Executive Committee Agenda

Tuesday, April 2, 2024, 10:00 AM
Electronically hosted from Council Chambers, 419 Notre Dame Street, Belle River

Pages

1. Call to Order

2. Land Acknowledgement

3. Moment of Reflection

4. Consent Agenda

   Recommendation:
   Approve minutes of the previous meeting and receive correspondence as listed on the Consent Agenda.

   4.1   March 21, 2024 Meeting Minutes   3

5. Presentations by Administration

   5.1   Outcomes of the 2023 Workspace Assessment   5

           Recommendation:
           Receive the report for information only.

6. Completion of Unfinished Business

7. New Business

8.   Closed Session

     Recommendation:
     Move into closed session at _____ AM in accordance with:

     a.   Paragraph 239(2)(d), (f) and (k) of the *Municipal Act, 2001* for the
           purpose of discussing labour relations or employee negotiations, advice
           that is subject to solicitor-client privilege, including communications
           necessary for that purpose, and positions and plans to be applied to
           negotiations to be carried on by the Municipality relating to collective
           bargaining.

     b.   Paragraph 239(2)(b) of the *Municipal Act, 2001* for the purpose of
           discussing personal matters about an identifiable individual, including
           municipal or local board employees relating to succession planning.

9.   Adjournment

     Recommendation:
     Adjourn the meeting at ____ AM.

Municipality of Lakeshore

Minutes of the Executive Committee

Thursday, March 21, 2024, 12:00 PM

Members Present:	Division Leader - Workforce Development Lisa Granger, Chief Administrative Officer Truper McBride, Mayor Tracey Bailey, Councillor Ryan McNamara
Staff Present:	Corporate Leader - Chief Financial Officer Justin Rousseau, Division Leader - Legislative Services Brianna Coughlin

_____

1. **Call to Order**

   The Chief Workforce Development Officer opened the meeting at 12:02 PM.

2. **Land Acknowledgement**

3. **Moment of Reflection**

4. **Consent Agenda**

5. **Presentations by Administration**

6. **Completion of Unfinished Business**

7. **New Business**

   1. **2024 Goals & Objectives of Executive Committee**

      The Committee discussed the following goals and objectives for the Committee:

      - meeting on a monthly schedule to start and setting a calendar for the year

      - setting a clear workplan that may include the following items:

        o benefit/compensation review for non-union (policies and procedures, including relocation incentives)

        o workplace assessment and seating plan (pre- and post-renovations of Town Hall)

        o succession planning

        o culture initiatives

- o diversity, equity and inclusion

- o Code of Conduct and human resources policy review

- o training initiatives (including micro-aggression training)

- o recruitment summaries

- o staffing requests

8. Adjournment

The meeting was adjourned at 12:51 PM.

_____
Lisa Granger
Chair

_____
Brianna Coughlin
Division Leader –
Legislative Services

Municipality of Lakeshore
Executive Committee

Corporate Services

Workforce Development

To:	Members of Executive Committee
From:	Lisa Granger, Chief Workforce Development Officer
	Justin Rousseau, Deputy CAO/Chief Financial Officer
	Truper McBride, Chief Administrative Officer
Date:	March 18, 2024
Subject:	Outcomes of the 2023 Workspace Assessment

Recommendation

Report for Information.

Background

This report is being provided to Executive Committee to receive comments and steering advice prior to the report going to Council.

In the 2023 budget, Administration proposed a temporary office space solution. During budget deliberations meeting on January 31, 2023, the following resolution was passed:

Resolution #31-01-2023

Remove $325,000 for the Provision of Temporary Office Space (Line 52, p. 209) and support a hybrid work program for Administration where possible and include $30,000 for consulting work for workplace assessment.

During open session meeting of Council on July 18, 2023, the Division Leader – Workforce Development presented Council with some options for the workspace assessment. Council directed the following:

Resolution 214-07-2023

Receive the report for information;
Direct Administration to complete the workplace assessment, undertake renovations to the existing building and bring in a portable if needed and that the cost associated be funded as outlined in the report; and
Do not support the hybrid work policy.

Through a Request for Proposal (RFP) process and Council approval for funding, KPMG was awarded the tender to complete the workplace assessment requested by Council.

Comments

As Lakeshore's population continues to increase, so too will Lakeshore staffing to keep service levels from diminishing. Over the course of the last two decades, space in municipal facilities has not kept up with the growth in staffing.

The workspace assessment was completed in 2023 by KPMG. The attached Appendix A: Municipality of Lakeshore Workspace Assessment outlines the outcomes of the workspace assessment completed by KPMG in 2023. The assessment included consultations with:

1) Stakeholder engagement with Members of Council
2) Stakeholder engagement through a focus group made up of some of the management positions.
3) Stakeholder engagement through a number of focus groups made up of some Lakeshore staff.
4) Stakeholder engagement through a survey distributed to all staff.
5) Environmental scan of other municipalities.

The key themes of the stakeholder engagement included:

1) Physical space available in municipal facilities.
2) Staffing levels as it relates to workspace requirements.
3) IT infrastructure.
4) Key performance indicators and performance measurement
5) Hybrid work program.

Recommendations from stakeholders provided to KPMG included:

1) Hybrid work program implementation
2) New buildings for Fire, Civic Centre, leasing off-site facilities
3) Renovations and revised layouts
4) Better equipment and furnishings.

Environmental scan indicated that:

1) Lakeshore has a higher population density than other lower tier municipalities in the region but Lakeshore has less staff.

2) Other municipalities have implemented hybrid work programs successfully. It is worth noting that most of the programs only include a very small percentage of participants to total number of employees due to eligibility of position and employee requests.

KPMG findings and recommendations:

1) Implement a hybrid work program to allow for workspace optimization.

2) Space optimization includes:

   a. The pre-pandemic space plan is least efficient with the lowest space optimization.

   b. Should the Municipality reallocate the seating plan to include zoning by team or Division, the shared space by each team within the department or group allows for the division to communicate regularly. However, it fails to optimize sharing throughout the entire department or the entire organization.

   c. Should the Municipality reallocate the seating plan to include zoning by services, the shared space by services offered by the Municipality will begin to move in a direction that optimizes space and efficiency. This will provide support for synergies between divisions.

   d. The highest level of space optimization is zoning by co-working or sharing the same workspace locations through hybrid work locations.

3) Productivity measurement to measure service effectiveness.

4) Document storage move to electronic means. This will allow efficient storage, free up space for more staff, and increases efficiency for working between municipal services and functions through greater accessibility.

Currently, the number of staff has outgrown the available municipal facilities. Administration is already working on renovations to Town Hall that will address some current workspace constraints. However, the Municipality will return to experiencing workspace constraints within a five to six years after the Town Hall renovations are completed. In order to move forward to accommodate all staff with appropriate workspace allocation, based on the presentation from the Consultant, Council has a number of options to consider:

Short term solutions:

Option 1: Optimizing space of current municipal facilities through revising the seating plan by municipal service to provide for better room utilization.

Option 2: Additional renovations and reallocation of municipal facilities or functions (slides 46 to 56) to provide greater office density and increase utilization of municipal facilities.

a) A plan to renovate Town Hall is already underway.

b) Renovations to the Operations Centre to allow for more office space.

c) Convert the skate shop in the ATRC to more office and cubicle space.

Option 3: Workspace sharing including hybrid remote program. This program could be included as a solution in short term, intermediate and long term considerations.

Option 4: Leasing additional workspace (short term). The Municipality may have to lease workspace during the renovations of Town Hall which is anticipated to be completed over 12 month period.

Option 5: Optimize technology including digital storage and increase investment in technological tools to increase efficiencies. This solution could be included as consideration for short term, intermediate and long term solutions. There will be a records management review completed in 2024.

Intermediate Solutions:

Option 6: Renovations to Municipal Facilities including the planned renovations for Town Hall. However, there may be further renovations to optimize the use of municipal facilities as noted above.

a) Other renovations could include converting the current Council Chambers to additional office and cubicle space. Relocating Council Chambers to the ATRC or Libro Community Centre would allow for parking and better accessibility to attend Council Meetings.

b) Repurpose Libro Community Centre for office and cubicle space.

Option 7: Leasing additional workspace (long term) when the staffing levels outpace the renovations already completed and until a new long-term solution is implemented.

Long term solutions:

Option 8:   Build a new Civic Centre.

Option 9:   Purchase additional municipal facilities to provide additional workspace.

Option 10: Lease additional workspace (longer term)

The options above are not mutually exclusive. Some options may be undertaken simultaneously. Some options will require a phased in approach due to the long-range planning and/or construction required for implementation of the option.

Administration recommends implementing options 1, 2, 3, 5, 6b and 8 as outlined above.

Others Consulted

KPMG, consultant

Financial Impacts

The financial impacts are as follows:

1) Option 1 – minimal estimated costs.
2) Option 2 – estimated costs is $1 million. Report to Council to follow.
3) Option 3 – minimal estimated costs.
4) Option 4 – estimated at approximately $300,000 for 12 month period.
5) Option 5 – estimated costs at $250,000 depending on the outcome of 2024 records management review.
6) Option 6 – estimated costs at $300,000.
7) Option 7 - estimated costs at $400,000 per year plus inflation.
8) Option 8 – the estimated costs for a new Civic Centre as presented to Council in 2021/22 is $16 million plus inflation. Long range cost could experience significant changes.
9) Option 9 – likely estimated to be the same as building a new Civic Centre. This could estimated properly because of lack of market availability.
10) Option 10 – estimated costs at $400,000 per year plus inflation.

Attachments

Appendix A: Municipality of Lakeshore Workspace Assessment.

Report Approval Details

Document Title:	Outcomes of the 2023 Workspace Assessment.docx
Attachments:	- Appendix A Municipality of Lakeshore Report Workspace Assessment.pdf
Final Approval Date:	Mar 27, 2024

This report and all of its attachments were approved and signed as outlined below:

Prepared by Lisa Granger, Justin Rousseau and Truper McBride

KPMG

Municipality of Lakeshore

Workspace Assessment and Hybrid Work Program

December 2023

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Disclaimer

This report has been prepared by KPMG LLP ("KPMG") for the Municipality of Lakeshore ("Client") pursuant to the terms of our Agreement with the Client dated July 24th, 2023 (the "Engagement Agreement") and the updated Project Charter dated September 7th, 2023. KPMG neither warrants nor represents that the information contained in this report is accurate, complete, sufficient or appropriate for use by any person or entity other than Client or for any purpose other than set out in the Engagement Agreement. This report may not be relied upon by any person or entity other than Client, and KPMG hereby expressly disclaims any and all responsibility or liability to any person or entity other than Client in connection with their use of this report.

This report is based on information and documentation that was made available to KPMG at the date of this report. KPMG has not audited nor otherwise attempted to independently verify the information provided unless otherwise indicated. Should additional information be provided to KPMG after the issuance of this report, KPMG reserves the right (but will be under no obligation) to review this information and adjust its comments accordingly.

Pursuant to the terms of our engagement, it is understood and agreed that all decisions in connection with the implementation of advice and recommendations as provided by KPMG during the course of this engagement shall be the responsibility of, and made by, the Municipality of Lakeshore. KPMG has not and will not perform management functions or make management decisions for the Municipality of Lakeshore.

This report may include or make reference to future oriented financial information. Readers are cautioned that since these financial projections are based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occur, and the variations may be material.

Comments in this report are not intended, nor should they be interpreted, to be legal advice or opinion.

KPMG has no present or contemplated interest in the Municipality of Lakeshore nor are we an insider or associate of the Municipality of Lakeshore. Accordingly, we believe we are independent of Municipality of Lakeshore and are acting objectively.

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1.0
Project Overview & Workplan

Project Overview

Background

About the Municipality of Lakeshore

The Municipality of Lakeshore (the "Municipality") is one of the fastest growing municipalities in southwestern Ontario. Lakeshore is a relatively new municipality comprised of 17 divisions in 5 departments, and 13 different working sites. Shifting demographics, increasing resident expectations, and cost pressures are putting strain on the Municipalities resources. In order meet these challenges, the Municipality is seeking to optimize the workspace to adapt to growth.

KPMG has been engaged to conduct a workspace optimization assessment and develop a hybrid work program. KPMG will help develop a hybrid work program to support the development of workplace policymaking and facilitate physical and virtual reporting options for staff. We understand that the Municipality requires an assessment of available spaces within the organization to increase utilization and make recommendations to optimize, including short-term and long-term opportunities that are realistic and achievable.

Objectives

In order to meet the expectations of the Municipality, as well as meet its obligations as outlined in the engagement letter, KPMG will:

- Provide a thorough review of Municipality of Lakeshore's current roles and their use/requirements for office space considering the Municipality's currently available workspace across its multiple facilities.
- Considering the outcomes of the workspace assessment, provide recommendations on ways to optimize existing office space for staffing levels for the next 5 years.
- Provide a report detailing the assessment/consultation efforts with recommendations around quantity and type of office spaces for Municipality staff to allow for a hybrid work policy for staff, future growth, and to right-size the office inventory.
- Develop recommendations for the Municipality to consider regarding a hybrid work program and policymaking efforts, as well as tools to assist the organization in assessing the eligibility of positions for hybrid work.

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Project Workplan

	Phase 1: Project Planning	Phase 2 Current State Analysis	Phase 3: Recommendations	Phase 4: Final Report
Objectives	• Align on project plan, schedule & objectives, develop a strong foundation	• Define consultation approach	• Validate current state findings	• Synthesize work into a final report
Activities	• Facilitate project kick-off • Confirm project objectives and scope • Develop stakeholder engagement plan • Documentation Review • Finalize Workplan	• Stakeholder consultation • Job description analysis of current roles and responsibilities • Review of workspace availability	• Engage the project team to prioritize and categorize opportunities • Develop future state recommendations regarding the Hybrid Work Program	• Draft and present Needs Profiles, findings, conclusions and recommendations
Deliverables	• Project Kick-off Meeting • Project Charter • Establish status reporting structure	• Space Needs Profiles for each department • Key themes from stakeholder analysis • Preliminary opportunities • Interim report to project team	• Develop opportunities to optimize workspace utilization standards • Draft future state recommendations of hybrid work models	• Draft final report • Working session to review final report with Project Team • High level change management plan • Presentation to Corporate Management Team and Council
Timelines	**4 Week**	**6 Weeks**	**3 Week**	**3 Weeks**

Document Classification: KPMG Public   6

2.0
Current State Analysis

Project Approach

In order to better understand the current state of the Municipality, KPMG collected information from four primary sources. Leadership consultations, focus groups, and staff surveys were conducted in order to understand the voice of the customer (VOC). The VOC helps identify the value from the customer's perspective. A "customer" could be any process stakeholder, whether internal or external to the organization. KPMG also conducted an environmental scan of hybrid work policies from other jurisdictions. This is a high level review intended to give the Municipality some insight into what policy guidelines to consider.

The findings from our consultation and review are based on these four primary sources of information:

Leadership Consultations	Staff Focus Groups	Staff Survey	Environmental Scan
18 members of the leadership team were interviewed to discuss work environment opportunities and strengths. (division leaders, c-suite executives, and members of Municipal Council)	2 separate focus groups with over 20 Lakeshore staff in attendance. The workshop outputs are reported anonymously.	An anonymous survey was sent to all staff in the Municipality. Seventy seven responses were received and compiled.	KPMG with the assistance of the Municipality reached out to other entities to compare their hybrid work policies.

2.1

Summary of Stakeholder Engagements

Summary of Stakeholder Engagements

As identified at the beginning of this section, KPMG facilitated 18 one on one discussions with the Municipality's leadership (senior management and all members of Municipal Council) and two staff focus groups with over 20 municipal staff participating in those sessions. Both the facilitated one on ones and focus groups were structured in a manner that would allow KPMG to gain insight and perspective on the current state of the working environment for the Municipality of Lakeshore. To accomplish this, the following five questions were asked:

1. *What do you feel is the most productive work structure the Municipality could use and why?*

2. *Do you feel every department can use your proposed work structure? If not, how would you handle questions around equity between staff and departments?*

3. *Do you believe you have the right infrastructure for the work the municipalities staff need to do? If not, what should / could change immediately and in the future?*

4. *How do you measure productivity in your team?*

5. *When your team works away from the office how you ensure all security measures are taken into account? i.e., Private space for calls, black out screen, document control, etc.*

The following pages within this section identify the key themes and a high level summary for each question listed above.

Key Themes (1/3)

Based on the consultations with the Municipality of Lakeshore, KPMG identified the following key themes.

1   Physical Space

- Stakeholders expressed concerns about the suitability of the basement floor of the Town Hall building including the lack of natural lighting
- There appears to be the need for a strategic plan on the future of the Town Hall building recognizing the impact it would have on the Municipality's overall approach to capital asset management; When asked about the future state of the Town Hall, stakeholders shared differing opinions on renovations versus a new build
- Stakeholders shared concerns about the physical limitations of the current Town Hall including the risks associated with confidentiality, the physical layout of office space which may not accommodate cubicles, and the adequacy of parking
- Renovations to two municipal facilities i.e. town hall and public works have allowed for more collaborative space for staff

2   Staffing

- Stakeholders expressed a concern that the Municipality may be at a competitive disadvantage within the labour market because they do not have a hybrid work program at this time
- Stakeholders also expressed a concern about the amount of available working space within the Town Hall building particularly to the extent the Municipality increases upon its current complement

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Key Themes (2/3)

Based on the consultations with the Municipality of Lakeshore, KPMG identified the following key themes.

3 **IT Infrastructure**

- The Municipality makes use of laptops for municipal employees along with cloud based systems which can support remote work when required
- The Municipality has invested in cyber security (frequent testing and the use of external cybersecurity) and supporting policies in recent years and as such, the Municipality remains vigilant but it does not appear to be a pressing concern for day-to-day operations

4 **KPIs and Performance Measurement**

- Leadership from across the organization shared that the overall approach to performance measurement is inconsistent and there is a need to develop relevant KPIs to track performance metrics
- IT was identified as a department that appears to be regularly tracking performance through the use of KPIs (IT ticket tracking)

Key Themes (3/3)

Based on the consultations with the Municipality of Lakeshore, KPMG identified the following key themes.

| 5 | **Hybrid Work Model** |

- There did not appear to be consensus among the Municipality's leadership with respect to the adoption of a hybrid work model. However, the majority of leadership appeared to be receptive to the concept
- Based on anecdotal information, the Municipality did not appear to experience any noticeable decline in productivity during the pandemic
- Stakeholders did not appear to be resistant to the idea of hoteling as part of any potential hybrid work model.
- It was acknowledged by stakeholders that any potential hybrid work model would need to take into consideration the Municipality's existing collective bargaining agreements
- Leadership expressed a concern about trusting employees to work from home based on past experiences with remote work
- There were also shared concerns that a hybrid work model may present logistical challenges and potentially create an environment where there would be a loss of natural collaboration between teams and potentially a loss of knowledge transfer

Document Classification: KPMG Public   13

Stakeholder Consultations (1/5)

1. What do you feel is the most productive work structure the Municipality could use and why?

What we heard...

- Stakeholders expressed an interest in moving to a hybrid work model backed by a clearly defined policy.
- Acknowledged that certain roles may benefit and be more productive from working remotely due to the perceived decrease in distractions.
- Stakeholders expressed a desire to maintain some on-site presence to maintain office culture and communication.
- Desire to build the capacity for remote work to create flexibility in the event of a natural weather phenomenon e.g., flooding.
- A number of approaches were proposed by stakeholders:
  - Repurposing of the current workspaces by means of modular workspaces, office sharing, and hoteling.
  - Implementing a 4 day work week with increased business hours.
  - Implementing a schedule – employees would be on-site for 3 days and remote for 2 days.
    - Managers will be responsible for their respective departments schedules while ensuring service coverage.
- There was however, some concern regarding trusting employees to work from home based on past experiences with remote work.

Stakeholder Consultations (2/5)

2. Do you feel every department can use your proposed work structure? If not, how would you handle questions around equity between staff and departments?

What we heard...

- Concerns regarding the potential divide between managers and staff.

- Lack of a clear mechanism to maintain equity between staff, as well as resolving disputes regarding eligibility.

- Providing different positions with different options regarding flexible work.

- Some stakeholders proposed an incentive based system for those whose positions were deemed ineligible for remote work.
    - Although there was some concern about what that would look like and the potential issues that can occur as a result.
    - Example incentives proposed were a compressed work schedule, increased compensation to account for travel, extra vacation time.

- It was acknowledged by stakeholders that any potential hybrid work model would need to take existing collective bargaining agreements into consideration.

- The capacity of departments to transition online varies as some departments are still heavily paper based while others are effectively 99% online.

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Stakeholder Consultations (3/5)

3. Do you believe you have the right infrastructure for the work the municipalities staff need to do? If not, what should / could change immediately and in the future?

What we heard...

- There appears to be the need for a strategic plan on the future of the Town Hall building recognizing the impact it would have on the Municipality's overall approach to capital asset management.

- When asked about the future state of the Town Hall, stakeholders shared differing opinions on renovations versus a new build.

- The suitability of the basement floor of the Town Hall building including the lack of natural lighting.

- Concerns about the amount of available working space within the Town Hall building particularly with newly created positions.

- Other physical limitations associated primarily with the Town Hall building including the adequacy of parking and a physical layout which may not accommodate cubicles.

- Concerns about the potential risks associated with confidentiality and the physical layout of office space.

- There needs to be better utilization of the current space and the lay out is awkward.

- Difficulties in collaboration are a result of both a lack of collaborative spaces, as well as staff not being in one facility.

- Current layout of the front counter not resident friendly and should be a "one stop shop".

- Additional training required regarding privacy and security requirements and best practices.

- IT department is relatively small for this size of an organization.

Stakeholder Consultations (4/5)

4. How do you measure productivity in your team?

What we heard...

- Based on anecdotal information, the Municipality did not appear to experience any noticeable decline in productivity during the pandemic.

- The availability of KPI's largely varies by department.

- Despite efforts to digitize it is difficult to get a true sense of productivity.

- No real way to tell if they could measure if an employee is above or below their performance indicators.

- KPI's are limited to process-based outcomes such as number of documents processed.
    - E.g., Number of certificates or permits processed, IT tickets processed, resident complaints rectified, calls transferred etc.

- Backlogs in the work order management system have become accepted.
    - Tracks completion but it is not used as a performance indicator.

- Productivity can vary depending on variables such as counter traffic, internal distractions, unable to book meeting space etc.

- Current model is largely based on trust that the work is getting done and project deadlines.

- Current structure has lead to silo's between departments which can lead to inefficiencies.
    - Collaboration is difficult as certain functional departments are located in separate facilities.

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Stakeholder Consultations (5/5)

5. When your team works away from the office how you ensure all security measures are taken into account? i.e., Private space for calls, black out screen, document control, etc.

What we heard...

At Home:

- Maintaining the security of sensitive calls and documentation largely depends on the integrity of staff

- Stakeholders seemed to be unsure over the private workspace requirements while working from home

- Current policy is not enforced and should be open to security audits

- The reliance on physical documents in some departments is a risk while working from home

- Appears that only some personnel use cloud storage

- Security is currently better off due to cyber awareness training

In the Office:

- Privacy is a concern due to the thin walls making it easy to overhear private conversations

- Limited rooms available to book for private calls both internal and external

- Rooms even when booked can still be occupied

- Some personnel are not comfortable sharing an office due to sensitive documents being stored on-site

- Some desks, notably in the ATC, are easily accessible by residents

- The glass at the front counter can be difficult to communicate through. Would like a private room to handle sensitive conversations with residents

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2.2

Hybrid Work Survey

Hybrid Work Survey

As part of the current state analysis, KPMG conducted a survey on behalf of the Municipality of Lakeshore. The objective of the survey was to collect feedback from staff regarding the current working conditions, limitations, and ideas for future improvements. The questions were formulated by KPMG and approved by the Municipality prior to distribution.

The survey was administered through the Verint survey tool and distributed internally by the Municipality via email. The survey went live on September 21st and was closed on October 10th. In total, there were 77 surveys collected.

The following slides contain the survey results broken down by question.

The quantitative results are displayed in graphs including a statement highlighting the findings.
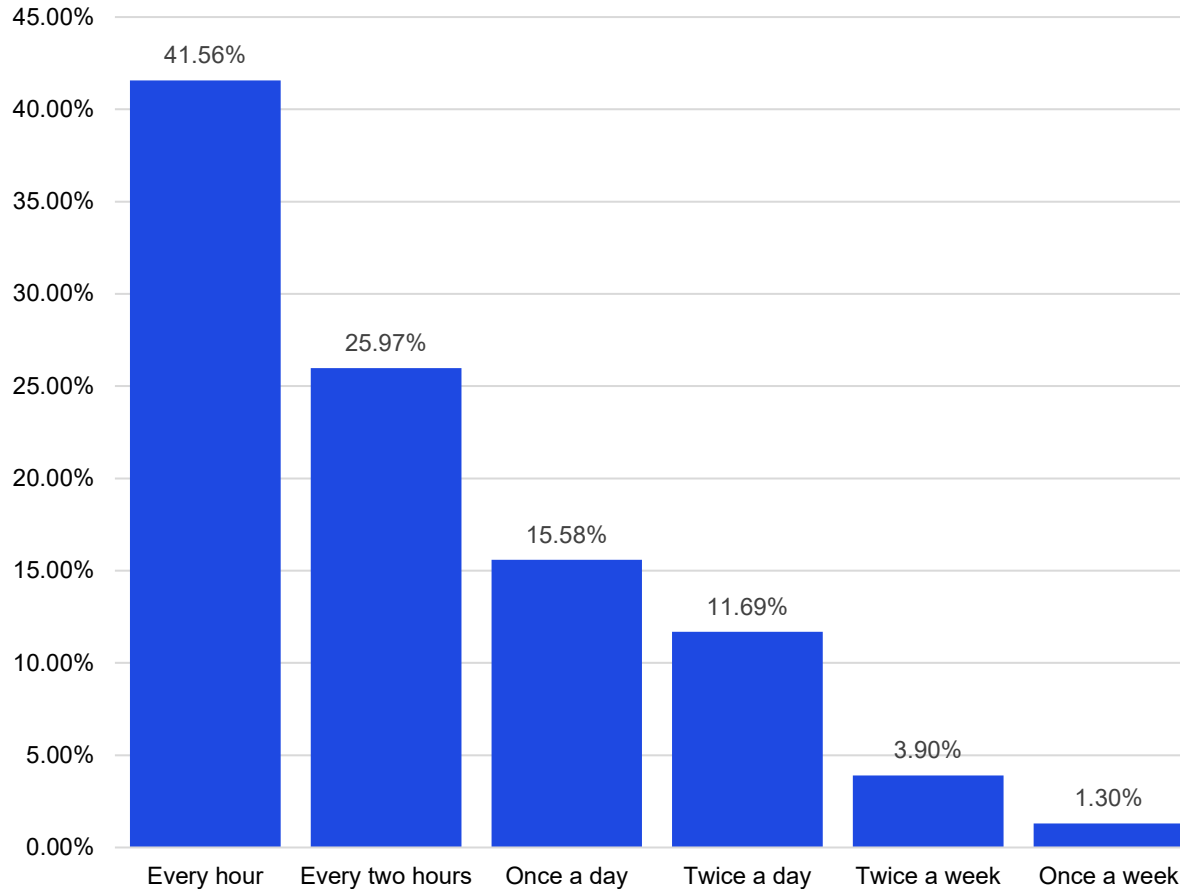
The qualitative text based responses received were summarized and grouped into themes accordingly.

> The 77 responses represents a 90% confidence level with a 5% margin of error.
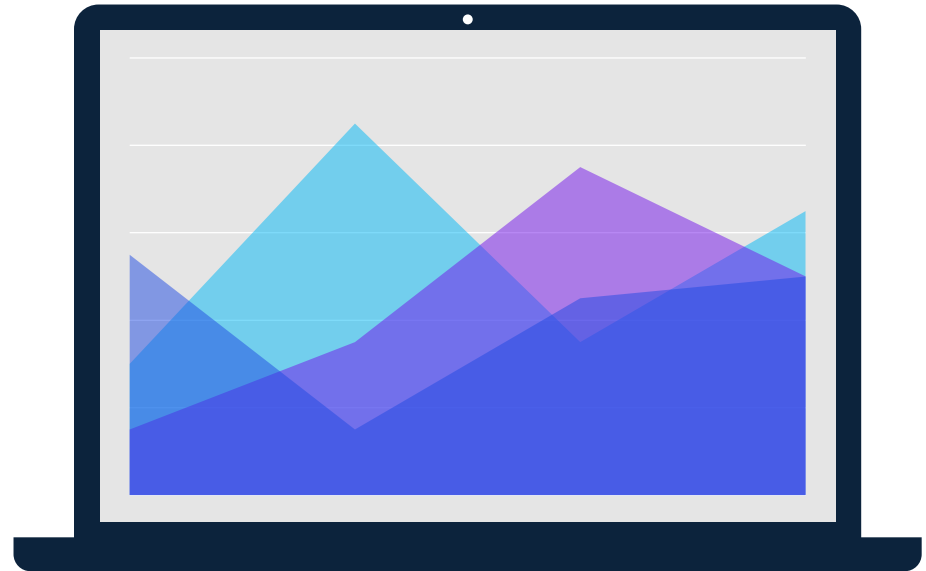
Hybrid Work Survey Results (1/14)

Q2. On average how often in a day do you need to collaborate with someone at work?

**42% of respondents** need to communicate with someone at work every hour.

A combined 83% of respondents need to collaborate with someone at work at least once a day.

*This data is unfiltered and contains all 77 respondents.

Document Classification: KPMG Public | 21

Hybrid Work Survey Results (2/14)

Q3. What is the workstation set up you require to effectively complete your work? Identify all requirements.
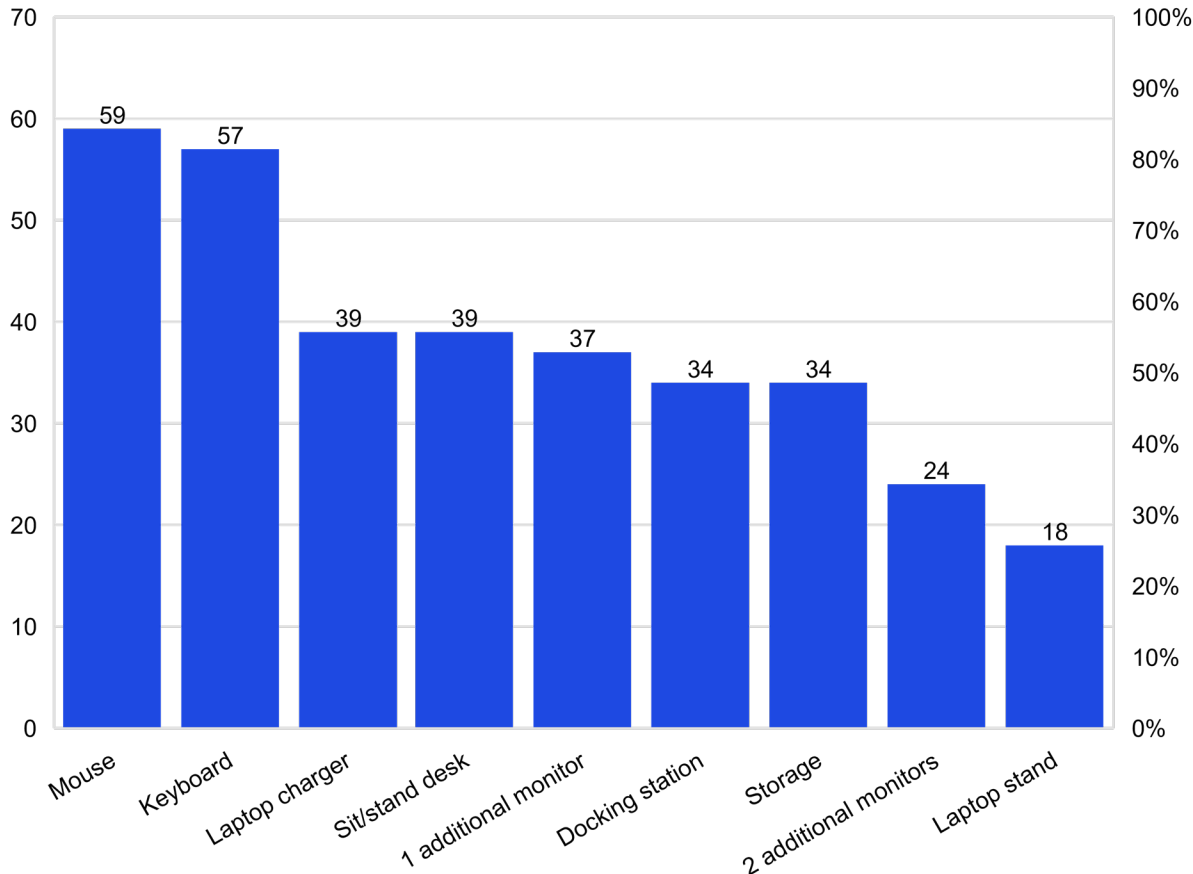
51% of respondents stated they require a sit/stand desk to work effectively.

31% of respondents stated they require two additional monitors to work effectively.

*This data is unfiltered and contains all 77 respondents.

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Hybrid Work Survey Results (3/14)

Q3. What is the workstation set up you require to effectively complete your work? Identify all requirements (continued).
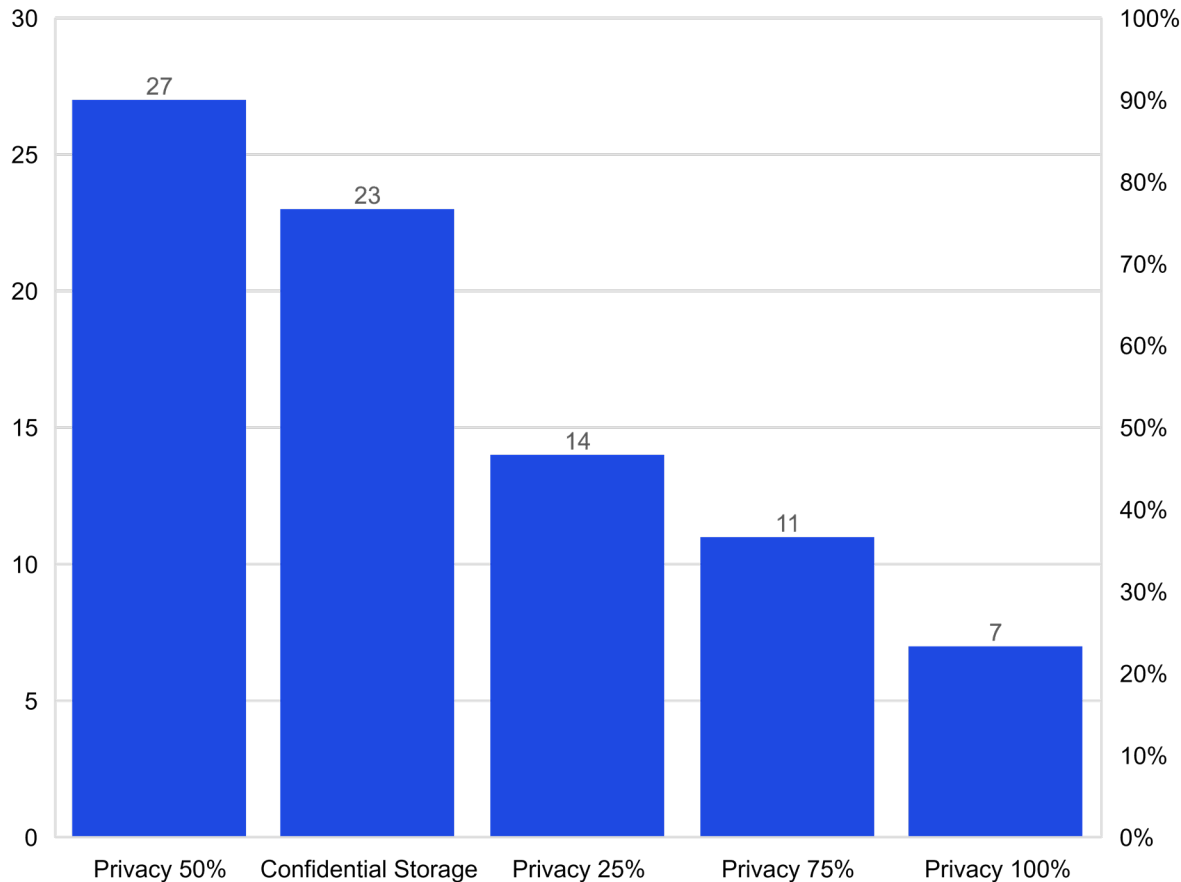
50% of respondents indicated that to effectively complete their work they require at least half of their work day to be private.

*This data is unfiltered and contains all 77 respondents.

Hybrid Work Survey Results (4/14)

Q4. What type of computer are you currently using?
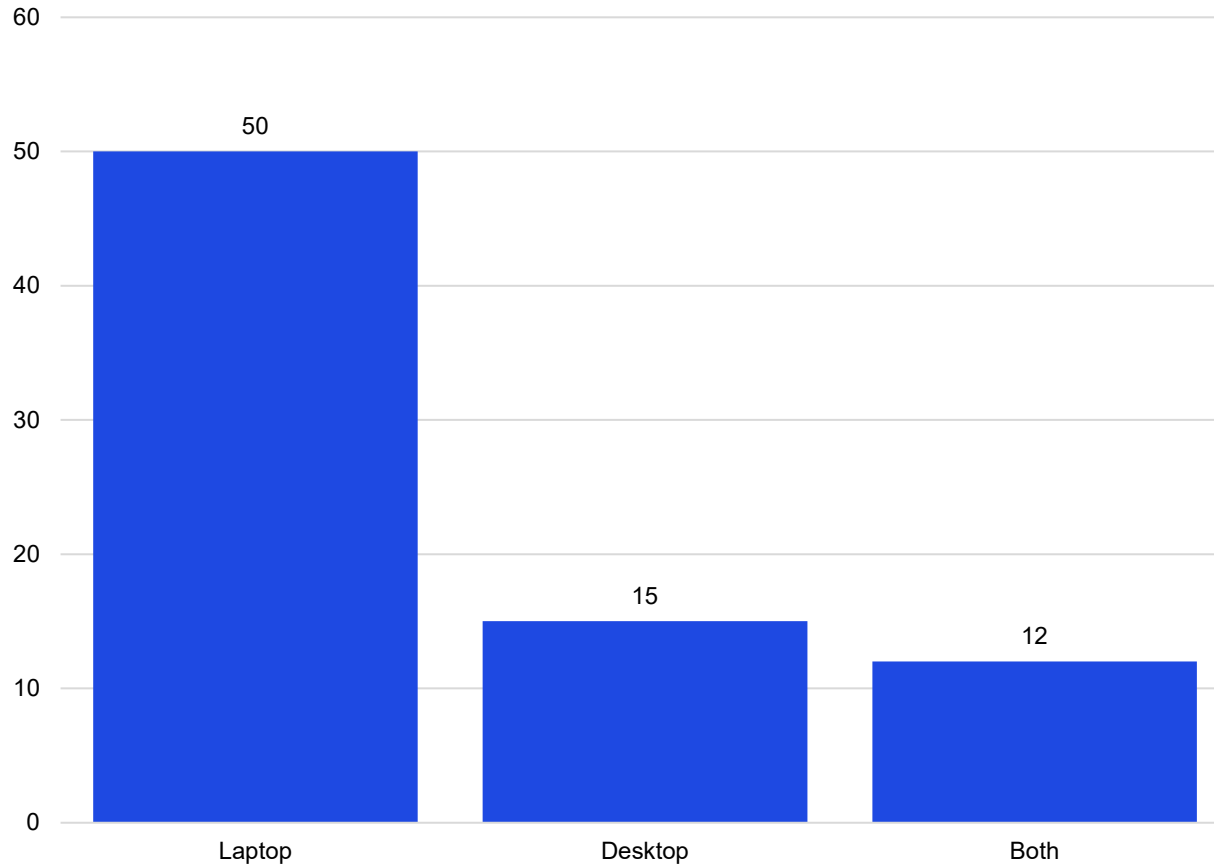
20% of respondents are currently using a desktop.

Of those 15 respondents who are using desktops, 6 work in finance.

Bar chart:
- Laptop: 50
- Desktop: 15
- Both: 12

*This data is unfiltered and contains all 77 respondents.

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Hybrid Work Survey Results (5/14)

Q5. What barriers exist, if any, that prevent you from completing your work in the office?

Noise & Interruptions
Disruptions from staff or residents

- Noise levels in the office combined with interruptions from staff and/or residents makes can be quite disruptive.

Privacy
Lacking space and storage for confidential meetings/files

- Due to the open nature of the space, it is difficult to have confidential calls and conversations. Lack of privacy creates issues when working with and storing confidential materials.

Office Conditions
Amenities, HVAC, atmosphere

- Lack of ventilation, fresh air, and lack of AC creates a "de-energizing" environment.

Workstation & Equipment
Disruptions from staff or residents

- Insufficient equipment to work efficiently e.g., require a larger screen, uncomfortable chair, old and slow computer, lack of space, etc.

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Hybrid Work Survey Results (6/14)

Q6. When <mark>working in the office</mark>, how often do you complete all the required daily tasks by the end of the scheduled workday?
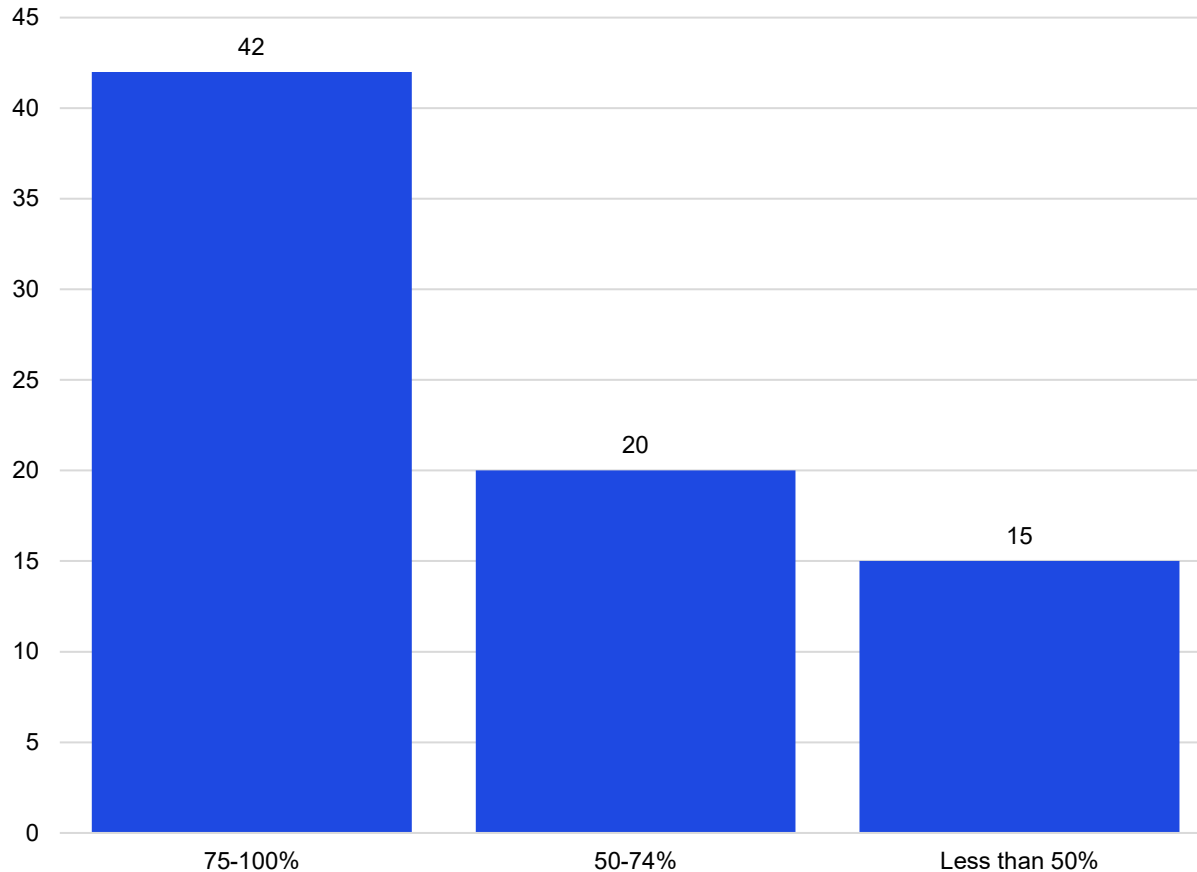
The following reasons were given by the 15 (19%) of respondents who indicated they complete less than 50% of their daily tasks:

- **Too many distractions**
- **Workload**
- **Noisy work environment**
- **Interruptions**

*This data is unfiltered and contains all 77 respondents.

Hybrid Work Survey Results (7/14)

Q7. If you have <mark>worked from home</mark> in the past, how often did you complete all the required daily tasks by the end of the scheduled workday?

Category	Value
75-100%	44
50-74%	10
Less than 50%	6
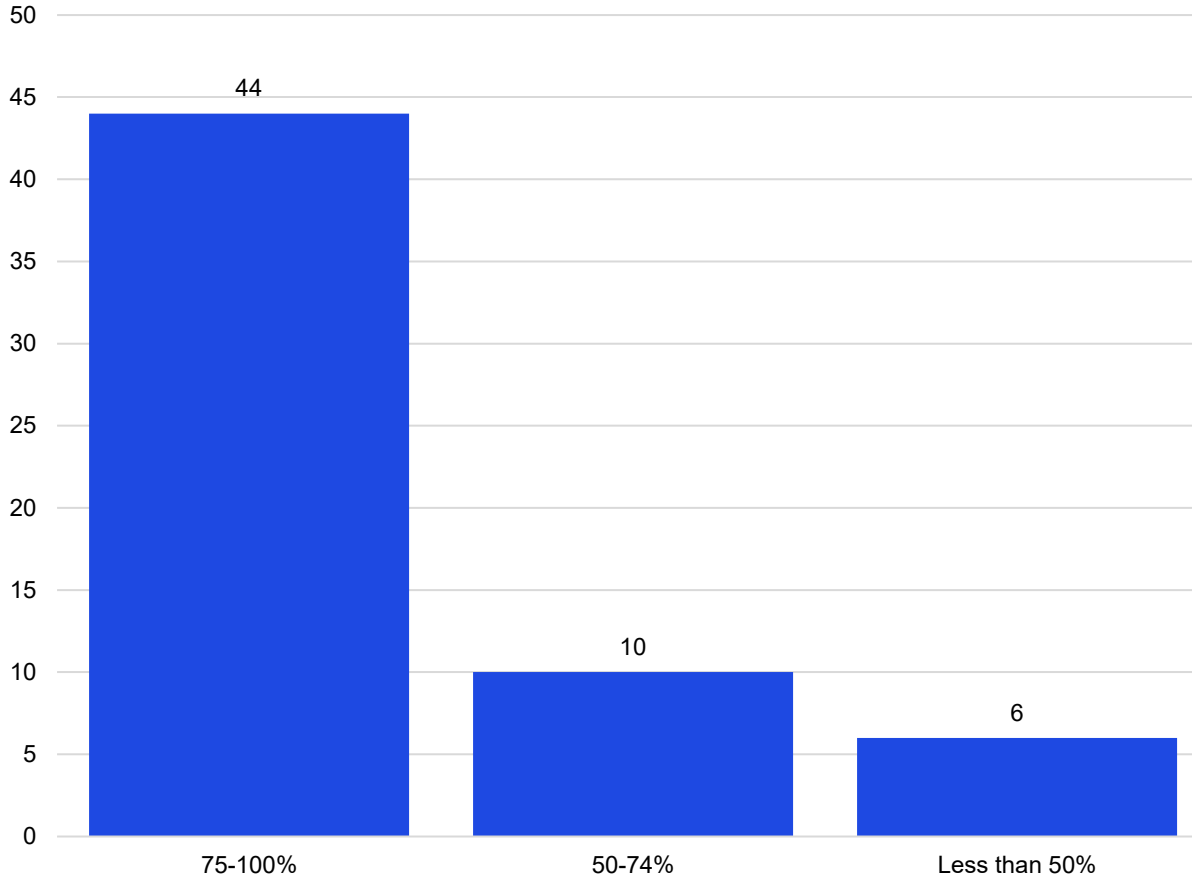
Of the 6 respondents who indicated they complete less than 50% of their required daily tasks, the following reasons were given:

- **Workload**
- **Not enough time**
- **Missing access to relevant equipment**

*This data is filtered to remove the 17 respondents who indicated that they can't work from home in their answer.

27

Hybrid Work Survey Results (8/14)

Q8. If there was a hybrid work remote option and if your position qualified to participate in a hybrid work remote option, would you want to participate in that program?
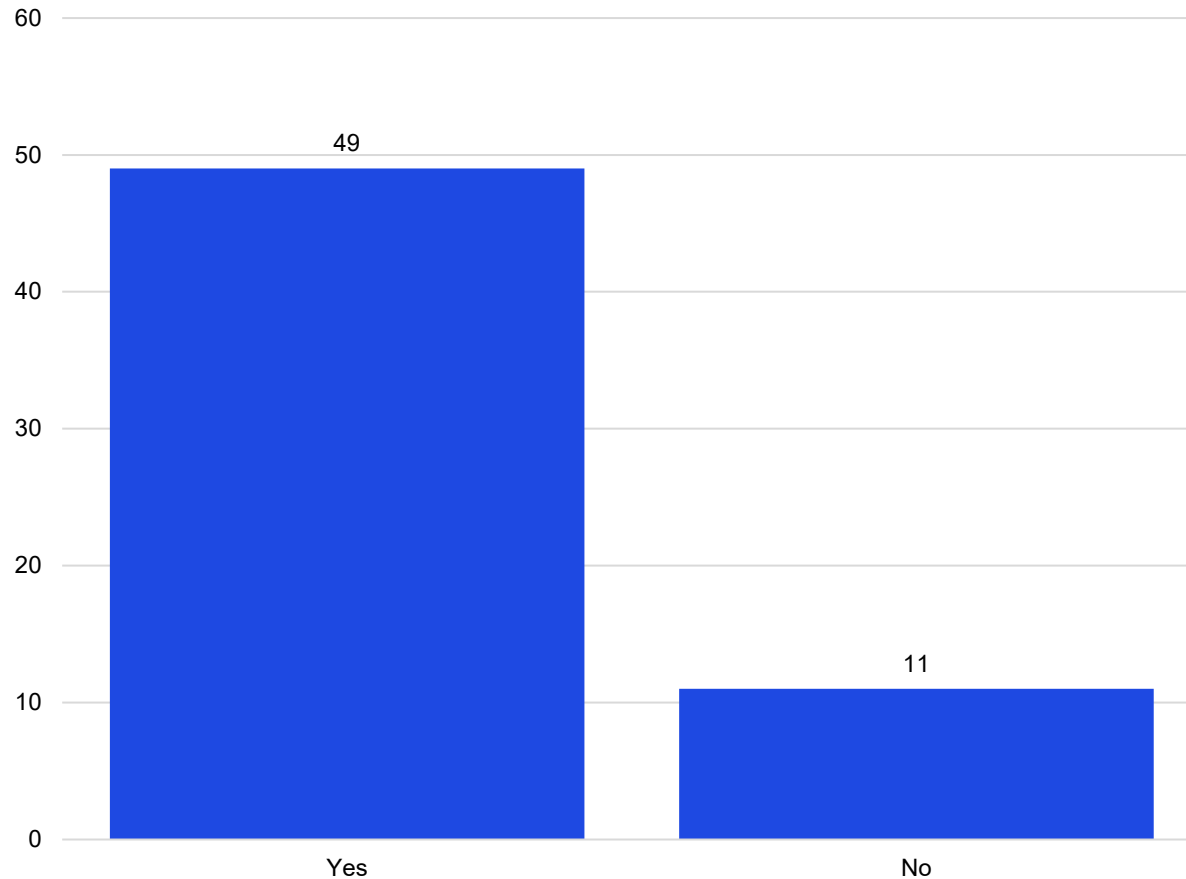
Of the 60 respondents who could work remotely, 18% of respondents would not participate in a hybrid work program.

*This data is filtered to remove the 17 respondents who indicated that they can't work from home in their answer.

Hybrid Work Survey Results (9/14)

Q9. If there was a hybrid work remote option Hoteling may be required (shared work stations you would have to book for the days you would like to come in the office). Please indicate what you feel would be the pros and cons of this system.

Pros	Cons
• Better work life balance	• Concerns regarding the cleanliness and hygiene levels of shared workspaces
• Not having to commute would be a time saver, as well as beneficial to the environment	• Set up time adjusting the workstation and ensuring all peripherals are in place (e.g., adjusting chair and monitor height, clearing unnecessary items/files, missing equipment)
• Potential for increased productivity for both on-site and remote work	• Ergonomic challenges for those who have restrictions/accommodations
• Fewer distractions at home vs on-site	• Management of confidential files (can't share storage with other departments, no secure storage nearby)
• Better space utilization and flexibility	• Difficulties collaborating with team members as they could be at home or on-site in a different area
• Better stress management avoiding burnout	• Fear of workstations being double booked
• Departments largely have the same equipment needs so workstation requirements should be consistent	• Last second requests to come in may be difficult to accommodate if all workstations are booked
• Would potentially increase recruitment and retention	• Added complexity in supervising staff

*This data is filtered to remove the 17 respondents who indicated that they can't work from home in their answer.

Document Classification: KPMG Public   29

Hybrid Work Survey Results (10/14)

Q10. If there was a hybrid work remote option and if your position qualified to participate, what days of the week would you prefer to be in the office (shared space use) Check all that apply.
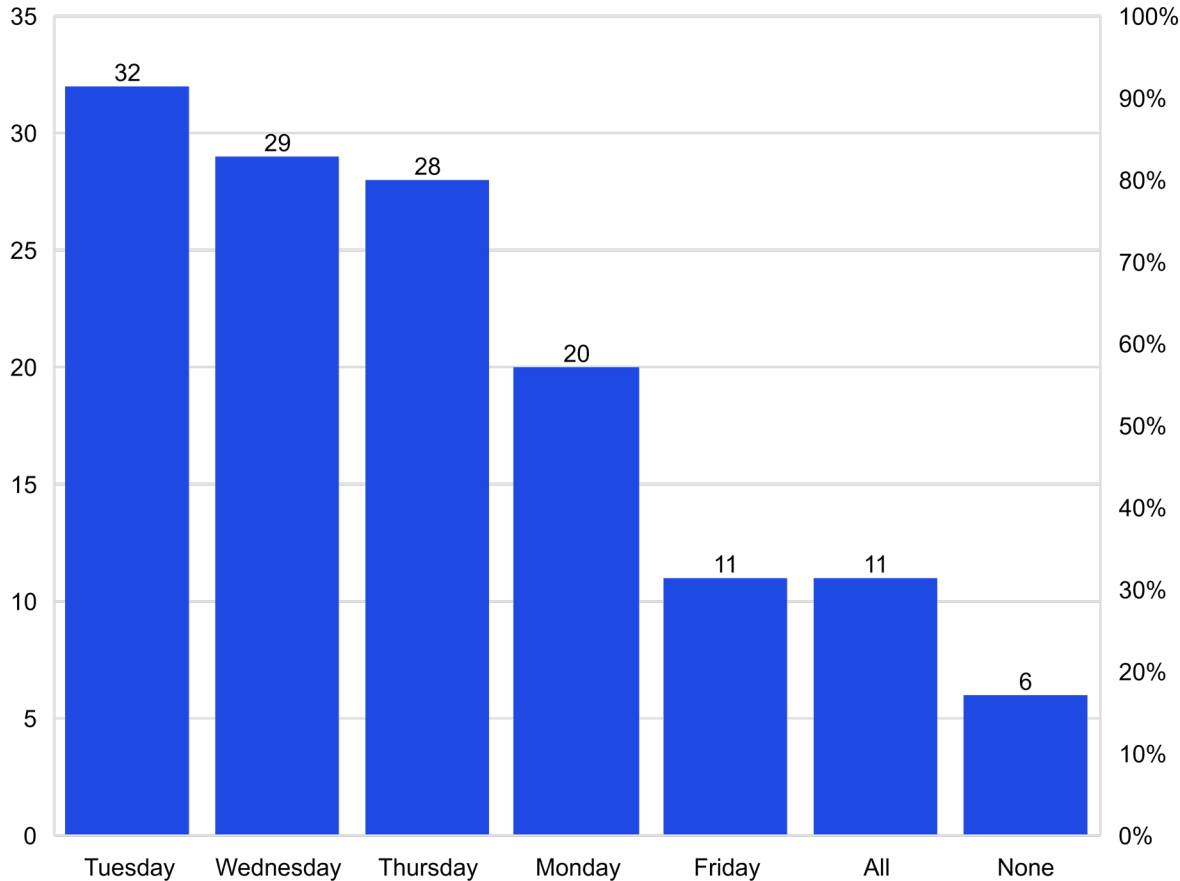
Of the 60 respondents who could work remotely, 10% of respondents would prefer to not work on-site during the week.

Tuesday, Wednesday, and Thursday combined for 65% of the total responses.

*This data is filtered to remove the 17 respondents who indicated that they can't work from home in their answer.

Document Classification: KPMG Public   30

Hybrid Work Survey Results (11/14)

Q11. If there was a hybrid work remote option and if your position qualified to participate in a hybrid work remote option, are there physical systems and/or equipment barriers that would prevent you from completing your work remotely?

Physical Equipment

- Laptop
- Printer
- Work vehicle
- Monitor(s)
- Physical file storage
- Cell phone
- Postage machine
- Appropriate desk and chair
- Quality internet connection
- Shredder

Software

- Virtual private network (VPN)
- External access to W drive
- Remote SCADA access

Job Related Functions

- On-site inspections/reviews
- Use of heavy equipment
- Access to daily mail
- Access to job related equipment such as industrial printer, mailing system, folding/stuffing machine
- Access to survey equipment
- Site related supervisory duties for safety reasons
- Field emergencies

*This data is filtered to remove the 17 respondents who indicated that they can't work from home in their answer.

Hybrid Work Survey Results (12/14)

Q12. If there was a hybrid work remote option and if your position qualified to participate in a hybrid work remote option, what security precautions do you take into consideration when working from home? Select all that apply.
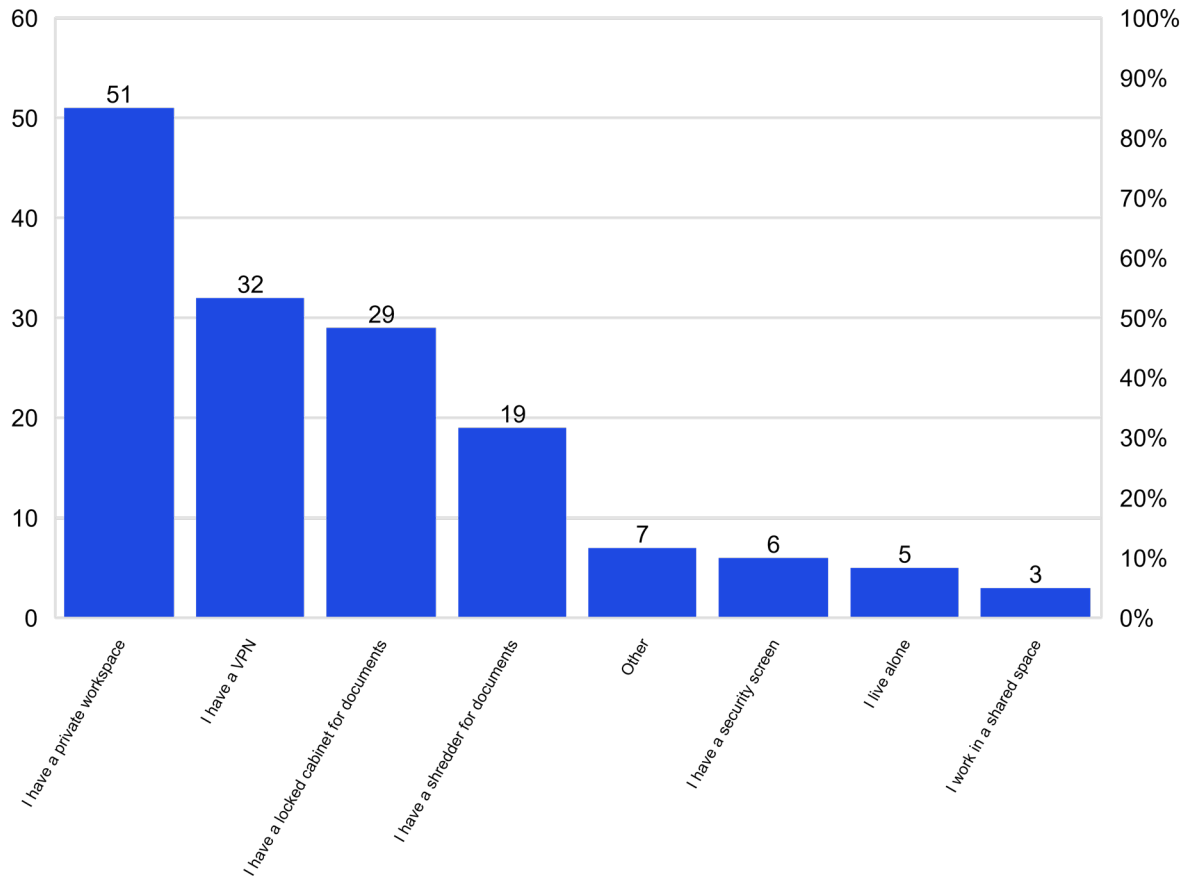
Of the 60 respondents who could work remotely, 85% have a private workspace at home.

Chart data:
- I have a private workspace: 51
- I have a VPN: 32
- I have a locked cabinet for documents: 29
- I have a shredder for documents: 19
- Other: 7
- I have a security screen: 6
- I live alone: 5
- I work in a shared space: 3

*This data is filtered to remove the 17 respondents who indicated that they can't work from home in their answer.

32

Hybrid Work Survey Results (13/14)

Q13. Please identify any workspace constraints relating to any of the Municipal facilities.

OPS Centre

- Too many staff
- Loud and excessive noise
- No proper lunch/breakroom
- No collaborative work areas
- Not accessible to the public

Town Hall

- No windows in the basement
- No privacy
- Not enough room for everyone
- Lack of physical workspace
- Washrooms are inadequate (not enough availability, small, lack of privacy)
- Lack of soundproofing
- Lots of counter space at the front but the plexiglass makes it hard to communicate with residents
- More storage at the front counter
- Lack of ergonomic equipment
- Confidential storage located too far away
- Limited spaces for collaboration
- Limited parking
- No shared co-working space for visitors
- Ambient temperature and humidity
- Lack of quiet spaces for personal or religious reasons
- Air quality
- Lack of a full elevator
- Proper screen to review large digital prints
- Staff from the same department working in separate locations (both inter and intraoffice)

Fire Hall

- Environment is too busy
- Lack of space between staff workspaces
- Lobby and photocopier are too far from the workspaces
- Lack of soundproofing

Atlas Tube

- No proper lunchroom
- Some workspaces are accessible to the public
- Noise

33

Hybrid Work Survey Results (14/14)

Q14. What recommendations do you have to address the workspace constraints in any of the Municipal facilities?

Hybrid Workplan

- Hybrid work plan similar to other municipalities
- Different options to accommodate needs of positions
- Flexibility with schedules
- Rotational schedule for employees to share desks on different days or shifts
- Clear guidelines for reservation procedures and etiquette

New Building(s)

- New fire station
- New Civic Centre to accommodate future growth
- Leasing additional off-site facilities to accommodate overflow

Renovations/ New Layouts

- New layout to maximize space
- Sound absorbing panels on certain walls and carpets on floors
- New lunchroom
- Private meeting rooms and frosted glass on doors
- More cubicles and dividers for privacy
- Convert storage spaces to workspace or meeting rooms
- Hot desk and hoteling
- Converting council chambers into workstations

Better Equipment/ Furnishings

- Proper tools and ergonomic set up and training
- Sit/stand desks in the municipal building
- Modular furniture that can be easily changed for workspace needs
- Plants and green spaces
- Improved meeting room technology

Hybrid Work Survey – Key Takeaways

Based on the survey data collected, the primary takeaways are listed below.
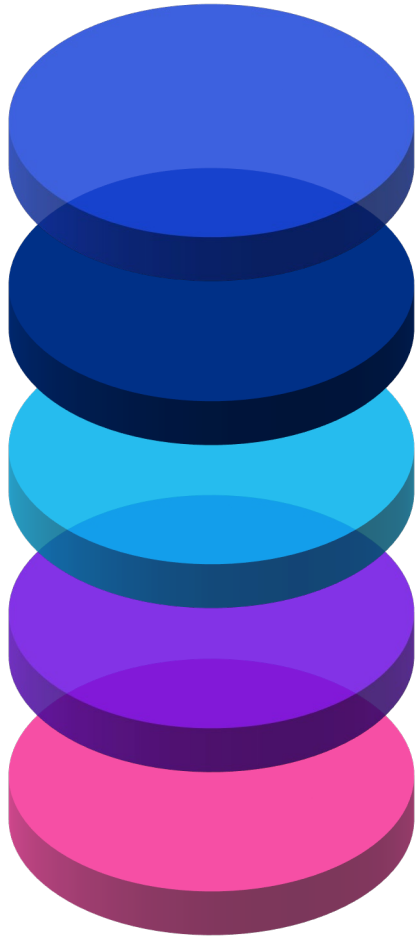
01

Collaborative Environment

Respondents cited a high need to collaborate with a co-worker at least once per day.

02

Standardized Workstations

Respondents often cited workstation cleanliness and set up as concerns for shared workspaces.

03

Noise & Distractions

Noise & distractions as a result of office activity were the primary barriers mentioned throughout the survey.

04

Need for Private Spaces

There is a need for additional private spaces for work, internal/external meetings, and document storage.

05

### Work Equipment Limitations

The need to access special equipment located on-site (e.g., surveying equipment), as well as a lack of office equipment at home (e.g., monitors) would be barriers to working effectively.

2.3

Environmental Scan

Comparative Analysis

KPMG conducted a high level assessment of hybrid work policies from a group of municipal comparators. Prior to commencing this assessment, the Municipality of Lakeshore provided KPMG with a list of typically used municipalities. For the purposes of the study, three municipal comparators were chosen in collaboration between KPMG and the Municipality: the Town of LaSalle, the Municipality of Leamington, and the Town of Tecumseh. All three municipalities were contacted and asked to provide KPMG with any adopted hybrid work policies. Of the three original comparators, only the Town of LaSalle responded to KPMG's request. In response and in consultation with the Municipality, KPMG included the Town of Essex, a typical comparator for the Municipality and the County of Frontenac.
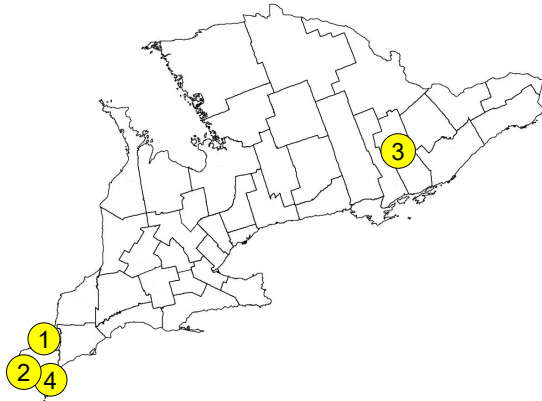
Municipality	Population[1]	Full-time Funded Positions[2]
1. Municipality of Lakeshore	41,410	≈125
2. Town of LaSalle	32,721	167
3. County of Frontenac	161,780	242
4. Town of Essex	21,216	78

[1] – Statistics Canada Census Profiles (2021)

[2] – Schedule 80 – Municipal Financial Information Returns (2022)

KPMG does not endorse any of the policies observed in this section. The purpose of these slides are to identify potential components for the consideration of the Municipality as part of the study's findings.

Hybrid Work Policy Comparative Analysis (1/7)

Policy Consideration	Town of Essex	County of Frontenac	Town of LaSalle
Right to terminate an agreement	• Work from home arrangements may be cancelled without notice; however, the Town will try to provide reasonable notice where possible	• The County reserves the right to withdraw their approval for working at an alternate location if they believe its use is not productive or for any other reasonable needs of the Employer to carry out its operations	• Abuse of an Alternative Work Arrangement Agreement may result in a temporary or permanent rescindment of the Agreement • If it is necessary to terminate an existing Alternative Work Arrangement Agreement it may do so providing reasonable notice, however where possible the Town will provide employees with an explanation as to why the Alternative Work Arrangement Agreement is being terminated and will provide as much notice as possible in the circumstances

Hybrid Work Policy Comparative Analysis (2/7)

Policy Consideration	Town of Essex	County of Frontenac	Town of LaSalle
Departmental service coverage	Manager or designate will: • Annually, approve or deny a request for employee to work from home ensuring the employees eligibility and departmental/divisional coverage • Create a work from home schedule for approved employee(s), that ensures divisional coverage, assess and change schedule as needed	• The department Director will ensure that fifty percent of departmental staff are in the office Monday through Friday • The department Director will ensure a monthly schedule of coverage, taking into consideration compressed work week schedules as well as, to ensure coverage in the office Monday through Friday. The department Director may set additional requirements to ensure coverage and departmental collaboration. (e.g. all staff in the office on a certain day)	• The Supervisor must ensure that the employee's duties are covered without compromising quality of service • The requirement of serving the citizens and internal customers of the Town of LaSalle shall be at the forefront when implementing an Alternative Work Arrangement Agreement. If employees are required to be in the office to address customer service, this requirement supersedes any Alternative Work Arrangement Agreement

Hybrid Work Policy Comparative Analysis (3/7)

Policy Consideration	Town of Essex	County of Frontenac	Town of LaSalle
Time required on-site	• Must follow a pre-approved working from home schedule that may change week to week	• No employee will be permitted to work exclusively from home/alternate location • Must be in the office at least 50 percent of the time	• Agreements will be based on a minimum of three days in office. This applies to weeks which include 4 or 5 workdays. • All employees are on site Tuesdays and Thursdays • For 1 day remote agreements eligible days are Monday, Wednesday, and Friday • For 2 days per week eligible days are Monday and Wednesday or Wednesday and Friday

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Hybrid Work Policy Comparative Analysis (4/7)

Policy Consideration	Town of Essex	County of Frontenac	Town of LaSalle
Alternative arrangement working hours	• Ensure service delivery is seamless to all other parties (internal and external) during standard business hours • "Standard Business Hours" is defined as 8:30 am to 4:30 pm Monday through Friday • The employee agrees to be flexible with their time and adjust work hours accordingly to meet business emergencies, demands and requirements	• The employee must confirm the required hours of work with the department Director • Work hours, compensation, and leave scheduling will continue to conform to applicable policies and agreements	• N/A

Hybrid Work Policy Comparative Analysis (5/7)

Policy Consideration	Town of Essex	County of Frontenac	Town of LaSalle
Performance/ work tracking	• Employee will ensure they work their scheduled shift and if requested, and upon request submit a Work Log to their manager at the end of each workday	• An employee who works from an alternate location is required to submit their hours of work to their supervisor	• An Alternative Work Arrangement Agreement must not have a negative impact on an employee's performance nor hinder that ability of the Town or department to meet its goals and objective
Alternative work arrangement location requirements/ restrictions	• Alternate location is usually an employees home or an approved location that is not a municipal facility	• Alternate location such as a rented office space or an employee's residence • Alternate locations applies to work locations within Canada unless specified otherwise by the Employer	• The alternative work location must be within 10kms of the Town

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Hybrid Work Policy Comparative Analysis (6/7)

Policy Consideration	Town of Essex	County of Frontenac	Town of LaSalle
Equipment and supplies provisions	• Employees are responsible for ensuring they have the right tools and equipment at home to work effectively, efficiently, and safely • Employees who are approved for a work from home day must have an appropriate work area in homes that considers ergonomics, appropriate equipment (desk, chair, monitor's etc.) • Any additional office furniture or equipment that is required to create an at home work area would be at the cost of the employee	• In no instance will the Employer be required to provide additional equipment to furnish an alternate work location • The employee will use County authorized equipment (e.g., laptop and mobile device) • Employees approved to work at home are expected to provide their own utilities including but not limited to furniture, lighting, heating, internet, telephone, printer supplies etc.	• The municipality will provide and maintain essential computer hardware necessary to effectively work remotely as specified in the Alternate Work Arrangement Agreement, including a laptop, monitor, keyboard and mouse • Other requests will be assessed on a case by case basis • The employee is responsible for providing adequate workspace and furnishings • Employees may access necessary office supplies required to perform their duties (e.g., paper, pens) form their municipal work site

Hybrid Work Policy Comparative Analysis (7/7)

Policy Consideration	Town of Essex	County of Frontenac	Town of LaSalle
Electronic document accessibility and confidentiality	• N/A	• Equipment and files shall only be accessible to the employee and must be safeguarded from access by other members of the household and visitors. County staff may require access at a reasonable time to equipment and County records (paper and electronic) kept at an employee's alternate location. Employees must ensure compliance to privacy legislation such as MFIPPA and PHIPA at all times	• When possible, electronic documents should be stored on the municipal network. When documents must be stored outside of the municipal network on an external hard drive or on the hard drive of a non-municipally issued device, these documents must be scanned by IT staff prior to being saved back on municipal networks. This must be done at the earliest opportunity and subsequently deleted from the hard drive. This is imperative to make sure that the corporate network remains secure

3.0

Site Visits and Floor Plan Observations

Site Visits and Floor Plan Analysis

Site Visits

The KPMG engagement team toured the following facilities between September 26th and 27th:

- Town Hall, Operations Centre, Atlas Tube Centre (ATC), Public Works Yards East and West, the Water Treatment Plant, and 3 community centers.

- The purpose of the site tour was to obtain a firsthand view of the working environment within each of the locations.

- Photos were used to document the tour as well as assist in linking the observations to comments collected during the interviews, focus groups, and survey.

Floor Plan Analysis

A rating criteria was established using feedback from staff, physical limitations of the space, as well as environmental working conditions. The rating categories are as follows:

- Functional workspace (Green): these spaces are enclosed offices with complete privacy, a natural light source, easily accessible, and possess significant room for accomplishing work tasks.

- Limited workspace (Yellow): these workspaces are either open workstations/ workbenches with natural light, or enclosed offices with no access to natural light. Work areas lacking physical barriers are typically noisy, and difficult for confidential meetings and conversations. This lack of privacy makes these locations not suited for certain positions.

- Not a suitable workspace (Red): these workspaces are open cubicles or workbenches with no natural light and lacking a degree of privacy. These workstations make it difficult to conduct work tasks that require a degree of privacy.

- Common space (Grey): these rooms are for a shared purpose such as kitchens, lunchrooms, washrooms, and printing areas.

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Site Visit: Town Hall

- Storage area in the basement vault contains files dating back several decades
- Document retention policies and a lack of digital copies are creating storage issues

- Storage rooms being at capacity has lead to spill over into other work areas
- Limits the intended use of the space
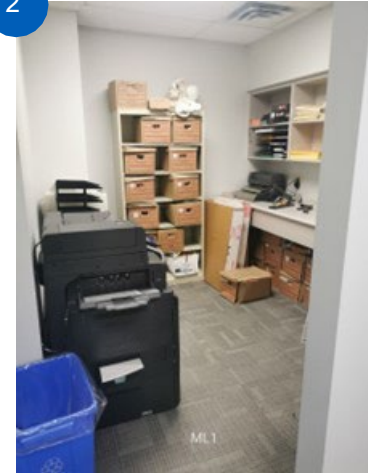
- The basement floor lacks access to windows and natural light
- Underutilized offices with capacity for additional workstations
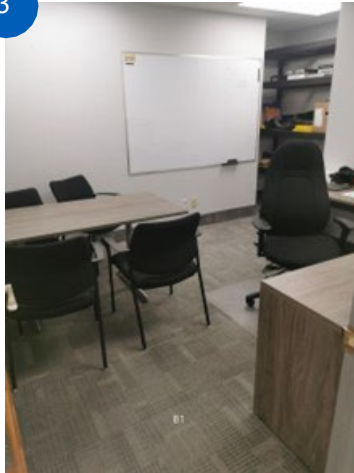
- Lunch room is cluttered with miscellaneous items such as filing cabinets and a printer
- Limitations are consistent with observations gathered from the focus groups and survey responses
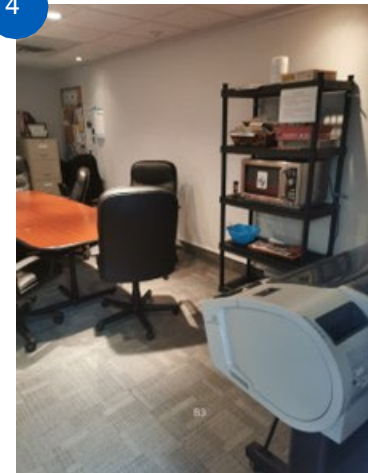
Site Visit: Town Hall

5a
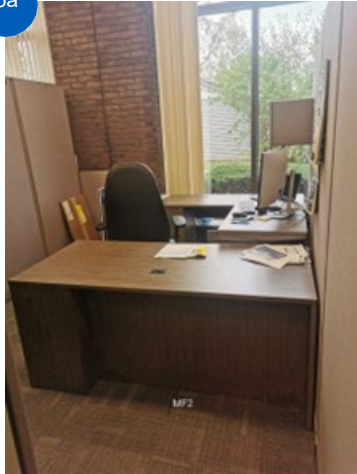
5b

6a

6b

- Workstations in cubicles lack privacy and are not supportive of confidential conversations and meetings
- Cubicles could be reconfigured to accommodate more spaces and workstations

- Some rooms are not optimized for their intended use
- CAO boardroom borders two private offices and lacks privacy
- The room becomes uncomfortably warm during meetings when the doors are closed
- Kitchen space and angular walls make it difficult to utilize properly

Site Visit: Operations Centre
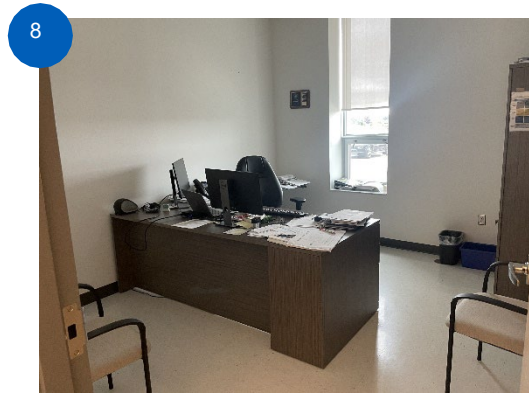
- Open work areas in the Operations Centre experience the same levels of noise and interruptions as Town Hall
- Lots of natural light and more favourable working conditions
- Similar to the Town Hall, larger offices could accommodate two staff to increase office capacity
- Lunch room is limited in space
- Space not accessible to the public limiting which positions/services can effectively operate in the facility
- Lack of bookable collaborative spaces

Floor Plan Analysis – Main Floor

Legend:
- = Not a suitable workspace/storage
- = Limited Workspace
- = Functional Workspace
- = Common Space

P = Printer   N = Not in Use   S = Student Space   K = Kitchen/kitchenette
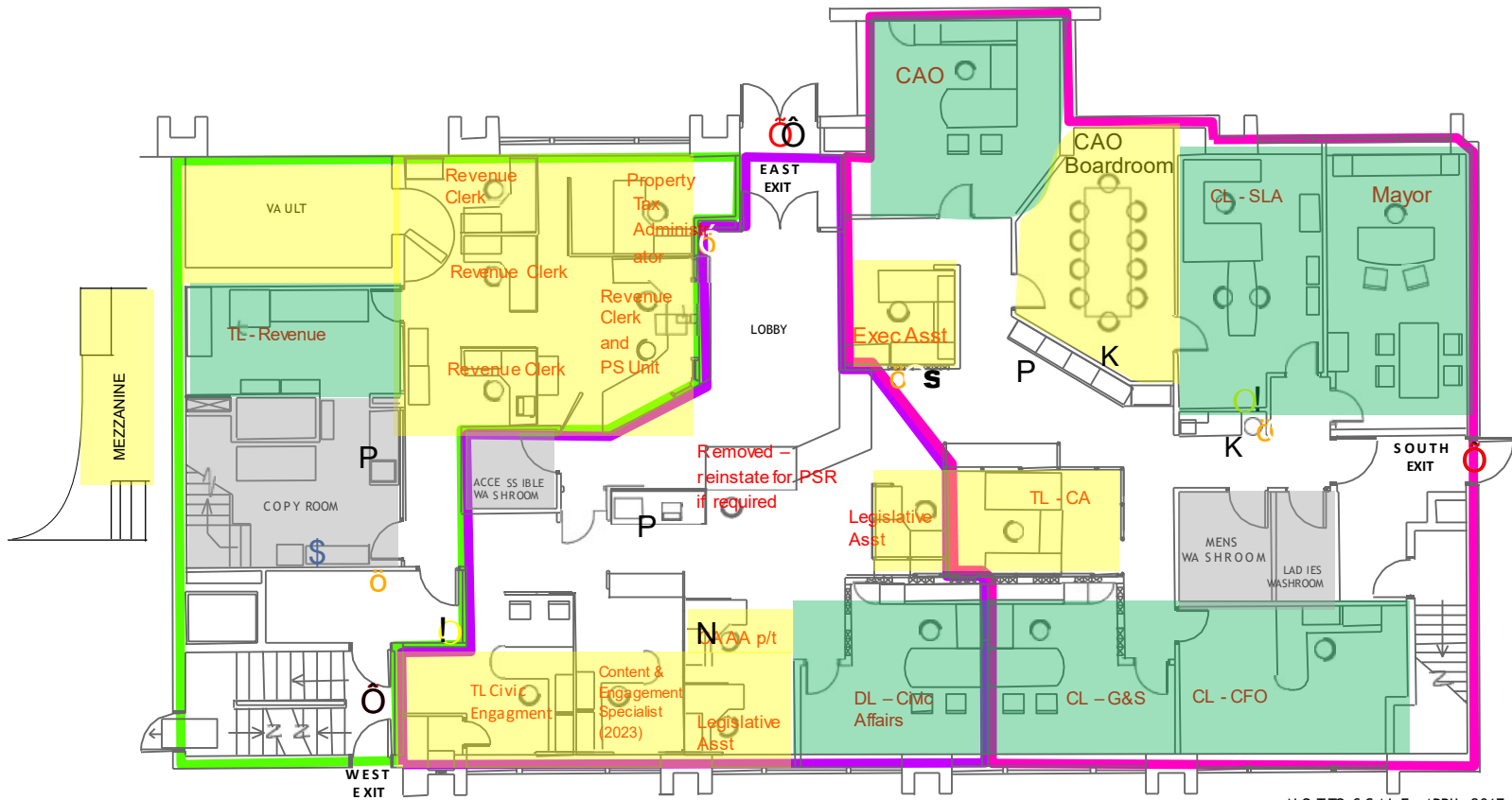
Floor Plan Analysis – Middle Level

Document Classification: KPMG Public   51
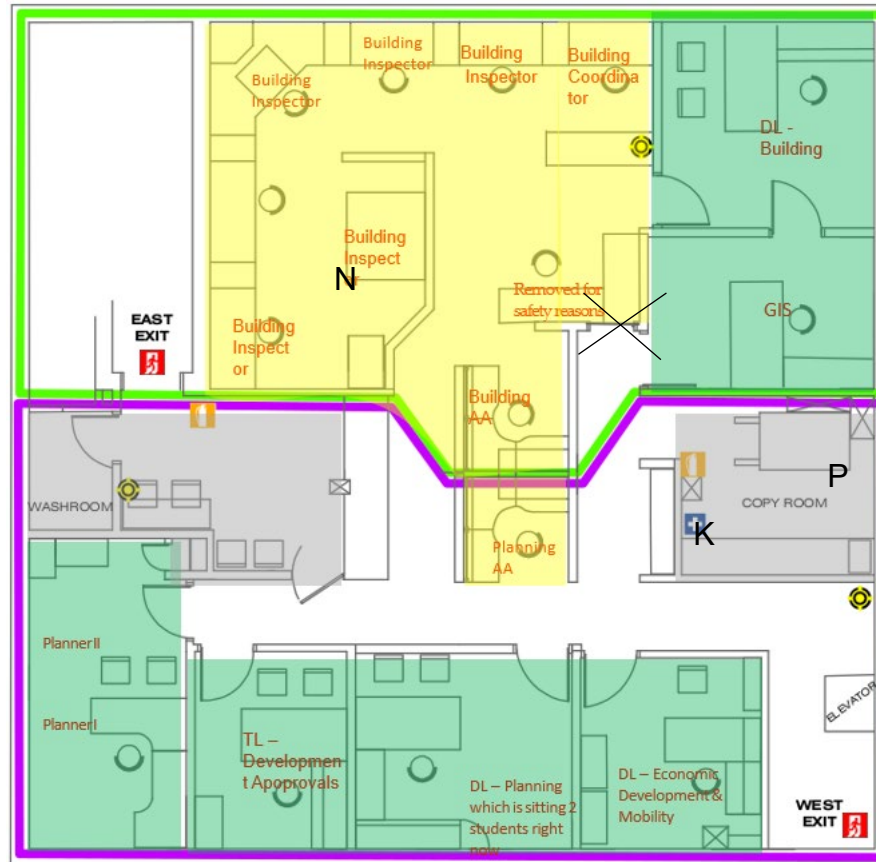
Floor Plan Analysis – Basement Level
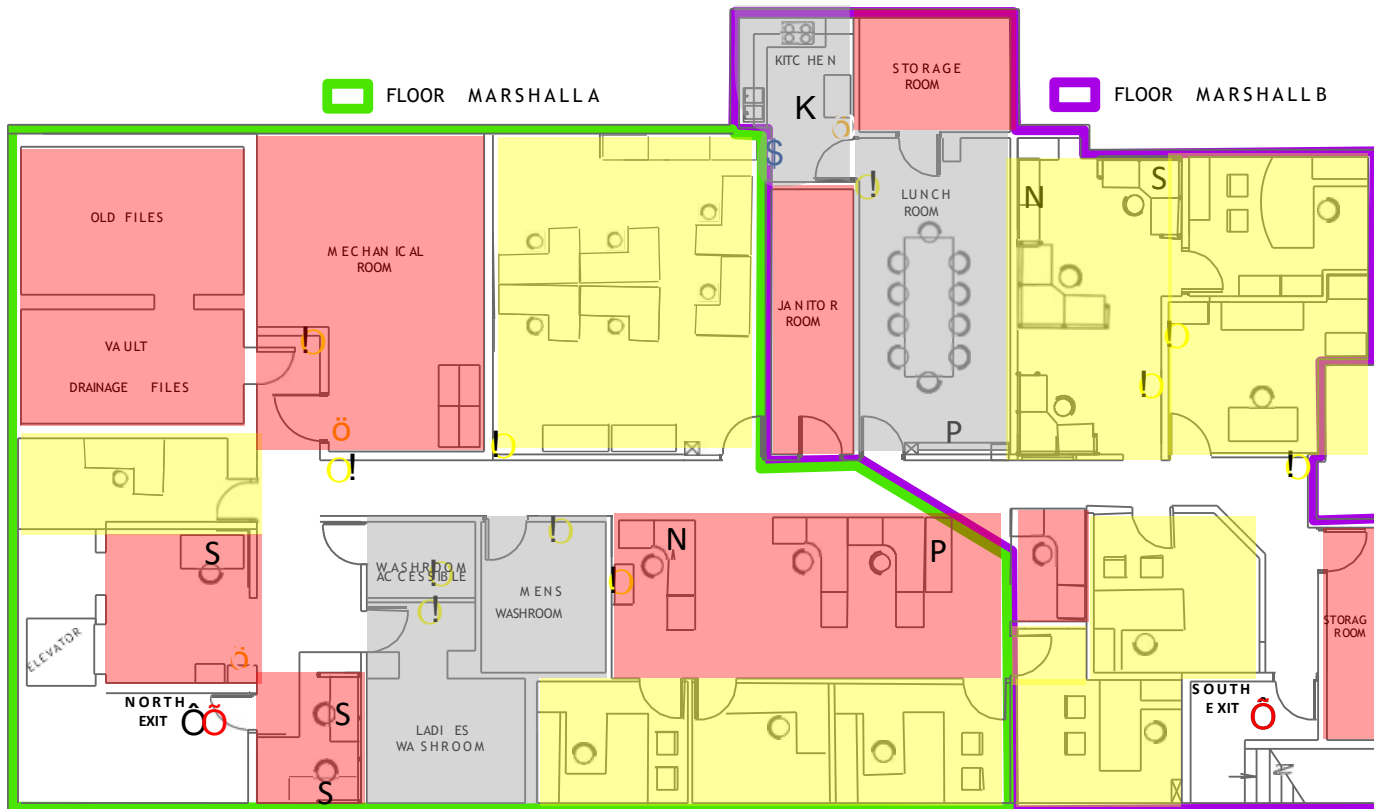
- Workspaces that are colored in red are not violating OSHA regulations. Refer back to slide 46 for the workspace criteria.

Floor Plan Analysis – Council Chambers
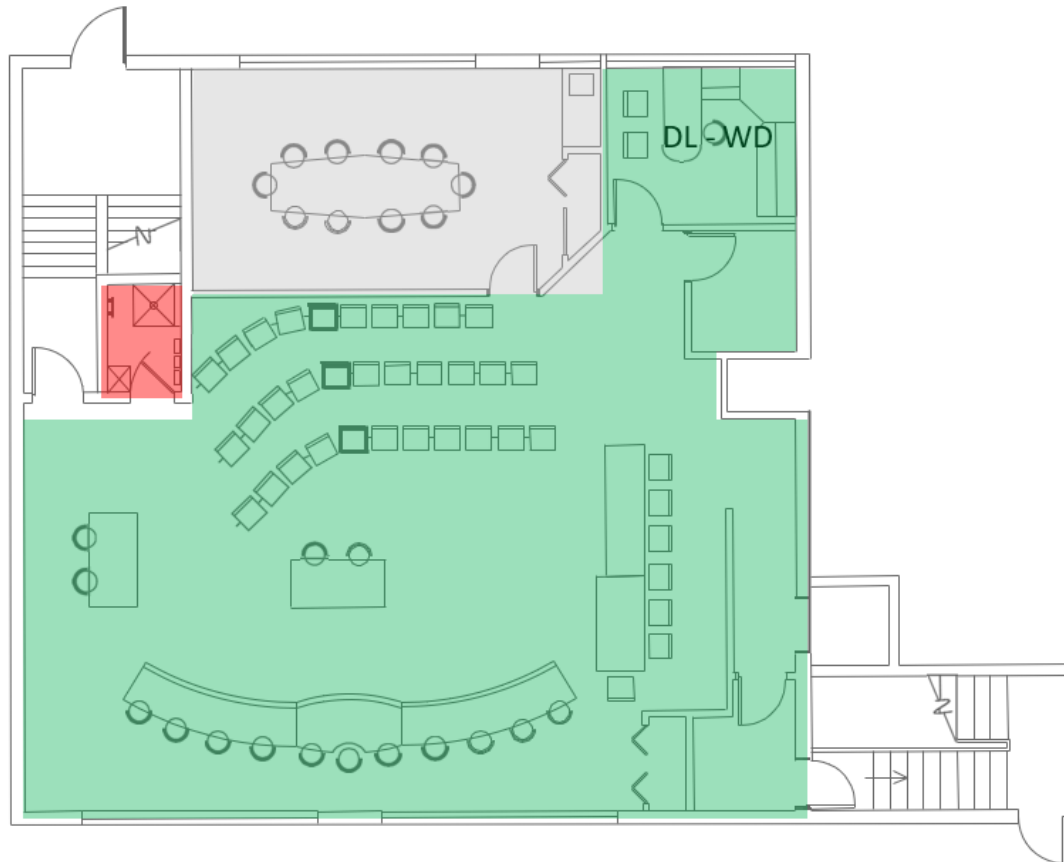
Floor Plan Analysis – OPS Centre Main Floor

Floor Plan Analysis – OPS Centre Training Wing

🟥	= Not a suitable workspace/storage	🟨	= Limited Workspace	🟩	= Functional Workspace	⬜	= Common Space

P = Printer   N = Not in Use   S = Student Space   K = Kitchen/kitchenette

LUNCH/TRAINING ROOM
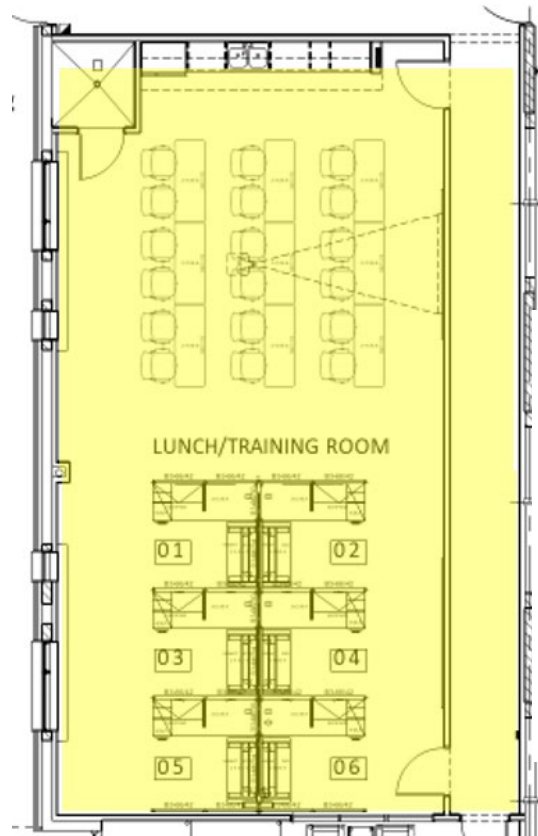
Floor Plan Analysis – Key Takeaways

Based on our observations from the site visit and floor plan analysis, below are some key takeaways listed in no particular order of importance.
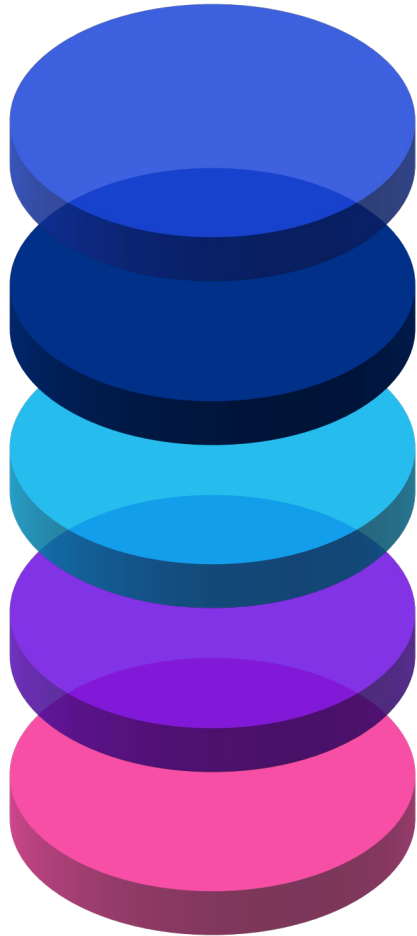
01

Storage Capacity

Storage areas at Town Hall are at or nearing capacity leading to documents being spread out throughout the facility. Overflow of documentation into the mechanical room is a potential hazard.

02

Better Room Utilization

Lunch room and print rooms are not optimized for their intended use. Unnecessary equipment and boxes of documents limit the amount of usable space.

03

Potential for Greater Office Density

Many of the offices at both the Town Hall and Operations Centre are large enough to accommodate two employees.

04

Increasing Utilization of Council Chambers

The council chambers space offers a large amount of functional workspace. Potential to be utilized as multiple workspaces using cubicles.

05

Operations Centre Closed to the Public

Certain public services and functions can't be offered here. Needs to be considered when evaluating the amount of usable space for employees.

4.0
Recommendations

4.1
Hybrid Work

Assessment of Hybrid Work Eligibility (1/3)

One of the project's objectives was to provide assistance to the Municipality of Lakeshore with respect to a hybrid work program/policy but more specifically, provide tools to assist the organization in assessing the eligibility of positions for hybrid work and any additional policy considerations. In order to evaluate hybrid work eligibility, the Municipality expressed the need to understand what roles and responsibilities would lend themselves to a hybrid work arrangement. They also expressed the need to perform job description analysis of staff members to gauge the proportionality of daily tasks that could be effectively completed either remotely, in-person or through a hybrid work model.

In the process of assessing the eligibility of employees for a hybrid work model, the results will assist in determining the overall space needs and ultimately increase optimal space utilization rates. The following methodology provides for the ability: to complete a job duties assessment of each role to determine level of flexibility and time in-office required to meet daily operations, service delivery expectations, and Overall Service Effectiveness (OSE). This will assist in supporting overall space planning and space optimization initiatives through standardization of role to work location.

Step 1: Define ways of working

- Classify work into distinct categories to be applied to various employee groups across the department at the Municipality of Lakeshore.

Least Flexible → **Most Flexible**

In-Office/In-Person:

This work requires staff to be physically present in the office for in-person interactions for service delivery/operational needs, requires access to office facilities, using shared tools and equipment

Hybrid / Flexible:

This work requires some in-person, in office interaction or use of office facilities, tools, or equipment, as well as some tasks that could be completed remotely. Timing and schedule for in-person office activities varies.

Virtual:

This work includes activities that could be primarily completed remotely, with minimal in-person interaction on office premises.

Assessment of Hybrid Work Eligibility (2/3)

Step 2: Assess your department's services

- Will services be provided in-person only, virtually only, or hybrid?

- What services can be effectively delivered remotely?

- What does the Voice of the Customer indicate is the preferred method for service delivery?

- Consider how services will be delivered going forward long-term?

Step 3: Assess the work the employees do

- Complete an assessment of the tasks and responsibilities the employee is required to complete as part of their role to determine the level of potential flexibility.

- The decision should be driven based on operational needs, services offered, the nature of the work to be completed, and lastly, the individual preference.

- Below are guidelines to consider while assessing the work the employee's do:

  a) Does the nature of the work and requirements of the job allow the employee to be productive in their flexible arrangement?

  b) Is it practical and an efficient use of resources for the work to be completed by the employee in a flexible arrangement?

  c) Can output be monitored and/or measured?

  d) Will there be an impact on the work of others (e.g., meetings, schedules, availability during usual operating hours, supervision of or collaboration with other employees)? If so, can the impact be adjusted by the employee or the department?

- Requirements for staff time in the office should be considered under the principle of "presence with a purpose," optimizing staff collaboration and in-office interactions that make coming into the office "worthwhile."

Assessment of Hybrid Work Eligibility (3/3)

Step 4: Calculate departmental sharing ratio

- Traditional sharing ratios were 1:1, with each workspace accommodating one staff member with staff in the office an average of 5 days per week

- Sharing ratios can be used to determine the number of workspaces required for each department based on the following items:

  1. Flexible work classification of each role on team (In-Office/In-Person, Hybrid / Flexible, Virtual)

  2. Number of people in each role

  3. Number of days each staff member will be physically present in the office

  4. How the space will be utilized

The use of Work Force Intelligence tools *(such as those included in **Appendix - B**)* to uncover organizational improvement opportunities through workforce monitoring can aid in determining your baseline metrics for workforce productivity, as well as Overall Service Effectiveness (OSE). It is imperative that baseline productivity measures are established early on in your space optimization program, so adjustments to sharing rations can be made in real time.

Hybrid Work Policy Common/Leading Practices (1/2)

Based on KPMG's experience and the results of the environmental scan, the following table identifies common and/or leading practices regarding policies, guidelines, and frameworks to guide implementation of a hybrid work program.. These guidelines could serve as potential basis for the Municipality to consider if the Municipality decides to shift from its existing policy (developed in response to the COVID-19 pandemic).

Flexible Work Policy Leading Practice	The Municipality of Lakeshore
Guiding principles are established to provide framework and support decision-making around the Future of Work and key considerations when determining flexible work and space planning. Guiding principles consider the following key drivers: • Employee attraction and retention • Space optimization • Service delivery and operational effectiveness • Diversity and inclusion • Sustainability	These guiding principles should be incorporated to expand the purpose and scope of the policy. The current policy is written with the intent of addressing the changing needs as a result of the pandemic. Leading practice would dictate that the Municipality's policy should align strategic priorities with the flexible work and space optimization guidelines.
Employee groups that are eligible for flexible work arrangements is defined and classified by level of flexibility i.e. on-site (no flexibility), flexible / hybrid (full flexibility), remote (completely virtual), etc.	As the existing policy was from the pandemic, there is no specifications regarding number of days that can be worked remotely or the flexibility of the arrangement. A list of criteria would need to be established in determining which positions are eligible.
Process and criteria for decision making regarding flexible work is based on described criteria	The process in which an employee must go through in order to receive a standing working from home arrangement is not listed in the current policy. The evaluation criteria, as well as the criteria to settle conflicting requests between staff within a department, needs to be established.

Hybrid Work Policy Common/Leading Practices (2/2)

Based on KPMG's experience and the results of the environmental scan, the following table identifies common and/or leading practices regarding policies, guidelines, and frameworks to guide implementation of a hybrid work program.. These guidelines could serve as potential basis for the Municipality to consider if the Municipality decides to shift from its existing policy (developed in response to the COVID-19 pandemic).

Flexible Work Policy Leading Practice	The Municipality of Lakeshore
Work location and required working hours flexibility or lack of flexibility are clarified in policy	Included
Employee and management communication and reporting obligations and expectation is clarified in policy	Included
Employee's responsibility regarding suitable workspace and health and safety considerations is clarified in policy	Included
Equipment and supplies outlining to what extent the employer will provide necessary equipment to support flexible work is clarified in policy	Included
Employee requirements regarding privacy, confidentiality and information security is outlined in policy	Included

4.2

Space Optimization

Zoning and Space Optimization (1/3)

Space utilization rate is the percentage of time that a space in the office is used. The Municipality has grown in the last few years due to population growth resulting in an increase in staff members. As a result, the Municipality is currently facing challenges with space allocation and space availability allocated. Having an activity-based approach to space planning allows employees to choose from a variety of work settings best suited to the tasks and activities to be carried out. Optimization could be improved by implementing "fit to function" of the space by designating certain workspaces or work zones to clusters of functional departments that share similar space requirements/needs. This is an effective long-term strategy to improve the match between functional needs and the capabilities of the space while optimizing space planning.

No Zoning:	Zoning by Team:	Zoning by Services:	Zoning for Co-Working:
Pre-pandemic typical space planning	Shared space by each team within dept/group but fails to optimize sharing throughout entire dept.	Shared space by single departments – zoned by services offered by the Municipality	Space is shared by Supervisors and their respective teams

Least efficient use of space / lowest space optimization   Most efficient use of space / highest space optimization

Current State

Space Optimization Begins Here

Future State

Zoning and Space Optimization (2/3)

Benefits to activity-based work space design:

- Empowers staff – employees decide how to work in the office, where to sit, whom to collaborate with, what tools to use, empowering the staff member to choose to work where they can be most effective in completing the task at hand

- Fosters collaboration – collaboration tends to increase in activity-based work environments with shared seating areas and unassigned desks. Employees in different departments become exposed and familiar with each other, creating opportunities for knowledge sharing and innovation.

- Supports efficient use of space – sufficient density and consistent level of use is maintained throughout the week in existing spaces, promoting staff interaction and makes coming to the office "worthwhile", at the same time freeing up space previously dedicated to single individuals for more communal and shared use.

Considerations for space optimization:

- Who may require special accommodation, equipment, adjacency requirements?
- Will space in the interim and future state be available for everyone to access or just immediate departmental teams?
- What ratio of open vs closed workspaces are required for team to be effective while working from office premises?
- Can scheduling peaks (typically Tuesday to Thursday) be managed to ensure consistent level of use throughout the week?
- Encourage staff feedback throughout the trial of space changes to assess what is working well, what needs to be changed, and test the change

Zoning and Space Optimization (3/3)

Through the successful implementation of an optimization plan will position the Municipality for success both now and in the future. In order to achieve this, the Municipality needs to determine the following: development of key performance indicators, job duties assessments to determine eligibility for hybrid work, and a calculation of staff to workspace sharing ratio. An effective space optimization program will result in an increase in quality of service delivery, higher employee satisfaction and retention, opportunities to re-purpose existing space for better customer service, and re-evaluate operational effectiveness and service delivery methods.

KPMG recommends that the Municipality explore a phased approach to space optimization, leveraging workspace sharing ratios and zoning to increase collaboration and co-working. Existing space such as large offices could be repurposed into collaboration space for teams, meeting rooms, etc. Small offices have the potential to be repurposed into bookable spaces for focused work, participating in virtual meetings, or drop-in space for private calls, conversations, etc. Meeting rooms could be repurposed for project team work and/or large hoteling space (bookable office space) with open floor plan.

Municipality of Lakeshore Current State

Interim Goal

Municipality of Lakeshore Future State

Autonomous / No Zoning

Activity-Based

Co-Working

No Sharing Ratio:

- 81% of workspace is assigned / allocated to individuals

Sharing Ratio is 2:1:

- Each workspace can accommodate 2 staff (bookable office space)
- Staff are in office avg. 2.5 days per week
- 80% of space is shared by departments and zoned by service offerings/departments

Sharing Ratio is 4:1:

- Each workspace accommodates 4 staff (bookable office space)
- Staff are in office avg. 1.5 days per week
- 95% of workspace is collaboratively booked space

4.3

Productivity Measurement

Overall Service Effectiveness Metric (1/2)

The development and implementation of productivity measurement is essential to demonstrating to all community stakeholders that municipal service delivery is not comprised as a result of a hybrid work program. The Overall Service Effectiveness (OSE) Metric is a tool that KPMG recommends as part of the workspace utilization and optimization equation.

Can the employee's work output be monitored and/or measured? While this question is often times difficult to answer and quantify, with no baseline measures for productivity from pre-pandemic, Overall Service Effectiveness (OSE) and productivity is an imperative factor to consider when evaluating flexible work programs and space planning. KPMG recommends the Municipality to consider OSE as a consistent breakthrough metric for each of it's Departments, a key performance indicator (KPI) that measures employee availability (actual work hours), performance (cycle time for process), and quality of work (service effectiveness or error rate).

OSE allows each function of an organization or business unit to understand how they are performing against standard, using the cumulative impact of these three workforce factors. It would also show if something is falling behind and allows the team to react in real time to gain support and get back on track.

Availability x Performance x Quality = OSE

Availability - What slows or stops the work or service from being completed?
The Municipality of Lakeshore will need to define the relevant activities and planned time to complete for each department of the organization.
Availability (planned work hours – actual work hours = time losses)

Performance – How quickly we provide our services in relation to a standard or best practice?
The Municipality of Lakeshore will need to identify the standard time needed to complete each activity defined above and track actual time spent.
Performance (actual cycle time – standard/best practice cycle time = speed losses)

Quality – How well we provide our services in relation to a standard or best practice?
The Municipality of Lakeshore will need to define the required criteria for best practice for each activity defined above and compare final output against these set of standards.
Quality (actual units produced – standard/best practice unit production = output losses)

Overall Service Effectiveness Metric (2/2)

Through our current state analysis, many interested parties at the Municipality of Lakeshore reported that they see an opportunity to measure performance metrics in a more structured way for each team and for each department. We heard the concerns around the inability to gauge an employee's productivity when working remote.

Establishing an OSE metric as a KPI for each department allows for clearly defined expectations and measurable work outputs to support development of a hybrid program. Performance of each employee is measured in the context of results, outcomes, and deliverables, and provides the Leadership with a clear line of sight into productivity, performance, and level of service to the community of Lakeshore.

4.4

Document Storage and Cleanup

Document Storage and Cleanup

The volume of bankers boxes is a notable issue based on both KPMG's observations as well as feedback during the voice of the customer interviews. 5S is a Lean method of organizing the workplace to reduce waste and improve productivity. It is a powerful tool that when implemented correctly could result in a workplace that is clean, uncluttered, safe, and well organized. Conducting this exercise will address the following opportunities for the Municipality:

- Clearing and consolidating documents to reduce the number of storage locations within the Municipality.

- Removal of boxes from non-storage rooms to greater utilize those spaces. E.g., freeing up space in the print room could allow for the blueprint printer in the lunch room to be relocated.

- Ensuring compliance the document retention by-law Number 21-2006. Sorting through the documents will allow the Municipality to determine which documents are no longer "active" and, therefore, could be move to either off-site storage or disposed of. Documents still within their "active life" can be moved to their relevant department.

5S is a powerful tool that you will use with almost every improvement opportunity. It is not a "spring cleaning exercise" because we aim at fundamentally changing the process.

An implemented 5S plan could result in significant reductions in square footage needed for operations and storage.

The Five S'S Explained

Sort

01

Sort through all the items and decide with each item if you are going to – "Keep it", "Chuck it" or put it in the Red Tag Area. A Reg Tag area is for items that you are unsure of. There should be a set timeline of 2-3 months to decide.

02

Set in Order

Place the items used most often in the easiest to reach locations. Label shelves, use bins to store supplies etc.

Sustain

05

Sustaining the gains is the most important and difficult activity to do. If the Lean principles of standard work, visual management, and flow are used then your new system will have self monitoring attributes.

03

Shine

The Shine stage is when you would clean up the area, sweep, dust, maybe paint if necessary so that it looks clean. It's impossible to create pride in the work area.

5S — Sort, Set in Order, Shine, Standardize, Sustain

04

Standardize

Once the Set in Order stage has had time to be tested, standardize your changes. For example, use the same labelling format, colour code, and use consistent signage to name a few.
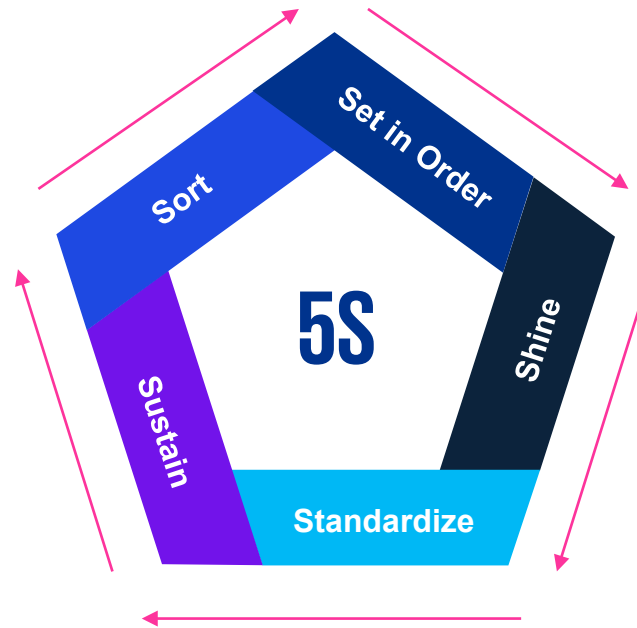
5.0 Appendices

5.1

Appendix A: Change Management

Change Management Strategies

Change is a capability that can be developed rather than simply a workstream. Employing a change management methodology such as KPMG's propriety method below will provide enhanced benefits such as less disruption to the organization during transition, and staff will become more quickly ready, willing, and able to change. Building these change capabilities into the organization will also reduce the risk for future changes, and position the organization to sustain the results and benefits realized.

KPMG's Behavioural Change Management methodology provides the robust and comprehensive approach to lead people towards sustainable change with minimal disruption. We organize our activities across five Change Management stages – we call the 'Make-It's' – outlined below.

Make it Clear	Make it Known	Make it Real	Make it Happen	Make it Stick
Align leaders around the strategic aims, ambition and scale of change	Communicate the change vision and case for change and begin to create ownership of the changes	Translate the change vision into reality for people in the organisation and define what it means for them	Move the organisation towards the end state and equip people to work in new ways	Ensure there is capability in the organisation to sustain the change
Clear	Aware	Ready	Willing	Able

Change Management

Behavioral Change Management (BCM) makes organizations, leadership and employees ready, willing and able to implement change. It is through BCM that organizations/leadership invest in realizing that piece of the benefits/ROI that is dependent on employee ownership and capability. Ultimately, this will lead to sustained ROI by upskilling organizations to successfully implement change, whilst carefully managing the well-being of the organization during the transition.

The BCM method will provide enhanced benefits, including:
- Less disruption to the organization well-being during the transition
- People in the organization more quickly ready, willing and able to change
- Change capabilities built in the organization to de-risk future changes
- Sustainability of results and benefits realized

ROI of 143% when strong BCM is part of the initiative compared to ROI of 35% with poor BCM.

70% of major change initiatives fail.

Our experience tells us that not managing the people impact of change can put up to 60% of a transformation's benefits at risk.

Change management is a success enabler, increasing the likelihood of meeting objectives by 6x.

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5.2

Appendix B: Workforce Intelligence Overview

Workforce Intelligence 101
How to uncover organizational improvement opportunities through workforce monitoring

Funnel (left):

- People + Process + Technology + Data
- Activity Monitoring
- Task Mining
- Implement Selected Opportunities
- Process Mining
- Hidden Insights

Icons: RPA | Organizational Restructure | Process Mining | ROT Process transition | Financial tracking P&L impact

Richness of Insights (vertical axis) — **Time for implementation** (horizontal axis)

---

01 Productivity Monitoring
A set of users

Input
- ✓ KPI's by user/system/application
- ✓ User behavior

Operations
- ✓ Active/non productive system time/keyboard/mouse key loger activity
- ✓ Need agent on user machine

Output
- ✓ Monitoring employee active time i.e. time spent on business applications and nonbusiness websites

---

02 Task Mining
LOB sub group

Input
- ✓ Structure/semi-structure/unstructured/application
- ✓ Copy/paste/delete
- ✓ Sequence of task/steps

Operation
- ✓ Excel/outlook work
- ✓ Tasks/steps level monitoring
- ✓ Time motion study at task level
- ✓ Need agent on user machine

Output
- ✓ Examining employee tasks at a deeper level generating insights
- ✓ Examining how People interact with Process

---

03 Process Mining
Selected Process

Input
- ✓ Structured application
- ✓ Log based application (date/time) / user start

Operations
- ✓ Time motion study on
- ✓ Activities/need an extract from system

Output
- ✓ Data driven, unbiased, 100% in depth understanding of the business process, significant time savings
- ✓ Automated discovery of process models, exceptions and customer journey interactions
- ✓ Identification of process improvement, standardized and automation opportunities

The Journey

Remote workforce productivity and impact on business processes

Activity Monitoring

Activity monitoring on a large number of devices to determine Task Mining focus areas.

Task Mining

Subset of users selected for remote desktop monitoring.

Opportunity Identification

Analyze Task Mining Outputs

Identify opportunities for improvement based on the task mining outcomes and leading practices

Business Case Development

Develop detailed business case for select prioritized opportunities

Implementation plan and roadmap

Build and validate implementation plan and roadmap

Deployment

Rapid design based on priority opportunities and solution architecture

Activity Monitoring – Sample Data

The outcomes from Activity Monitoring revealed that on average, employees are active 61% of the time - the top non-business websites are news and social media sites

Sample
Of Employees

What are the top 5 non-business websites?

Website	%
cnn.com	7.27%
facebook...	10.52%
youtube.com	11.56%
reddit.com	13.01%
cbc.ca	22.42%

Active Time
61%

ACTIVE: ongoing computer activity (key stroke and mouse) %

InActive Time
39%

INACTIVE: computer locked OR no key stroke and mouse activity for > than 3 minutes

61% ACTIVE

39% INACTIVE

Monitoring Window – 8:00am to 5:30pm

Activity %	InActivity %
61%	39%
56%	44%
71%	29%
65%	35%
64%	36%
48%	52%
54%	46%
56%	44%
61%	39%
62%	38%
59%	41%

■ **Activity %** ■ **InActivity %**

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Active Time Varies Across Common Roles

	Accountants	AP,AR,Credit Treasury	Business Analysts	Payroll	HR	Engineering	Supply Chain	IT
Range of Active Time	68% - 90%	73% - 83%	63% - 92%	63% - 77%	60% - 71%	59%	66% - 69%	64% - 87%
Median	72.39%	77.40%	69.67%	68.50%	65.47%	59%	67.52%	74.82%
Average	74.55%	76.41%	72.51%	68.67%	65.69%	59%	67.52%	75.03%
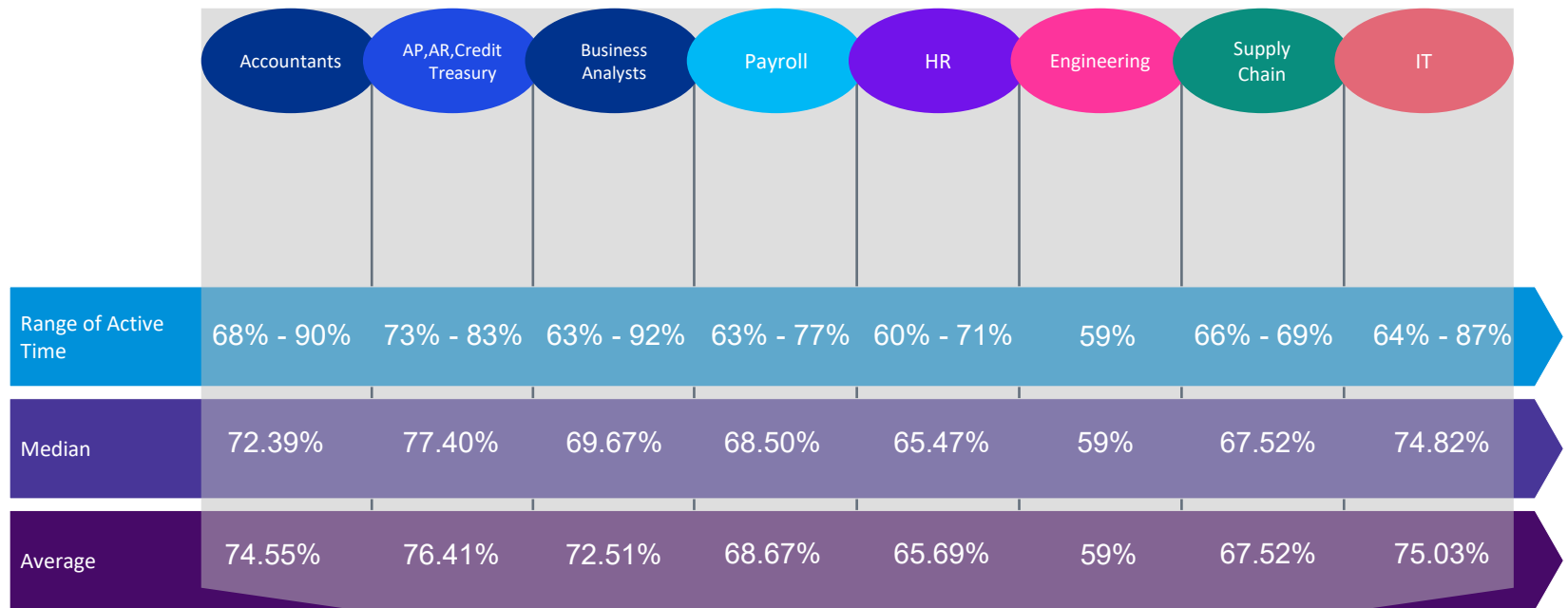
Wide ranges of active time may indicate variability in roles, processes and technology across divisons

Deeper Dive of Variability for the AP Role

0%-60%	61%-70%	71%-80%	81%-100%

Div 1 — Division 1 – 69% to 90%

Div 2 — Division 2 – 77% to 96%

Div 3 — Division 3 – 77% to 93%

Div 4 — Division 4 – 76% to 90%

Div 5 — Division 5 – 53% to 89%
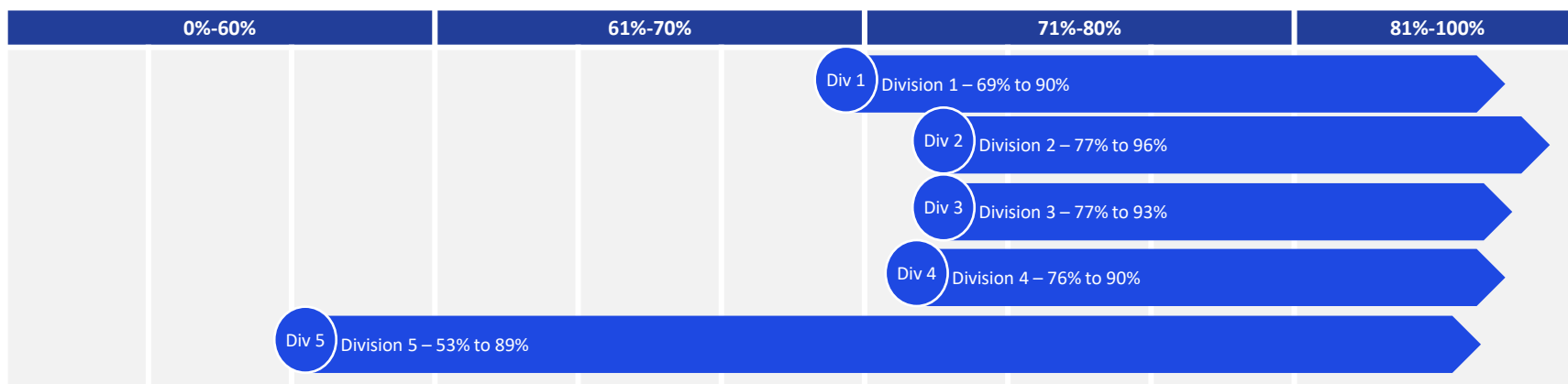
	Division 1	Divison 2	Divison 3	Division 4	Division 5	Division 6
Top Used Business App / Website	ERP	ERP	BaswareIPMaster	Outlook	Operations.dynamic.com	RumbaPage
% of time spent on business applications	48%	37%	70%	53%	26%	44%
% of time spent on business websites	51%	60%	6%	30%	61%	42%
% of time spent on non-buisness websites	< 1%	3%	5%	7%	2%	2%
% of time spent on other computer activities	< 1%	< 1%	19%	10%	11%	12%
Total Active Time	100%	100%	100%	100%	100%	100%
Average Total Time	80.42%	87.52%	84.89%	85.38%	77.86%	80.66%
Median Total Time	82.12%	88.53%	83.44%	86.11%	78.06%	80.66%

It appears that the majority of the AP employees are not performing at the industry average of 80% active time.

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Time Spent on Business Application & Websites

Business Applications

21% (29.926 hours) — Outlook

12% (17.561 hours) — MS Office Suite (Excel, Word, PPT)

5% (6.451 hours) — Lync

3% (4.279 hours) — Anzio (Kent / Gemini ERP)

2% (2.474 hours) — Adobe Acrobat (PDF Editor)

< 1% (0.686 hours) — Adobe Reader (PDF Reader)

< 1% (0.545 hours) — Tableau (Data visulization)

< 1% (0.540 hours) — Alteryx (Data Analytics)

< 1% (0.475 hours) — Universal Plant Viewer (Manufacturing Operations)

< 1% (0.151 hours) — MS SOL Management (Database Management)

145,000 + Active Hours (all applications and websites)

Employees are spending 25% of their time in Outlook and MS Office Suite and only about 2% in analytical tools

Business Websites

10% (14.821 hours) — ERP

6% (8.007 hours) — SharePoint (Sharepoint On-Premises)

4% (5.403 hours) — Operations.dynamics.com (Kent ERP)

2% (2.654 hours) — Clientbipd (internal site)

2% (2.362 hours) — Ondemand.ca.com (Clarity – IT Operations)

1% (1.849 hours) — (Intranet Site)

1% (1.618 hours) — Office.com (Office 365 Word, Excel, PowerPoint, OneDrive)

< 1% (1.468 hours) — Fa.ca2.oraclecloud.com (Oracle My HR – PeopleSoft)

< 1% (1.037 hours) — Tableau (Web Version, Tableu On – Premises)

< 1% (0.971 hours) — Client Manufacturing (Manufacturing Division Internal Site)

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