

---

# *City of Saskatoon*

## Workers' Compensation Board Benefits Administration Process Analysis Project

*April 15, 2019*

*Final*



---

April 15, 2019

City of Saskatoon Standing Policy Committee on Finance (“SPC on Finance”)  
222 Third Avenue North  
Saskatoon, SK S7K 0J5

**Report Summary - Workers’ Compensation Board (WCB) Benefits Administration Process Analysis**

**Recommendation:**

**That the attached Report Summary be received as information by the SPC on Finance.**

Please find enclosed a Report Summary for the above referenced project, which falls under the Committee’s delegated authority for the policy area of Finance.

The Statement of Work for this project was approved by the City Manager on July 4, 2018 and presented to the SPC on Finance as information on August 7, 2018.

Yours truly,



PricewaterhouseCoopers LLP  
Jesse Radu, CPA, CA  
Partner

# Report Summary

## Background

In the fall of 2018, PwC was engaged to examine the Workers' Compensation Board (WCB) benefits administration process related to time loss injuries for all civic operations for which the City of Saskatoon (the "City") is considered the employer, including the independent boards and agencies.

The objective of this project was to assist the City in improving the **effectiveness** and **efficiency, quality** of claims' data, and **equity** and **timeliness** of the WCB benefits administration process through the development of practical recommendations and an implementation roadmap.

## Approach

Our approach was designed to gain an understanding of the City's **responsibilities** to employees, its **relationship** with WCB and **common municipal practice**.

To capture all components of the operating model for the civic operations within scope, we examined five separate components related to time loss injuries and benefits administration.

Operating Model Component	Definition
<b>Process</b>	Sequenced series of manual or automated <b>activities with a start and an end point</b> , each of which requires inputs and produces outcomes within enterprise policies.
<b>Organization</b>	The <b>corporate and operational oversight</b> mechanisms that enable decision making. Formal and informal collaboration, consultation and information flows.
<b>People</b>	The mechanisms that drive utilization and performance of people by developing their <b>skills, knowledge and abilities</b> .
<b>Technology</b>	The <b>applications, data and infrastructure</b> components and how they are integrated to support an enterprise's operating model.
<b>Information</b>	The <b>communication and visualization of a set of facts</b> organized and sequenced to enable effective decision making.

We conducted a number of project activities to identify improvement opportunities, the results of which have been shared with Administration for consideration and implementation.

Outcomes	Activities
<b>Current State Analysis</b>	<ul style="list-style-type: none"> <li>• Documented current processes</li> <li>• Surveyed internal stakeholders</li> <li>• Conducted municipal benchmarking</li> </ul>
<b>Risk Assessment</b>	<ul style="list-style-type: none"> <li>• Developed risk assessment criteria</li> <li>• Evaluated gaps / risks</li> </ul>
<b>Future State Design</b>	<ul style="list-style-type: none"> <li>• Designed future state scenarios</li> </ul>
<b>Implementation Roadmap</b>	<ul style="list-style-type: none"> <li>• Developed a plan to close the gaps / mitigate the risks</li> <li>• Developed a change management approach</li> </ul>

## Summary of Results

Overall, findings from the **current state analysis** indicate that mechanisms to drive performance, such as skills and capabilities of the employees, are strong. Additionally, the applications and infrastructure to support a more efficient process across the operational teams currently exists and a substantial technology investment is not necessary.

The majority of the challenges identified by stakeholders are centered around multiple hand-off points and bottlenecks across the process, as well as a lack of sufficient data structures, analytics and reporting practices to support effective communication. Although certain challenges stem from third party relationships/agreements with WCB and the Unions, our assessment and resulting recommendations focus on process improvements that can be implemented within the City’s civic operations.

In conducting a **risk assessment**, we identified two key areas of risk and worked with process stakeholders to identify and assess control activities designed to mitigate these areas of risk.

## Recommendations

We identified three areas of recommendation in our **future state design** based on workshops held with internal stakeholders and our comparison of City of Saskatoon practices to those of two similar municipalities.

The **implementation roadmap** includes both quick wins and longer term solutions. With supporting change management and governance structures in place, we suggest that implementation could be completed within eight months using current resources.

### Recommendation 1

**Implementation Governance, Communication and Change Management:** Establish a governance structure for implementation of the new WCB operating model.

#### Implementation Activities:

- Formalize project governance roles and responsibilities
- Identify Change Champions
- Executive Sponsor communication to stakeholders to empower Change Champions
- Change Champions to facilitate information and awareness sessions
- Circulate updated procedure documentation
- Create FAQ and establish feedback processes
- Change Champions to provide coaching and on-the-job training to employees, supervisors, time and attendance clerks, human resources and corporate payroll clerks

**Implementation Timeline:** Upon project approval

### Recommendation 2

**Technology Solution:** Implement existing technology across the end-to-end process to improve data structures and information flow.

#### Implementation Activities:

- Update excel templates for employee pay estimate and reconciliation, and total pay reconciliation
- Create a shared drive with appropriate access controls
- Create electronic copies of all forms and templates
- Enable electronic sharing of information
- Complete forms electronically
- Prepare electronic pay estimates and reconciliations in a timely manner with appropriate approvals
- Provide additional input to IT in development of Workflow Automation Solution and reporting of key performance indicators
- Review results of IT functional tests and Change Champions to conduct User Acceptance Testing
- Implement Workflow Automation Solution

**Implementation Timeline:** 4-8 months after report approval

### Recommendation 3

**Role Realignment:** Realign existing roles, responsibilities and accountabilities to reduce multiple handoffs and bottlenecks.

**Implementation Activities:**

- Update accountabilities of process owners and assign approvers
- Update procedure documentation, by role, for each activity

**Implementation Timeline:** 3 months after report approval

### Recommendation 4

**Third Party Relationship Management:** Improve communication of information with third parties to identify further opportunities for improvement.

**Implementation Activities:**

- Involve unions and employees who have experienced time-loss injuries in the operating model implementation
- Reach out to WCB to advise them of planned changes to the operating model and provide an opportunity for comment
- Through improved data collection, reporting and monitoring, work with WCB and unions to identify opportunities to simplify the claim submission and follow-up activities

**Implementation Timeline:** Ongoing

## Closing Statement

We'd like to thank the City for the opportunity to assist with this project, and we sincerely appreciate the engagement of the staff involved in developing the recommendations.

*This document has been prepared only for the City of Saskatoon and solely for the purpose and on the terms agreed with you. We accept no liability (including for negligence) to anyone else in connection with this document.*

*© 2019 PricewaterhouseCoopers LLP, an Ontario limited liability partnership. All rights reserved. PwC refers to the Canadian firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see [www.pwc.com/structure](http://www.pwc.com/structure) for further details.*