



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Digital Transformation—Project Update

Date: August 20, 2020

To: Digital Transformation Committee and the Board of Directors of TO Live

From: President & CEO

REASON FOR CONFIDENTIAL INFORMATION

An attachment to this report contains positions, plans, procedures, criteria, or instructions to be applied to any negotiations carried on or to be carried on by or on behalf of the City or local board.

SUMMARY

This report seeks to update the Board on the status of TO Live's Digital Transformation project, including status of the RFP, prioritization of digital and strategic initiatives, project management methodology, and timing.

RECOMMENDATIONS

The President & CEO recommends that the Board of Directors of TO Live:

1. Receive this Report, Attachments 1 and 2, and Confidential Attachments 1 for information.
2. Direct that Confidential Attachment 1 remains confidential in its entirety as it contains positions, plans, procedures, criteria, or instructions to be applied to any negotiations carried on or to be carried on by or on behalf of the City or local board.

FINANCIAL IMPACT

The financial impact is unknown at this time.

DECISION HISTORY

At its November 19, 2019 meeting, the Board adopted the Digital Transformation Committee's recommendation and received the Digital Transformation—Current State and Future State report.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CT7.15>

COMMENTS

This report seeks to update the Board on the status of TO Live's Digital Transformation project, including status of the RFP, prioritization of digital and strategic initiatives, project management methodology, and timing:

- The Digital Transformation Project Lead at TO Live was tasked by the Digital Transformation Board Committee to develop a project Roadmap, i.e. a plan to implement specific digital initiatives that will address TO Live's critical strategic and business challenges.
- A cross-departmental selection committee was formed to evaluate responses to the Digital Transformation RFP. Thorough reviews of each proponent, including interview phases, have been undertaken for each response.
- Project work is expected to begin Q1 2021, pending vendor selection, contract negotiation, and Board approval.

Digital Transformation Roadmap

At the November 6, 2019 Digital Transformation Board Committee meeting, a document outlining "Current State/Future State" of customer touchpoints and internal processes was presented, establishing over 100 potential **digital initiatives**, grouped into the following categories of **strategic imperatives**:

- | | |
|------------------------------------|--------------------------------------|
| • Accessibility | • Facilities management |
| • Booking | • Financial management and reporting |
| • Business intelligence | • Information management |
| • Content development | • Internal communications |
| • Customer loyalty | • Marketing communications |
| • Customer relationship management | • Physical experience |
| • Digital experience | • Pricing |
| • Sales and lead generation | • Project management |

As a next step, directors and senior leadership convened at two workshops to evaluate each digital initiative with respect to (1) alignment to organizational goals and (2) ease of implementation, and prioritize each initiative according to Table 1, below.

Table 1: Prioritization of Digital Initiatives

Alignment to Goals	Ease of Implementation	Prioritization
High	High	Quick Win
High	Low	Strategic Project
Low	High	Discretionary Project
Low	Low	Time Sink

Results were then plotted on a bubble chart, to help identify which strategic imperatives (i.e. groups of digital initiatives) should be prioritized (see Attachment 1).

Quick Wins were found to be primarily comprised of initiatives related to **sales and lead generation**, indicating that the entry stages of the customer journey should be prioritized to quickly see an impact on revenue. **Customer relationship management** (CRM) initiatives were also rated as *Quick Wins*, indicating a need for improved customer understanding and communication, including patrons, donors, clients, and suppliers. Certain initiatives related to **physical experience, digital content management**, and **business intelligence** also scored highly, indicating a need to focus on the engagement stage of the customer journey.

The workshops also revealed a requirement for more robust financial modeling, reporting, and forecasting. Leadership in Finance and Operations recognized these requirements before this Digital Transformation project took shape and had already begun a search for a software solution to meet their needs. As such, and given the complexities of working with legacy systems, it was decided that Finance continue with their efforts already underway, outside the scope of this project.

All *Quick Wins* identified, along with certain *Strategic Projects* that benefit from economies of scope, comprise the Digital Transformation Roadmap, attached as Confidential Attachment 1.

RFP Response Evaluation

The Digital Transformation Roadmap was found to be closely aligned with the scope of the RFP released in Summer 2019.

To evaluate RFP responses, a cross-departmental Selection Committee was formed, consisting of the following TO Live staff members:

- Michael Pietrocarlo, Director of Marketing and Project Lead
- Thomas Grady, Director of Finance
- Megan Kotze, Director of Development
- Leslie Lester, VP of St. Lawrence Centre Development
- Priya Malik, Director of Capital Projects
- David McCracken, Director of IT
- Jeff Rohrer, VP of Marketing and Communications

In accordance with the RFP process, four proponents were subsequently interviewed by the Selection Committee for further insight into their proposals, including information regarding technology solutions, approach to customer experience design, relevant client experience, and overall understanding of TO Live.

Project Management

Members of the Selection Committee, with the addition of Madeleine Skoggard, Director of Programming, will transition to a project management committee upon vendor selection.

Responsibilities will be distributed following the RACI methodology to manage capacity, leverage individual expertise, and ensure timely decision making:

- **Responsible** for completing the work
- **Accountable** for assigning tasks and ensuring work is completed to specifications
- **Consulted** for input before work is begun or completed
- **Informed** of progress and decisions, but not direct contributors

TO Live will also consider building internal capabilities, including:

- Designating a role to own the digital experience as a product
- Designating a technology lead
- Onboarding a user experience designer, to ensure TO Live's brand is accurately reflected in the technology vendor's deliverables
- Assuming after-sales responsibility (e.g. maintenance and ownership) according to capacity, versus outsourcing to the vendor

Negotiation with software vendors will be done directly, versus via the proponent. TO Live will also give careful consideration and attention to change management, continuing a positive culture that is inclusive of all departments.

TO Live would like to thank each member of the Board Committee for their generous time and invaluable advisement. We would like to develop a plan to continue to work together as the project unfolds.

Timeline

The Selection Committee would like to recommend a proponent to the CEO by mid-September 2020, so that contract negotiations can begin. TO Live will give special attention to how agreements are structured with respect to project phase and deliverables.

Pending approval of the contract, work is slated to begin Q1 2021. Project completion, including design, build, testing, and onboarding, will take up to 12 months, vendor dependent. Please see timeline in Attachment 2, adjusted for delays from the impact of Covid-19.

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SIGNATURE

Clyde Wagner
President & CEO

ATTACHMENTS

Attachment 1—Strategic Imperatives Prioritization
Attachment 2—Digital Transformation Project Timeline
Confidential Attachment 1—Digital Transformation Roadmap