100 John West Way
Aurora, Ontario
L4G 6J1
(905) 727-3123
aurora.ca

Town of Aurora

Memorandum

Corporate Services

_____

Re: Town's Capital Projects Performance Update

To: Finance Advisory Committee

From: Project Management Office, Corporate Services

Date: September 12, 2023

_____

Recommendation

1. That the memorandum regarding Town's Major Capital Projects Performance Update be received for information.

Background

The Town manages a portfolio of approximately 200 capital projects at varying stages of completion and complexity. The Town's Project Management Office sees an opportunity to leverage the reporting benefits of the newly implemented Oracle financial system for reporting to FAC on the Town's project portfolio. The key performance indicators (KPIs) are based on Earned Value Management, are internationally recognized and standard in project portfolio reporting (Exhibit 1- Sample Dashboard & Exhibit 2 – Sample KPI List). These KPIs will enable the Town to gain important insights into the project portfolio and support the FAC's mandate of prudent financial management.

Analysis

Implementing the proposed KPIs for our capital project portfolio management is a strategic decision that supports good governance and aims to provide the following advantages to the Town;

1. **Enhanced Project Performance Visibility:**

    Utilizing the internationally recognized KPIs will provide us with real-time and comprehensive visibility into each project's performance. The ability to monitor progress at various stages of completion and complexity will enable us to identify potential bottlenecks, assess project health, and ensure timely project

delivery. With this enhanced visibility, we can proactively address any challenges that arise, minimizing risks and optimizing project outcomes.

2. **Informed Data-Driven Decision Making**

Data is the foundation of informed decision-making. By employing Oracle which is in the process of consolidating all project information we can employ standardized KPIs, and rely on accurate and relevant data to make important choices regarding project prioritization, resource allocation, and risk management.

3. **Early Issue Identification and Mitigation**

KPIs serve as early warning indicators, allowing us to identify and mitigate potential issues before they escalate. With timely insights into project performance, we can take proactive measures to address challenges and avoid costly delays. This early issue identification will enable us to maintain project timelines and stay within budgetary constraints.

4. **Alignment with Organizational Objectives**

The proposed KPIs are internationally recognized and standardized in project portfolio reporting. By employing these indicators, we ensure that our project management practices align with best industry practices and global standards. This alignment will strengthen our credibility as an organization committed to excellence and continuous improvement.

5. **Enhanced Accountability and Transparency**

Transparency is a cornerstone of effective project management. The adoption of KPIs fosters a culture of accountability among stakeholders, ensuring that project performance data is accessible to all relevant parties. This transparency promotes better communication, collaboration, and trust, both within our organization and with external stakeholders. The KPIs will be adopted into the Town's performance management system (Viva Goals).

6. **Support for Strategic Planning**

Data obtained through the KPIs will empower us to make informed strategic decisions. By analyzing project trends and performances, we can begin to anticipate future needs, further support the prioritization of projects that align

with our long-term vision, and assist us with allocating resources optimally. This strategic planning will enable us to be proactive in addressing emerging opportunities and challenges.

Draft Development/Implementation Timeline

Timeline (2023/24)	Milestone(s)
August	• Develop FAC memo describing approach • Develop sample dashboard
September	• Present FAC Status Memo • Confirm data availability • Collect sample data • Confirm calculations
October	• Test the system and refine as needed
November	• Prepare/present FAC Report with live data
January 2024	• Begin reporting to management team

Conclusion

By leveraging internationally recognized indicators, the Town will gain the means to proactively monitor project performance, make data-driven decisions, and align with the FAC's mandate of prudent financial management. The benefits of adopting these KPIs are evident: enhanced visibility, informed decision-making, early issue identification, alignment with best practices, increased transparency, and support for strategic planning. Embracing the proposed KPI system will enable us to foster a culture of excellence, ensuring the successful execution of our projects and the continued growth and prosperity of the Town.

Attachments

Exhibit 1 - Sample Dashboard

Exhibit 2 - Sample KPI List