



Richmond Hill's Continuous Improvement Journey

April 16, 2025

OVERVIEW & HISTORY

Overview Pre 2020

- 2018-2020
 - City Kicked Off Lean Journey
 - Training of Project Leaders
 - Some Lean Projects completed
- 2020
 - Changes through COVID

What is Lean Thinking (Methodology)

Lean is a way of thinking about creating needed value (for the Customer) with fewer resources and less waste. And lean is a practice consisting of continuous experimentation (improvement) to achieve perfect value with zero waste. Lean thinking and practice occur together.

- Lean Enterprise Institute

Overview – 2020 Pandemic Focus

- Initial Service Catalogue Developed
 - Identify critical services through pandemic
 - Need to move services on-line for Customer
 - Develop solutions including Lean process review
- Value of Continuous Improvement Taking Shape

Digital Transformation Metrics – 2020/2021

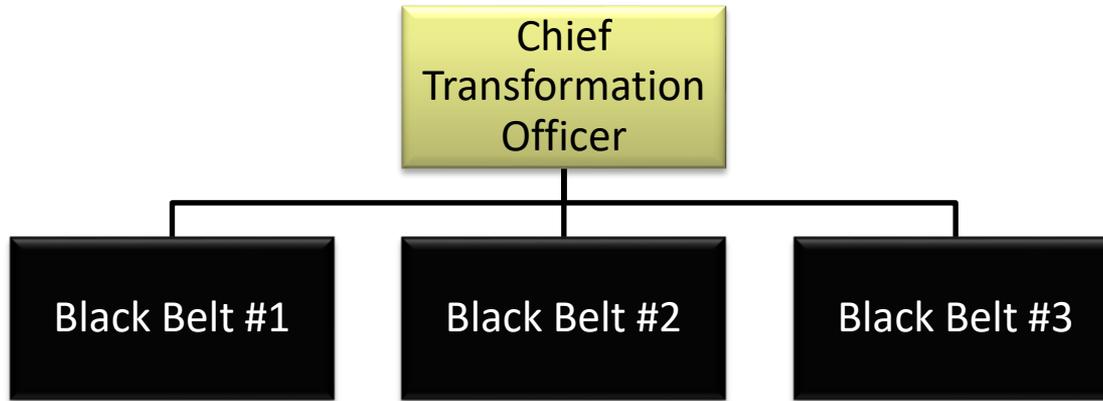
By Department	Digitized processes	# of applications received online since digitization	COST AVOIDANCE	LEAD TIME Reduction			FINANCIAL REINVESTMENT – Hard Savings
			# of hours saved (Assumption: 1.5hrs / cheque)	Target %	% Average reduction	# Average reduction in touch points	Estimated # of reduction in printing (Assumption: 3 papers/intake)
Community Services	24	~2,100	3,150	30%	58%	2-4	7,500
Planning & Infrastructure Services	17	~5,400	8,100	30%	49%	1-2	13,500
Corporate & Financial Services	4	~2,300	3,450	30%	62%	2-4	9,000

Overview – 2021 Performance Culture

- Move to a Data Driven Performance Culture
 - Continue to expand Service Catalogue
 - Dig further into justification of services
 - Develop more formal performance measures
- Organizational Management Framework
 - Use to review services and align methods
 - Begin move to a Continuous Improvement Culture (CI)
 - Train Leadership and Staff on Lean and CI

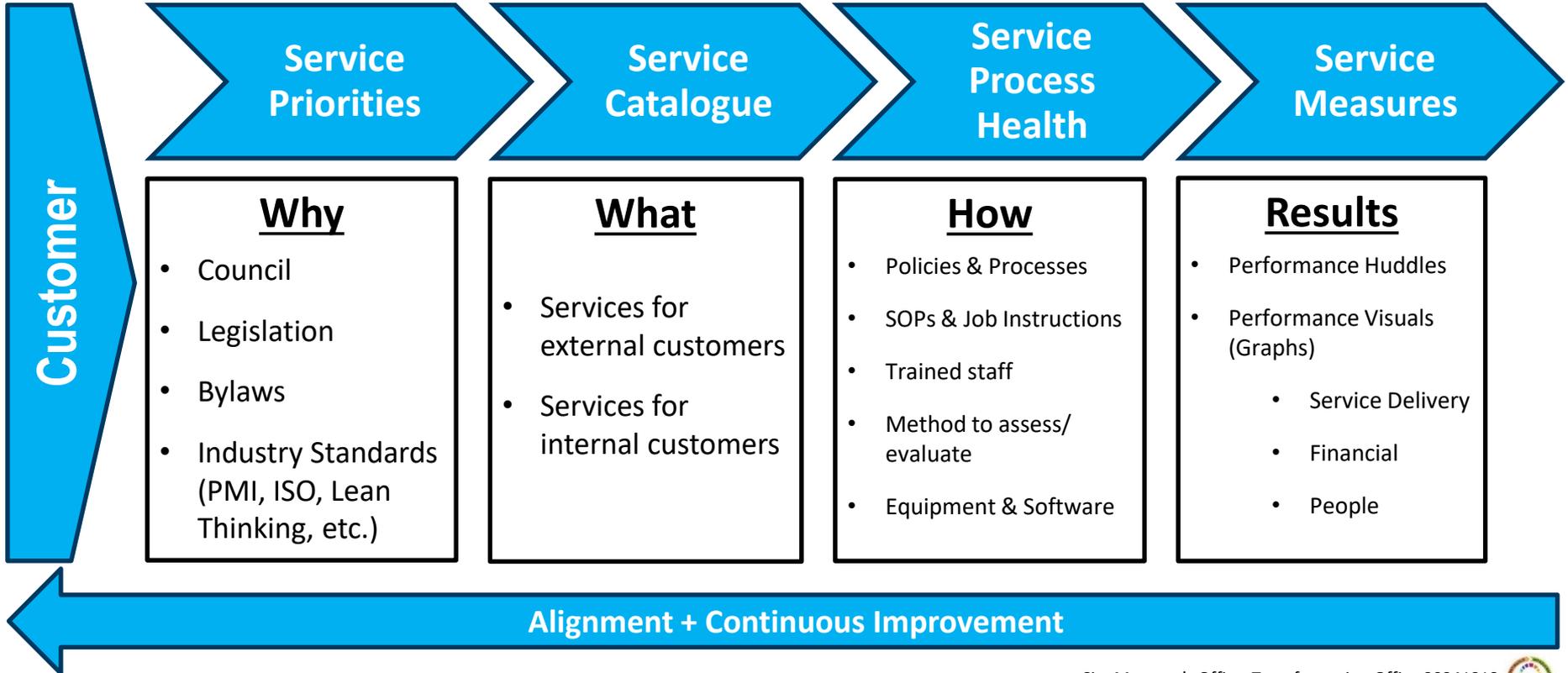
Overview & History:

Team Structure



- All Lean Black Belt Certified
- + 85 Years of CI Experience in various industries and countries

Organization Management Framework (OMF)



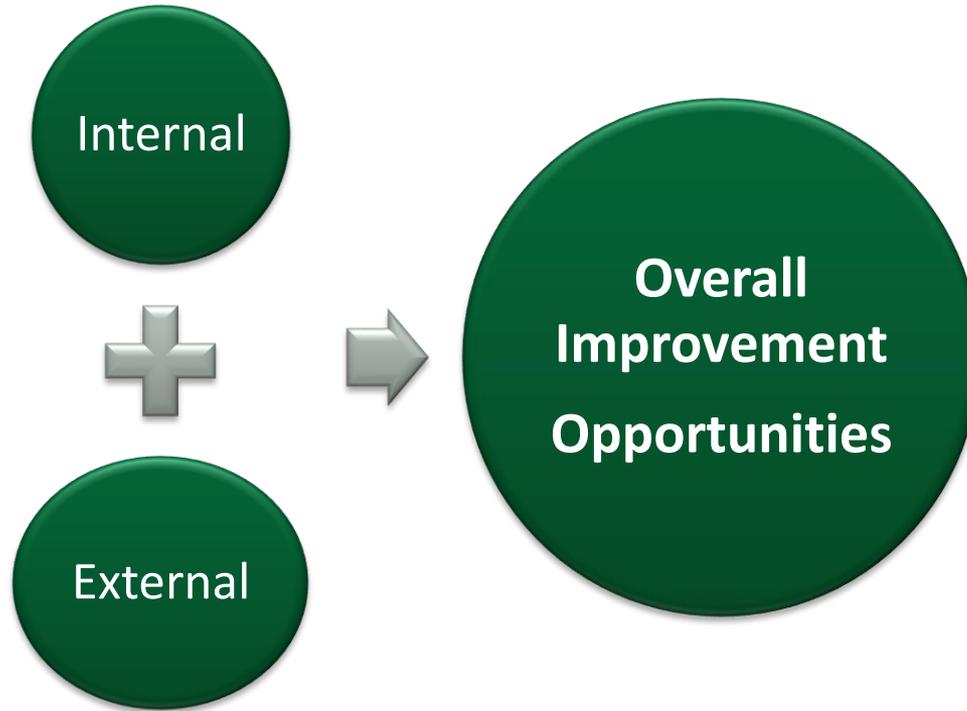
Overview: *Service Catalogue*

Departments	# Services	# Performance Measures
City Manager's Office	34	47
Corporate & Financial Svcs	67	87
Community Services	68	53
Planning & Building Svcs	36	35*
Infrastructure & Engineering Svcs	31	64*
Total City of Richmond Hill	236	286

* This number represents only prioritized services

Overview & History:

Improvement Methodology



Overview & History:

External

- Use of External Expertise to Review Specific Processes
 - Customer Service Review (Underway)
 - Contract Management Process of Construction Projects
 - Review of Development Planning Processes
 - York Region Auditor – Internal Review Contract
 - Fleet
 - Council Led Events - Complete
 - Limitation of Liability Process – Complete
 - 2025 Schedule TBD

Overview & History:

Internal



- Build Culture
 - Continuous Improvement Development Program
 - Annual CI Culture Survey
- Create Value
 - Black Belt Projects

Overview & History:

CI Development Program

- Yellow Belt Certification - Culture
 - 86 – employees certified
 - Candidates training and a project to graduate

Continuous Improvement Program: Yellow Belt Poster Presentation

Optimize Collection of Arrears

Yash Rabadia, Financial Division, June 2024



What we'd learned...

Problem Statement

- There is no standard process and threshold for collection of amount in arrears.
- We had about \$60 Million in arrears out of which 0.7% are not collectible in reality anymore.
- Moreover, this appeared on timely and interest on arrears is at an all-time high of 4.5% of our budget (and 5.4%).

S.M.A.R.T. Goals

- Developing a Standard Operating Procedure (SOP) to manage the arrears.
- Define a standard threshold resulting in $\leq 20\%$ non-collectible arrears by April 2024.
- To maintain a revenue of \$4.8 Million (AR) in priority and interest by end of Year 2024.

Process Mapping



Problem Solving Chart

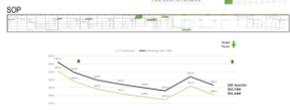
Category	Item	Impact
Problem	1. No Standard Process	High
	2. No Standard Threshold	High
	3. No Standard SOP	High
	4. No Standard Reporting	High
Solution	1. Standard Process	Low
	2. Standard Threshold	Low
	3. Standard SOP	Low
	4. Standard Reporting	Low

What we did...

Solution



SOP



Process Mapping



Outcomes

Identify and Exclude Series	Standardized Thresholds	Calculator	Reports
Developing a SOP to manage the arrears	No SOP	Yes	Yes
Define a standard threshold resulting in $\leq 20\%$ non-collectible arrears by April 2024	$\leq 20\%$ of total AR	0% Arrears	Yes
To maintain a revenue of \$4.8 Million in priority and interest by end of Year 2024	\$0.8M	\$5.5M	No
Payment Arrangement for collection	Subjective	Calculated and not implemented	Yes

Benefits (non-financial)

- Reduced risk
- Process ownership
- Storage savings

Financial Savings

- Reduced arrears by \$14.0M (AR), thereby improving cash flow

Standardized Processes

- Arrears collection - including notice and interest
- Payment arrangement

Lessons Learned

- Benefit of mapping process visually is important to identify what are non-value-added activities and if there are any checks for process redesign.
- Always try to look at the same data points, when matters to the strategy and why you want to go.
- Risk assessment and inclusion process to sponsors.

Next Steps

- The target of \$4.8M is not achievable in the current year and will take a couple of years based on estimates.
- Have more sessions for staff to gain good process.
- Serial control system and process flow with vendor.
- Proposed SOP to be reviewed and approved based on work split with vendor.
- Reassess contracts (new, existing) - listing and timing.



CI Development Program Projects

External Customer Satisfaction

Project Name	Results
1. Facility Rental Optimization	<ul style="list-style-type: none">• Streamlined booking process for customers
2. Community Bulletin Boards	<ul style="list-style-type: none">• Improved response times and posting of approved material
3. All About Me Profile	<ul style="list-style-type: none">• Digitization of process to collect participant information
4. Adult Drop In Registration & Withdrawal Process	<ul style="list-style-type: none">• Standardization of processes across all community centres
5. Reserved Waitlist Management	<ul style="list-style-type: none">• Reduced waitlists for programs
6. Commissioning Documents Process	<ul style="list-style-type: none">• Saves residents time from unnecessarily driving into EBC

CI Development Program Projects

Internal Customer Satisfaction

Project Name	Results
7. Finance & HR Data Alignment	<ul style="list-style-type: none">• Development of SOPs and reduced process lead time for FTE reconciliation
8. Annual Flower Program Cataloguing	<ul style="list-style-type: none">• Improved inventory management of planters and hanging baskets
9. Implementation of Seasonal Operation Budgets	<ul style="list-style-type: none">• Minimized budget variances and investigation time
10. Processing Journal Entries	<ul style="list-style-type: none">• Reduced expense reallocation processing
11. Proactive Inspections Program Strategy	<ul style="list-style-type: none">• Increased inspection capacity and compliance
12. PCard Internal Review	<ul style="list-style-type: none">• Improved internal review process and reduced non-compliance rate

Create Value: Black / Green Belt Projects

- Richmond Hill Centre for the Performing Arts
 - Core Service Review
 - \$243,000 direct savings
- Parks Services and Infrastructure
 - Core Service Review
 - Improve scheduling, reduce afternoon shift vacancy rate
 - \$246,000 cost avoidance reinvested

Create Value: Black / Green Belt Projects

- Fire Prevention Inspection Services
 - Risk based model developed
 - Reduced inspection times by 1700hrs annually
 - Improved inspection success rate
- Fire Training Financial Model
 - Managing cost and revenue based on Realtime Data
 - Decision making a planning tool
 - Maximize use of fire training assets

Create Value: Black Belt Project Methods



Review Service level/Core services

- Categorize services by: Must Do, should Do, and nice to do

**Must do(Regulation/Penalties, high risk to people or org)*

**Should do (Council Direction, Level of Service, Industry Standard, Reputation, Funding Opportunity)*



Collect Data:

- Shift/Time demand of each service & Task
- For Must do, should do
- Data collected by Season



Assumptions

In FTE calc. Considered:

- Inefficiency
- Set up
- Training
- Stat ,Sick & Vac (summer, winter)



Allocation

- FTE needed by task,
- Re-define Roles
- Supervisory coverage
- Other considerations



Conclusion

- **Time Savings**
- **Cost Avoidance**
- **Service Improvement**
- **Hard Savings**

Description	Unit	Requirement	Service Level	Priority
Customer Care	1000	1000	High	Must Do
Customer Care	1000	1000	Medium	Should Do
Customer Care	1000	1000	Low	Nice to Do

Task	Season	Requirement	Allocation
Task 1	Summer	1000	1000
Task 1	Winter	1000	1000

Task	Assumption	Value
Task 1	Inefficiency	10%
Task 1	Set up	5%
Task 1	Training	5%
Task 1	Stat, Sick & Vac	10%

Task	FTE	Allocation
Task 1	1000	1000
Task 2	1000	1000

Task	Time Savings	Cost Avoidance	Service Improvement	Hard Savings
Task 1	1000	1000	1000	1000
Task 2	1000	1000	1000	1000

ADDITIONAL RESULTS



Continuous Improvement Results

Tangible Benefits from Lean Projects

2018 - 2023

Year(s)	Cost Savings (est \$\$/year) *	Cost Savings for Residents (est \$\$/yr)	Time Savings (est hrs/yr)**
2018-2020	\$30,000		9052
2021	\$264,000		14784
2022	\$1,021,045	\$49,000	3166
2023	\$322,450	\$155,400	1538
Total	\$1,637,495	\$204,400	28,540

* \$984k reduction in surplus funds request

** Equivalent Staff time cost avoidance at averaged \$40/hour = \$1,175,600



Continuous Improvement Results

Non-Tangible Benefits from Lean Projects

2021 - 2023

Year(s)	Improved Safety	Improved Employee Morale	Increased External Customer Satisfaction	Increased Internal Customer Satisfaction	Improved Organizational Culture	Reduce Organization Risk
2018-2020*						
2021	2	3	3	3	3	2
2022	3	19	16	16	16	14
2023	3	11	11	16	16	13
Total	8	33	30	34	35	29

* Non-Tangible Benefits not captured during this time period

2025 & BEYOND

2025 & Beyond:

Corporate Goal

(NEW) One-million-dollar City-wide Improvement

In 2025, the city aims to find 1 million dollars of improvement through better services, increase revenue, and save cost and time with the same people and equipment a per approve budget by council.

2025 & Beyond:

Black Belt Project - Budget to Pay

Phase 1)



Phase 2 Implementation Goals:

- Improvement in process time up to 18,000HRS across organization
- Development of SOP's and measuring improvements
- Preparation for Automation

Projects Continue in Community Services and Planning & Building Services

2025 & Beyond:

Linking Master Plans to Service Delivery



Create Visibility / Transparency

- Strategic Planning - Aspirational
- Master Plans – Planning / Design
- Capital Projects - Deliver
- Service Delivery - Operate
- Maintenance - TCO

2025 & Beyond:

Promoting Richmond Hill

- Richmond Hill Chair's the Ontario Lean Community of Practice
 - CI Reps from 20 municipalities
 - York Region, Peel Region, Mississauga, Vaughan, Brampton, London, Oakville, Burlington, Kitchener, Hamilton, Barrie
 - Chair of OLCP – Richmond Hill's Roxana Pooya
 - RH Hosting next meeting as part of June 17 CI Celebration
- Service Catalogue Update Underway
 - Key performance measures update

Thank You