# Organization Restructuring

## POLICY STATEMENT

The City of Hamilton is committed to an ongoing process of review and design of organization structures that align with business strategy, citizen services and the changes required to deliver what needs to get done.

This policy outlines the consultation and approval requirements for reorganization within and across City of Hamilton (“the City”) departments. Prior to any reorganization implementation taking place, the approval levels outlined in this policy must be obtained.

## SCOPE

This policy applies to all City Departments.

## DEFINITIONS

**Organizational Structure**

Organizational structure determines where authority is located and is comprised of organizational components, their relationship and hierarchy. The structure is what is shown on a typical organization chart.

**Reorganization (Restructuring)**

Refers to any change in reporting relationship; reallocation of fundamental duties or responsibilities, or, addition or reduction of a section, division, or department.

**Minor Reorganization**

A minor reorganization would be one that is contained within a division and is within the approved budget.

**Major Reorganization**

Any of the following changes would result in a major reorganization:

- has division-wide or department-wide impact
- changes the number of levels of management
- is outside the approved division/department budget

## Consultation & Approval Requirements

**All reorganization changes must be within the approved corporate budget, otherwise Council approval is required.** All reorganizations need to be consistent with collective agreements and Human Resources policies, including Job Evaluation, Request to Post and Fill a Vacant Position, as well as Corporate Budget policies, specifically, Budgeted Complement Control and Budget Control. Human Resources can advise on relevant human resources policies and procedures.

**Consultation Required**

- Once it has been determined that a major or minor reorganization is required, **there must be consultation** with the Department General Manager & Executive Director of Human Resources (or designates) prior to implementation.
- Departments are required to consult with Human Resources prior to changing position titles.
- Departments are required to consult with Human Resources before engaging an external consultant to perform any organization design work.
Pre-Approval Requirement
The General Manager and the Executive Director of Human Resources (or designates) are required to provide the City Manager with the following information in memo format for pre-approval prior to moving forward with a major reorganization:

- reorganization plan overview,
- rationale for the organizational change,
- comparison of the current organizational chart and the proposed organizational chart,
- financial impact outlining cost-benefit analysis (severance costs, computer user fees, licensing agreements, increased salaries, increased/decreased complement, etc.),
- staffing impacts including workplace culture, supportive work environment, workplace health and safety requirements, impacts on individual employee health,
- change communication strategy that enables a healthy transition for impacted employees including, where possible, a plan to engage employees in the restructuring process,
- other relevant information, and
- final recommendations.

Final Approval Requirements
- All minor reorganizations need to be approved by the applicable General Manager or equivalent.
- All final recommended major reorganizations need to be approved first by the General Manager and the Executive Director, Human Resources (or designates), and then the City Manager. The Senior Management Team is informed of the outcome.
- Prior to City Manager’s final approval, Council consultation is required if reorganization involves:
  - changes to first level senior management and statutory officials of the City in accordance with By-Law 08-307,
  - a change to citizen facing service delivery that will directly impact the public,
  - transfer of budgeted complement between divisions or departments,
  - a change to the overall approved corporate budget.

Communication
- The City Manager and General Managers communicate all major reorganizations to members of Council, their departments and other areas of the organization as per change communication strategy.
- For reorganization changes that result in a new contact person for services aligned with the City’s political Wards, the department is responsible for providing this information update to impacted members of Council.

RELATED DOCUMENTS
- Budgeted Complement Control Policy
- Budget Control Policy
<table>
<thead>
<tr>
<th>Corporate Policy</th>
<th>Human Resources</th>
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<tr>
<td>Policy No: HR-54-12</td>
<td>Council Approved: 2012-04-25</td>
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- By-Law No. 08-307 To Appoint and To Prescribe the Duties and Responsibilities of the Chief Administrative Officer
- Organization Structure/Restructuring Guidelines

**HISTORY**

This policy was drafted by Human Resources and reviewed by Senior Management Team. SMT approved policy on 2012-03-08 and made refinements 2012-03-22.

**APPROVAL**

Council approval 2012-04-25