



OMBI

ONTARIO MUNICIPAL CAO'S BENCHMARKING INITIATIVE

PARTNERING FOR SERVICE EXCELLENCE

The OMBI Experience

GFOA Annual Conference

June 6 – 9, 2010

Atlanta, Georgia

Andrea Reid, Region of York

Connie Wheeler, City of Hamilton

Agenda

- ❑ Benchmarking and Why do we do it
- ❑ What is OMBI?
- ❑ OMBI – The Collaborative
- ❑ OMBI Infrastructure
- ❑ The Evolution of OMBI
- ❑ How do we make OMBI results comparable?
 - ❑ Data sharing and public reporting
 - ❑ Measurement definitions and influencing factors
 - ❑ Data Warehouse
 - ❑ Indirect Costing Methodology

What is Benchmarking?

- ❑ A point of reference against which things can be measured and compared
- ❑ Compares municipal performance data over time
- ❑ Data is expressed on a common basis such as cost per unit of service or as a rate per capita
- ❑ Assists in making comparisons between municipalities more meaningful

Why Benchmark?

Municipalities use benchmarking data to:

- ❑ Assess services areas where they are strong and are doing well
- ❑ Identify better/best practices that may be applicable to others, resulting in possible cost savings and/or service improvements
- ❑ Integrate into strategies for continuous improvement of municipal operations
- ❑ Share ideas on new processes, systems, technologies and creative solutions to help make the best use of valuable resources
- ❑ Provide a foundation for more detailed analysis (of selected services)

What is OMBI?

- Mission, Vision, Values
- OMBI Partners
- How did we get here
- Why is OMBI important
- What is keeping OMBI relevant

Mission

The Ontario Municipal CAO's Benchmarking Initiative (OMBI) is a voluntary collaboration between progressive Ontario municipalities, led by the Chief Administrative Officers (CAO's) and City Managers from each participating municipality to foster a culture of service excellence, and demonstrate accountability and transparency in municipal government.

Vision

To be leaders in the development and application of decision making tools that assist municipalities in planning and allocating resources

Values

Municipal Excellence

Accountability

Transparency

Collaboration

Innovation

OMBI Partners

- City of Barrie
 - Durham Region
 - Halton Region
 - City of Hamilton
 - City of London
 - District of Muskoka
 - Niagara Region
 - City of Ottawa
 - Peel Region
 - City of Sudbury
 - City of Thunder Bay
 - City of Toronto
 - Region of Waterloo
 - City of Windsor
 - York Region
- Associate Members:
- City of Calgary
 - City of Winnipeg



How Did We Get Here?

- ❑ Began in 1996 by Chief Administrative Officers (CAO's) and City Managers from 5 participating municipalities and covered 6 program areas
- ❑ 2000 – a review of more than 50 other benchmarking initiatives
- ❑ 2001 more formally established with a Project Charter and a Project Office
- ❑ 2001 – 2003 – foundation pieces were built (Indirect Costing Methodology, Data Sharing Protocol, Web – based Data Warehouse)

How Did We Get Here?

- ❑ 2004 – expansion from 5 to 30 Services Areas
- ❑ 2005 – expansion from 5 to 15 municipalities
- ❑ 2006 – OMBI went public with the information
- ❑ Today - Collaborative of 15 Ontario municipalities, 2 Out-of Province Associate Members; 33 expert panels and 38 service areas; over 750 measures

The Purpose of OMBI

- ❑ IDENTIFY and COLLECT comparable service specific performance measures across the partner municipalities
- ❑ ANALYZE data to provide an external peer perspective to complement each municipality's examination of their own internal performance over a multi-year time frame
- ❑ SHARE different practices and policies
- ❑ REPORT performance measurement information using established protocols
- ❑ BUILD a performance culture in member municipalities

What is Keeping OMBI Relevant?

- ❑ Demographics
- ❑ Social
- ❑ Technological
- ❑ Economic
- ❑ Political / Regulatory

Demographics

- ❑ Aging Population
 - ❑ Ability to pay for services
 - ❑ Budget pressures and changes in priorities
- ❑ Growing population (in many municipalities)
- ❑ Gen Y in the work force

Social

- ❑ Expectation to do MORE, do it BETTER and with LESS
- ❑ Expectation of accountability and transparency
 - ❑ Increased media focus
 - ❑ increased scrutiny on all levels of government
 - ❑ Assumes readily available data
- ❑ Sustainability – another lense through which decisions are analyzed
- ❑ Ranking and rating of various organizations and institutions, i.e. hospitals, schools, university's, business', etc.

Technological

- Advancements in technology
 - Enables organizations to and increasing critical role it plays in the management and delivery of work, products and/or services
- Expectation that information should be easily accessible

Economic

- Globalization
- Changes in economic landscape, e.g. loss of manufacturing jobs
- Ongoing impact on governments to address the multi-faceted 'ripple effects' of the recession and volatile economic environment

Political / Regulatory

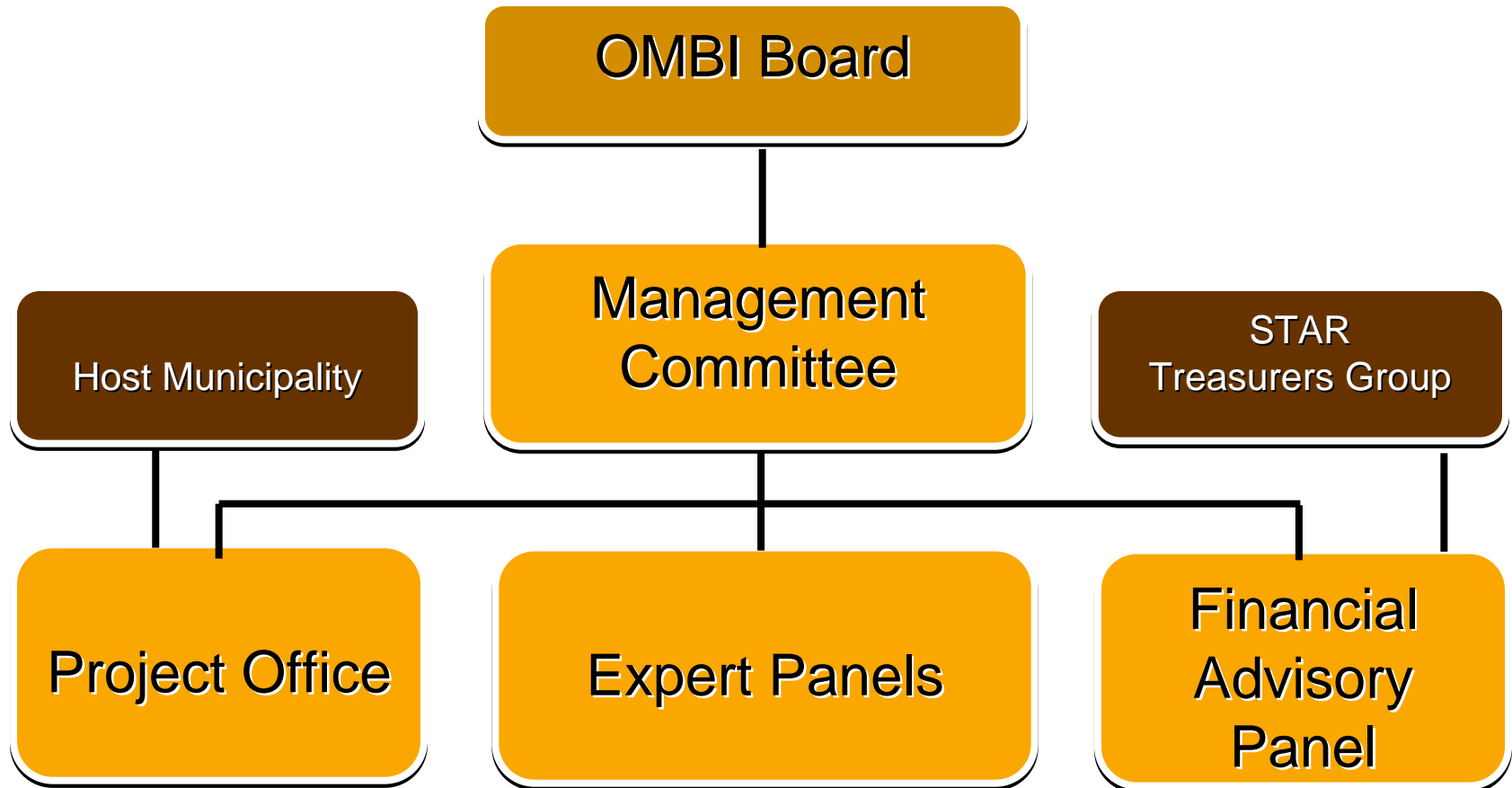
- Focus on deficit management and/or investing in services that could lead to a reduction in transfer payments to municipal governments
- Regulatory and/or provincial expectations regarding performance reporting

OMBI

The Collaborative

- ❑ Governance Structure
- ❑ The 7-Step Benchmarking Methodology

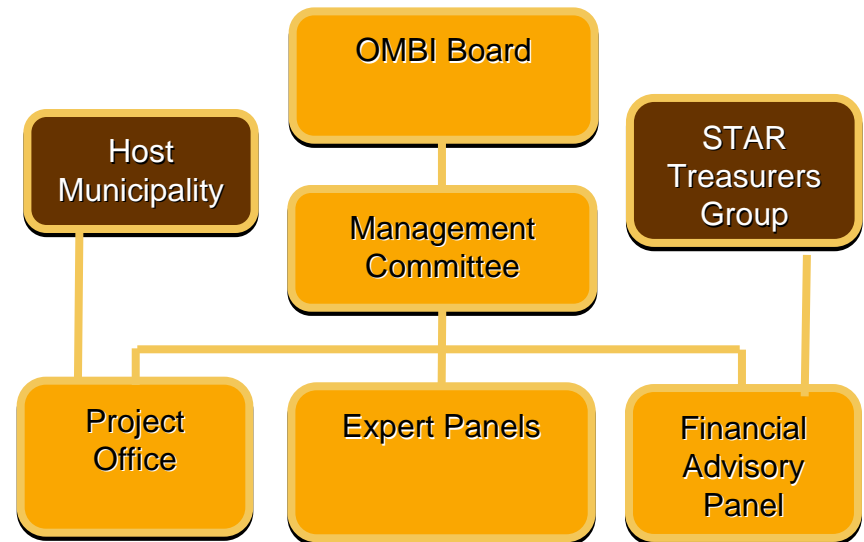
OMBI Governance Structure



Governance

OMBI Board and CAOs

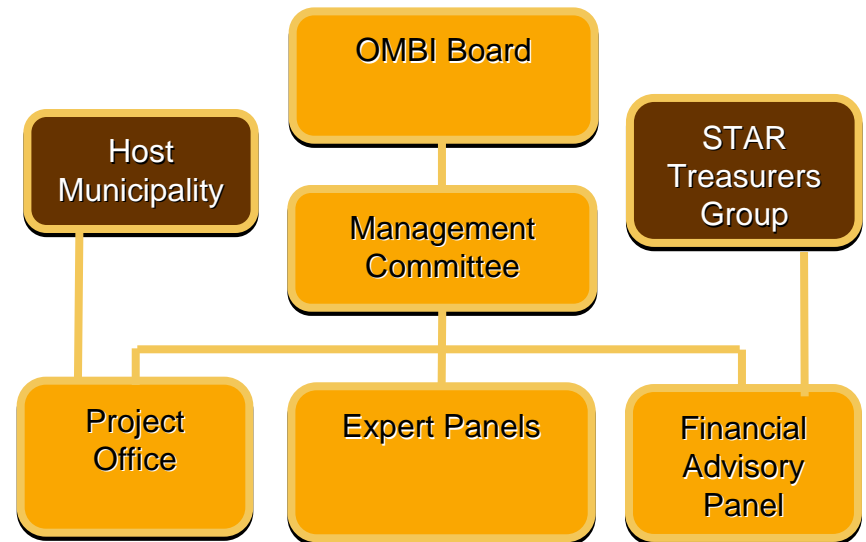
- Consists of CAO and City Managers of partnering municipalities
- Provide oversight and direction



Governance

Management Committee

- 1 representative from each partnering municipality – referred to as 'Municipal Champion'
- Delegated authority



The Municipal Champion



Internal Role

- Co-ordinate the data collection exercise
- Champion the program

Management Committee

- Represent municipality
- Participate in sub-committee work
- Strategic planning
- Recommend annual work plan & budget

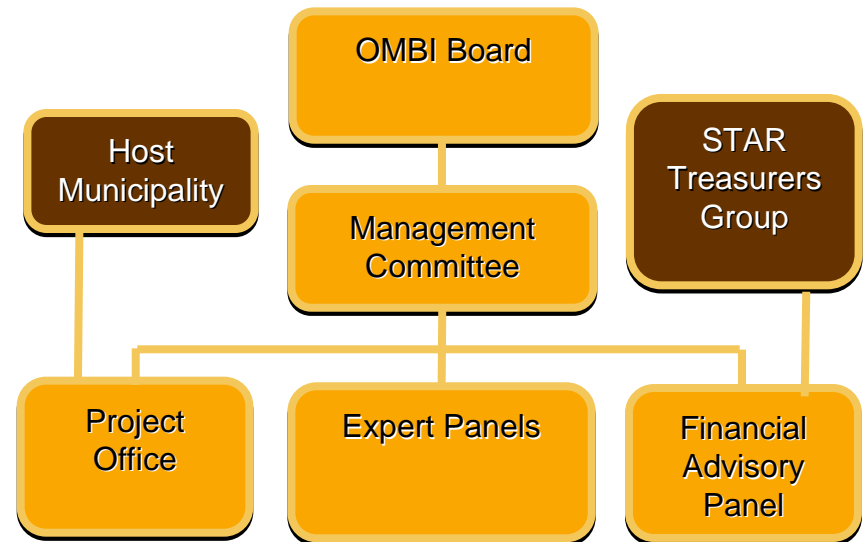
Expert Panels

- Chair/facilitate panel meetings
- Represent program area at Management Committee meetings

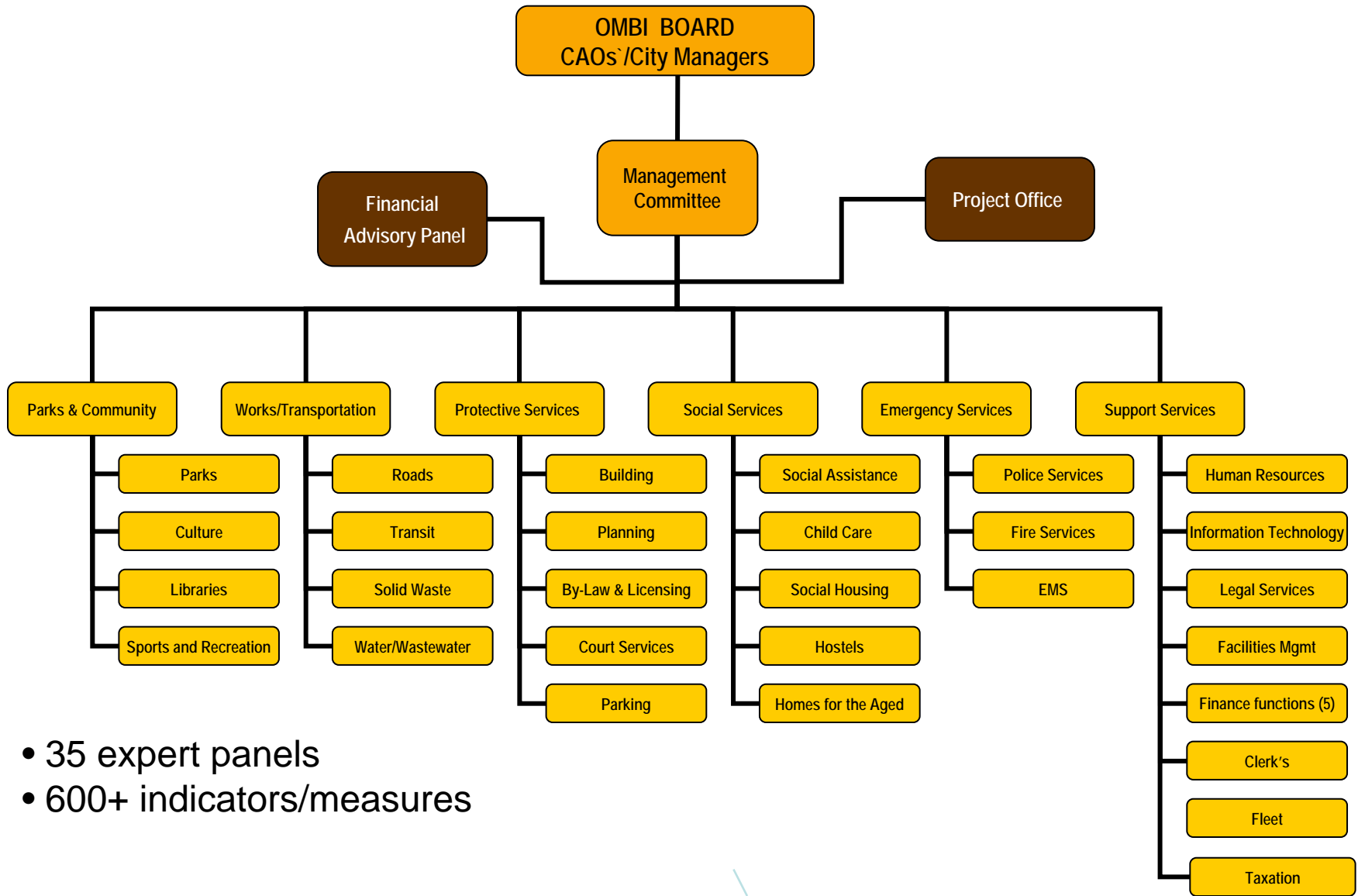
Governance

Expert Panels

- Provide cooperative, consultative forum to ensure common measurement and to extract opportunities for continued improvement on a program / service basis
- Established by the OMBI Board and report to the OMBI Management Committee
- 33 expert panels (35 service areas)



OMBI Expert Panel Structure

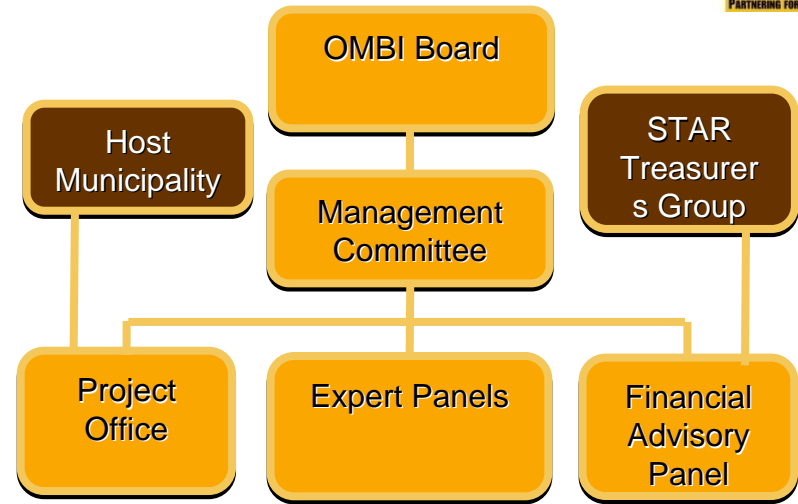


- 35 expert panels
- 600+ indicators/measures

Governance

Financial Advisory Panel (FAP)

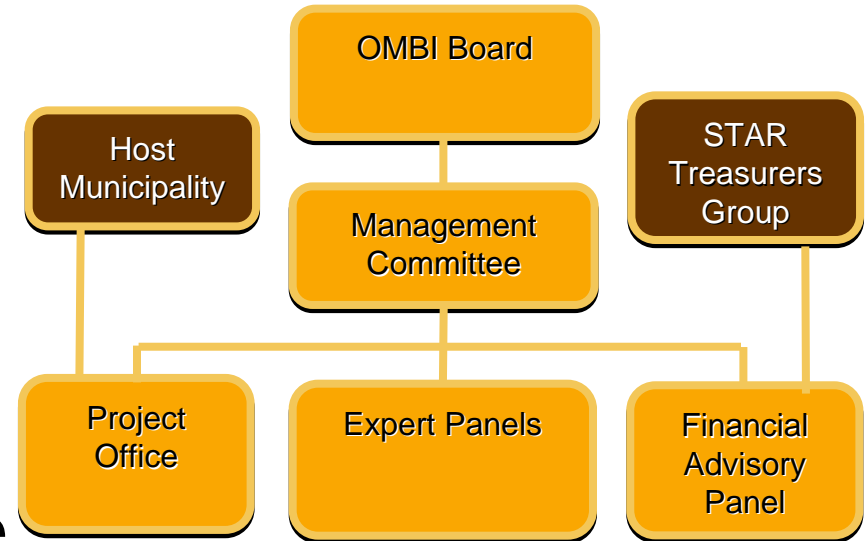
- Consist of finance representatives from partnering municipalities
- Reports to OMBI Management Committee
- Ensure costs are measured in a consistent manner, i.e. 'back-office' support costs, attribution of capital and asset management costs
- Review Financial Information Return (FIR) and financial results for efficiency measures in each service area
- Review results of annual OMBI data collection process; provide feedback to respective Municipal Champion



Governance

Project Office

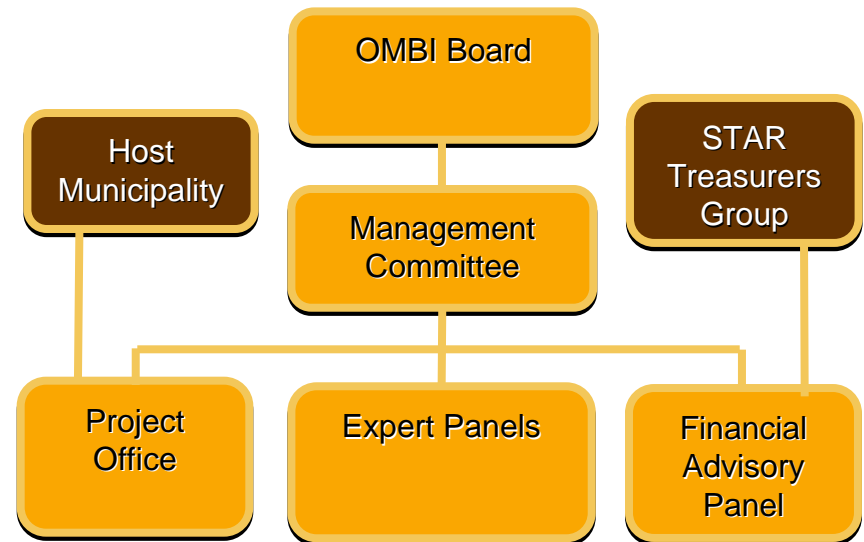
- Provides support to the Management Committee and the OMBI partner municipalities
- Accountable to Management Committee with primary direction to the Office coming from the MC meetings and/or Co-chairs
- Project Office consists of:
 - Program Manager
 - Data Analyst



Governance

Host Municipality provides:

- ❑ Information technology services
- ❑ Financial and other support services
- ❑ Administrative oversight



OMBI Seven-Step Benchmarking Methodology

1. Select Programs for Benchmarking

What questions do I want to answer?

2. Develop performance measures.

Define what to measure and how?

3. Collect and analyze the data

Do the peer-reviewed results make sense?

4. Establish the `Zone of Performance

What constitutes a superior performance?



7. Evaluate benchmarking process

What would we do differently next time?

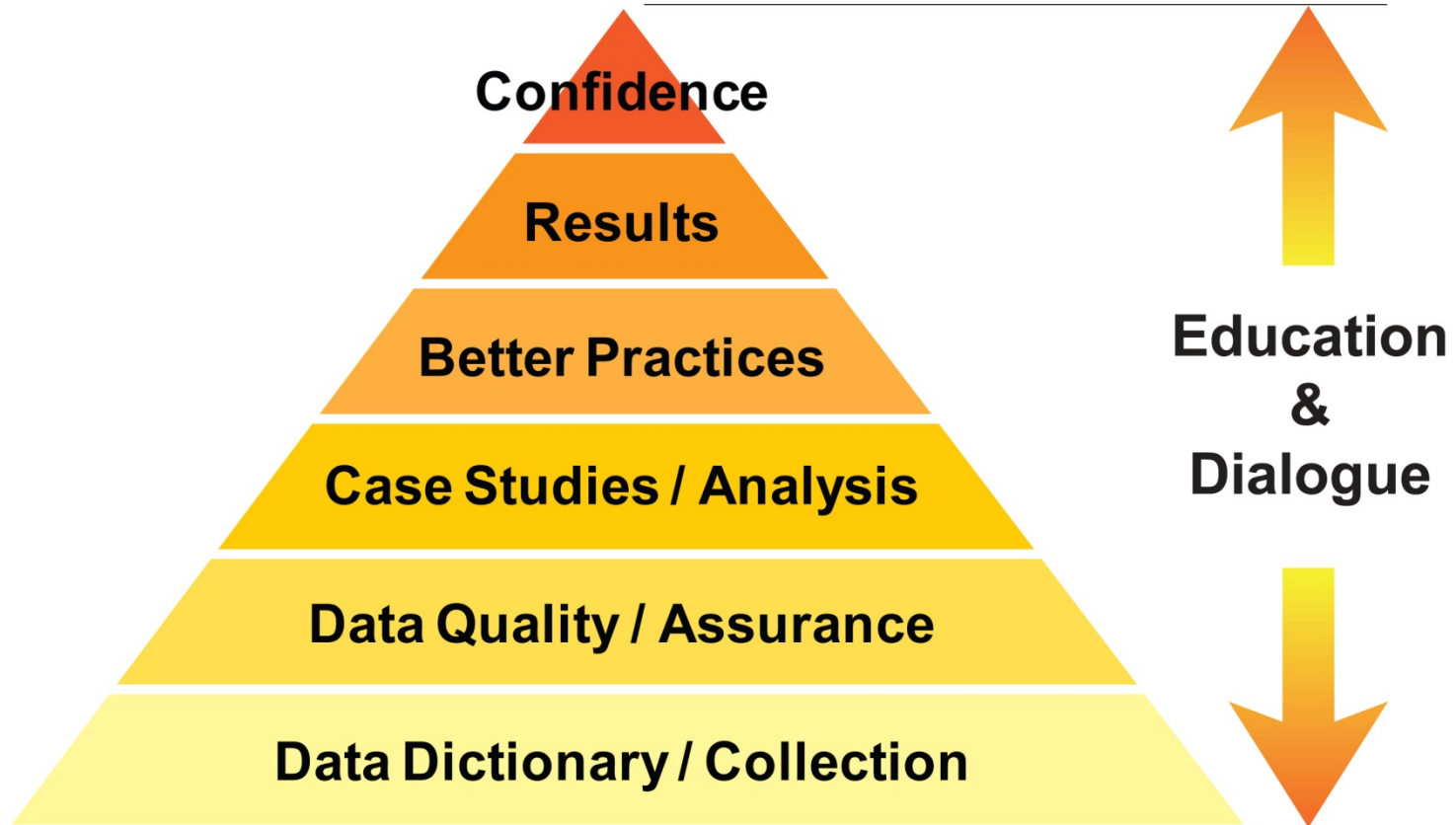
6. Develop emulation strategies

What are the implications for the Municipality?

5. Assess/Recommend best/better practices

What policies/practices drive performance?

OMBI Value Chain



Building a Performance Measurement Culture

OMBI

Infrastructure

- Infrastructure
- OMBI Benchmarking Framework
- Data Dictionary
- Influencing Factors
- Data Collection Timelines / Peer Review
- Direct and Indirect Costing
- Reporting

OMBI Infrastructure

- ❑ ‘Common View’ – performance measurement framework
- ❑ Performance measures and technical definitions
- ❑ Influencing factors
- ❑ Data collection timelines
- ❑ Peer review
- ❑ Direct & indirect costing
- ❑ Data sharing protocols
- ❑ Data warehouse
- ❑ Reporting
- ❑ OMBI.ca website

OMBI Benchmarking Framework

The effect programs and services have on our communities.

Community
Impact
Measures

Service
Level
Measures

The number, type or level of service delivered to residents in municipalities.

How municipalities use their resources, often expressed as a cost per unit of service or the volume of output per staff member.

Efficiency
Measures

Customer
Satisfaction
Measures

Measure the quality of service and degree of customer satisfaction with the service received, relative to service standards and customer needs and expectations.

Infrastructure – Data Dictionary

A – New (N), Delete (D) or Change (C) B – Publicly Reportable (✓) C – CAO Measure (✓)			Measure		Definition		
A	B	C	Number	Type/Name	Numerator	Denominator	Notes / Comments
TRANSIT							
	✓	✓	TRNT105M	Community Impact # of Conventional Transit Trips per Capita in Service Area (MPMP)	MPMP – Schedule 92, Line 2351, Column 5 A linked trip, riding one-way from origin to final destination; passengers whose trips involve transferring from one vehicle to another are counted only once (i.e. transfers are not included). Source: CUTA Handbook 2004	Population as per FIR Schedule 90, line 0020 column 2 or override population if required (population in the service area).	In specific situations, where transit services do not extend across the municipality and the number is materially different, a municipality may override the denominator with the population for the municipally defined service area.
	✓	✓	TRNT210	Service Level Transit In-Service Vehicle Hours per Capita in Service Area	Annual vehicle service hours operated by active revenue vehicles (buses, railcars etc) in regular passenger revenue service, including scheduled and non-scheduled service; does not include auxiliary passenger service (e.g. School contracts, charters, cross boundary services to adjacent	Population as per FIR Schedule 90, line 0020 column 2 or override population if required (population in the service area).	In specific situations, where transit services do not extend across the municipality and the number is materially different, a municipality may override the denominator with the population for the municipally defined service area.

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A	B	C	Number	Type/ Name	Numerator	Denominator	Notes / Comments
SOCIAL HOUSING							
C			SCHG305	<i>Efficiency</i> Social Housing Administration Operating Costs per Social Housing Unit	Total administration costs to deliver prescribed programs and including, but not limited to Program Support costs (HR, Audit, Finance, Legal, IT, Risk Management). Contract costs for Coordinated Access (i.e. Waiting List) to be included as well as any direct labour costs associated with the delivery of Coordinated Access.	Number of total housing units Numerator SCHG210 Please note expert panel is working on a tighter definition of Social Housing direct administration costs.	Schedule 40 of the FIR may be used as a guideline for program Support Costs. Includes only those units as reported on the SMAIR. Re-statement of prior years is required for this measure.
C	✓		SCHG310	<i>Efficiency</i> Social Housing Subsidy Costs per Social Housing Unit	Total subsidy cost to include all funds flowed to providers by SM, including annually adjusted subsidy per funding model and one-time grants, regardless of purpose and funds flowed to provide non-prescribed rent supplement units (page 3 – Schedule of Funding from 2009 SMAIR report to be used for subsidy costs). Costs for Strong	Number of total housing units Numerator SCHG210	Includes only those units as reported on the SMAIR. Re-statement of prior years is required for this measure.

Infrastructure - Data Dictionary

A – New (N), Delete (D) or Change (C) B – Publicly Reportable (✓) C – CAO Measure (✓)			Measure		Definition		
A	B	C	Number	Type/ Name	Numerator	Denominator	Notes/ Comments
SOCIAL ASSISTANCE							
	✓	✓	SSIM405	Customer Service Social Assistance Response Time to Client Eligibility (Days)	Source: SDMT Report: Intake Tracking Report SE 100M The sum of the monthly averages taken from the Office Total/ Average line on the report, from the field " # Days To Determine Eligibility (if there is more than one office in the municipality, it would be the average of all of the offices)	Source: number of calendar months of data used in the calculation The number of months of data used (ex: if 12 months of data are used for 2003, the denominator is 12)	Response time is calculated from screening to eligibility.

Infrastructure - Influencing Factors

Emergency Medical Services

- **Urban Form:** The mix of urban versus rural geography can influence response time and cost factors.
- **Vehicle Mixture:** Services use a varying mixture of response vehicles which have differing levels of staffing.
- **Demographics:** The age and health status of the population has an impact on number and severity of calls.
- **Hospital Delay:** Services face varying lengths of delays in the offload of passengers at local hospitals. This can greatly impact the resources required and available to respond to calls.
- **Non Residents:** Visitors, workers, tourists and out of town hospital patients can increase the call volume but is not reflected in the measures (population is that of municipality only).

Data Collection Timelines / Peer Review

Jan.

Dec.

Expert Panel
Meetings

Spring
Forum

Data
Collection

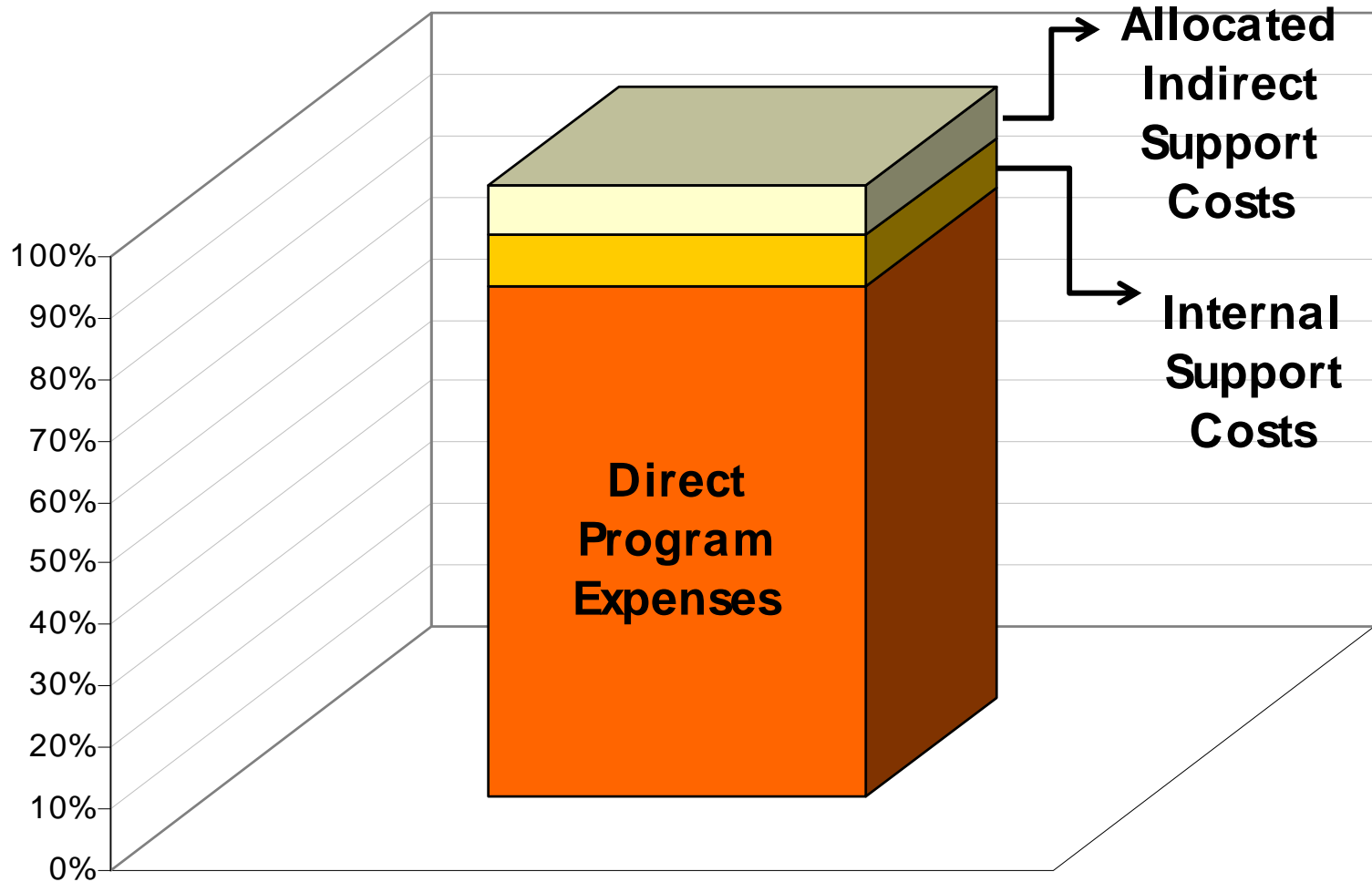
Strategy
Review

Expert Panel
Meetings

Final Data
Posted

Work Plan & Budget
Development Reporting

OMBI Costing Methodology



Indirect Cost Allocation Methodology

- The Financial Advisory Panel (FAP) has developed a methodology for the allocation of indirect costs or support costs, sometimes referred to as overhead costs to facilitate consistent costing of all programs and services
- The Ministry of Municipal Affairs and Housing subsequently adopted this methodology for use in its mandatory Municipal Performance Measurement Program (MPMP)



Ontario Municipal CAO's Benchmarking Initiative

*Report of the Treasurers Group
On the Allocation of Indirect Costs*

*A review of the costing of support services
and costing methodologies*

November 2001
Revised October 2004

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Process to Capture Financial Results

- Determination of Financials using the OMBI Methodology
 - Direct service costs
 - Indirect service costs
- Municipal Champion enters data in warehouse
- Local experts advised of how their financials were derived
- Data tables of financial and non-financial results provided to municipalities by the PMBI Project Office
- Expert panel meetings conducted to peer review the results
- Program Support Module – data entered into the data warehouse
 - Subsequent analysis of the indirect costs as a % of direct service costs

Data Sharing Protocol

A protocol developed to provide direction on:

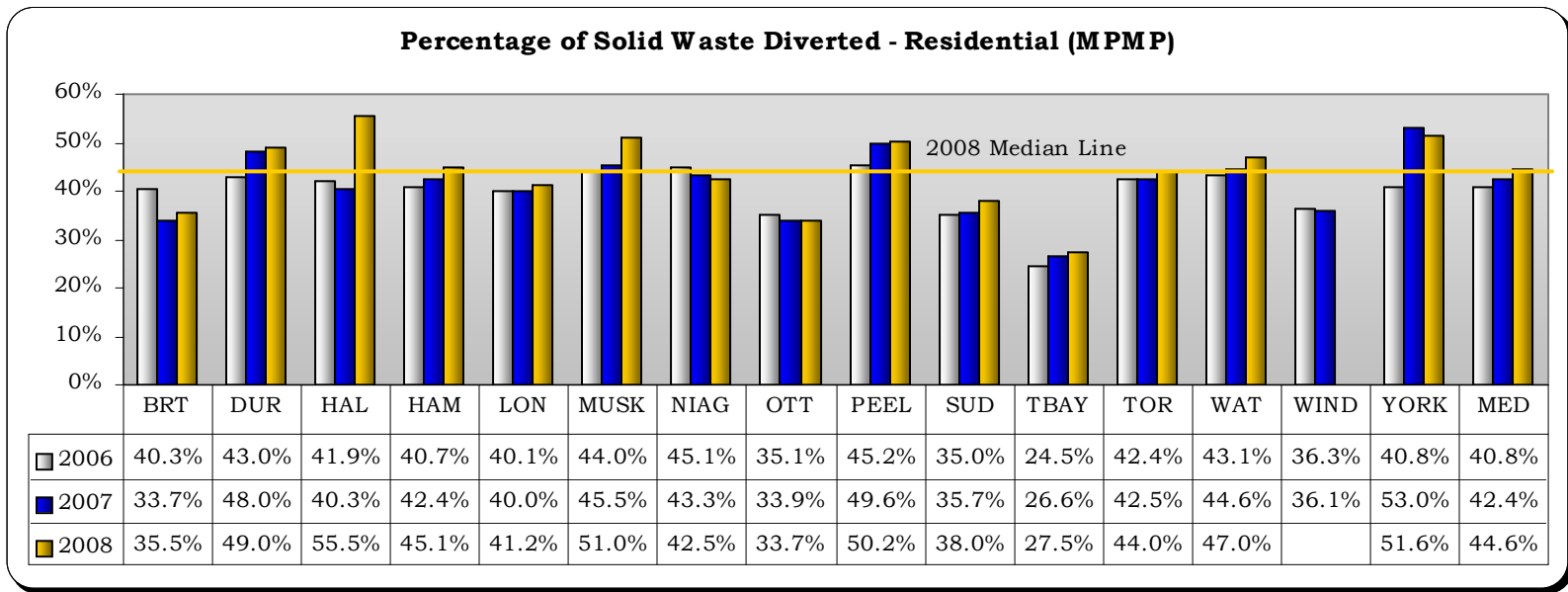
- The sharing of OMBI data, information and products among participating OMBI municipalities for internal management purposes
- The use of that information in any political, public or external communication
- Requests received from external parties for OMBI information

Reporting – Data Tables

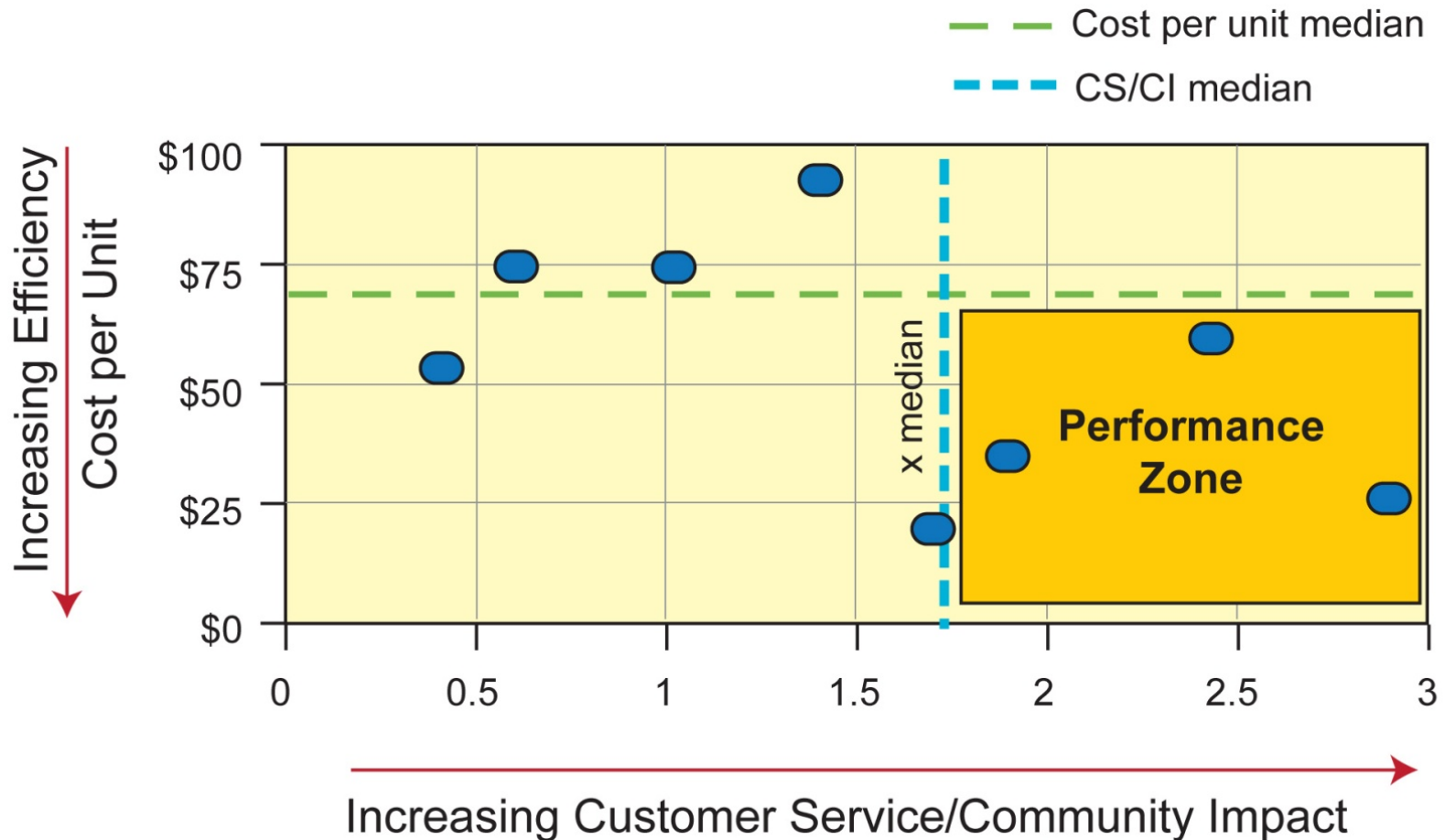
ROAD308 (PM) Roads Cost (all Functions) / Lane KM (PR)						
Municipality	Numerator	Denominator	2008 Result	2007 Result	2006 Result	2008 Data Warehouse Notes
Brant	8,938,408	2,311	3,867.77	3,603.28	3,244.67	
Durham	32,453,601	2,148	15,108.75	12,978.85	13,491.31	In 2008, the Region of Durham recovered funds for curb & Gutter Cutting. Utility Cut Repairs and Work for others in the amount of \$376,568. The Region also recovered funds for the installation, operation and maintenance of non-Regional traffic control devices in the amount of \$3,613,789. The combined recoveries of \$3,990,357 are excluded from this calculation. When Durham's cost recoveries are netted out of the total cost, the result would be \$13,251.04 (or a 12.3% reduction). Increase in the number of winter events and the severity of precipitation (freezing rain).
Halton	8,847,876	882	10,031.61	8,115.90	6,153.81	
Hamilton	47,257,501	6,492	7,279.34	5,848.33	8,610.22	
London	40,496,332	3,399	11,914.19	9,906.66	6,041.60	
Muskoka	8,331,769	1,493	5,580.56	5,346.92	4,719.44	
Niagara	25,669,792	1,658	15,482.38	15,533.55	14,240.27	
Ottawa	174,268,228	11,581	15,047.77	12,828.43	11,996.06	Significant snow volume second highest in twenty years
Peel	22,703,014	1,534	14,799.88	14,619.48	12,215.32	
Sudbury (Greater)	30,010,799	3,586	8,368.88	6,368.61	6,810.92	
Thunder Bay	12,513,203	2,149	5,822.80	5,522.45	5,276.70	
Toronto	382,010,517	13,357	28,600.02	25,763.36	23,206.18	
Waterloo	20,546,385	1,680	12,229.99	11,487.11	10,206.01	
Windsor				8,353.89	7,305.49	
York	45,168,338	3,399	13,288.71	12,989.34	12,304.90	
Median of Municipal Results			12,072.09	9,906.66	8,610.22	
Average of Municipal Results			11,958.76	10,617.74	9,721.53	
Standard Deviation of Municipal Results			6,208.07	5,619.16	5,094.17	

Reporting - Executive Report

- Includes ALL program areas
- Graphs 3 years of data for measures previously identified by the CAOs , but provides listing of all measures available



Reporting - Executive Report



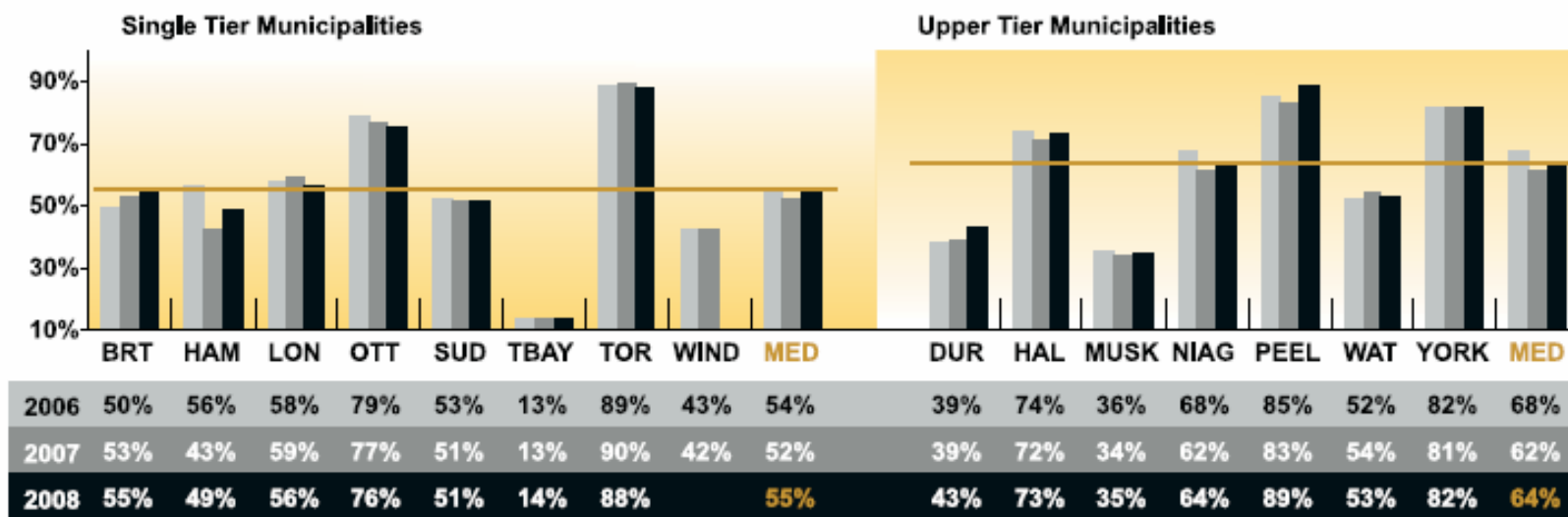
Reporting - Performance Report



- ❑ Started in 2005 (12 Services)
- ❑ Expanded yearly
- ❑ 2008 - 25 services reporting
- ❑ Jointly developed by Management Committee in consultation with Experts
- ❑ Normally shared with Council
- ❑ Use of focus group feedback
- ❑ Exploring new ways to better engage the public

Performance Report

Fig. 18.2 What is the condition of the pavement on our roads?



Source: ROAD405M – Percentage of Paved Lane Kms Where the Condition is Rated As Good to Very Good (MPMP) (Customer Satisfaction)

Case Studies

- Use data to provide insights and added value
 - Water/Wastewater,
 - Energy efficiency, water loss, training of operators
 - Leading development of carbon footprint measures
 - Emergency Medical Services
 - Developing a joint customer satisfaction survey based on CMT (Common Measurement Tool)

- Many Expert Panels have advised that they would like to undertake additional analysis

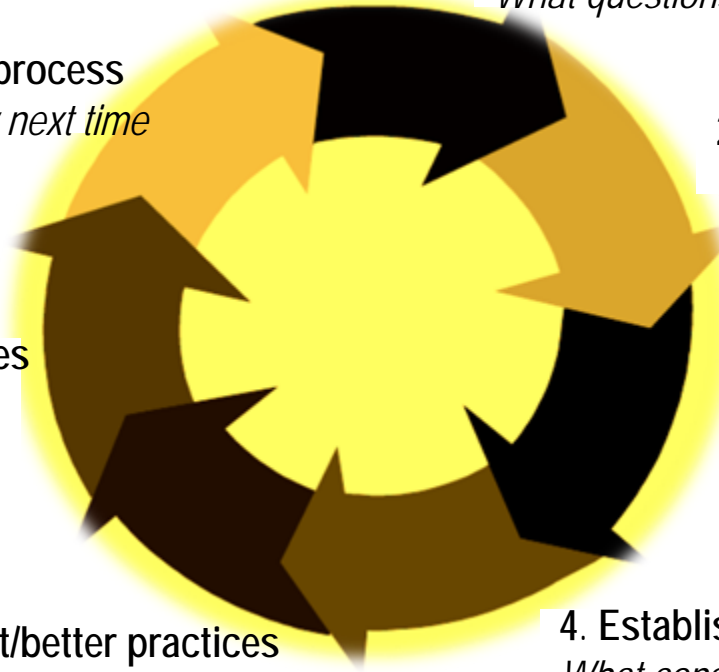
OMBI Forum

- Held annually
 - Ask questions
 - Compare results
 - Explain findings
 - Trending and analysis
- Opportunity to network
- Brainstorming / break-outs sessions
- Motivational speakers
- April 2011

OMBI Evolution

- ❑ 7-Step Benchmarking Methodology
- ❑ Evaluation Process – key findings (strengths, challenges)
- ❑ Critical Success Factors
- ❑ OMBI Data Warehouse

OMBI 7-Step Benchmarking Methodology



1. Select Programs for Benchmarking

What questions do I want to answer

2. Develop performance measures.

Define what to measure and how.

3. Collect and analyze the data

Do the peer-reviewed results make sense

4. Establish the `Zone of Performance

What constitutes a superior performance

5. Assess/Recommend best/better practices

What policies/practices drive performance

6. Develop emulation strategies

What are the implications for municipality

7. Evaluate benchmarking process

What would we do differently next time

Evaluation process

Strengths

- ❑ Established project infrastructure; innovative and well defined
- ❑ Several years of data
- ❑ Link to MPMP (provincial government)
- ❑ Well-known initiative in Ontario and beyond
- ❑ Reputation for advancing performance measurement
- ❑ Strong municipal partners
- ❑ Consultative approach implemented to achieve objectives

Evaluation process

Strengths

- Ability of Management Committee to work together
- Open and respectful environment
- Financially stable
- Buy-in from CAO's and senior management regarding the value of OMBI
- Commitment to support expert panels
- Measures are relevant and a source of good information
- OMBI work plan

Evaluation process

Challenges

- ❑ Data quality and comparability
- ❑ Managing the Management Committee, i.e. turnover, ensuring the right people are at the table
- ❑ Skill set, experience and leadership within each partner municipality varies
- ❑ Availability of resources / commitment at the municipal level
- ❑ Consistent and ongoing support of expert panels
- ❑ Maintain the commitment of Council and CAO

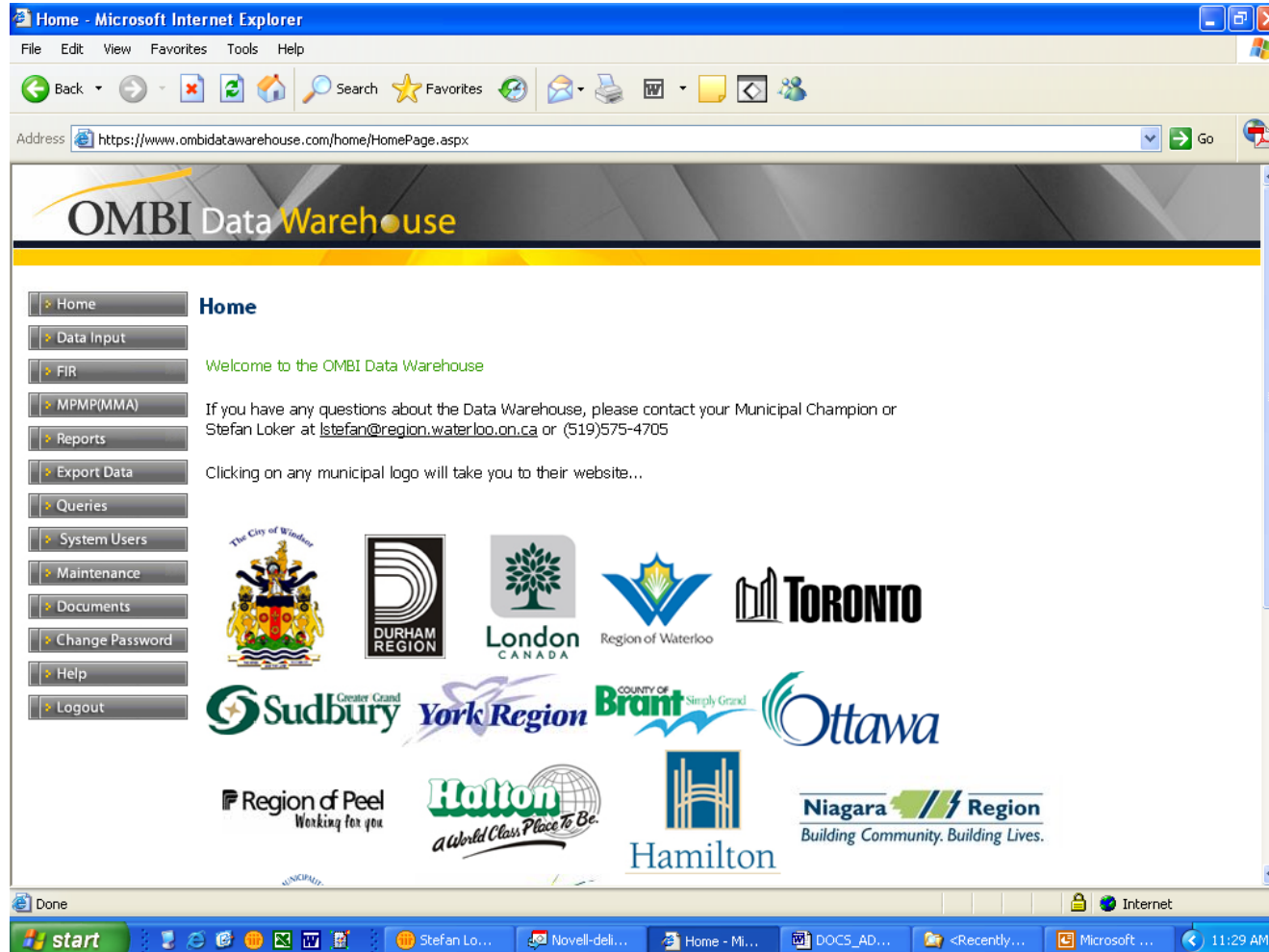
Evaluation process

Challenges

- ❑ Studies and the commitment from CAOs, MCs and expert panels
- ❑ Managing the needs of the different users
- ❑ Demonstrating the impact of OMBI
- ❑ Governance structure encourage a “limited” vision from CAO’s – what they need vs. what OMBI has the potential to be
- ❑ Capturing all service areas to the same degree – some are better benchmarked than others
- ❑ Expansion

CRITICAL SUCCESS FACTORS	Green	Yellow	Red
Approval and support of each CAO/City Manager regarding OMBI Charter and annual work plan	Green	Yellow	Yellow
Communication and demonstration of support within partnering municipalities	Yellow	Yellow	Yellow
Commitment of staff resources	Yellow	Yellow	Yellow
Adherence to common methodologies, definitions and costing protocols	Green	Yellow	Yellow
Open and transparent sharing of results, ideas, practices and policies	Green	Yellow	Yellow
Constructive peer review of data	Green	Yellow	Yellow
Respect municipality's right to use, communicate and interpret their own results (local reports)	Yellow	Yellow	Yellow
Use of results in partner municipalities	Yellow	Yellow	Red
Data analysis	Yellow	Yellow	Red
Sufficient number of comparator municipalities	Yellow	Yellow	Yellow

Data Warehouse



The screenshot shows a Microsoft Internet Explorer browser window with the following details:

- Address Bar:** <https://www.ombidatawarehouse.com/home/HomePage.aspx>
- Page Header:** OMBI Data Warehouse
- Navigation Menu (Left):**
 - Home
 - Data Input
 - FIR
 - MPMP(MMA)
 - Reports
 - Export Data
 - Queries
 - System Users
 - Maintenance
 - Documents
 - Change Password
 - Help
 - Logout
- Main Content:**
 - Home**
 - Welcome to the OMBI Data Warehouse
 - If you have any questions about the Data Warehouse, please contact your Municipal Champion or Stefan Loker at lstefan@region.waterloo.on.ca or (519)575-4705
 - Clicking on any municipal logo will take you to their website...
- Municipal Logos:**
 - The City of Windsor
 - DURHAM REGION
 - London CANADA
 - Region of Waterloo
 - TORONTO
 - Sudbury Greater Grand
 - York Region
 - COUNTY OF Brant Simply Grand
 - Ottawa
 - Region of Peel Working for you
 - Halton a World Class Place to Be.
 - HAMILTON
 - Niagara Region Building Community. Building Lives.
- Taskbar:** Shows the Windows Start button, several open applications (Stefan Lo..., Novell-del..., Home - Mi..., DOCS_AD..., <Recently..., Microsoft ...), and the system clock at 11:29 AM.

OMBI Data Warehouse – A Quick Peak

QUESTIONS