

Project Background

The Water Bureau is developing a Strategic Business Plan (SBP) that will be a five-year road map to making changes in the bureau to meet current and future challenges and opportunities. The heart of the SBP is an analysis of the risks the bureau faces and strategies to address those risks. With the help of customers, employees, and partners, the bureau will develop a plan that considers the needs of all the communities it serves. The SBP is anticipated to be completed in the summer of 2019.

PROJECT PHASES

- Task A. Organizational Scan
- Task B. Risk Assessment and Strategy Development
- Task C. Strategic Business Plan Development

Current Phase: Risk Assessment and Strategy Development

Refining the risks:

All 675 identified risks were sorted, refined, and combined into 67 strategic risks through a deliberative process administered by an interdisciplinary team of 10 bureau employees from throughout the organization.

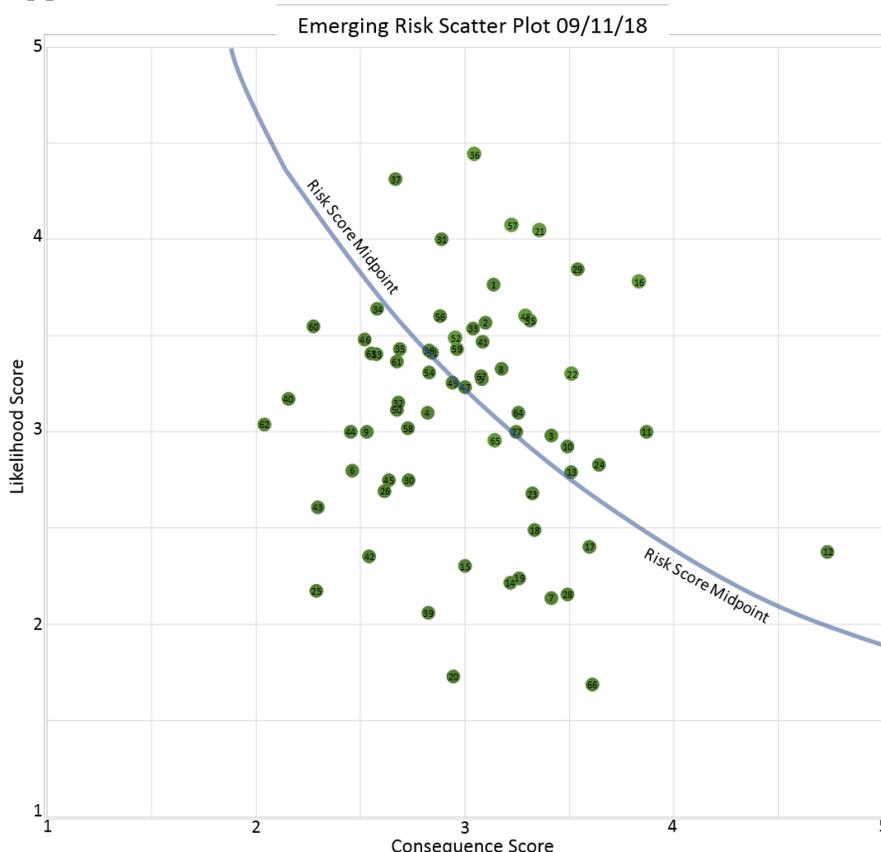
Scoring the risks:

The Water Bureau applied the Asset Management approach of scoring strategic risks by likelihood and consequence to help guide prioritization decisions.

- Likelihood = How likely is the risk to occur?
- Consequence = What would happen if the risk occurred?

Both likelihood and consequence were scored using a one to five scale, and then combined to determine the potential severity of the strategic risk.

The Water Bureau’s Management Team, the direct reports to Management Team, and the SBP Team scored the likelihood and consequence of all 67 strategic risks in August and September. The averages of these scores and the use of a Risk Tolerance Line (in blue on the graph) set at the midpoint risk score were used to help the Management Team prioritize which strategic risks will be used to inform the SBP.



Choosing Strategic Risks to be Assessed

The Management Team consulted direct reports and SBP Team members for advice on what to consider when choosing the risks. This feedback was used to determine that all risks scored above the Risk Tolerance Line should be considered and examined through the following set of criteria:

- Could the bureau significantly mitigate the risk?
- Would addressing this risk align with the bureau’s Guiding Statements?
- Is the bureau currently engaged in significantly addressing the risk?
- Are there potential cost effective mitigations?
- Could change be measurable and/or demonstrable?
- Is there a likely champion within the bureau to lead the mitigation effort for the risk?

23 strategic risks were decided upon, and then grouped to create 12 risk categories:

Ensuring a Reliable Groundwater Source	Preserving Affordability for Customers	Promoting a Collaborative Workplace & Culture	Acting as an Engaged City Partner
Leading as a Workplace of Choice	Demonstrating Accountability	Protecting Customer Data	Enhancing the CIP Process
Being Prepared and Resilient	Becoming a Trusted and Inclusive Public Utility	Planning and Preparing for Climate Change	Fostering an Equitable and Diverse Workplace

From October to January, the Bureau will assess, strategize, and recommend viable management strategies for these selected risks to consider in crafting the SBP.

Project Budget and Status

CONSULTANT BUDGET

Phase	Phase Budget	Spent-to-Date*
Task A. Organizational Scan	\$58,000	\$55,400
Task B. Risk Assessment	\$92,000	\$45,800
Task C. SBP Development	\$90,000	\$2,750

*As of August 30, 2018

STATUS UPDATE

