other identifying information that may be required.
- 7.** Check for completeness. Be sure that every path either takes you back or leads to the next step in the process. Don't leave any loops unclosed. Check also for continuity, use the correct symbols and shapes in every flowchart. (For example: Be sure there is only one output arrow coming from any activity box, if there is more than one, it should be a decision diamond.)
- 8.** Validate! Have the person who is actually doing the process verify that the flowchart accurately describes the process, that no steps are left out and that the process is being followed exactly as the chart indicates. If the process is not as charted, then change the chart to reflect what is actually happening.
- 9.** Examine the flowchart for obvious areas where improvements to the process can be made by either removing steps or changing the way the activity can be done.
- 10.** Draw an ideal flowchart and compare the two to identify areas for improvement to the current process.

FLOWCHART SYMBOLS:

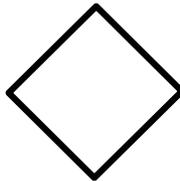
Use the Proper Symbols so Everyone Will Understand



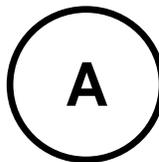
An **OVAL** is used to illustrate the inputs which start the process. The inputs could be information or actions. Oval is also used to show the results at the end of the process.



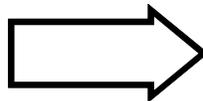
A **SQUARE** or **RECTANGLE** indicates a task or activity carried out during the process. Only one arrow should lead out of the square although there may be more than one arrow leading in. If there are more than one arrow leading out of the square, you should be using a diamond.



A **DIAMOND** indicates a point in the process where a decision needs to be made or a question is asked. It also indicates a change in direction.



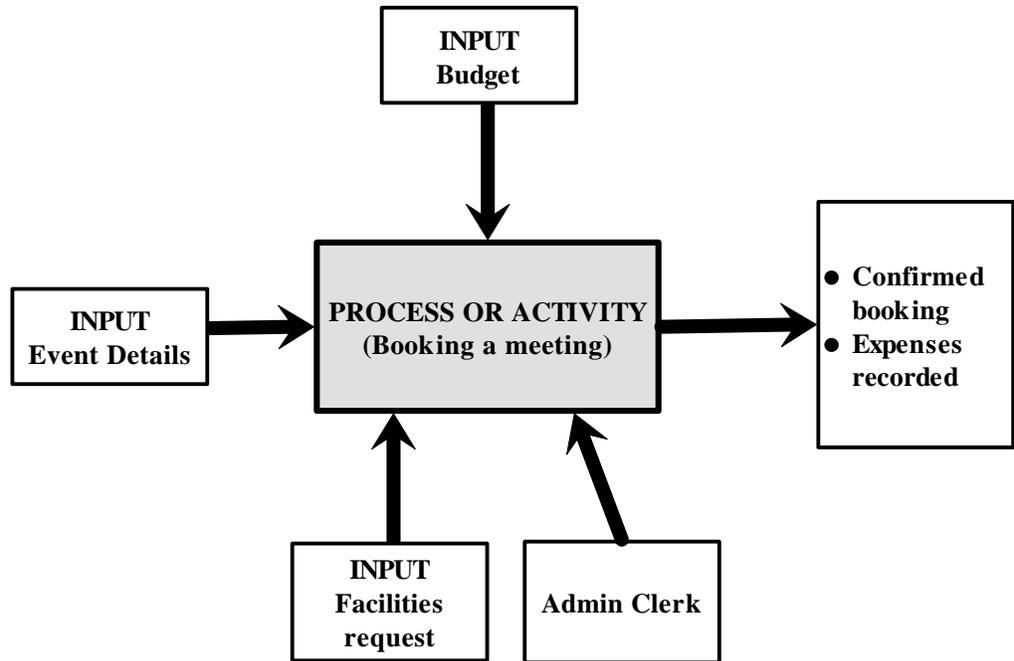
A **CIRCLE** containing a letter or a number indicates that there is a break in the flowchart that the process is continued elsewhere on the page or on another page.



An **ARROW** indicates movement or transportation. Smaller arrows indicate the sequence and direction towards the next step in the process.

Source: The Memory Jogger: A pocket guide of tools for continuous improvement and effective planning. GOAL/QPC 1994. [Http://goalqpc.com](http://goalqpc.com)

PROCESS DEFINITION CHART



Source: *The Map to Success: Using Process Mapping to Improve Performance*, Published by Audit Scotland May 2000. <http://www.accounts-commission.gov.uk/search/ndx/01m01ac.htm>



Section 6.6

Strategic Communications

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INTRODUCTION

The purpose of this document is to provide an introduction to developing a communications strategy, and some basic techniques on how to work with the media. Readers are advised that this is just an introduction to the topic. There are a number of valuable programs available in Nova Scotia for anyone wishing to develop their skills in media relations and municipal administrators are strongly advised to take advantage of such courses whenever possible.

While this document focuses mainly on crisis communications and preparing for interviews, it is important to note that communications strategies should go beyond dealing with crisis situations. Municipalities need to have a long term vision, the foundation of which is to keep the community informed as to what is going on with council through minutes, news releases etc.

**Like the boy scouts
“Be Prepared”**

As a municipal administrator or elected official, you may find yourself asking the question “Is the media your worst enemy, or your best friend?”. The answer to that question is quite simple: neither! How your relationship with the media unfolds depends largely upon you. Whether or not you want to deal with the media may be irrelevant, the choice may not be yours to make. However, that being said, you can prepare in advance, take a proactive role, and develop a two-way relationship which will encourage communication and sharing of information on important community issues instead of simply reacting when the media comes knocking on your door.

A successful and satisfactory relationship with the media does not occur by accident. It is the end result of careful planning and advance preparation. In order to generate a mutually satisfying experience with the media, and ultimately with your potential audience, it is essential to develop an understanding of how the media function.

A COMMUNICATIONS PLAN should be specific, outlining a well-articulated chain of command, with some indication as to who the decision makers and experts are. This can be of great value to any member of the municipal staff, however it is essential for the communications team in the event of a crisis.

COMMUNICATIONS PLAN

Although you can't always anticipate events that might attract media attention, you can be prepared for almost any situation if you have some basic fundamental strategies in place beforehand, including a well-developed communications plan.

Having one spokesperson for your organization will ensure consistency. It will also provide staff, who answer telephones or come in contact with the public, with a single contact to direct any inquiries. All staff should be briefed on the procedures to follow as outlined in the communications plan.

Simple key messages should provide the underlying theme behind all comments to the media. Have no more than three such messages, and have them prepared in advance of any interaction with the media. Be enthusiastic about your key messages. A positive attitude can be contagious.

The communications plan you prepare should be short, clear and concise so that it will be read by those who need to be familiar with it. It should clearly define when the plan needs to be activated, and should include a step by step outline of how information should flow from your organization to the media, or to other staff in a crisis situation. It should also contain contact information regarding the key personnel in your organization. Appendix A contains a sample communications plan adapted from information offered on the Media Trust website at <http://www.mediatrust.org>.

Once your basic strategy is in place, the next thing to consider is establishing a communications team that will be prepared to handle communications both internally with municipal staff, and also to liaise with the media as required. With a well selected, and well trained team in place, your organization will be in a position to offer reassurance to the public that their community's administration has the expertise and ability to handle whatever situation might arise.

SELECTING A SPOKESPERSON

Take a look at the people currently in your organization and take note of those staff members who already communicate well, and who project the kind of image that you would want representing your community. Remember, it's important to select team members who are able to think on their feet, can show sensitivity to delicate or potentially negative situations, and who are capable of keeping a calm demeanor under pressure. The chosen spokesperson should project integrity, honesty and candor. He or she should show an understanding of, and genuine respect for the role of the media. He or she must be able and willing to take some criticism and be prepared to accept a certain amount of risk. Also, although the spokesperson will be expected to be well informed, he or she will not be expected to know everything, and should be prepared for the difficult questions that might arise.

Other considerations that will become important in the selection of a spokesperson include: experience, poise, an articulate speaking style, and the capability of reassuring people in chaotic situations. These are the ideals, and unfortunately, not all communities would have such a person on staff so one solution is to select the best qualified person available, and provide sufficient training before they are put into a crisis situation. It may also be a good idea to have an alternate spokesperson trained for those situations that might arise when the primary spokesperson may be unavailable.

Personnel contact list

Strategic information that the communications person should have at their fingertips would include a list of:

- mayor / warden, municipal councillors, and areas they represent,
- administrative personnel, including:
 - the CAO or municipal clerk,
 - municipal legal advisor,
 - human resource director,
 - finance officer,
 - head of public works, and
 - other municipal staff who might possibly be called upon in a crisis.

It might also be helpful to include a brief outline of the areas of responsibility for each, and definitely should include phone numbers where they may be reached quickly in an emergency situation.

In addition, the HR department should have an accurate and up to date list of names, addresses and telephone numbers for family members or close contacts for every municipal employee in case of an emergency. One scenario to avoid is having family members learn of an emergency through radio or television reports rather than through personal contact.

It is also a good idea for municipal employees to know who to contact

Keeping the information in your communications plan up to date is crucial!

at work in an extreme emergency to find out where they should report to work, or whether they should remain at home.

This sort of list, of course, is only of value if it is kept current at all times. A thorough awareness of the command structure in the municipal organization can avoid potential problems of authority and conflict in the confusion of the aftermath of a major crisis. With these kinds of details ironed out in advance, the municipal organization will appear, professional, capable, well organized, and in control of the situation.

The culture in your organization can have a significant impact on how your relationship with the media will unfold. Ensuring that managers and staff are comfortable working with the communications team, can ultimately result in a successful interaction with the media. An open culture, and good working relationship among staff will strengthen the organization. Under scrutiny, any weaknesses, conflicts, or sore points in the municipal organization will be easily brought to light.

UNDERSTANDING THE MEDIA

The media can be a valuable asset to municipal governments in reaching the general public, stimulating public debate and generating support for local government programs and initiatives.

In order to develop a mutually beneficial relationship with the media there are a number of things to keep in mind.

- Get to know the media, particularly your local media. Know their characteristics, the types of stories they usually cover, and what their needs may be.
- Put yourself in the journalist's shoes, try to understand their viewpoint.
- Credibility is the cornerstone of the local government/media relationship. Be professional, always be honest, be consistent, and be available when they call.
- Although at times their intent may seem to be at odds with local government, remember to respect their role and what they are trying to accomplish.

The goals of the media are not dissimilar to yours

- *A well informed community*
- *A community that participates in local government.*
- *Ensure that local government is meeting the needs of the community*
- *Foster a sense of community and build on community identity.*

Municipal government officials who wish to build a good relationship with the media need to be aware of the requirements of the various media such as what the deadlines are for the various editions of local newspapers, as well as for radio or television broadcasts. Find out when is the best time to call a media representative in order to discuss local issues or to inform them of what is going on in the community.

One of the first things to consider in cultivating a successful relationship is to encourage the communications team members to read the local papers, and to listen to and watch local news programs in order to become familiar with the personalities and the programs. Being familiar with the personalities and their styles will be of great benefit when the time comes to do an interview with them.

WHAT MAKES A STORY NEWS?

There are a few basic story elements which are likely to attract media attention. Colourful local stories can generate audience interest throughout the region and across the country and may bring your municipality recognition on a national scale. Also, national stories which can be viewed from a local perspective can generate a good deal of media attention. For example, water quality concerns resulting from the Walkerton situation in Ontario in 2000, have led local journalists to investigate the status of local water treatment facilities and make comparisons.

WHAT IS A REPORTER'S JOB?

A common complaint from people who have had contact with the media in one form or another is that the reporter somehow missed the point. However, that is usually not the fault of the reporter. A basic understanding of what a reporter's job is can help to make your relationship with the media a little more satisfying.

Choosing the right method for getting your story told

Reporters take information from a variety of sources and use it to tell a story in an interesting and sometimes controversial way

The reporter’s job is to talk to a number of different people, with different perspectives on a story, and then combine all of those interesting and important elements into a condensed form that might last just a few seconds on the air, or take up just a few inches in a newspaper. Choosing an interesting or controversial angle to present the story is also part of the reporter’s job. All of this is done under the pressure of meeting a deadline. Considering all these factors, and numerous other things that come into play, it’s not hard to understand why a reporter cannot possibly tell everyone’s side of a story in a way they would like to see it told.

The job of the person being interviewed, on the other hand, is to provide sufficient relevant background information and to answer the reporter’s questions in a manner that will get across a key message in such a clear and interesting way that will make it into print, or on the air, hopefully with a minimum of editing.

It would certainly be helpful for municipal staff to become familiar with what constitutes a news story from the perspective of the media. What you might like to see in print is not necessarily what the media would consider a good news story.

NEWS CONFERENCES AND BRIEFINGS

When an issue arises of significant interest to hold a news conference or media briefing, there are a few things to keep in mind. First of all, if you are in doubt about calling a briefing, don’t. Let the media be the deciding factor on whether to hold a briefing or not. If you have information that the media wants or needs quickly, and they have shown significant interest by phoning or coming to your office, then that is your cue that it might be time to call a media briefing or conference so that you can get the information out to everyone at the same time.

A low-key approach to this type of event is to provide a news release and background information to the media and let them know that the mayor or CAO will be available to respond to inquiries at a specific time and place.

In advance of the event, an agenda should be set, speakers selected and all staff involved should be thoroughly briefed on what is to be expected. Schedule some time at the end of the presentation for questions that may not have been covered.

The location for the media event is also important. Select a room appropriate to the number of reporters, photographers, video crew etc. that you expect to attend. If you are unsure of how many people to expect, it's better to go small rather than large. It's better to bring in a few chairs etc. than it is to have a huge room with only one or two reporters show up.

Try to provide an interesting backdrop for the event. Use a site with a visually appealing background, or provide props such as maps, charts, graphs, diagrams, etc. Use good quality props with easily readable text as small details may be indiscernible.

THE STORY IN PRINT

The press release

What is a press release and when is it used?

How can you ensure that your press release will stand out enough to catch an editor's attention? You need to catch their attention in order to have the press release even read. There are no guarantees, but there are some basic tips that may help to make your news release stand out a bit more from the myriad of potential news items that cross an editor's desk.

Keep it Simple

First and foremost, keep the press release short, compelling, to the point, factual and balanced. Include sufficient detail to entice the reader to read further and get a good picture of the essence and importance of what you have to tell them. Give one or two facts, but not all the facts. If you can provide enough information to stimulate interest, you might entice the reporter to come and investigate for themselves. At the same time, remember if it's too lengthy, it may not get read, or may be edited in a way you might not like.

A press release may be best used when you have breaking news to release to the people in your community. The information in a news release should be timely, and relevant enough to invite immediate coverage by the news media.

Press Release Format:

- ***Conclusion***
- ***Relevant facts***
- ***Less important information***

Generally, press releases should be written in an inverted pyramid, with the conclusion coming first, followed by relevant facts and the

“The 5 W’s”

less interesting or least important information coming at the end. A short catchy title, can serve as a “lead” to grab a reporter’s attention, and identify your organization, and provide a sense of what the article is about. This will help to stimulate interest and encourage the reader to continue to read through the article. One benefit from following the formula of an inverted pyramid is that if the release needs to be cut, the reporter or editor will probably cut information that the writer feels is less important.

Writing the words “**Press Release**” in bold letters at the top of the page clearly identifies what you are providing. Be sure to include the date so your release will be timely and relevant. There is limited space available in newspapers so it is essential to keep the writing concise, informative, and interesting.

The first paragraph should be quite brief, yet clearly answer the ‘Five W’s’ - who, what, when, where, and why. The second paragraph can provide additional details to the basics provided in paragraph one, or could introduce new information. Third or subsequent paragraphs should be added only if absolutely necessary. Although it is not generally recommended to include quotes in press releases, if quotes are used, keep them short and to the point to ensure that they won’t be taken out of context. Quotes may offer a personal perspective to the story or can provide an expert opinion.

When writing a press release, keep the writing to one page double spaced if at all possible. If it is necessary to go to a second page, indicate *-more-* or *-continued-* on the bottom of the first page so that the reporter will know to look for a second page. This can be especially important when the release is faxed to the media. At the top of the second page, indicate clearly that this is the second page of the release.

Try to find an interesting angle to tell your story. If you can make it unusual as well as interesting, you might just have a reporter assigned to cover your story which could bring much more coverage than a simple press release. Emphasizing the financial significance of the event or announcement may help the editorial staff to understand how important your news release will be to the readers.

Contact information including name, title, telephone number, email address or other relevant information is vital, and should be included in bold type at the bottom of the page.

Who to send your press release to:

- **Beat reporters covering specific issues (municipal events, sports, cultural events, education etc.),**
- **Television or radio assignment editors or producers for shows that cover the type of**

A picture is worth a thousand words

Photographic punch

Newspapers in particular are looking for good graphics that can attract attention as well as tell a story. Photographs of professional quality, combined with a well-written caption may get you published more quickly than a text only release. Avoid if at all possible, boring photographs such as a cheque being handed from one man in a business suit to another. Editors are looking for graphics that will enliven their publications and capture their readers' attention. Give some thought to what might provoke interest, and whenever possible, offer a selection of photos for the publication to choose from. Andy Marken, in his article "Let's Do Away With Press Releases" suggests sending along a selection of photos complete with concise, descriptive captions. He points out that the type of photograph you send should reflect the types of photos that media outlet normally publishes. Mr. Marken offers some words of caution that nothing is more irritating to an editor or reporter than receiving a phone call from someone wanting their story published, who knows nothing about the type of news or information covered in that publication

Media Alert

If your municipality is about to embark on something truly newsworthy, perhaps you should consider a media alert instead of the more lengthy news release.

A media alert is a short, to the point announcement of whom, what, when, where, why, and how in a format designed to grab attention. It is more like an advertisement than a story. An announcement of this type, combined with a press conference can provide good media coverage for significant events in your community.

Public Service Announcement (PSA)

Public service announcements provide a method for educating the

Beyond the News Release

public concerning an issue of some importance in the community. It may be a notification of changes in winter parking regulations, or a warning of a situation that could prove harmful or dangerous. Such announcements are most often aired, or published, at no cost and can provide a very effective method of promoting events, soliciting volunteers, informing and educating the community, or simply raising awareness about issues of local concern.

Many local newspapers and radio stations provide community bulletin boards where items of local interest can be publicized at no cost. Written PSA's should be submitted for announcers to read on the air and should be approximately 10 seconds in length. This may vary to 30 seconds or even 60 seconds, depending upon the requirements of your local station or paper.

PSA Example:
The Community Garden Society will be holding a fund raising garden party and plant auction on Saturday, April 30, from 11am to 4pm at the local mall. Funds raised from the auction will be used to purchase supplies for the community garden to provide fresh vegetables for needy families in the community.

Public service announcements which are geared toward raising consciousness, or educating people on issues require more planning and consideration than simple community bulletin board items. It is important to frame your message in a way that will reach the intended audience. Some considerations, when planning this type of announcement include identifying:

- what specific audience you intend to reach,
- Which medium is best suited to reach that audience,
- what particular aspect of the issue you want the audience to be aware of,
- what myths or misconceptions you need to dispel,
- what actions you wish your audience to take.

Whichever method you choose to get your information out, it is essential that the message is constructed in a concise and clear manner.

The Media Kit

Busy reporters and editors do not have the time nor the inclination to wade through lengthy press releases trying to discover what it is you're trying to promote.

Media kits

A media kit or information package prepared in advance can be a useful item to have on hand for occasions when you want to provide information to the media. When a situation arises, you might be overwhelmed with a number of issues requiring your attention at one time. A well-prepared press kit which is on hand and available to hand out to the media in times of crisis can provide background information on the community, and may even answer some of the reporter's questions for you. At the same time it may just take some of the pressure off municipal officials in times of stress when your attention may be better invested on other matters of importance.

The news kit can be as simple as a blank folder available from any stationary supply store that has a label on the outside. Labels can be printed up with the municipal crest and logo and will be useful for a multitude of other purposes besides the media kits.

Media kits, or information packages, may serve a variety of purposes, other than providing background information to reporters covering a story in your area. The package can contain photographs, fact sheets, pamphlets or brochures, of interest to businesses thinking of locating in your community, or to give to distinguished visitors. Having a standard media kit or information package on hand is a helpful tool, but it needs to be personalized for each particular recipient.

Once you have the basic information package with the essentials, add pertinent information related to each particular situation. What you put in an information package intended to encourage business or industry to locate in your community may contain much of the same information you would provide to a reporter covering a story.

- What to put in a media kit**
- **Photographs or brochures highlighting the assets and/or attractions in your community,**
 - **Fact sheets with statistics on demographics,**
 - **Biographies or historical background,**
 - **Important press articles about your community,**
 - **Statements or summaries of the policy question being discussed,**
 - **Contact information.**

Evaluate the coverage

Evaluation of Media Coverage and Content

It’s important to monitor the media coverage on any story you might be involved in so that you will be prepared to clarify, provide a rebuttal or to verify the facts. If you’re not keeping abreast of what the media is saying, you might lose a valuable opportunity to get your message across and ensure that it’s accurate.

Some things to keep in mind when doing an evaluation of media coverage:

- Is the content of the media coverage accurate, timely, relevant?
- Has the media coverage provided the depth of information that the audience needs or wants?
- Has the spokesperson accomplished the job effectively and portrayed the competent, reliable, trustworthy, and professional image you had hoped?
- Is there any policy change that should be considered as a result of the media coverage?
- Do you need to follow up with a phone call?

The Middle Tennessee University Journalism Department has a website devoted to writing for the media and includes grammar and usage as well as tips for how to write for different media. The “*Media Writing Tips*” website can be found at:
<http://www.mtsu.edu/~kblake/171/tips.htm#top>.

PREPARING FOR AN INTERVIEW

When the reporter calls

**Like the boy scouts,
“Be Prepared”**

Your communications team is in place and you’ve been selected as the media spokesperson. How do you prepare for that first big interview? When the lights are shining in your eyes and a microphone is pushed in your face, it’s a little late to prepare. A little advance planning however, can make an uncomfortable situation much easier to handle, and much less stressful.

**What you need to
know before you
talk to a reporter**

When a reporter telephones to ask for an interview, it’s good to build a rapport. Developing a good relationship with the reporter may help to get you their attention when you have a message you really need to get publicized.

In order to be well prepared in advance of doing any interview, you should have the answers to the following questions:

- Who is the reporter you will be speaking with, and who do they work for? Never, ever do an interview over the phone without checking on the persons credentials first.
- What is the reporter calling for? Is the reporter looking for an interview, or are they looking for background information on a story?
- What exactly is the story they are looking for? And, more specifically, what angle are they taking with the story?
- Whenever possible, rather than take the call immediately, get their phone number and tell them you will call them back in 10 to 30 minutes. Use that time to prepare for the interview. Speak to appropriate department heads or other relevant sources to ensure you know the facts. Be sure you do call them back when you say you will, remember, if they don’t get the facts from you they will get them somewhere else.
- What is their deadline? Ask what the reporter’s deadline time is and use that time to prepare yourself. You may be able to do some background preparation, gather the facts, or speak to the individuals involved before you speak with the reporter.
- What is the interviewer’s style? It can be most helpful to know

The reporter's job may not always be compatible with yours

the reporter's style of interviewing in order to have some inclination as to how they might approach the interview. Some reporters may be more aggressive, others may be looking for a human interest angle.

- Who else is the reporter talking to? Find out if possible who they are speaking to so that you will have rebuttal information if required. Try to determine what the other people might have said.

In order to derive optimum results from a relationship with the media, you need to have a good understanding of whom the reporter is and what their job entails. The reporter is your link or channel to the people you need to connect with. The reporter's job is not merely to pass on your story to the audience, but also to make the story interesting enough to attract as large an audience as possible. In order to attract that audience, some reporters may attempt to make the story more interesting, more controversial, or more entertaining by pursuing a controversial angle to the story.

Hollidae Robinson, in Municipal Government in Mississippi: A Handbook for City Officials suggests a number of things to remember that might help in preparing to face the media.

- ***You are the expert on your municipality, that's why the reporter is calling you for the interview. No matter how well he or she has done his homework, you will know more about your community and the issues.***
- ***A straightforward, pleasant and cooperative person who looks and sounds like a professional will rarely make a negative impression on an audience.***
- ***If you have done your preparation well, there should be no surprises.***
- ***If an unreasonable question is asked, the audience will recognize that the question is unreasonable. You will not be expected to dignify such a question with a response.***
- ***You are under no obligation to continue an interview longer than you are prepared to.***
- ***You are not expected to reveal anything that might be damaging to you or your community.***

To a large extent you can control how the interview will go. Keep in mind the following three words which can help you stay on top of the situation.

- **Influence** - Exert your influence to steer the tone and direction of the interview and the story that will ultimately be broadcast. You can do this by having a sharply focused agenda prepared in advance. Know the message you want the audience to hear and remember. Look for ways to bridge back to your key message during the interview to reinforce what it is you are saying.
- **Practice** - Use whatever time you may have available to practice your key message aloud before you talk to the reporter, and if possible have someone practice with you. Have someone throw questions at you, especially any negative questions that might possibly arise during an actual interview so that you will be better prepared to handle them in the actual interview situation. Prepare some examples or analogies that might help to reinforce your message, make your story more interesting, or memorable, and to ensure that your message is understood.
- **Responsibility** - You are responsible for the story the reporter gets. Don't rely on anyone else to ensure it's accuracy. It's your reputation on the line so be very careful to get the facts right, be honest, be forthcoming, be clear, and be concise. Remember, especially with radio and television, you need to think in sound bytes.

How to handle a hostile interview situation

If you are unfortunate enough to find yourself in a hostile interview situation, you could hear rude or abusive remarks which are specifically intended to provoke you into saying something you will later regret. For this reason it is crucial that you do not lose your temper. Keep your cool, and maintain a positive and respectful demeanor while speaking with reporters no matter what might be said to provoke you.

One of the most important things to remember when dealing with the media is to give the reporter only accurate and clear facts that can be verified if the reporter checks other possible sources. Never, never lie to a reporter, because they will find out, and you will be placed in the embarrassing situation of having to explain yourself in public, and probably to a much larger audience than your original statement. State the obvious, and never assume that the audience knows the

background. Your story could be picked up nationally and although a local story might be well known in your community, it might not be so well known in other locations. If you leave it to reporters to speculate on the details, the story that goes on air will almost certainly not be one you intended.

During the actual interview, you may get questions you don't yet have answers for, don't let them throw you, and don't ever speculate on the answers. Be honest if you don't have the answers at hand, tell them that you don't have the answer to that, but you will check into it. Keep cool and calm, and let them know you will provide further updates as information becomes available.

End the interview gracefully before the reporter goads you into saying something you might later regret.

A Few Reminders:

- **Use key messages,**
- **Don't say more than you planned, or feel comfortable saying,**
- **Use complete sentences,**
- **Don't ramble,**
- **Repeat your message in a different way,**
- **Don't try to be something you're not - the audience will spot a fake,**
- **Don't fidget or play with pens, pencils, change in your pocket etc.**
- **Be enthusiastic about your message,**
- **Know your audience and your interviewer.**

PRINT INTERVIEWS

Although they may use some quotes, normally a reporter will tell the story through their own perspective supported by the background information you and others provide. In working in print media, a reporter may take notes in a notebook, or they may record the interview on tape. Either way, it is imperative that you speak slowly and clearly, and allow sufficient periods of silence for the reporter to take accurate notes.

Doing an interview for print media

Newspaper, magazine and other print media interviews are often done face to face. Increasingly, however, they are done over the telephone which has the disadvantage of not providing you with the opportunity to observe the interviewer's body language and therefore enabling you

**Not just a normal
phone conversation!**

to judge his or her reactions to your comments. Often you can get a feel for how your message is being understood, and how the story will come across in print, by carefully observing the interviewer's reactions. This can give you an opportunity to clarify things or even to offer more background information to support your position. Telephone interviews in particular need to have clear key messages supported by enough background information to ensure that the message is understood.

Despite the drawbacks, telephone interviews also have some advantages. Without the added pressures of dealing with lights, cameras and microphones, this type of interview can feel more comfortable, relaxed and less pressured than other forms of interviews. Often the nervousness that accompanies tape recorders, cameras and microphones, is not present and it can seem like a regular phone conversation. One word of caution though, never forget you are speaking with a reporter, and **there is no such thing as "off the record"**.

RADIO and TELEVISION INTERVIEWS

Advance preparation is even more crucial with radio and television. Before you go on the air, do some research to find out about the program you are going to be interviewed on. Is it a hard hitting news program, or a morning coffee and chat kind of program? Will your interview be live or pre-recorded? What sparked their interest in the topic you will be discussing and what might their angle be? Find out in advance if possible, just what questions you will be asked so you can be prepared with the answers. Also, give some thought as to what questions they may ask that they may not give you advance warning about. Reporters sometimes like to take you off guard. Always be prepared for the tough questions.

Be aware of who the audience is for this program. This can give you the opportunity to provide information geared towards a particular audience. For example, if you are being interviewed about budget cutbacks, and you are being interviewed by a local sports reporter, you might prepare yourself in advance with information concerning local ball fields, parks, arenas and other recreation facilities and how they might be impacted by the budget cuts. Will there be a reduction in the maintenance on these facilities, or a reduction in the hours that the facilities might be available.

What you wear affects your message on television

Television interviews require that you pay particular attention to your dress, grooming and overall appearance. Avoid jackets or suits with close-checked, striped or herringbone patterns that can cause a strobing effect. Avoid very dark suits with white shirts as these tend to drain colour from your face. Pastel colours are a flattering choice for shirts on camera. Simple styling, and neutral colours work best and can provide a more professional and authoritative look.

What you do with your body affects the message too

Body language is crucial during television interviews. When in front of a camera, don't allow your eyes to wander. Keep focused on the interviewer. If the interview is done standing, it helps to stand with one foot in front of the other so that you won't have the tendency to sway back and forth, which can be very distracting and draw attention away from what you are saying.

If you are seated for the interview, remember your posture. Don't slouch! Sit up straight, but not too stiffly. Don't cross your arms. This is a defensive position that might give the impression you have something to be defensive about. Lean slightly forward in your chair so that you will appear interested and involved in the conversation. Try to relax, but don't go too far with it, and remember, you are on camera for the whole world to see and judge. You may even be judged more for how you look than what you say.

Good Visuals provide more appeal to the broadcaster and the audience

Television broadcasters are always interested in good visuals. If your interview or press conference can be located at a location where there is visual interest it will be much more appealing both to the broadcaster and to the audience. For example, if you are being interviewed about the opening of a new sports arena, or children's playground, the interview will have considerably more impact at the actual location where children are playing and obviously enjoying the new facilities. An interview done in a television studio can seem bland and uninteresting by comparison. Filming an interview on-site may have the added benefit of bringing more people out to enjoy and support the new facilities.

Keep the interview conversational and try to avoid jargon, technical terms, and acronyms if at all possible. Imagine that you are talking with someone who is intelligent, but who knows nothing about the subject. Don't assume that the audience knows the background details that you might be thoroughly familiar with, but, at the same time don't be patronizing or talk down to your audience.

After the interview be sure to thank the people involved, even if the

Handling a Crisis

situation was an uncomfortable one. Ask for copies of the video tape or the recording. These can be a great help in refining your interview style for future interviews. Watch the videos, and listen to the tapes to see what kind of impression you made. You can often spot simple ways of improving for the next time. Use these tools to find where you might have missed an opportunity to get your message out, or to come up with more appropriate responses.

RESPONDING TO A CRISIS SITUATION

A situation or event that presents a threat to people, their homes, businesses, or community is often referred to as a critical incident. The amount of effort you put into advance preparations for the possibility of a critical incident occurring in your municipality will pay dividends, and can actually help you manage the situation as it unfolds.

The advance preparation you do in developing your communications plan, and in particular the personnel contact list, will prove its value when a crisis situation arises. (See page 3)

When a crisis occurs and the media is camped out on the doorstep, there are a few things to keep in mind as you begin to inform your residents of what's happening

- Have your crisis management plan ready to go before the situation arises,
- Ensure that your media spokesperson is well prepared and available to meet with the media at all times,
- Monitor the media coverage so you know what information is already out there,
- Have your communications team prepared to respond to inaccurate information,
- Assume that the reporters are in contact with many other sources of information,
- Never lie to the media,
- The priority must always be the successful resolution of the situation, not laying blame or finding out why. The "why's" can be addressed at a later time.

Conclusions

There is a wealth of information available through the internet and other sources which can help build a successful relationship with the media. Training is essential to the communications team and there are a number of very good media relations courses available in Nova Scotia and it would be beneficial to take advantage of such programs whenever possible. This article is intended only as an introduction to the basics, in order to develop the skills required to become an effective media spokesperson further training and development is recommended.

Familiarize yourself with the legal aspects of communications. If you are in any doubt, consult your municipal solicitor regarding the legal definition of libel, defamation, and especially Freedom of Information and Protection of Privacy.

DO'S and Don'ts

- ***Do use “bridging” to bring the interview back to your key message. If a reporter asks you a question that leads you into an area you are not prepared to go, use bridging techniques to return to your key message.***
- ***Do provide factual information. No matter how you are pressured, resist any temptation to speculate, wait until you have the facts you need before providing information.***
- ***Don't place blame. It makes you look bad, especially if you turn out to be mistaken when all the facts are uncovered.***
- ***Don't ever say “no comment”. If you can't provide an answer, at least provide an explanation as to why you can't answer at that particular time. It's better to say that you don't have the information at this time, or that you are not at liberty to say.***
- ***Don't say anything “off the record”. Any comment you make will be pursued. A reporter will seek out other sources to corroborate your comment.***
- ***Don't be rushed into answering. Pausing is a method employed by reporters to encourage you to say more. Often, to say more than you had intended to say.***
- ***Do use pauses to your advantage and think carefully about what you are going to say, and say only what you have prepared.***
- ***Don't legitimize loaded or negative words the reporter may have used, and never repeat them. In your response, point out that what was said was loaded or negative to turn the focus around to disarm them.***
- ***Don't lose your temper or yell, keep your calm and stay courteous. The more inflammatory the question or the interview, the calmer you should be.***
- ***Do correct any mistakes or inaccuracies immediately. Don't allow your statements to be misinterpreted. If necessary, politely interrupt the interviewer and set them straight.***
- ***Do sit still and be quiet at the end of the interview. Don't make any additional comments because you think you are off the air. You might not be.***

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