



STAFF REPORT ACTION REQUIRED

Potential Attrition Program to Reduce the Non-Union Staff Complement

Date:	January 27, 2014
To:	City Council
From:	City Manager
Wards:	all
Reference Number:	

SUMMARY

There has been a significant amount of efficiency savings over the past three years which have minimized staffing levels to meet budgetary fiscal targets while maintaining service levels. The implementation of an attrition program and permanently deleting approved complement non-union positions from the 2014 budget would have a direct impact on the City's ability to effectively deliver City programs and services to the residents of Toronto. As in the past, staff will continue to review service processes to minimize staffing levels in 2015 and beyond through ongoing efficiency measures to meet budgetary targets.

Since 2011, staff have addressed questions by the Budget Committee and Councillors related to the number of non-union and management staffing levels. As a result, a review of the Management Span of Control, for the City of Toronto Public Service (TPS – excluding city agencies and corporations), was initiated by the City Manager and undertaken in the summer and fall of 2012 by Western Management Consultants (WMC). WMC's findings determined that the City of Toronto's average manager span of control of direct reports was better than the public and private industry norm with the City having an average of about 9 (9 staff to manager ratio) compared to the private and public sectors industry norm of 5 to 8.

Further, WMC conducted a review and concluded that the City of Toronto's manager span of control compared very favourably to similar organizations in Canada and the United States. Specifically, they conducted a comparative analysis to the City of Chicago and, after factoring in and accounting for the differences in organization structure and service delivery models, WMC stated, "*Toronto's span of control is very favourable [i.e. better] than its American counterpart.*"

The result of the consultant review outlined in Appendix A, is that the TPS management levels have been reduced over the years to a level that is 'exemplary'.

Within the Toronto Public Service, the recommended 2014 Operating Budgets will provide for a total of 3,998.6 Council approved permanent non-union (exempt and management) positions, including those positions previously approved in the rate budgets. A reduction of 1% of 3,998.6 permanent non-union positions (i.e., all City Divisions including Toronto Public Health, Solid Waste Management and Toronto Water) in 2014 represents 40 permanent positions. In addition, there would be a further 120 permanent non-union positions to be reduced over the next four years to address an overall 160 permanent position complement reduction target representing 4% of all permanent non-union positions. The above number excludes any positions within the Offices of the Accountability Officers and Elected Officials.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council receive this report for information.

Financial Impact

City Divisions make necessary adjustments to their annual budget in order to meet their budget targets. All City Divisions continuously review their staffing complement (including management levels) and service requirements prior to filling any position and, as such, this is included in their review processes for the preparation of their annual budget submissions.

The financial impact of deleting 40 permanent non-union positions would result in annual savings of approximately \$4,760,000 (gross) and \$3,693,750 (net), and over the next four years, have total savings of the 160 non-union permanent positions of \$19,500,000 (gross) and \$15,132,000 (net). The Net costs factor in the Provincial cost sharing, and the Revenue & Rate (i.e., Toronto Water and Solid Waste Management) recoveries. However, any consideration of such an action should be deferred until a fulsome attrition strategy is adopted by Council.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of January 8, 2014, the Budget Committee adopted the following motion:

That the City Manager report directly to City Council on January 29, 2014, on a potential attrition program that could reduce the non-union staff complement by 1% in 2014, and up to 4% over the next 4 years.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.BU52.1>

ISSUE BACKGROUND

In 2012, the City Manager contracted Western Management Consultants, an independent consulting firm, to conduct a review of the Manager Span of Control at the City of Toronto (see Appendix A: Service Efficiency Study Program, Management Span of Control Review, Report to the City Manager). Their review included:

- An analysis and review of other research and research literature undertaken in the private and public sectors regarding the issue of manager span of control;
- A review of the management positions within the City of Toronto's divisions to determine whether the City of Toronto had the appropriate "number of direct reports" for its managers; and
- A review of the management positions within the City of Toronto's divisions to determine whether the City of Toronto had the appropriate "number of reporting levels."

COMMENTS

Permanent Staffing Levels – 2007-2014

Table 1 below provides the total number of Budget approved permanent positions (union and non-union), within the Toronto Public Service, for the period 2007 to 2014. The table includes Toronto Public Health, Solid Waste Management and Toronto Water but excludes permanent positions within the Accountability Offices.

Table 1: Total Approved Non-Union and Union Permanent Positions 2007 to 2014

2007	2008	2009	2010	2011	2012	2013	2014
23,148.7	23,444.8	24,130.8	24,154.5	24,046.6	23,038.6	23,238.6	23,436.1
	+1.28%	+2.93%	+.1%	-.45%	-4.19%	+.87%	+.85%

It should be noted that for 2007 to 2010, have permanent positions increased by 4.3%. However, for 2010 to 2014, the positions decreased by 3%.

Appendix B provides more specific detail regarding the changes to the total approved permanent position complement from 2007 to 2014 on a City division-by-division basis.

The 2011 to 2012 budget reductions resulted in net reductions in the number of permanent positions of -4.2%. Where position increases are observed, they are generally a result of Council directed increases to expand program and service delivery, corporate restructuring that transferred resources from one division to another, or changes in legislative requirements to maintain staff ratios in fully funded provincial programs. Divisional complement increases are also a result of resource requirements to deliver large capital projects that drive customer service improvements and operational efficiencies across City Divisions, to operate and maintain new or enhanced infrastructure and to address operational service requirements to administer enhanced programs. Most position reductions resulted from the implementation of service efficiencies, outsourcing, and the 2011/12 Voluntary Separation Program.

It must be emphasized that the TPS (City Divisions) have had little, if any growth over the 2007-2014 timeframe, while the City Agencies have grown by about 2,000 staff driven by the TTC and emergency services.

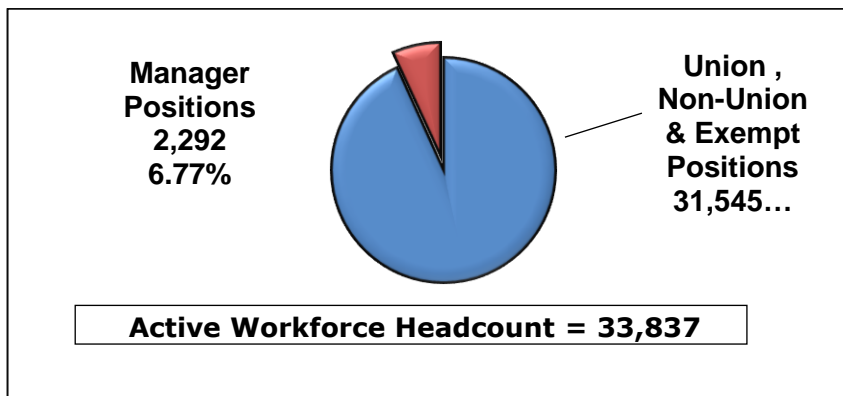
Appendix C provides the approved permanent non-union position complement and the changes between the recommended budget for 2013 versus the proposed 2014 budget.

A. Non-Union Positions

The total number of employees within City Divisions, including Toronto Public Health, Solid Waste Management and Toronto Water, is approximately 34,000 employees. This staff complement consists of union and non-union permanent, temporary, seasonal, part-time and recreation workers.

The non-union position complement consists of exempt administrative professional staff, supervisors, managers, directors and above. Of the approximate 4,000 non-union permanent positions widely distributed across City Divisions, approximately 2,300 or 6.7% (Chart 1) of the Total City employee complement of approximately 34,000 employees are managers.

Chart 1: Percentage of Managers to Total Staff Complement



The other approximate 1,700 of the 4,000 permanent non-union positions are exempt administrative and professional staff. As at October 13, 2013, the majority (i.e. 61.6%) of all non-union employees fall between grades 6 and 7.5 i.e. administrative, professional and supervisory levels.

A large number of the non-union staff complement is located in divisions that fall, generally, under one of the following two categories:

- (1) City Divisions that have large numbers of unionized staff requiring management/supervision, for example, Parks, Forestry & Recreation, Toronto Employment & Social Services, Toronto Public Health, Children's Services and Transportation Services, or
- (2) City Divisions where the nature of the work is concentrated exempt and professional services, for example, Human Resources and Legal Services

B. Management Span of Control

Number of Manager Direct Reports

The Management Span of Control review, for the City of Toronto's Toronto Public Service, was undertaken by Western Management Consultants (WMC). Based on WMC's best practices research and experience, the City of Toronto established a standardized number of span of control minimums:

- (1) The standard "number of direct reports" are five (5) or more positions; and
- (2) The standard "number of reporting levels" are five (5) management reporting levels or less.

Western Management Consultant stated that, based on their research and common industry-wide practices, generally, the average number of direct reports ranges from five (5) to eight (8) for the private and public sectors. WMC's review determined that the City of Toronto's manager span of control average number of direct reports to be 8.8. Therefore, **WMC concluded that the City of Toronto has a higher direct report manager span of control than the average norm range.** Overall, WMC concluded that the City's number of direct report manager span of controls were *within* the broader public and private sector norms.

Western Management Consultants calculated the City of Toronto's manager actual direct reports overall average as 16.29 (Table 2); however, they adjusted their number to an average of 8.8 by eliminating a number of 'outlier' positions from the calculation. These outlier positions are, for example, supervisor and manager positions in Parks, Forestry & Recreation where they directly supervise very large numbers of staff (31+).

Table 2: Manager Span of Control

# Positions Span Range	# of Managers With Span	Percentage Of Managers	Average Span for Range	# Staff in Span Range
1-4	506	22%	2.6	1,316
5-10	965	42%	7.39	7,131
11-15	385	17%	12.69	4,886
16-20	185	8%	17.36	3,256
21-30	84	4%	25.00	2,100
31+	167	7%	111.62	18,641
Total	2,292	100%	16.29	<= Span overall

Of the 506 manager positions with a span in the range of 1-4 above, the consultants indicated that in the large majority of cases, the exception was generally supported by the unique operational needs of the business and the specific geographic/site location coverage required.

In summary, WMC's findings determined that the City of Toronto's average manager span of control direct reports was better than the public and private industry norm with the City having an average of 8.8 compared to the private and public sectors industry norm of 5 to 8.

Comparability of City of Toronto to Other Organizations

Western Management Consulting also conducted a review and concluded that the City of Toronto's manager span of control compared very favourably to similar organizations in Canada and the United States. Specifically, they conducted a comparative analysis to the City of Chicago and, after factoring in and accounting for the differences in organization structure and service delivery models, WMC stated, "*Toronto's span of control is very favourable [i.e. better] than its American counterpart.*"

Table 3: Span of Control: Comparable Organization Structures Adjusted Calculations

Organization	Adjusted Direct Report Average (Span of Control)
Chicago	7.1
Toronto	11.1

Number of Manager Reporting Levels

Western Management Consultants also provided a recommendation that the standard number of management reporting levels or layers for a lean management organization within a large complex enterprise-level organization should be 5 reporting levels. There are 209 sections within the City Divisions and WMC's review determined that:

- 90.4% or 189 of all City divisional sections were *within* this five management reporting levels standard; and
- 9.6% or 19 of the City divisional sections had six management reporting levels and;

WMC indicated that, in the large majority of cases, the City's existing organizational structures, including most of those with more than 5 reporting levels were supportable based on their scope of operations and the service level complexities within the City's organization.

For those specific instances where the direct reporting management span of control and/or management reporting levels were found to be outside the City's established five standard, Western Management determined that the exception was often supported by the unique operational needs of the business and the specific geographic/site location coverage required. In other cases, where there was a deviation from the standard, a divisional review and/or restructuring was already under way and the number of outliers have been subsequently reduced. City Divisions are reviewing the span of control principles as a factor in organization design and these considerations are part of the ongoing organization/job evaluation processes undertaken with Human Resources. Since WMC's review was undertaken in 2012, the number of City

Divisions with more than five management levels has been further reduced as a result of re-organizations and restructurings.

Western Management Consultants did advise caution in giving too much emphasis to the issue of "management span of control" when evaluating the effectiveness of an organization's structure. They have recommended that it should be but one of many factors that needs to be considered and that forcing an organization to use a one-size-fits-all standard fails to take into consideration the unique needs and demands of service delivery.

In summary, WMC determined: **the number of management levels (or layers) within the City of Toronto was considered at or below the norm.**

C. Attrition Program Impacts

City Divisions currently conduct regular reviews and make the necessary adjustments to their annual budget in order to meet their budget targets pressure and service delivery requirements. There has been an ongoing review for the past number of years resulting in fewer positions overall relative to the growing resident population in Toronto. To assume that the further elimination of management positions can be readily absorbed without operational impact does not consider operational requirements, health and safety obligations, management oversight and accountability, legislated and regulatory requirements and commitment to other external governments for service delivery (e.g., Toronto Employment & Social Services, Long Term Care Homes and Services, Emergency Medical Services, Toronto Public Health). Management and professional positions contribute in a large variety of ways including direct service delivery to the public (e.g., Planning, Health, emergency services etc). The diverse occupational and professional qualification requirements and specific knowledge, skills and certification requirements for these non-union position reflect our changing work environment.

The implementation of a managed attrition program that targets positions was previously implemented to reduce the staff complement i.e. the Voluntary Separation Program (VSP) in 2011. It must be noted that the VSP had one-time payment costs of \$13M resulting in permanent base budget reductions in future years.

SUMMARY

Deleting positions when they become vacant is an approach that would impact the ability of the City of Toronto to effectively deliver services to the public, and as such is not recommended. In many circumstances it clearly would not be possible to delete vacant positions due to regulatory, health and safety or other operational requirements. As outlined above, a review process is ongoing in City Divisions prior to filling positions and is included in part of the review process to meet annual budget targets.

A review was conducted in 2012 by Western Management Consultants regarding the appropriateness of the number of direct reports for managers and the number of management

reporting levels within City Divisions. Western Management Consulting concluded that at an average of 8.8 direct reports per manager across the City Divisions was above the private and public sector norms and concluded in their report as follows:

Conclusions and Recommendations

While there is no agreed upon standard for span of control, the average span for the City of Toronto (16.29) is exemplary, at least compared with what has been reported over the years and in various sources. Even if positions with very high spans (greater than 30) are disregarded, the average span of 8.8 is still above the 5-8 range that is often still recommended as ideal. While peer cities for comparison are difficult to find, data available from Chicago indicates that Toronto compares very well with that city once organizational differences are taken into account.

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ATTACHMENTS

- Appendix A: Service Efficiency Study Program, Management Span of Control Review, Report to the City Manager
(Western Management Consulting)
- Appendix B: Total Approved Permanent Positions 2007 to 2014
- Appendix C: 2014 Budget Committee Recommended Operating Budget Permanent Non Union
(Management & Exempt) Positions

Appendix A

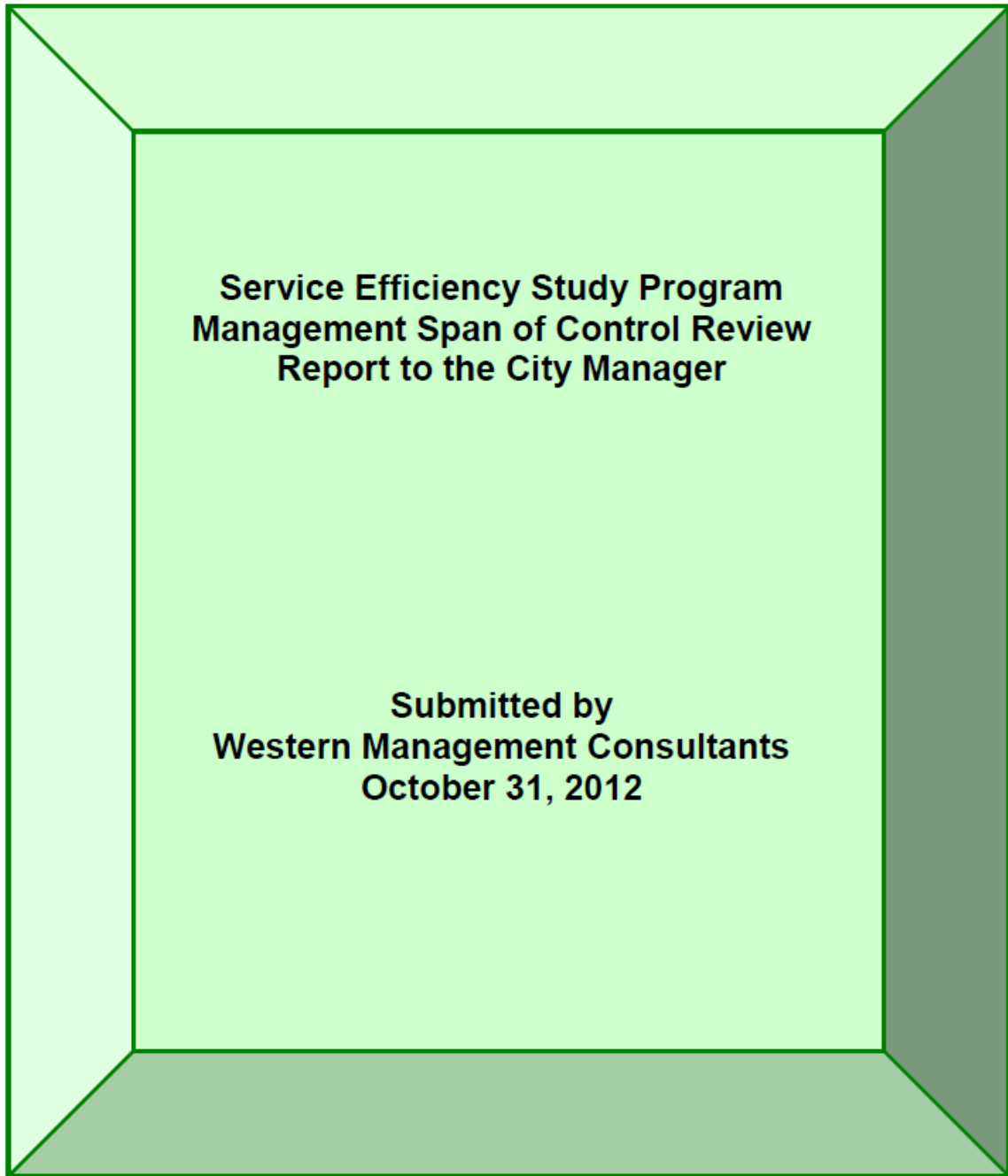


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W e s t e r n M a n a g e m e n t C o n s u l t a n t s

EXECUTIVE SUMMARY

In June 2012, Western Management Consultants (Western) was retained to assist the City of Toronto with a Management Span of Control review that was being conducted by an internal review team. The consultant worked in parallel with, and independent from the internal group, using the same organizational data that had been collected from the City's Divisions.

"Span of Control" refers to the number of direct reports to a managerial or supervisory position. The number of management layers refers to the maximum number of management/ supervisor positions above a non-managerial/supervisory position. Western's first task was to validate standards for span of control and management layers. In this context, "standard" did not mean widely agreed-upon numbers but rather cutoff values that would be used to identify "outliers" – positions where the span of control was below a particular value, or where organizational layers exceeded a particular value.

Following research and investigation by Western, the City settled on five (5) as a cutoff number for outlier reporting – in other words, positions with fewer than five direct reports would be identified as outliers. Managerial or supervisory positions with no direct reports were not in scope, as the focus was on understanding the rationale for lower spans where management was still an important responsibility of the position.

Areas of the City where there were more than five management layers would also be identified. Most areas of the City's organization have five layers (with the City Manager and Deputy City Managers considered as one layer) as follows:

- City Manager/Deputy City Manager
- General Manager/Executive Director
- Director
- Manager
- Supervisor

There is no agreed-upon standard for span of control. The range 5-8 that is often recommended originates from management studies in the early 20th century that considered how many direct reports a manager or supervisor could handle. Current thinking is that organizations should be flatter and consequently higher spans are desirable, but there is no consensus on what they should be. There is general agreement that spans depend on organizational context and can be higher when a manager is directing staff who perform the same function - a characteristic of some areas of the City of Toronto organization, but not others.

The public sector in the United States has paid the greatest attention to span of control (as opposed to Canada where there is little evidence of interest) and the 10-11 range



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seems to have emerged as a consensus of sorts. Little has been reported for the private sector but there is some evidence that the same range would be found widely in that sector as well. Municipal comparators for Toronto are very difficult to find because of size differences, organizational differences and lack of published data.

The calculated average span of control for Toronto is 16.9, which is high compared to published values and targets, particularly in the public sector. Even if the distorting effect of very large spans in certain Divisions discounted (by excluding spans above 30), the average span is 8.8, which is above the 5-8 range that even today is often still suggested as a target. Chicago recently published some span of control data and when its data and Toronto's are normalized for comparison (because the two cities provide different services), Toronto's span of control is very favourable.

Reports from the Divisions identified 506 outliers, where spans were below 5, and provided explanations for these positions. The consultant developed a rating scheme for the explanations – these are described in the main body of the report and also in Appendix 1. Of the 505 outliers:

- 132 were put aside as restructuring is underway; often no explanation was provided
- 21 were determined by the consultant to be out of scope following analysis and discussion with the City
- 35 were reviewed but deemed by the consultant to require further in-depth follow-up beyond the study scope
- 318 outliers were assigned a rating reflecting the consultant's understand of the reasons provided for being an outlier.

The explanations provided for the outliers were helpful in understanding why the spans were low. Typically it was a combination of factors:

- Heavy managerial workload in addition to the supervisory component
- The need to collaborate closely with the direct reports
- The need to ensure managerial coverage for multiple locations or work shifts
- The need to oversee direct reports with highly specialized skills and very different duties.

Some explanations indicated why it would be unrealistic to increase spans, but most were silent on the question of whether or how outlier spans could be increased. This is understandable as these are not simple matters that can be resolved by one or two rounds of questions and answers.

With respect to area of the organization where the number of layers was six or more, the consultant reviewed the 14 outliers and concluded that

- Two of these need further review to assess their appropriateness (Facilities and CIMS) and one other should be reviewed at a future date to test ongoing effectiveness (Communicable Disease Control).



- One instance was not reviewed as it is currently under review (Long Term Care).
- The other 10 instances appear appropriate based on the size of the units, the geographical spread, and other contributing factors.

Span of Control can be a useful warning indicator for potential “over- management” when large number of employees perform the same function and managers are needed primary to provide supervision and deployment of resources. In areas of the City with these characteristics, spans should be higher and they are, often very high. Where there are groups of knowledge workers performing highly varied tasks, where managers have significant portfolios on their own and have more of collaborative and collegial rather than supervisory relationship with their reports, span is a less useful indicator.

Nevertheless, the 506 outlier positions is still a significant number compared with the total number of managers and supervisors (2292). Low spans may be justifiable but that does not mean they are necessary, and it would be prudent for the City to monitor the situation and look for opportunities where smaller spans can be increased, or at least avoided if not essential. Western therefore recommends the following.

RECOMMENDATIONS

- Span of control improvement should be a process, similar to continuous improvement, with a goal not of an arbitrary number (which would have no basis) but rather an ongoing program of justification and increases where it makes sense. Western is of the view that this study has provided a good start to this process and in particular, recommends that the City look for span of control improvement opportunities in current and future reorganization and restructuring work.
- Span of control improvement should not focus on primarily on individual isolated positions -- an exercise that would likely be very arbitrary and argumentative. Rather the effort should be more aimed at finding patterns that cause spans of control to be smaller rather than larger, with the idea there might be an opportunity to change the underlying causes. Examples of patterns are one-on-one relationships in Childrens’ Services and Toronto Employment and Social Services that result of placements in different locations across the City, or the need to have supervisors present for low staffed shifts at shelters. Another suggestion for identifying patterns is provided in the main body of the report, using the tables in Appendix 2

Western cautions that while it is good practice to seek out patterns of span of control that seem unusually low, and improve them when it makes sense, efforts to arbitrarily increase low spans will not necessarily lead to the benefits expected. This is because most of the outlier positions are filled by high performing individuals carrying a near-full workload in addition to their management duties. If their manager positions were to be eliminated by consolidation, equivalent positions would still be needed for the work, likely at equivalent compensation.



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INTRODUCTION AND TERMS OF REFERENCE

In June 2012, Western Management Consultants (Western) was retained to assist the City of Toronto with a Management Span of Control review that was being conducted by an internal review team. Western's Terms of Reference were the following:

1. Review and assess the City's standards for span of control and management layers against comparable jurisdictions, benchmarks and leading practice;
2. Evaluate span of control and management layers within and across all City divisions against standards;
3. Verify divisional positions that meet the standards, and identify divisional positions that exceed, or fall below, the standards;
4. Evaluate divisional explanations and actions plans to address exceptions;
5. Provide advice to the City Manager and Deputy City Managers on divisional span of control explanations and action plans;
6. Recommend against objective corporate of the status quo is justified; and
7. Identify and assess the costs and cost drivers of current span of control exceptions.

At the City, the internal review team created documents for collecting detailed position data from the Divisions, circulated the documents to the Divisions, assembled the results and performed their own analysis.

Independently of the City's team, but interacting with it at key points, Western started work in June, 2012. The work consisted of two stages.

In the first stage, Western conducted research in order to validate standards for span of control and management layers. The term "standards" should be used with caution as they are not standards in the sense of being widely agreed-upon numbers. Rather they are really cutoff values. For the span of control analysis, the City Divisions reported positions in their organizations that were "outliers", that is where the span of control (number of direct reports to a manager or supervisor) was below the cutoff. For management layers, the Division reported areas in their organizations where the number of management/ supervisory layers (between staff and senior management) was above the cutoff. As part of the first stage, Western also commented to the internal review team on the criteria that would be used by Divisions to explain outliers. The first stage was completed in early July.

In the second stage of Western's work, the consultant received the same information that the internal review team collected from the Divisions and analyzed it. The data collection documents were provided to the consultant in two rounds. In the first round, detailed organizational charts were provided as well as the positions that represented outliers. These documents were sent to the consultants as they became available over the summer and served as context for the individual explanations that were to follow. The explanations themselves were provided in early September, following which



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Western analyzed the reports, sent queries back to the review team and reviewed the responses.

This report presents the results of the analysis, the conclusions and the recommendations. It begins by providing some background and context on span of control. Note that in what follows, the terms “supervisor” and “supervisory” are used to refer to any position that has direct reports, regardless of title (e.g., “manager”, “supervisor”, “general supervisor”). “Span of control” may be abbreviated to “span”.

SPAN OF CONTROL BACKGROUND AND RESEARCH

Definition

“Span of Control” refers to the number of direct reports to a supervisory position. The average span of control for an organization is calculated as the total of all the spans of control for each supervisory position, divided by the number of supervisory positions. If all employees can only report to one manager or supervisor, this can be calculated simply as “Total number of employees”¹ / “Total number supervisors”.

The “Total employees: Total supervisors” ratio does not produce an accurate span for the City as there are part-time staff (almost entirely in Parks, Recreation & Forestry) who can report to different supervisors at different times. In this case the simple ratio understates the span so proper calculation is used in this report.

Part of this work involved research into other jurisdictions and it should be noted that it is very common to report a “span of control” when in fact what has been calculated is a ratio. Generally, no information is provided as to whether multiple reporting relationships exist, that is to say, whether the reported number could understate the true average span of control. Moreover the ratio used is not always the same. In some instances it is “Total employees: Total supervisors” and in others it is “Total non-supervisory employees: Total supervisors”. These numbers are only the same when one supervisor and his/her unit is involved; otherwise the latter ratio significantly understates the span because it ignores the fact that except for the person at the head, each supervisor reports to someone and should therefore be in their span calculation. As information is not always provided to make distinctions, the consultants have simply taken reported ratios (and spans) at face value.

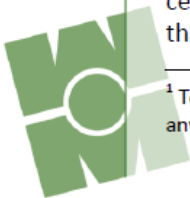
History and Current Thinking

The concept of span of control is as old as the history of hierarchies. For example, in the Roman army (at one time), legions were organized into ten cohorts. Cohorts themselves were divided into “centuries” of 160 or 80 soldiers.

As a topic for discussion and analysis however, span of control did not really begin to receive attention until the mid-19th century, when the impact of the industrial revolution had really become apparent. Writers – often military figures – observed that there was a limit to how many people one person can direct at the same time.

The idea of a limit began to receive serious consideration in the early to middle 20th century, when most of the work that has influenced current thinking took place. During that time, it was suggested that managers could not handle many more than five direct

¹ Technically “The total number of employees -1”, as the person at the head is not a direct report of anyone.



reports, given the potential number of relationships and the fact that controlling and directing staff was considered to be a major component of management activity. Various ranges were subsequently proposed and it was also noted that different spans could be appropriate at different organizational levels. The concept of an ideal range (often stated as 5-7, or 6-8) originates from this period.

In the 1950's, as management thinking evolved beyond the "controlling and directing" stage, authorities such as Peter Drucker began to argue for greater spans of control and flatter organizations. While the 5-8 range is often still suggested as a standard, there is actually no agreement on the ideal number (or range), a situation almost always emphasized in any report or article on the topic. There is general agreement that span should vary with circumstances – for example, when the direct reports are all performing the same work, higher spans are possible than is the case where work is complex and managerial involvement is high.

In recent years, a consensus seems to be emerging that spans in administrative work should be in the 10+ range (more on this in what follows), but recommendations for more "radical spans" would seem to directly contradict the general consensus about the desirability of flatter organizations. For example, the suggestion by Tom Peters that the minimum span of control in a well-performing organization should be 25 would result in very large organizations (with thousands of employees) being squeezed into three levels and also raise issues about proper supervision and accountability.

Public Sector

As evidenced by what has been published on the internet (and this includes various public proceedings and documents), there has not been much interest in span of control in the Canadian public sector – in the 1990's or since.

In the American public sector, there was a period of interest in the 1990's. This was likely influenced in least in part by the 1993 publication of *Reinventing Government* by Gabler and Osborne and simultaneously prompted by the National Performance Review (a 1993 Clinton-Gore initiative) and research performed by the University of Texas.

The National Performance Review recommended that the span of control (by which they meant employee to supervisor ratio) in the US federal government be increased from 6.5 to 15 by 1999. A modest increase to 7.4 was achieved by 1996 but lack of recent follow-up reporting suggests that 1999 target was not met.

In 1993, Texas enacted legislation prescribing that "A state agency shall develop procedures for use in achieving a management-to-staff ratio of one manager for each 11 staff members" (Title 6, Subtitle B, Chapter 651). This was likely prompted by survey of private sector companies by the State Comptroller that found an average span of 1:11.



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Interest in span of control (in the US public sector) waned in the late 1990's and remains sporadic. Very little in the way of quantitative data has been published on the internet for a number of years. When Louisiana surveyed states in a 2011 study, only 21 responded and of those, 19 did not formally track span of control. In 2005, Seattle revisited its 1996 audit and found that its average span of control had increased to 6.8 from 5.9. In 2011, Portland Oregon reviewed progress since its 1994 study. The 1994 study had reported an overall span of 6.5 and suggested that 12:1 would be appropriate in administrative functions. The 2011 review did not report a city-wide span; from a table in the report, it appears that spans may have increased slightly since 1994.

Private Sector

Flattening organizations was a popular management topic in the 1980's and some companies reported considerable increases in spans of control as a result (General Electric, from 6:1 to 12:1; Xerox from 3.5:1 to 7:1; Phillips Petroleum from 6.8:1 to 8.1:1) As noted above, research of private companies by the Texas State Comptroller in the 1990s identified an average span of control of 11. An extensive study by the Wall Street Journal in 1994 found average spans of 1:11 for service companies and 1:9 for all business sectors combined. In 1993, the US Conference Board researched spans of control in 105 units in 25 companies and found the median span of control to be 7.8

Extensive internet searching by the consultant did not identify any recent data in this area and this also appears to be the experience of public sector organizations that have addressed the topic in the past few years (Seattle, Portland, Tacoma and Louisiana to cite examples).



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SPAN OF CONTROL FOR TORONTO

This section presents some analysis of the overall span of control for the City of Toronto. Analysis of individual positions with lower spans of control (“outliers”) is provided in the next section.

Calculating the Span of Control for the City

The following Table was tabulated based on data provides by City staff during the course of the study.

Span Range	# of Managers with Span	%	Avg Span for range	# Staff in Span Range
< 5 (excludes 0)	506	22%	2.6	1316
5-10	965	42%	7.39	7131
11-15	385	17%	12.69	4886
16-20	185	8%	17.6	3256
21-30	84	4%	25	2100
31+	167	7%	111.62	18641
Total	2292	100%	16.29	<= Span overall

Table 1 – Span of Control Breakdown and Calculation for the City of Toronto

As the table shows, the average span of control for the City of Toronto is 16.29. Compared to actual and target spans identified during the study, this is very high. The following are some additional observations about Toronto’s span of control that are derivable from the data underlying the above table:

- Even if the range of 31+ is discounted, on the grounds that the extremely high spans found in divisions such as Parks, Forestry and Recreation and Fire are not representative and therefore distortive, the average span is still 8.8. This compares favourably with spans reported from other organizations.
- Almost all employees (approximately 96%) report to managers whose average span is in or above the 5-8 span range that even today is often recommended as a standard.
- With respect to the 5-8 range, most managers (nearly 80%) have spans that are above 5 and half of the managers have spans that are above 8.

Comparing Toronto with Elsewhere

As well as compare Toronto’s span of control with generally published figures, the consultants sought to find jurisdictions – ideally municipalities – that could serve as direct comparators. This provide difficult for a number of reasons:



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- The only Canadian city that could be considered close in size (Montreal) has a very different structure (very decentralized) and is therefore not comparable.
- The most comparable sized American Cities (Chicago, Houston, and Philadelphia) do not align very closely with respect to either organization or services.
- Cities do not routinely publish the detailed data required to calculate spans of control and staff to supervisory ratios. Given the time and effort spend by City (of Toronto) staff to assemble the data for this study, it is not realistic that such data could be requested from other jurisdictions.

Toronto and Chicago

In terms of size, Chicago, with a population of 2.7 million in the city proper, is probably the closest comparator for Toronto. In 2011, the Chicago Inspector General’s office published a web page showing the current supervisory to non-supervisory ratio for each city department. This information was also provided as a downloadable spreadsheet.

To enable comparisons, the Chicago data was adjusted to remove functions that are not provided by the City of Toronto directly, namely Police, Library Services and Aviation (the first two being provided in Toronto though separate boards and the last having no equivalent). Toronto figures were adjusted to reflect the fact that Chicago does not (directly) provide Parks, Forestry and Recreation services, nor does it operate long term care homes, children’s day care, shelter support and income support programs. The result is the following table.

	Non-Supervisory Employees	Supervisory Employees	Total Employees	Ratio - Total employees: supervisors
Chicago	14845	2279	16122	7.1
Toronto	15577	1508	17085	11.3

Table 2 – Span of Control Ratios for Chicago and Toronto

Note that two cities are still not exactly comparable because functions with the same name can operate differently. For example, Toronto Public Health provides many more services than its Chicago counterpart, and if the staff counts for both were removed, the total number of employees would be very close. Regardless, the numbers are large enough and close enough to demonstrate that even when Toronto’s span of control is normalized downward (from the 16.29 reported above) to make it more comparable to Chicago, its span of control is very favourable to its American counterpart. In fact, the 11.3 figure for Toronto exceeds the target of 10:1 that the Chicago Inspector General had proposed for that city.



ANALYSIS OF OUTLIER POSITIONS

Definition of an Outlier

As indicated above, the first step in the study was to establish a cutoff number for span of control below which positions would be reported as “outliers”. Each outlier would be identified and accompanied by an explanation of why the position had a span of control below the cutoff. Following some research, the consultant suggested that the number to be used for a cutoff should be five (5).

The logic in selecting 5 for the cutoff was the following:

- It is the low end of the 5-8 range that has long been suggested as an ideal span of control range.
- It is at the low end of many of the actual spans that were found in the research.
- Our experience in the public sector led to the concern that any larger number would generate far too many “exceptions” and not be a true outlier. For example, the November, 2011 Service Efficiency Review of the TTC identified that in 18 of the 28 functional areas, the average span of control was 5 or below.

Note that managerial or supervisory positions with no direct reports were not in scope for this study. The focus was on understanding the rationale for lower spans where management was still an important responsibility of the position.

Also, the consultant did not recommend an upper range above which outliers would be reported, as there is no basis for selecting such a number. Moreover as the only remedy for excessive spans is to increase managers and possibly layers, this should only be considered if there is a problem.

Evaluating Outlier Explanations

The first step was to review the Span of Control Review Guide that was to be used by City Divisions in developing explanations. This is a credible table that was developed for the same purpose by Portland Oregon in 1994 and used as recently as 2005 by Seattle when it revisited its earlier span of control analysis.

The next task was to develop a rating scale for assessing the explanations. Tentative ratings were assigned taking in to consideration:

- the explanations provided by the Divisions for each outlier
- the nature of the position
- context (i.e., span of peer positions, span of subordinates)
- known or identifiable factors (e.g., location or hours of work).



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In some cases, further information was requested from the internal review team and the rating was revised as a result of the additional explanation. The final rating scheme classified the positions into one of two broad groups:

In the first rating group, a numerical category was assigned based on the consultant's assessment of the position. There were four such categories:

1. In addition to management of staff, this position either a) has a complex non-management workload of its own, or b) has significant responsibility for the management of contracts or providers. An example would be a supervisor who also represents the City at Court, tribunals or other hearings.
2. The direct reports of the position have very large spans of control, which in effect adds to the management responsibilities of the position, essentially increasing the span. An example would be a General Supervisor (Nights) for solid waste collection who has 2 supervisors overseeing 50+ staff all over the City at night.
3. The incumbent leads a small specialist group, sometimes in work that is distinct or required for a particular location, and the size of the group is sufficient to do the work; often the staff may be providing "leverage" to the manager or supervisor, increasing his or her effectiveness so that another similar senior position is not required. An example would be the City Archivist.
4. The nature and location of the work requires only very a small complement (perhaps as few as two) and someone with managerial or supervisory authority present. An example would be shift leaders in shelters that operate 7/24.

The second rating group consists of primarily of positions that were not considered by the consultant for the following reasons:

- The unit or division is already undergoing restructuring so comment is premature.
- Based on the explanation, and in consultation with the internal review team, the consultants concluded that the position was out of scope.
- The internal review team determined that the position should not have been included in the first place and removed it from considerations.

A fourth type of position was also included in this group, namely where the consultant had requested further explanation but based on the information provided, could still not assign a numerical rating. Additional in-depth consultation would be required that was beyond the scope of this study.

Appendix 1 provides more detail on the rating categories, including examples and recommendations for follow-up where appropriate. Table 3 (below) summarizes the rating results for clusters and units that do not fall under a cluster.



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Cluster / Unit	#1 - Complex or Contract	#2 - Large Span	#3 - Specialist or Leverage	#4 - Shift work or location req'mt	Total with Numerical Ratings	Info not sufficient for numerical rating	Removed from Analysis due to Restruct.	Info provided indicates position is Out of Scope	Removed from Analysis by City	Total Eliminated from Analysis	Total
Cluster A	27	14	96	29	166	14	58	9	54	135	301
Cluster B	19	2	18	7	46	10	38	0	2	50	96
Cluster C	38	0	32	3	73	3	29	7	10	49	122
Clerk's	5	1	18	0	24	8	2	5	2	17	41
CMO	3	0	5	0	8	0	5	0	0	5	13
Total	92	17	170	39	318	35	132	21	68	256	574

Table 3 – Summary of Ratings for Outlier Positions

To summarize:

- 574 positions were initially presented to the consultant for analysis
- 68 were removed by the City as it was subsequently determined that they were not outliers
- This left 506 outlier positions to be analyzed (the number in the "<5" range in Table 1 above)
- Of these 506
 - 132 were put aside as restructuring is underway; often no explanation was provided
 - 21 were determined by the consultant to be out of scope following analysis and discussion with the City
 - 35 were reviewed but deemed by the consultant require further in-depth follow-up beyond the study scope
 - 318 outliers were assigned a rating and are addressed further below.

Outlier Analysis

The explanations provided for the outliers were helpful in understanding why the spans were low. Typically it was a combination of factors:

- Heavy managerial workload in addition to the supervisory component;
- The need to collaborate closely with the direct reports;
- The need to ensure managerial coverage for multiple locations or work shifts; and / or,
- The need to oversee direct reports with highly specialized skills and very different duties.

Some explanations indicated why it would be unrealistic to increase spans, but most were silent on the question of whether or how outlier spans could be increased. This is understandable as these are not simple matters that can be resolved by one or two rounds of questions and answers.

For example, Shelter Support and Housing Administration has a number of shift supervisors with low spans. A current requirement is the presence of a supervisor (who also provides service) at each shelter for each shift. The total complement needed for each shift or location is not always high, leading to small spans in a number of cases. Could one supervisor oversee staff at different locations from a single point, thus creating higher spans? It depends on what is required to deal with circumstances “on site”. Factors such as requisite experience, risk, accountability and possibly liability are likely to come into play.

Or consider the question of whether any particular outlier position could be merged with a peer to create a larger span. In other works, a manager/supervisor position would be eliminated and the reports would report elsewhere. Are there managers who have the capacity to take on more direct reports? Do they have the knowledge to manage the direct reports of the position being eliminated? If the supervisory position to be eliminated has a significant work portfolio, who will do that work?

Addressing questions such as the above require organizational investigations beyond the scope of this study. Where outlier explanations indicated that organizational reviews or restructuring is already under way, the consultant has recommended that the City take span into consideration as part of that work. The questions of whether the City should attempt to reduce outlier spans and how it might approach the task are addressed in the Conclusions and Recommendations section below.



W e s t e r n M a n a g e m e n t C o n s u l t a n t s

MANAGEMENT LAYERS AT THE CITY OF TORONTO

Appropriate Number of Management Layers for the City

The number of management layers refers to the maximum number of management / supervisor positions above a non-supervisory position. Often, the single individual heading an organization is not counted as a “layer”. For purposes of this review, this is the convention adopted by the City - the City Manager and the Deputy City Managers are considered as one layer

For most positions in the City, there are five layers of management, typically but not always:

- City Manager/Deputy City Manager
- General Manager/Executive Director
- Director
- Manager
- Supervisor

Five layers is a recommend standard for the City, for the following reasons:

- Five layers is a common standard for large public sector organizations. For example:
 - Vancouver and Edmonton are two Canadian examples, and Philadelphia (whose approximately 20,000 employees make it a good comparator) is also in this category.
 - Ontario and British Columbia have five layers of management at the ministry level. (It is possible to argue that overall, each government has six layers, but as each Deputy Minister is directly and primarily accountable to his or her minister, we consider an individual ministry to be a reasonable comparator for the City).
 - Halton Region has five layers of management.
- While four layers is theoretically possible, it would require disruptive reductions in the number of managers, unwieldy spans of control at the upper levels and unrealistic increases at the lowest levels where spans are already quite large (i.e., well above 30).
- Five layers are sufficient to accommodate an organization of the size of the City while still providing the required flexibility in span of control. Where local concentrations make spans unwieldy, a sixth layer can be introduced. There are currently a number of areas of the organization with six layers and these are addressed next.



Areas of Six Layers or More

There were 14 instances of units having more than 5 layers – 8 in Cluster A, 3 in Cluster B, 2 in Cluster C and 1 in Clerk's.

- In Economic Development and Culture, the Cultural Services group has 7 layers, including a Chief Administrator. This is due to the dispersed nature of Curators and Museum Administrators. Without the Chief position, the Manager of Cultural Services would have 13 geographically dispersed direct reports to manage in addition to other duties. The unit is currently under service review and the layers will be examined following that review.
- Long Term Care Homes and Services has one unit (Resident Services). As Long Term Care is currently under review we have not included that Division in our analysis.
- Municipal Child Care Services in Children's Services Division has six layers. The additional layer (in Dietary Services) still results in spans of control of 10 for the Supervisor and 30 for the Food Production Analyst (both exempt positions). Also, the Division has committed to review the structure of this section in 2014.
- Several units have an additional layer due to their wide spans of control below the extra layer and the fact of them being widely geographically dispersed. There was deemed to be a need to have "on the ground" supervision at the locations in addition to having a more general supervisor who moves between locations to ensure consistency and support. The units include
 - Parks, Forestry & Recreation
 - Collection & Litter Operations
 - Transfer & Disposal Operations
 - Transportation Districts (all 4)
 - Fleet Maintenance Operations
- The Shelter division has an additional layer due to the 7/24 nature of the business and the need for supervision across geographically dispersed locations (Seaton House and Women's Residence).
- Toronto Public Health has two units that have an additional layer
 - Communicable Disease Control has AMOHs and Associate Directors who carry both management responsibilities and program leadership. The structure was set in place 6 years ago after an external review and should probably be assessed in the next year or two for continuing effectiveness.
 - Healthy Families was reviewed and a new structure (containing the additional layer) was approved and implemented in 2010 after an external review.



- Facilities Management has an additional layer due to the creation of the Executive Director position (where no such position exists in Fleet and Real Estate.) This structure should probably be assessed for continuing appropriateness.
- Corporate Information Management Services, established in 2010, has six layers and is geographically spread. It is also a growing unit and the structure was designed with the target operation in mind. The consultants had a number of questions about the structure of CIMS, including spans of control and layers.

In summary, with respect to these 14 units having more than five management layers:

- Two of these need further review to assess their appropriateness (Facilities and CIMS) and one other should be reviewed at a future date to test ongoing effectiveness (Communicable Disease Control).
- One instance was not reviewed as it is currently under review (Long Term Care).
- The other 10 instances appear appropriate based on the size of the units, the geographical spread, and other contributing factors.



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CONCLUSIONS AND RECOMMENDATIONS

- While there is no agreed upon standard for span of control, the average span for the City of Toronto (16.29) is exemplary, at least compared with what has been reported over the years and in various sources. Even if positions with very high spans (greater than 30) are disregarded, the average span of 8.8 is still above the 5-8 range that is often still recommended as ideal. While peer cities for comparison are difficult to find, data available from Chicago indicates that Toronto compares very well with that city once organizational differences are taken into account.
- Toronto’s 5 management layers are appropriate for an organization of its size. Areas of exception (more than 5 layers) are not a cause for concern though follow-up on two or three is suggested.
- Toronto has 506 outlier positions, using the definition of employed by this study (having a span of control less than 5). While the definition is defensible, it is still arbitrary, so there is no way to determine if 506 is “too” large a number. Also, it is not likely that data of the necessary level of detail would be readily obtainable from other jurisdictions for comparisons.
- Span of Control can be a useful warning indicator for potential “over- management” when large number of employees perform the same function and managers are needed primary to provide supervision and deployment of resources. In areas of the City with these characteristics, spans should be higher and they are, often very high.

Where there are groups of knowledge workers performing highly varied tasks, where managers have significant portfolios on their own and have more of collaborative and collegial rather than supervisory relationship with their reports, span is a less useful indicator. This typically occurs in many parts of public sector organizations due to the complexity of the work, with its many policy and regulatory aspects. Toronto is no exception.

- Nevertheless, the 506 outlier positions is still a significant number compared with the total number of managers and supervisors (2292). Low spans may be justifiable but that does not mean they are necessary, and it would be prudent for the City to monitor the situation and look for opportunities where smaller spans can be increased, or at least avoided if not essential. Western therefore recommends the following.

RECOMMENDATIONS

- (i) Span of control improvement should be a process, similar to continuous improvement, with a goal not of an arbitrary number (which would have no basis) but rather an ongoing program of justification and increases where it makes sense. Western is of the view that this study has provided a good start to this process and in



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particular, recommends that the City look for span of control improvement opportunities in current and future reorganization and restructuring work.

- (ii) Span of control improvement should not focus primarily on individual isolated positions, an exercise that would likely be very arbitrary and argumentative. Rather the effort should be more aimed at finding patterns that cause spans of control to be smaller rather than larger, with the idea there might be an opportunity to change the underlying causes. Examples of patterns are one-on-one relationships in Childrens' Services and Toronto Employment and Social Services that result of placements in different locations across the City, or the need to have supervisors present for low staffed shifts at shelters.

Patterns might also be found in individual Divisions. Consider the distribution of spans and outliers by division (Appendix 2). The "% Outliers" column (second from the right) shows the proportion of supervisory positions in a Division that are outliers. The rightmost column (Expected Outliers) estimates the number of outliers for each Division if the distribution of outliers among Divisions were truly uniformly random, compared with what it actually is today ("# of Outliers – fourth column from the left). Divisions with more than a few managers that a) have a large proportion of outlier positions and b) more outliers than would be expected if outliers occurred purely by chance could be candidates for follow up to see if there are causal patterns.

While it is good practice to seek out patterns of span of control that seem unusually low, and improve them when it makes sense, Western cautions that efforts to arbitrarily increase low spans will not necessarily lead to the benefits expected.

For example, suppose that the that the 1316 staff currently reporting to the 506 outlier supervisory positions (the ones with average span 2.6) are re-allocated among those positions so that 263 of the (former) outlier positions now have 5 direct reports and 243 of the outliers are now "freed up", possibly for elimination. Originally, those 506 positions had significant portfolios of their own, possibly accounting for 80% of their time, given their spans were so low (2.6 average). This means that they were doing the equivalent of 405 FTEs of work (in addition to their management duties). Suppose that the 263 managers who now have five reports still have portfolios, and can handle almost their former portfolio but not quite – say equivalent to 60% of their job compared with the 80% previously. Therefore they can still account for 60% of 263 or 158 FTEs of work. This leaves a gap of $405 - 158 = 247$ FTEs that are still needed – almost exactly the number of the 243 managers that were "freed up" because of consolidation.

The example is simplified but the situation is real – most of the outlier positions are filled by high performing individuals carrying a near-full workload in addition to their management duties. If their manager positions were to be eliminated by consolidation, equivalent positions would still be needed for the work, likely at equivalent compensation.



In summary, the span of control situation at the City of Toronto is relatively good. While there is probably opportunity to make steady and modest span increases over time by approaching the goal strategically, the City should not expect sudden or substantial benefits because the work carried out by the low span positions would still have to be performed.



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APPENDICES

Appendix 1 – Consultant Rating Categories for Span of Control Outliers

Appendix 2 – Distribution of Spans and Outliers by Division



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APPENDIX 1 – GUIDE FOR DIVISIONAL EXPLANATIONS OF SPAN OF CONTROL OUTLIERS

Category	Definition	Explanation / Example(s)
1	<p>Manager has complex portfolio of own in addition to managing others</p> <p>OR</p> <p>Significant management or oversight of contracts or providers (in lieu of or in addition to, people)</p>	<p>When the manager / supervisor is a “working supervisor” who has specific deliverables to accomplish in addition to managing the work of a one or more Direct Reports.</p> <p>E.g.: Supervisor who also represents the City at Court, tribunals and other hearings.</p> <p>The manager / supervisor has to actively manage non-staff individuals or companies.</p> <p>E.g.: Supervisors in Processing Operations in Solid Waste Manager who overseeing 24 processing service contracts and 20 sales contracts; IT Senior Systems Integrators overseeing contractors developing / upgrading systems.. Project Managers in Facilities overseeing contractors who are renovating of Union Station and other major projects.</p>
2	<p>The reports to this position have, in total, a significant number of Direct Reports</p>	<p>When there are fewer than five Direct Reports, but the number of Direct Reports one level further down is substantial and therefore the overall average is within the span and the more senior position spends considerable time assisting in the management of the large span of control.</p> <p>E.g.: General Supervisor Nights for Garbage collection who has 2 supervisors overseeing 50+ staff all over the city at night.</p>
3	<p>The incumbent is a specialist and the work being carried out is essential and staffing below is sufficient to do the work</p> <p>OR</p> <p>Position dedicated to specific unit or area of expertise and required for specific location or not done elsewhere and staffing below is sufficient to do the work.</p>	<p>Having one or more junior reports expands the productivity of the senior, to the point that the work can be performed without the need for an additional senior position. Adding reports (to increase the span) would be inefficient as the current complement is sufficient (for the work).</p> <p>E.g, City Archivist, Legal Senior Librarian</p> <p>Where there is a locational aspect to the work and adding additional staff is not useful / needed.</p> <p>E.g, Committee / Council Administrators in Clerk’s, Child Services Consultants in CSD local offices.</p>

Category	Definition	Explanation / Example(s)
4	The nature of and location work, and the time that it is being performed, is such that only a very small complement (as few as two) is needed and can be justified. Often shift work.	Accountability, and sometimes the risk associated with the work, requires the presence of an individual in a managerial or supervisory capacity; practicality often demands that the individual also help provide the service. E.g.: Shift leaders in SSHA (70 of the exceptions in that area) that oversee work in on 7 /24 basis; Superintendent Road Operations in Transportation; Supervisor Data Centre Operations in I & T.
Information Insufficient for evaluation	The explanation does not provide sufficient rationale to accept as compelling	Recommendation: Further follow-up is required to understand the response. Category also used when no response was forthcoming or was inadequate and therefore requires follow-up.. E.g., Use of subordinate’s job description used as a rationale for why only a few subordinates are appropriate.
Removed from Analysis due to Restructuring	Consideration deferred pending outcome of review or restructuring underway or starting soon.	Recommendation: HR and Divisional Management should keep close eye on proposed restructuring to ensure the rationale for any result that keeps span below the standard has been justified. E.g.: Long Term Care, Energy positions in Cluster B, all of Solid Waste.
Information provided indicates position is Out of Scope	Out of scope as determined by the Consultants (not on the deleted list given to us by the City)	In the outlier report, but further analysis shows that the manager / supervisor really is a sole contributor or is fully funded externally and therefore not to be included in the analysis. E.g.,: The Superintendent, Telecommunications Engineer is a Professional Engineer (emergency 911 telephone specialist) position that is 100% funded by MOHLTC and is providing technical support to EMS.
Removed from Analysis by City	Removed from analysis by City.	After having been included in the original list given to the Consultants, further analysis by the City staff indicated the position should not have been included in the first place or that conditions had changed since providing the first list. E.g., Centre Supervisor from Children’s Services who was initially listed as having 2 direct reports but in fact has several more part-time reports and therefore has a span of greater than 5. Also, the Enterprise Architecture Head Architect in I&T who manages 7 contract workers and therefore has a span of greater than 5.

APPENDIX 2 – DISTRIBUTION OF SPANS AND OUTLIERS BY DIVISION**Cluster A**

Division	Span	# of Staff	# of Outliers	# of Managers	% Outliers	Expected Outliers
311	14	238	2	17	12%	4
Affordable Housing	4.5	18	2	4	50%	1
Court Services	12.9	283	5	22	23%	5
Children’s Services	9.5	1124	38	118	32%	26
Economic Development	7.8	384	16	49	33%	11
Emergency Mgmt	8.7	367	9	42	21%	9
Long Term Care	26.5	3206	18	121	15%	27
Parks Forestry & Rec	50.5	10006	23	198	12%	44
S D F&A	5.4	113	11	21	52%	5
SSHA	6.1	913	41	149	28%	33
Employ & Soc Services	8.0	2185	53	274	19%	60
Partnership Office	5.0	5	0	1	0%	0
Public Health	11.2	1863	29	166	17%	37
Total		20705	247	1182		

Cluster B – Distribution of Spans & Outliers

Division	Span	# of Staff	# of Outliers	# of Managers	% Outliers	Expected Outliers
City Planning	7.7	362	9	47	19%	10
Deputy City Mgr Office	9.0	18	1	2	50%	0
Fire Services	88.9	3110	1	35	3%	8
Major Capital Infra	4.0	4	1	1	100%	0
Municipal Lic. & Std.	11.3	452	5	40	13%	9
Off of Emerg Mgmt	3.7	11	3	3	100%	1
Pol. Plan & Fin Anal	9.9	189	4	19	21%	4
Solid Waste Mgmt	13.7	1223	19	89	21%	20
Technical Services	10.6	613	6	58	10%	13
Toronto Environ Off	6.0	24	2	4	50%	1
Toronto Building	11.6	429	3	37	8%	8
Transportation	7.9	1104	32	139	23%	31
Water	11.1	1737	8	157	5%	35
Total		9276	94	631		

Cluster C– Distribution of Spans & Outliers

Division	Span	# of Staff	# of Outliers	# of Managers	% Outliers	Expected Outliers
Accounting	5.8	128	10	22	45%	5
Deputy City Manager	4.5	9	1	2	50%	0
Purch & Mat Mgmt	7.5	113	5	15	33%	3
Corp Fin	3.8	34	7	9	78%	2
Facilities Mgmt	8.3	805	38	97	39%	21
Fleet	8.6	171	4	20	20%	4
I&T	6.5	680	41	104	39%	23
Pension, Payroll E B	8.8	149	4	17	24%	4
Real Estate	11.3	135	2	12	17%	3
Total		2224	112	298		

Appendix B: Total Approved Permanent Positions 2007 to 2013




**CITY OF TORONTO
COUNCIL APPROVED POSITIONS 2007 - 2014
CORPORATE SUMMARY OF PERMANENT APPROVED POSITIONS**

01/28/2014 9:17

	2007	2008	2009	2010	2011	2012	2013	2014 BC Rec'd
Department/Program	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
Citizen Centered Services "A"								
Affordable Housing Office	16.0	20.0	9.0	10.0	17.0	15.0	15.0	15.0
Children's Services	769.0	767.0	759.0	750.0	749.0	742.0	731.0	716.0
Court Services	224.0	230.0	293.0	290.0	290.0	284.0	284.0	282.0
Economic Development & Culture	215.0	217.0	223.0	231.0	230.0	222.0	222.0	237.0
Emergency Medical Services	1,208.3	1,201.5	1,209.5	1,209.5	1,209.5	1,205.5	1,257.5	1,318.5
Long Term Care Homes & Services	2,121.5	2,167.4	2,218.3	2,182.9	2,188.3	2,153.5	2,151.3	2,179.7
Parks, Forestry & Recreation	1,829.0	1,848.0	1,898.6	1,905.0	1,903.0	1,808.0	1,856.0	1,885.0
Shelter, Support & Housing Administration	503.5	514.6	557.6	557.9	557.9	548.7	548.4	547.0
Social Development, Finance & Administration	180.5	188.0	166.0	155.0	151.0	124.5	115.5	119.5
Toronto Employment & Social Services	1,884.0	1,884.0	1,953.0	1,967.0	1,967.0	1,966.0	2,029.0	2,042.0
Department Total	8,950.8	9,037.5	9,287.0	9,258.3	9,262.7	9,069.2	9,209.7	9,341.7
Citizen Centered Services "B"								
City Planning	317.0	333.0	330.0	326.0	324.0	315.0	330.0	343.0
Fire Services	3,185.6	3,144.0	3,145.0	3,182.5	3,184.5	3,175.5	3,169.5	3,103.5
Municipal Licensing and Standards	373.0	368.0	492.5	500.3	486.8	451.6	451.6	455.0
Policy, Planning, Finance and Administration	101.3	438.0	373.8	232.4	225.4	201.3	187.3	194.4
Solid Waste Management Services	1,182.0	1,155.0	1,193.0	1,163.0	1,159.6	981.7	954.5	985.5
Engineering & Construction Services	602.5	598.1	612.0	610.3	611.0	609.0	555.0	534.0
Toronto Building	402.5	402.5	417.5	423.5	422.0	413.0	418.0	418.0
Toronto Environment Office			22.0	22.0	21.0	17.0	16.0	-
Toronto Water	1,684.4	1,588.0	1,637.0	1,645.0	1,630.0	1,596.0	1,620.0	1,640.0
Transportation Services	1,299.7	1,243.4	1,279.2	1,272.6	1,225.6	1,045.6	1,043.6	1,068.9
Waterfront Secretariat	7.0	8.0	11.0	11.0	11.0	11.0	-	-
Business Support								-
Clean & Beautiful Secretariat	2.0							-
Emergency Management Plan								-
WES - Support Services								-
Department Total	9,157.0	9,278.0	9,513.0	9,388.6	9,300.9	8,816.7	8,745.5	8,742.3
Urban Development Services								
Urban Development Services								
Department Total	-	-	-	-	-	-	-	-
Internal Services								
Office of the Chief Financial Officer	120.0	122.0	125.0	109.0	108.0	101.0	94.0	100.0
Office of the Treasurer	710.0	732.0	738.0	725.0	711.0	681.0	661.0	661.0
Public Information & Creative Services	60.0	60.0	-					-
Service Improvement & Innovation								-
Facilities Management & Real Estate	745.6	772.1	862.9	865.2	867.6	737.9	765.9	817.4
Fleet Services	202.0	205.0	208.0	205.0	192.0	172.0	174.0	174.0
Information & Technology	353.0	354.0	378.0	532.0	539.0	520.0	598.0	608.0
311 Toronto	-	-	146.0	140.0	153.0	154.0	158.0	138.0
Department Total	2,190.6	2,245.1	2,457.9	2,576.2	2,570.6	2,365.9	2,450.9	2,498.4
Finance								
Finance								
Department Total	-	-	-	-	-	-	-	-
City Manager								
Chief Administrator's Office								
Human Resources								
City Manager's Office	390.0	393.0	398.0	388.0	376.0	359.0	386.5	396.5
Sub-Total City Manager	390.0	393.0	398.0	388.0	376.0	359.0	386.5	396.5
Other City Programs								
City Clerk's Office	364.0	369.0	437.2	435.0	423.5	394.3	390.3	394.3
Legal Services	242.0	245.0	261.0	259.0	264.0	255.0	257.0	267.0
Other City's Departments - Total	606.0	614.0	698.2	694.0	687.5	649.3	647.3	661.3
TOTAL - CITY OPERATIONS	21,294.4	21,567.6	22,354.1	22,305.1	22,197.7	21,260.1	21,439.9	21,640.1
Special Purpose Bodies								
Toronto Public Health	1,854.3	1,877.2	1,776.7	1,849.4	1,848.9	1,778.5	1,798.7	1,796.0
Special Purpose Bodies & Other	1,854.3	1,877.2	1,776.7	1,849.4	1,848.9	1,778.5	1,798.7	1,796.0
TOTAL*	23,148.7	23,444.8	24,130.8	24,154.5	24,046.6	23,038.6	23,238.6	23,436.1
*NOTE Exclusions:								
Council, Mayor, AO's, Agencies:	22,448.9	22,702.6	23,331.5	23,547.5	24,054.4	23,749.4	23,945.3	24,492.4
Grand Total for City	45,597.6	46,147.4	47,462.3	47,702.0	48,101.0	46,788.0	47,183.9	47,928.5

Appendix C: 2014 Budget Committee Recommended Operating Budget
Permanent Non Union (Management & Exempt) Positions

 CITY OF TORONTO 2014 BC RECOMMENDED OPERATING BUDGET OPERATING PERMANENT NON-UNION POSITIONS			
Date: BC Rec'd Jan 8, 2014			
Division	2013 Adjusted Positions	Rec'd 2014 vs 2013 Change	2014 BC Rec'd Positions
	Permanent	Permanent	Permanent
Citizen Centred Services "A"			
Affordable Housing Office	5.0		5.0
Children's Services	133.0	5.0	138.0
Court Services	25.0		25.0
Economic Development & Culture	90.0	5.0	95.0
Emergency Medical Services	129.5	5.0	134.5
Long Term Care Homes & Services	156.0		156.0
Parks, Forestry & Recreation	265.0	1.0	266.0
Shelter, Support & Housing Administration	163.0	4.0	167.0
Social Development, Finance & Administration	57.5	1.0	58.5
Toronto Employment & Social Services	309.0	1.0	310.0
Sub-Total Citizen Centred Services "A"	1,333.0	22.0	1,355.0
Citizen Centred Services "B"			
City Planning	70.0	3.0	73.0
Fire Services	55.5		55.5
Municipal Licensing and Standards	62.0	1.0	63.0
Policy, Planning, Finance and Administration	70.4		70.4
Engineering & Construction Services	61.7		61.7
Toronto Building	74.0		74.0
Transportation Services	167.4	5.0	172.4
Sub-Total Citizen Centred Services "B"	561.0	9.0	570.0
Internal Services			
Office of the Chief Financial Officer	78.0	4.0	82.0
Office of the Treasurer	112.0	4.0	116.0
Facilities Management and Real Estate	251.5	7.5	259.0
Fleet Services	33.0	1.0	34.0
Information & Technology	207.0	1.0	208.0
311 Toronto	28.0	3.0	31.0
Sub-Total Internal Services	709.5	20.5	730.0
City Manager			
City Manager's Office	378.5	1.0	379.5
Sub-Total City Manager	378.5	1.0	379.5
Other City Programs			
City Clerk's Office	112.0	4.0	116.0
Legal Services	148.0		148.0
Sub-Total Other City Programs	260.0	4.0	264.0
TOTAL - CITY OPERATIONS	3,242.0	56.5	3,298.5
Toronto Public Health	240.4	1.8	242.2
CITY OPERATIONS/PUBLIC HEALTH	3,482.3	58.3	3,540.6
Solid Waste Management Services	118.0	12.0	130.0
Toronto Water	315.0	13.0	328.0
TOTAL - CITY OPERATIONS	3,915.3	83.3	3,998.6
NOTE: Complement cleanup adj move to 2013 (FMI)	-34.0	34.0	
	3,881.3	117.3	3,998.6