

## CITY OF BURNABY

TO: HIS WORSHIP, THE MAYOR AND COUNCILLORS      DATE: FEBRUARY 06, 1995

FROM: EXECUTIVE COMMITTEE OF COUNCIL

SUBJECT: RESHAPING BURNABY'S ORGANIZATION STRUCTURE

PURPOSE: TO PROPOSE FOR ADOPTION AN ADJUSTMENT TO THE ORGANIZATION STRUCTURE FOR THE CITY OF BURNABY

### RECOMMENDATION:

1. THAT Council approve the organization structure and appointments as outlined in this report.
  2. THAT Council agree to the use of employment agreements in staffing Burnaby's Executive Management positions.
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## REPORT

### 1.0 BACKGROUND

The vacancy in the Director Administrative and Community Services position has presented an opportunity to review the current Corporate Management structure. The current Corporate Management structure was initiated in 1981 following Council's approval of the Currie, Coopers and Lybrand Ltd., "Report on Management Systems and Organization Review". This report recommended the current Corporate Management structure with the exception that the position of Deputy Manager was retitled to Director Administrative and Community Services. This change from the Consultant's recommendation was at the request of the then Municipal Manager.

The Executive Committee of Council has reviewed the 1981 report, analyzed how efficient the current Corporate Management structure is now after thirteen years of being in place and evaluated possible alternatives to filling the vacant Director of Administrative and community Services position.

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: COPY - CITY MANAGER DESIGNATE
- DIR. ADMIN. & COMM. SERV.
- DIR. REC. & CULT. SERV.
- DIRECTOR ENGINEERING
- DIRECTOR FINANCE
- DIR. PLNG. AND BUDG.

## 2.0 ANALYSIS

The Executive Committee of Council has reviewed the identified benefits that the Consultant stated would be achieved with the current Corporate Management structure and the Director Administrative and Community Services Position. Taking into consideration the many changes over the past thirteen years to the various City Departments' services and programs and the need to ensure that our employee complement is as efficient as possible, the Executive Committee of Council is of the opinion that some of the benefits that were to be achieved are, after thirteen years, not being fully realized.

The following concerns were identified with the current Corporate Management structure.

- a) The current five Directorships are structured to work more as individual entities rather than as a Corporate team working on following vision and direction set by City Council.
- b) There has been a lack of strategic planning which would look at options to address how we best use our existing staff resources to meet current and future demands for services.
- c) Departments such as the RCMP, Health and Fire that now report to Director Administrative and Community Services are relatively independent and could easily report to the City Manager's Office directly.
- d) The City Clerk's position reporting two levels down in the organization has proven to be inappropriate. Other City and Municipal Governments the size of our City recognize the City Clerk's statutory authority under the Municipal Act and that this position must work closely with the Mayor and members of Council. Thus, the Clerk's office should properly report to the Office of the City Manager as should the Solicitor.
- e) There is a definite need to improve the interface between Council and city administration to ensure that the direction which Council expects city staff to proceed on is being carried out.

## 3.0 AN ALTERNATIVE

The Executive Committee has examined changing the current Corporate Management structure in order to address the above noted concerns and to achieve savings through eliminating an Executive Management position.

The recommended changes to the Corporate Management Structure are noted on the attached organization chart. The recommended structure would establish an Office of the City Manager, eliminate the position of Director Administrative and Community Services and create two new positions in the office of the City Manager at the Deputy Level.

The City Clerk and Human Resources Director would be reclassified to Deputy City Managers with responsibilities in the areas of Corporate Services and Corporate Labour Relations respectively.

The Deputy City Manager (Corporate Services) would have corporate responsibilities for managing the City Clerk and Clerk's Department, City Solicitor and legal services as well as responsibilities in the areas of corporate public relations, intergovernmental relations and ensuring efficient operations of the Committees of Council.

The Deputy City Manager (Corporate Labour Relations) would have corporate responsibilities for managing the Human Resources Department, corporate strategic planning, collective bargaining and collective agreement administration.

In addition, the Deputy City Managers would be assigned additional responsibilities by the City Manager and by Council. Both positions would be filled on the basis of an employment agreement between the City and the incumbents.

Senior Management staff within the Clerks and Human Resources Department would also be assigned additional responsibilities in order to assist in the management of the Departments.

### 3.1 Benefits

The benefits which have been identified by this restructuring of Executive Management positions are:

- There would be an increase in the interface between the Mayor and Council and city administration. The City Manager and Deputies would be charged with the accountability of ensuring that direction from Council is being followed through and that City Departments are working as a corporate team rather than individual entities.
- The Executive of the C.U.P.E. Local 23, Burnaby Firefighters 323 and the B.C.N.U. would have access directly to the Office of the City Manager to discuss and resolve subjects concerning corporate labour relations.

- Succession planning to the City Manager's position would be expanded from five to six positions. The recommended Corporate Structure places all Directors and Deputies on the same Corporate level reporting to the City Manager. The Management Committee would be expanded from six staff to seven which would bring input from the Corporate Services and Corporate Labour Relations areas.
- All departments would report directly to the Office of the Manager thereby signalling a Corporate team approach in managing the delivery of City services. The Information Services Department would be the exception as it would under this reorganization report to the Director Finance.

### 3.2 Cost Analysis

Savings achieved by eliminating the position of Director Administrative and Community Services and reclassifying the City Clerk and Human Resources Director to Deputy City Managers would be in excess of \$100,000.

Additional funds would be required for any adjustments made to the level of responsibilities of staff within the Clerk's (City Clerk designation) and Human Resources Departments. The final adjustments would realize an approximate savings in the range of \$90,000 to \$100,000. In 1999 January, when staff have reached the top increment step of the salary ranges, the continuous savings to payroll achieved by this reorganization will be in the range of \$50,000 to \$60,000.

As in the case of the City Manager Designate, any changes to the existing Corporate Management structure would be done on a designate basis with no increase in salaries until 1995 May 1.

### 4.0 EMPLOYMENT AGREEMENTS

It is becoming commonplace, especially in the private sector, to use employment agreements in staffing a corporation's most senior positions. This trend is spreading to the public sector. Such agreements usually cover such subjects as duties and responsibilities, term, remuneration and benefits, renegotiation and termination. Both sides understand and agree on the nature and terms of the employment situation at the outset. The most recent City Manager appointment, Bob Moncur, entered into an employment agreement with the City and similar agreements will be used for the Deputy City Managers and for each of the Directors as those positions are refilled in time. This is similar to the Burnaby School Board who have employment agreements with all of their executive management staff and is in keeping with current management trends.

**5.0 SUMMARY**

The existing Corporate Management Structure was initiated in 1981 and is now in need of adjustment. The Director Administrative and Community Services vacancy presents the opportunity to make an adjustment to the Corporate Management Structure which will reduce salary costs, improve the ability of Council to initiate change and place responsibility on Senior Management to ensure the city operations and services are efficient and effective. **The Executive Committee of Council is recommending that Council approve this new organizational structure. It is further recommending employment agreements for Executive Management positions in Burnaby.**

Respectfully submitted,

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Councillor L.A. Rankin, Chair

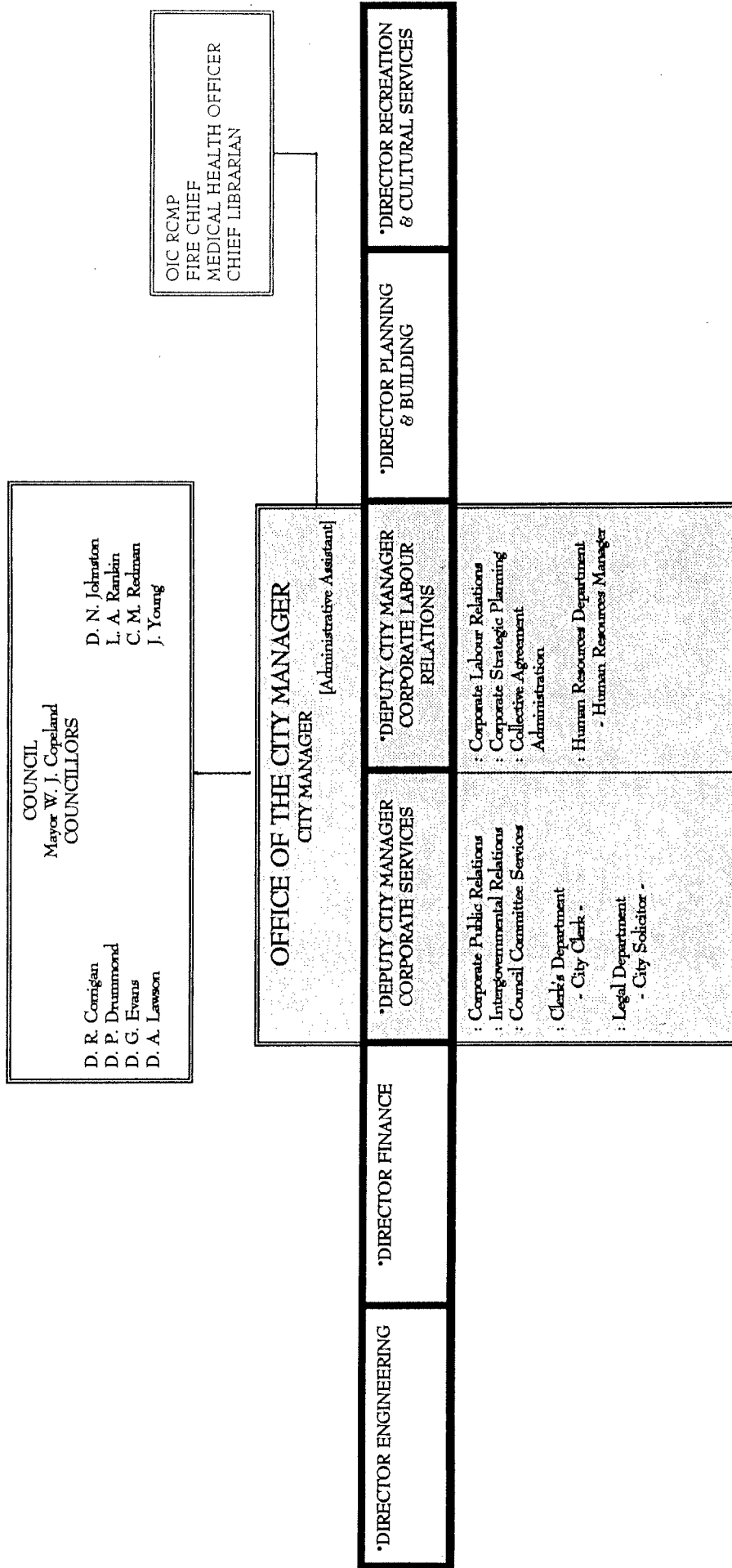
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Councillor D.R. Corrigan

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Councillor C.M.H. Redman

CITY OF BURNABY  
 PROPOSED CORPORATE ORGANIZATION STRUCTURE



\* Denotes member of Management Committee