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Middlesex-London Health Unit: Shared Services Review Project

Process Update with the MLHU Board of Health

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Project Overview
Project Objectives

Objectives

Phases I& II

- Establish the baseline to determine potential efficiencies and cost savings in the administrative functioning of the Middlesex-London Health Unit including the possibility of a shared services arrangement between MLHU, the City and the County
- Decision point to pursue further exploration of potential efficiencies/ cost savings opportunities (which may include shared services)

Phase III

- Develop a Target Operating Model to achieve the cost savings identified in Phases I & II
- Requirements for Implementation

Project Scope

What's in? What's out?

In

- Finance & Operations
- Purchasing
- Information Technology
- Human Resources
- Facility Management
- Office of the Medical Officer of Health
  - Communications, Privacy/Workplace Health & Safety, Emergency Planning, Records Management/ Performance Management

Out

- Program Delivery
- Policy
- Role of the Medical Officer of Health / CEO (including admin support staff)

Project Overview
Guiding Principles

Guiding Principles

- Independent review of administrative services
- Evidence-based analysis
- Efficiencies or cost savings to be achieved provided that the public health programs provided by the Board are not negatively impacted
- Parties are not bound to implement any recommendations for cost savings through shared services
- Accountability and overall management related to shared services shall remain with the Board

Activities to Date

Kick-off: February 8th, 2012

Complete

Phase 1: Research Current State

- **Key Activities**
  - Kick-off meeting (*Friday February 8, 2013*) ✓
  - Stakeholder interviews ✓
  - Data Collection ✓
  - Documentation Review ✓
- **Outcomes**
  - Project plan and charter ✓

In Progress

Phase 2: Baseline Analysis

- **Key Activities**
  - Baseline analysis
  - Identify potential efficiencies
  - Develop options for consideration
  - Facilitated workshop
- **Outcomes**
  - Baseline metrics
  - Options for improvement
  - Shared understanding of opportunities

Not Started

Phase 3: Recommendations

- **Key Activities**
  - Further quantify savings from opportunities
  - Develop recommendations to meet strategic vision
  - Final report
- **Outcomes**
  - Stakeholder consensus around future state operating model
  - Final reports

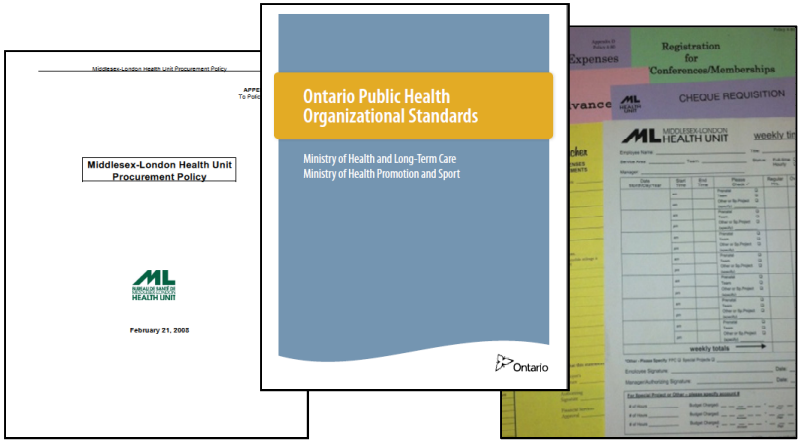
Activities to Date
Qualitative Analysis

- PwC conducted **17**, one-on-one and group interviews with **38** stakeholders across MLHU, the City, and the County.
- Interview topics included:
  - **Structure** of each department/ function
  - **Definitions** of functions and sub functions
  - **Capacity** of each department/ function
  - **Technology** considerations
- To supplement the interviews, **over 25** documents (e.g., legislation, reports, policies, forms) were reviewed

MLHU Stakeholder Engagement

Organization	# of Interviews	# of Staff Engaged
MLHU	11	25
City	5	14
County	1	3
Total	**17**	**42**

Document Review (Sample)



Activities to Date
Quantitative Analysis

Goal: To identify how MLHU is utilizing its resources (i.e., people) across the in-scope functions.

Approach

- Develop a Taxonomy of Functions
  - PwC worked with MLHU to develop a "Taxonomy of Functions": a description of all in-scope functions performed within MLHU, and the sub-processes that comprise them.
- Build a Level of Effort Survey
  - A survey was created to assess how the MLHU allocates effort across all the in-scope function.
  - The results will help inform the analysis (i.e. How is effort allocated? Is the allocation appropriate? Is there overlap? Are roles clear? Etc.)

Taxonomy of Functions

Department	Function	Sub-Process
Enterprise / Organizational Planning	Organizational/Departmental	Corporate & Programmatic Planning
		Team meetings
		Team activities/initiatives
		Board Reporting
	Professional Development	Professional development
		People development/management
	Library	Librarian activities
	Reception	Reception activities
Procurement	Contract management	Assisting other departments with procurement activities
		Coordinating RFP/RFQ process
		Contract Administration (obtaining insurance, WSIB, MSDS, Bonding certificates)
		Partipating in Cooperative Bid Process (Purchasing Co-op, Provinicial, OECM)
	Purchasing	PO generation
		PO approval
		Policy and procedures
		Purchasing & Inventory of Corporate commodities (Paper, Toner, Letterhead, Envelopes, et
	Legislative Reporting	Statutory reporting
	Management reporting	Standard management reporting
		Annual and quarterly reporting
		Ad hoc reporting
		Ad hoc analysis
	Accounts Payable	Policy and procedures
		Vendor standing data maintenance
		Invoice approval
		Invoice matching (PO, goods receipt, invoice)
		Invoice processing
		Issue cheques
		Filing
		Staff Expenses - mileage, conferences etc.
		Liabilities management
		Credit/purchasing card admin.
		Uncashed/outstanding cheques
		Budget creation

MLHU Stakeholder Engagement

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Baseline Level of Effort (LOE) Data Collection Template

Last Name	First Name	Department	Job Title	Union	Average Hours Worked per Week (Please Complet	LOE Allocation Completeness Check	Total LOE Allocation	Enterprise / Organizational Planning: Organizational/Departmental	Professional Development	Library	Reception	Procurement: Contract management	Purchasing	Finance: Legislative Reporting	Management reporting	Accounts Payable	Budgeting	Accounts Receivable
Sample	Employee	HR	HR Coordinator		50	OK	100%											
Employee	Sample	Finance	A/P Clerk		40	OK	100%	10%						20%	20%	5%	10%	5%
						Under Allocated	0%											
Goossens	Paul	Information Services	Business Analyst (CUPE)	Union		Under Allocated	0%											
Shantz	Rick	Information Services	Director	Non-union		Under Allocated	0%											
Przygluzski	Mark	Information Services	Server Infrastructure Analyst	Union		Under Allocated	0%											
Reed	Kelly	Information Services	Network and Telecommunications Analyst	Union		Under Allocated	0%											
Nielsen	Bruce	Information Services	Helpdesk Analyst (CUPE)	Union		Under Allocated	0%											
Allaire	Dannielle	Information Services	Applications & Desktop Analyst (CUPE)	Union		Under Allocated	0%											
Luesike	Bernie	Information Services	Data Analyst (CUPE)	Union		Under Allocated	0%											
L	Deneen	Information Services	Corporate I.T. Trainer (CUPE)	Union		Under Allocated	0%											
L	Deneen	Information Services	Admin Asst Director (partially	Union		Under Allocated	0%											
						Under Allocated	0%											
McElroy	Andrena	Finance and Operations	Accounting & Program Assistants (CUPE)	Union		Under Allocated	0%											
Baxter	Gloria	Finance and Operations	Accounting & Payroll Analyst	Non-union		Under Allocated	0%											
Millson	John	Finance and Operations	Director	Non-union		Under Allocated	0%											
Riedl	Mark	Finance and Operations	Purchasing/Receiving & Operations Coordinator (CUPE)	Union		Under Allocated	0%											
Couvillon	Melody	Finance and Operations	Manager of Procurement & Operations	Non-union		Under Allocated	0%											
Mema	Rajmonda	Finance and Operations	Accounting & Program Assistants (CUPE)	Union		Under Allocated	0%											
Reed	Shannon	Finance and Operations	Accounting & Program	Union														

Activities to Date
Quantitative Analysis (Continued)

Goal: To assess MLHU's resources in comparison to other organizations (e.g., the City of London, Middlesex County, industry standards)

- Data Request
  - Evidence-based indicators were identified through leading practice research.
  - Utilizing these indicators, a data request was issued to the MLHU, City, and County.
  - In conjunction with the other data sources, the indicators will be compared across organizations to assess opportunities for efficiency/ sharing.

Data Request
IT

Notes
Please refer to the "Taxonomy Tab" for a description of IT and its functions.
Please input data into the grey cells to reflect the **most recent fiscal year.**

Fiscal Year	December 31,2012
Weekly Hours/FTE	

Data Element	Description	Input Cell	Source	Notes
Total Budget - IT Department - Operating	Total Operating IT Annual Budget			
Total Budget - IT Department - Capital	Total Capital IT Annual Budget			
Total Personnel Costs for IT Function	Includes all salary, wages, and benefit costs for IT FTEs			
Total Hardware Costs for IT Function	Annual hardware spend			
Total Software Costs for IT Function	Annual software spend			
Total Purchased Service Costs for IT Function	Annual spend for purchased services			
# of Active Network Log-ons/ Email Accounts	Total number			
Number of Help-Desk Calls	Total number of tier 1-3 calls			
# of Desktop/Laptop Computers	Total number			

Next Steps

Phase 1: Research Current State

- **Key Activities**
  - Kick-off meeting (*Friday February 8, 2013*) ✓
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  - Project plan and charter ✓

Phase 2: Baseline Analysis

- **Key Activities**
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Phase 3: Recommendations

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- **Outcomes**
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Key Dates
Deliverables

	Phase	Timeline	Audience	Contents
Baseline Findings	• Phase 2	• **Deliver**: March 25	• Senior Team	• Preliminary findings from data collection and analysis
Interim Report	• Phase 2	• **Deliver**: April 26 (Senior Team) • May 1 (City/ County) • May 3 (Board) • **Present**: May 9	• Senior Team • City/ County • Board	• Findings from data collection and analysis • Potential efficiencies or cost savings • Opportunities for further exploration
Final Report	• Phase 3 (if applicable)	• **Deliver**: TBD • **Present**: TBD	• Board	• Further quantification of potential savings • Recommendations (possible shared service arrangements –projected efficiencies, requirements for implementation, and timelines)