



City of
Peterborough

TO: Members of the Joint Services Steering Committee

FROM: Tom Sayer, Board Chair, Peterborough Economic Development

MEETING DATE: October 10, 2013

**SUBJECT: Report PEDJSSC13-002
Peterborough Economic Development Performance Measures**

PURPOSE

A report to recommend that the Joint Services Steering Committee endorse the 2014 Performance Measures proposed by Peterborough Economic Development to fulfil a requirement of the Agreement between the organization and the Corporation of the City of Peterborough and the Corporation of the County of Peterborough dated December 2012.

RECOMMENDATION

That the Joint Services Steering Committee endorses the recommendation as outlined in Report PEDJSSC13-002 dated October 10, 2013 by the Board Chair of Peterborough Economic Development, as follows:

That the proposed measures be endorsed for presentation to the respective Councils of the City and the County as per Section 4.02 c) of the Agreement dated December 2012.

BUDGET AND FINANCIAL IMPLICATIONS

There are no direct budget or financial implications arising from this report. The activities and measurement system required are part of GPA EDC's (referred to in this document as Peterborough Economic Development) operating budget.

BACKGROUND

Peterborough Economic Development acts as the primary economic development organization of the region of Peterborough. The organization has the responsibility for the provision of economic development and tourism activities within the City and County of Peterborough. The terms and conditions of the delivery of these services are contained in an agreement between the three parties which comes up for renewal every four years.

Prior to the development of the December 2012 agreement, the Board of Directors of Peterborough Economic Development instructed the Executive Committee to ensure that the new agreement improves the understanding of Peterborough Economic Development's activities and outcomes amongst the Peterborough Economic Development's primary stakeholders and the residents of the Peterborough Region. The Executive proposed a modified format that moved description of the core activities into an appendix of the agreement (Appendix A) that would be reviewed annually to ensure the activities are aligned with the strategic direction of the County and City of Peterborough. In addition, it was proposed that two additional appendices be created:

- i) Appendix B containing measures to demonstrate the progress of Peterborough Economic Development in achieving its strategic plan and also to demonstrate the impact of the Corporation's actions and programmes on key measures of Economic Development in the City and County of Peterborough
- ii) Appendix C containing additional services provided by Peterborough Economic Development to the City, the County or both that are funded outside of the base funding provided by the Agreement.

The December 2012 agreement indicated that in the last quarter preceding the fiscal and calendar year, the Board would present to the Joint Services Steering Committee and to each Council a set of measures that will be used to monitor and guide Peterborough Economic Development's actions in the upcoming year. The proposed metrics for Appendix B are the subject of this report.

Performance measurement is not a simple task for Economic Development. Measures such as reduced unemployment or increased average wages can be measured but determining the impact of a specific set of activities can often be difficult due to the number of uncontrollable factors at play. Historically, measures of inputs (dollars spent, human resources applied) and outputs (events held, calls made, trade shows attended) have been used to demonstrate the effort being expended because outcomes (impact) were too difficult to measure. More recently, stakeholders in all sectors have become insistent on accountability and demonstrating impact. Performance Measurement Systems focused on outcomes are currently encouraged by international (IEDC), national (EDAC) and provincial (EDCO) economic development organizations.

The 14 measures which are being proposed for Appendix 'B' of the agreement are fully integrated into the operation of Peterborough Economic Development's work plans. In 2012 Peterborough Economic Development developed a Performance Measurement System based on the Balanced Scorecard model. The full organization, with the facilitation of a consultant, was engaged in the development of the System and the individual scorecards upon which it is based. It was decided that the Key Performance Indicators in the scorecards would emphasize outcome measures rather than activity measures. Each staff scorecard has a maximum of 13 objectives, the top 3 being weighted to generate fifty percent of the total score. The KPI's are measured on a monthly, quarterly or annual basis depending on the nature of the objective. This generates over 200 objectives which flow into the 13 organizational performance indicators that make-up the President and CEO's Score Card which is reviewed quarterly by the Board of Directors. These thirteen metrics plus Director level metrics make up the KPI's which are being recommended as Appendix 'B' of this report. (There is no Appendix A, 'B' is used to maintain consistency with the Agreement.)

2013 was the first year for this measures focused process. Based on the experience gained in 2013 and the evolving relationship with GPIC, some of this year's measures have been modified.

Upon Joint Services Steering Committee approval of the annual measures, they will be presented to both Councils for approval.

Submitted by,

Dan Taylor
President and CEO
Peterborough Economic Development

Tom Sayer
Board Chair
Peterborough Economic Development

Contact Name:
Tom Sayer
Phone: 705-760-6310
Fax: 705-743-3093
E-Mail: tsayerx@nexicom.net

Attachments:
Appendix B: Peterborough Economic Development's 2014 Annual Performance Measures

APPENDIX B

GPAEDC 2014 ANNUAL PERFORMANCE METRICS

Corporate Mission

1. Business Retention and Expansion

- 1.1. Achieve **60** business start-ups, relocations or expansions by Peterborough Economic Development clients.
- 1.2. Peterborough Economic Development client announcements of additional jobs or retention which will over the course of one year result in the net addition/retention of **130** jobs.
- 1.3. Achieve an economic impact on the community of \$2,000,000 measured in Gross Domestic Product (or equivalent) not including Tourism impact.
- 1.4. Achieve an economic impact on the community from Tourism operations of \$1,000,000 as measured with Tourism Regional Economic Impact Model (TREIM) includes meetings, conferences and events secured.

2. Key Economic Development priority achievement

- 2.1. Build, maintain and support a Key Relationship file with a **minimum of six (6) clients** considering new business investments in the next two years; each representing an investment of over **\$5 million**. (Investment includes real estate, payroll, operations and capital).
- 2.2. Build, maintain and support a Key Relationship file of over **8 clients** considering new investments at the Airport or in the Aviation segment.
- 2.3. Collaborate with Greater Peterborough Innovation Cluster on an Innovation Technology Company file with a minimum of ten (10) clients considering new business investments in the next two years.

3. Quality of Life – regional income level increase

- 3.1. 20% of the jobs created by PED clients will have an average wage rate greater than X\$/hr, the average wage rate for the region.

Financial

4. Financial Responsibility

- 4.1. Manage a **balanced budget**

5. Financial value added leverage to the City and County investment in the GPAEDC

- 5.1. Leverage a **minimum of \$ 275,000 of additional investment** for economic development activities in the region from sources external to the City and County.

Stakeholder Awareness and Satisfaction

6. Service Satisfaction

- 6.1.** Achieve a **minimum 90% satisfaction rate** from business stakeholders in the service and value of their interaction with Peterborough Economic Development. Awaiting benchmark from this year's survey
- 6.2.** Achieve a **minimum 90% satisfaction rate** from visitors interfacing with GPAEDC Tourism operations
- 6.3.** Achieve a **minimum 90% satisfaction rate** from City/County politicians and senior administration on the GPA EDC management of City and County priorities. Awaiting benchmark from this year's survey

7. Awareness of Peterborough Economic Development's Role

- 7.1** Maintain a 75% awareness level by the community of the organization's role.