

Breakthrough Change Initiative: Organizational Restructuring/Consolidation

**Phase One, Second Review: Refinement of Project Goals, Scope Approach
Date: March 4, 2005**

1. Project Goals		
Primary Goal	Measures	Targets
Cost Savings (2005-2006)	Amounts of savings resulting from options developed.	\$1,166,000
Secondary Goals	Measures	Targets
<ul style="list-style-type: none"> a. To provide a more efficient and effective organization for delivering services to citizens. b. To minimize impacts of organizational changes on providing City services. c. To optimize span of control. d. To provide for an organization that provides functional alignment and acknowledges strategic priorities. 	Yet to be determined.	Meeting or exceeding savings target plus other targets yet to be determined.
<p>2. Scope:</p> <ul style="list-style-type: none"> ▪ The Committee assumes that the organization (General Government) will, in the future, be a smaller organization, both in terms in the range of services provided and the number of employees providing those services. ▪ The Committee does not plan to undertake a service prioritization/evaluation process as was done in the biennial budget process but will focus on organizational structure and service delivery. ▪ The Committee is not intending to review the City's Cost Allocation System but will recognize it in its work in terms of impact on organizational structure and service delivery. ▪ Elimination of layers of management or reduction in management positions as necessary (the \$750,000 Council request). (Also see attached Working Assumptions of Team.) 		
<p>3. Approach</p> <p>To develop a framework and decision-making tools for use by the City Manager, City Council and Department Directors to achieve goals and may include identification of specific opportunities for achieving primary and secondary goals. In developing the framework the team will:</p> <ul style="list-style-type: none"> A. Develop an understanding of the City's organizational structure and reasons for that structure. B. Determine the roles of the various levels of employee positions within the organization. C. Identify span of control within the current organizational structure. D. Identify services delivered through the existing organizational structure and how they are delivered. E. Identify benchmarks, best practices, and experiences of other governmental organizations. F. Develop recommendations based on review and analysis of data. 		
4. Special needs and requests?		
City Manager/BT Leaders Recognize pivotal leadership role in implementing organizational change.	ELT Recognize pivotal leadership role in implementing organizational change.	Council Recognize pivotal leadership role in implementing organizational change.

**BREAKTHROUGH CHANGE INITIATIVES
ORGANIZATION RESTRUCTURING/CONSOLIDATION**

WORKING ASSUMPTIONS OF TEAM

- Achieving cost-savings needs to address both short term and long-term revenue shortfalls.
- The City has many functional areas that have been in place for many years and may not reflect current needs and best practices.
- Any discussion of centralization and decentralization should be tempered by a combination of effectiveness and efficiency.
- The current and future funding levels will not adequately support the current organization structure.
- The City's structure, as is, may impede teamwork on cross-functional issues within and between departments.
- Significant savings will result in degradation in services.
- There may be opportunities for greater alignment of services.
- Some support services and/or divisions may be absorbed into other areas.
- The City's structure can be flattened to some extent to be more efficient.