



STRATEGIC PLAN IMPLEMENTATION PROGRESS REPORT

TO:	SET/Board of Directors
MEETING:	Board: September 29, 2015
FROM:	Judith Purves, Executive Vice-President and Chief Financial Officer Heather Conway, Executive Vice-President, English Services Louis Lalande, Executive Vice-President, French Services Marco Dube, Interim Vice-President, Strategy and Public Affairs
PURPOSE:	Quarterly Update Report on the Five-Year Strategy Implementation Plan
DATE:	September 22, 2015

Note: The Strategic Plan Implementation Progress Report now includes the financial and FTE reduction information previously reported in the Reduction Plan Progress Report. This brings all strategic plan reporting into one report and allows for the elimination of the Reduction Plan Progress Report.

The Reduction Plan Progress Report tracked:



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HIGHLIGHTS – PROJECTS



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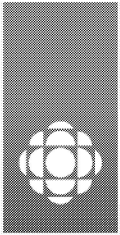


HIGHLIGHTS – PROJECTS



HIGHLIGHTS – FINANCIAL & FTE

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FINANCIAL SUMMARY



FIVE-YEAR IMPLEMENTATION PLAN DASHBOARD

2014/15		2015/16		2016/17		2017/18		2018/19					
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

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PROJECT SNAPSHOTS

LEGEND

▲ = Done

Blue font indicates changes since June Board Report

1 & 2 - LOCAL

Project Objective: By 2020, we will be present in local communities more often, in more places, and in more ways – but at less cost. This entails 2 key components: Transforming to “mobile first” by shifting resources from TV to digital (over time), and delivering baseline services to all regions with incremental services in some markets based upon defined criteria.

2014/15		2015/16		2016/17		2017/18		2018/19	
Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M

▲ = Done; Blue font indicates changes since June Board Report



3 & 4 - PRODUCTION

Project Objective: The Corporation will focus on content commissioning and significantly reduce internal production, excluding news, current affairs and radio.

2014/15		2015/16				2016/17				2017/18				2018/19			
Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M

▲ = Done; Blue font indicates changes since June Board Report

3. In-House Production – English Services

4. In-House Production – French Services



5. PRODUCTION - SALE OF MOBILES

Project Completed

Project Objective:

2014/15		2015/16		2016/17		2017/18		2018/19	
Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M

▲ = Done; Blue font indicates changes since June Board Report

6, 7 & 8 - MUSIC

Project Objective: Continue to operate Radio 2 and ICI Musique as national music radio networks focussed on the discovery and enjoyment of Canadian music talent in a variety of genres, at a significantly lower cost while maintaining/increasing performance with audiences. Consolidate CBC Music.ca and ICI Musique.ca on the same technology platform, providing a consistent user experience and transition to digital as audience behaviour changes.

2014/15		2015/16		2016/17		2017/18		2018/19									
Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M

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9 & 10 - INFRASTRUCTURE

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2014/15		2015/16				2016/17				2017/18				2018/19			
Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M
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11 - ORGANIZATIONAL DESIGN AND IMPLEMENTATION

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2014/15		2015/16				2016/17				2017/18				2018/19			
Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M



12 - WORKFORCE PLANNING

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2014/15		2015/16				2016/17				2017/18				2018/19			
Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M

Project Objective: Ensure that people resources are available to deliver the strategy and better reflect Canada in our workforce. An improved sourcing

-



14 & 15 – REAL ESTATE (MRC AND TBC)

Project Objective: By 2020, CBC/Radio-Canada will have reduced its real estate presence by half, representing approximately 2 million square feet.

2014/15		2015/16		2016/17		2017/18		2018/19	
Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M	Q1 A-J	Q2 J-S	Q3 O-D	Q4 J-M

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14. MRC – Scope includes defining requirements through to construction and moving into the new building

Key Milestones: ▲

1. Proponent's proposal preparation and submission (Done)
2. Consortium's offer rejected on May 7, 2015 (Done)
3. New plan for alternatives in preparation
 - Brokers selected (Done)
 - Alternate offers analysis and recommendation (Mar 2016)
4. Treasury Board Approval (Mar 2017)
5. Closing (Jul 2017)
6. Construction and delivery (Jul 2019)

Progress to date:

- Requirements defined
- Professional advisors hired
- RFI, RFQ and RFP completed
- Proposal evaluated and rejected
- Scenario Options Analysis being revised



APPENDICES

Financial Efficiencies by Component

Workforce Adjustment Tracking

Strategic Context



ENGLISH SERVICES

English Services Budget Reductions/Savings - Forecast as of Q1 2015/16

		Forecast as of Q1 2015/16											
		2014/15		2015/16		2016/17		2017/18		2018/19		2019/20	
		\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE
Local:													
Local - Gross reductions													
Local - Reinvestments													
Total Net Reductions / Savings - Local													
Music - Reductions / Savings:													
Reimagine Radio 2 - Gross reductions													
Integration of digital platforms - Gross reductions													
Total Net Reductions / Savings - Music													
Production (one-studio):													
Production - Reductions													
Loss of External Production Revenues													
Total Net Reductions / Savings - Production													
Efficiencies and Others:													
Total - Efficiencies and Others													
Total - English Services													

English Services - Down

Expected Downsizing Costs:	
Local	
Reimagine Radio 2	
Integration of digital platforms	
Production (one-studio)	
Efficiencies and others	
Total - Expected Downsizing Costs	
Other One-Time Costs:	
Local	
Reimagine Radio 2	
Integration of digital platforms	
Production (one-studio)	
Efficiencies and others	
Total - Other One-time Costs	
Total Downsizing and Other One-Time Costs	



NON-MEDIA SERVICES

Non-Media Services Budget Reductions - Forecast as of Q1 2015/16

	Forecast as of Q1 2015/16											
	2014/15		2015/16		2016/17		2017/18		2018/19		2019/20	
	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE
Efficiencies and others:												
Office of the President and CEO												
Brand, Communications and Corporate Affairs												
Shared Services												
Finance and Administration												
Corporate Research												
Media and Enterprise Technology Services												
Legal and Real Estate Services												
People and Culture												
Training and Development												
Infrastructure - Satellite transponder savings												
Infrastructure -												
Total - Non-Media Services												

Non-Media Services - Downsizing and One-Time Costs - Forecast as of Q1 2015/16

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Expected Downsizing Costs:							
Brand, Communications and Corporate Affairs							
Shared Services							
Finance and Administration							
Corporate Research							
Media and Enterprise Technology Services							
Legal and Real Estate Services							
People and Culture							
Training and Development							
Total - Expected Downsizing Costs							
Other One-Time Costs:							
Infrastructure -							
Total - Other One-time Costs							
Total Downsizing and Other One-Time Costs							



WORKFORCE ADJUSTMENT TRACKING

Tracking to Plan - 2014/15 to 2019/20 at Q1 of 2015/16				
ACTION	English Services	French Services	Corporate Services	TOTAL ¹
Vacancies abolished				
Contract non-renewal				
Reassignments and Redeployments				
Other (End of temporary or probationary employment, etc.)				
Sub-total - Attrition				
Redundancy Notices				
Layoffs				
Substitutions				
Contract non-renewal with severance				
Sub-total - Departures with severance				
To be determined ²				
Total Reduction (Headcount) ³				
Variance between FTEs and headcount ⁴				
TOTAL Reduction (FTE) excl. Org Design ³				
Organisational Design				
TOTAL Reduction (FTE) incl. Org Design				
Expected FTE increase from reinvestments				
Net Reduction in FTEs				
Anticipated reduction for 2014/15 to 2019/20 presented to the Board in November 2014 ¹				
<i>Downsizing costs recognized (April 1, 2014 - June 30, 2015)</i>				
Downsizing costs estimate at Q1 2015/16 ¹				
Downsizing costs estimate per Five Year Plan ¹				
Variance				
NOTES:				



STRATEGIC FRAMEWORK

MISSION

CBC/Radio-Canada expresses Canadian culture and enriches the life of all Canadians, through a wide range of content that informs, enlightens, and entertains.

VISION

In 2020, CBC/Radio-Canada will be the public space at the heart of our conversations and experiences as Canadians.

5-Year Objectives

1. Through our distinctive content, increase and deepen our engagement with Canadians; inspire them to participate in the public space
2. Change our infrastructure to allow increased simplicity, flexibility/scalability, and collaboration.
3. Build a culture of collaboration, accountability, boldness, action and agility, with a workforce that reflects the country.
4. Achieve sustainable financial health, including ability to invest for the future

5-Year Strategy Themes

1. **Content:** Start with the audience and focus
2. **Infrastructure:** Re-imagination and continuous improvement
3. **Culture:** Simplify, empower, and create urgency
4. **Financial:** Financial sustainability

Content Statement: Our programming needs to be contemporary and distinctly Canadian: smart, unique, distinctive from the privates, creatively ambitious, and slightly risky.