

The Bottom-Up Operational and Efficiency Review -
a positive alternative to core service reviews in local government

The Regional District of Nanaimo Case
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Operational and Efficiency Review project undertaken by the Regional District of Nanaimo (RDN)

This is an innovative approach to “core review” - may well serve as a model for other jurisdictions considering similar operational reviews in the future.

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This is an approach that recognized

- organizational, political and financial challenges inherent in the review process as typically undertaken;
- built on the bottom-up review work that has been successfully undertaken in other jurisdictions;
- fully engaged the organization (including CUPE members, management and elected officials), the community and other stakeholders in an examination of the efficiency and effectiveness of each department of the RDN and their respective service areas.

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The task I set for myself, and the organization I am responsible for, was to develop a review process that, regardless of its outcomes or recommendations, would have a positive impact on the organization.

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In seminar styled discussions I outlined for the executive committee the pros, cons, issues, concerns, benefits and options to the core review.

The topics and issues covered in these discussions included:

- Discussion regarding what core reviews is, examination of completed reviews and outcomes from other jurisdictions, what the reviews do/do not do and what they are able to achieve.
- The particular context of Regional Districts the term “core review” has a particular quality of inapplicability and inappropriateness.
- The call for a “core services review” throws a shadow or ‘chill’ over an organization like nothing else.

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- Forthright discussion in gaining complete understanding of what elected officials see as the purpose of the review.
- Implications for the review with respect to the Board's Strategic Plan and the linkages the review needs to have to priorities that the Strategic Plan establishes for the organization.
- Costs of the external "top-down" core services review are significant and need to be part of the discussion in terms of fiscal planning of the organization.

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- Importance of Community perspective and priorities is typically excluded from the process of core reviews, only coming into play once recommendations are revealed.

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In addition to the discussion topics outlined above, during the work with the Executive Committee elected officials raised one major concern to the CAO that would need to be addressed in any approach to a review of the organization:

- Directors saw the importance of “independence” of the external review as an important quality of the traditional, external, top-down, approach to core review.

That is, concern regarding the bias of internal review

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Arising from the discussion with the Executive Committee the CAO developed the statement of intent :

The purpose of the review is to identify opportunities to streamline service delivery where possible, achieve cost efficiencies, improve service delivery and effectiveness, reduce duplication, enhance services where required and appropriate, and facilitate ongoing performance measurement and analysis. The review is expected to strengthen the link of service delivery to the strategic priorities of the RDN.

This review, while undertaken with an internal focus through the established review teams, will have a significant focus on assessing community and citizen satisfaction with current service levels and will directly engage external 'stakeholders' in the process. This is an innovative approach to the review of local government services and it is anticipated that this review will enable the RDN to meet future challenges in an equally innovative fashion.

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The statement of intent drove the development of the proposed approach for the RDN (process is detailed in the attachments to the report)

This approach is indebted to the successful work on operational reviews in other jurisdictions with some specific additional aspects:

- **External Stakeholder Interviews** – broad participation, reduction of ‘bias’
- **CUPE involvement** – “buy-in”
- **Community Survey** – not in itself unique, innovative approach/depth to engage and obtain opinion data from the communities of the region
- **Subject Matter Experts** – leveraged experience with LGMA TeamWorks program to give the review greater depth and address concerns of ‘bias’
- **Flexibility** – framework established, modified to suit department, staff “buy-in”

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The process of developing and carrying out this review has resulted in some important “lessons learned”. These Lessons include:

- **There is remarkable capacity and understanding of operations within the organization** that can be leveraged through the appropriate collaborative process to significantly benefit the organization.

Externally “driven” reviews typically cannot benefit from this and as a result often cannot deliver on the claims or intents of the process.

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- The power of collaborative approach is clearly demonstrated in this project at all levels.

The CAO working with the Executive Committee to understand the issues and develop a reasoned approach;

the management group working directly with CUPE staff and external stakeholders to understand the effectiveness and efficiency of their operations;

the broader collaboration by professionals from other jurisdictions that volunteered to work as SMEs in the process and contribute external guidance and advice;

the direct participation of the CUPE President in the review process with the CAO

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- Do not underestimate the time and resources that are necessary to undertake a project of this complexity.

In terms of time, other ways of going about a review would have been faster, undoubtedly.

I recognize that the additional workload and expectations I have put on the management team have significant.

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- Most significantly, for me as the CAO, the process has resulted in a significantly increased level of engagement in our operations at all levels.

While viewed with some degree of trepidation at the outset the interview process (in all cases) has been viewed as a positive experience by staff who have appreciated the opportunity to express their ideas and simply be heard in the organization.

In addition, at the management level I see benefits already from engagement by managers right up to the senior levels in changing their management practices to continue the engagement with their teams that has been established.

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THANK YOU