

## Introduction

### WHAT IS OMBI?

The Ontario Municipal CAOs Benchmarking Initiative (OMBI) is a groundbreaking collaboration of 15 Ontario municipalities that represent 9.1 million citizens or 75 per cent of the population of Ontario. Led by the Chief Administrative Officers (CAOs) and City Managers in each participating municipality, OMBI fosters a culture of service excellence in municipal government. It does this by creating new ways to measure, share and compare performance statistics and allows experts in participating municipalities to share ideas to make optimal use of valuable resources.

### WHO ARE THE MEMBERS?

OMBI's municipal partners working together to create opportunities for learning and improvement are:

#### Single-Tier Municipalities

County of Brant  
City of Hamilton  
City of London  
City of Ottawa  
City of Greater Sudbury  
City of Thunder Bay  
City of Toronto  
City of Windsor

#### Upper-Tier Municipalities

Regional Municipality of Durham  
Regional Municipality of Halton  
District of Muskoka  
Regional Municipality of Niagara  
Regional Municipality of Peel  
Regional Municipality of Waterloo  
Regional Municipality of York

Appendix C provides additional statistical information on the partners.

### WHY IS OMBI IMPORTANT?

OMBI is important because it:

- ▶ Fosters a culture of service excellence in municipal government;
- ▶ Helps Council, staff and citizens understand where their municipality is performing well and how they compare to other municipalities;
- ▶ Allows experts to share ideas on operational best practices; and
- ▶ Helps service experts improve service delivery.

## WHAT IS PERFORMANCE MEASUREMENT?

Performance measurement is the process by which OMBI municipalities measure their performance to gauge whether they are making progress toward their goals. They do this to improve operations and services to residents.

OMBI has developed a performance measurement framework to help its partners' measure their progress (see Appendix A). The framework is based on four types of measures which are noted below and examples of which are found throughout this report.

**Service Level:** The number, type or level of service delivered to residents in municipalities. For example, the number of hours that fire vehicles are available to respond to emergencies or the number of library materials available.

**Community Impact:** The effect programs and services have on our communities. For example, measuring the percentage of garbage that is diverted away from landfill sites or measuring crime rates.

**Customer Service:** The quality of services delivered to citizens. For example, the satisfaction level of clients in long-term care homes or the percentage of roads where the pavement quality is rated as good or very good.

**Efficiency:** How municipalities use their resources. Efficiency is often expressed as cost per unit of service or the volume of output per staff member. For example, the cost of transit per passenger trip or the number of criminal code incidents (non-traffic) per police officer.

## WHAT IS BENCHMARKING?

A benchmark is an established point of reference against which performance can be measured and compared, such as a runner's fastest lap time or a company's last customer satisfaction rating.

In OMBI's case, benchmarking involves the examination of each partner's own data over several years and comparing them to the other OMBI partners' data to gain a better understanding of the information and identify best or better practices.

Some best practices have already been developed in a number of service areas that may help municipalities improve their own services see Appendix F.

## WHY BENCHMARK?

Municipalities use benchmarking practices to:

- ▶ Access their strengths and opportunities for improvement;
- ▶ Identify best practices that can lead to improved services and potential cost savings;
- ▶ Integrate performance measurement information into their strategy for continuous improvement of services and programs; and
- ▶ Access ideas on new processes, systems, technologies and creative solutions to help solve problems.

## CAN WE COMPARE RESULTS?

This report presents information collected by OMBI's 15 member municipalities. Because of the significant differences in the size of our municipalities, we often state results in a standardized way, for example on a per capita/person or per household basis. OMBI has developed common definitions, influencing factors, protocols and costing methodologies. This makes the results more comparable among municipalities.

## HOW CAN OMBI PERFORMANCE INFORMATION BE USED?

Municipal government decision makers can use this information to provide insight into their own performance as well as comparing themselves to similar municipalities. The results can be used to investigate new opportunities for learning, operational improvements and help guide decisions about the allocation of resources. By seeing which municipalities are doing well in a certain service area, participants can ask questions about business practices and processes that may lead to improved efficiency and effectiveness in service delivery.

## HOW DID WE GET HERE?

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|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1990's</b>      | Municipalities have always been interested in measuring their performance. Following a number of earlier initiatives, the work to refine this process began in the late 1990s. Participants realized this required standard definitions and data collection protocols.                                                                                                                |
| <b>2000 - 2001</b> | The OMBI municipalities reviewed 55 benchmarking initiatives across North America. This review, which identified leading practices in the still-developing field of local government performance measurement, led to the development of OMBI's benchmarking model where performance measurement is used to identify reliable, consistent information about local government services. |
| <b>2001</b>        | OMBI municipalities established a project charter and project office to improve communication and overall coordination.                                                                                                                                                                                                                                                               |
| <b>2001 - 2002</b> | <p>Following a series of strategic planning discussions, the Chief Administrative Officers (CAOs) and City Managers of the participating municipalities agreed to the following objectives for OMBI:</p> <ul style="list-style-type: none"> <li>▶ Report consistent, comparable information for selected local government services;</li> </ul>                                        |

- ▶ Use results to initiate discussions about service efforts and accomplishments;
- ▶ Identify programs or services where more in-depth analysis would help determine the potential to improve service and the sharing of best or better practices; and
- ▶ Promote a municipal performance culture.

**2001 - 2003** OMBI built a solid foundation for achieving these objectives by developing an Indirect Costing Methodology, a Data Sharing Protocol and a web-based Data Warehouse (see Appendix B for more information).

**2004** After establishing a Performance Measurement Framework for five local government services, the OMBI Steering Committee decided to expand the scope of OMBI to include more than 30 local government services.

**2005** OMBI partners collaborated and developed measurement definitions and influencing factors (see Appendix B for more information) for 33 services.

**2006** In November, OMBI CAOs took their benchmarking initiative to a new level of accountability and transparency by approving the public release of an OMBI performance data report. This decision led to the release of OMBI's first-ever 2005 *Performance Benchmarking Report* in January 2007. This report provided a "common" view of municipal performance for 12 services. It also permitted CAOs, their senior managers and service experts to share with their Council and Committees appropriate comparisons among clearly identified municipalities, to supplement and support their internal year-to-year performance data.

Several municipalities used this information to develop their own local public reports, to ask relevant questions about the level of service provided, the outcomes achieved, the costs associated with achieving those outcomes and levels of citizen satisfaction attained.