

# Business Plan

Fiscal Years 2023/24 to 2025/26

March 2023

Supply  
Ontario



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# Message from the Chair

On behalf of the Board of Directors, it is my pleasure to introduce Supply Ontario's first multi-year business plan.

Events over the last several years have reinforced the need for a proactive, coordinated approach to strengthening the province's supply chain resilience. Supply Ontario has an ambitious mandate to work across sectors such as health care, education and others, to drive greater value for tax dollars, ensure a more resilient public sector supply chain and support economic development.

It is an honour to serve as Supply Ontario's Chair alongside a committed Board of Directors and executive team with the specialized expertise to deliver benefits for generations to come. We are pleased to welcome Jamie Wallace in the role of President and Chief Executive Officer. Jamie brings a depth of leadership experience and tremendous insight in the public and private sectors that will be of great value to the agency.

Improving coordination of purchasing decisions across over 6,000+ broader public sector entities is a bold undertaking. So too is building an organization from the ground up and learning the intricacies of a complex supply chain ecosystem while operating under the constraints of the largest public health crisis in a century. Supply Ontario's team has maintained an unwavering commitment, with motivation to meet every challenge as we look ahead to our future business needs.

The next three years will be critical as Supply Ontario seizes early opportunities to demonstrate value, scale its business and, for the first time in Ontario's history, make integrated procurement and category leadership decisions that harness Ontario's full purchasing power.

The Board has confidence and great optimism in the agency's ability to achieve the strategic goals set out in this business plan.

Paul G. Smith  
Chair, Board of Directors  
Supply Ontario



# Message from the President and Chief Executive Officer



Supply Ontario was created in the midst of the COVID pandemic to ensure school, hospital and public sector workers have the critical supplies and equipment they need to keep individuals and families safe, and to modernize government procurement to support innovation, job creation and economic growth.

Every year, Ontario spends some \$30 billion on goods and services ranging from pacemakers and bandages to laptops and software programs. Those purchases are made by more than 6,000+ public sector entities without broad or inclusive coordination or focus on the potential for rationalized procurement to improve patient care, help businesses grow and find efficiencies that can be reinvested back into public services.

With a public sector supply chain as large and complex as ours, transformation will take time. However, we are already working in partnership with shared services organizations that procure for many public sector organizations, have identified priority projects that will drive innovation and create opportunities for manufacturers and working with government to reshape our public sector supply chain.

It is a privilege to lead Supply Ontario at this critical time in its early history, and during a period of immense opportunity. Over the next three years, we will work to harmonize multimillion-dollar contracts, adopt a robust public sector category management model, support the government in bringing new procurement opportunities to market and build a supply chain that is resilient enough to support Ontarians during unforeseen emergencies.

We have great work ahead to create a whole-of-government approach to purchasing goods and services. As our agency matures, I look forward to increasing our impact on public sector procurement, working closely with government, industry partners and stakeholders at every step.

Supply Ontario is well-positioned to modernize public procurement in our province, and we look forward to making a positive difference for Ontarians.

Jamie Wallace  
President and CEO  
Supply Ontario

# Executive Summary

Ontario's public sector supply chain is large and complex. Across the public sector—including government ministries, provincial agencies, hospitals, school boards, colleges and universities and social services organizations—there is an opportunity to improve the way we buy an estimated \$30 billion in goods and services each year.

A strong and well-coordinated public sector supply chain ensures the best value for taxpayer dollars, delivers the goods and services people need every day without interruption and supports economic development.

We characterize value not only by price, but also by the quality of products and partnerships, the reduction of red tape and how we have advanced diversity, equity, inclusion, reconciliation, innovation, economic opportunity and environmental, social and governance priorities.

Further, the last three years have demonstrated the importance of a reliable and resilient supply chain. Supply Ontario will continue to strengthen the province's supply chain resilience, ensuring that we will always be ready with a rapid response to unexpected events and reliable access to critical products. To support this objective, Supply Ontario will work closely with government partners to transition the leadership of Ontario's personal protective equipment (PPE) and other critical supplies and equipment (CSE) supply chain to the agency and develop an emergency stockpiling strategy.

From our early days in building up the agency, we made it a priority to meet with key stakeholders and supply chain leaders so we could better understand the complexities of the fragmented provincial system in which we operate and the global supply chains upon which we rely. These engagements help us gain insight into challenges and opportunities we will face in advancing our mandate.

A central component of Supply Ontario's work will be to provide cross-sector category leadership and identify opportunities to harmonize and optimize contracts to achieve greater savings, better outcomes and more consistency across the system. This past year, we began delivering on this objective by testing the benefits of collaborative province-wide sourcing opportunities.

Another area of focus for us is building a modern, cutting-edge data and analytics capability, which will be essential to identify opportunities and make informed decisions on how to buy smarter together. In 2022, we initiated the largest spending data aggregation exercise in Ontario's public service history.

This business plan serves as a guide for our strategic and phased approach to growth over the next three years. In the year ahead, we will continue to work with our partners to identify opportunities and move them into action, including developing strategies to implement procurement modernization (e.g., value-based procurement) and leveraging the Building Ontario Businesses Initiative to provide Ontario businesses with greater access to public procurement opportunities. Through these efforts, we can demonstrate value, increase momentum, build credibility and begin to incorporate lessons learned as we expand our capacity and extend our visibility.

As our capacity increases through subsequent years, we will work with stakeholders to unlock and pursue strategic opportunities in more complex sectors and categories. As our agency matures, we will look to adopt a robust category management model, with tailored approaches that recognize the system's vast complexity and enable Ontario to fully leverage its provincial purchasing power.

At the conclusion of our three-year planning horizon, we will have made incremental, concrete and measurable progress towards improving contracts, managing public sector spend and reducing fragmentation across the Ontario Public Service (OPS) and broader public sector (BPS), which includes Ontario's health and education sectors. Along this journey, we are committed to remaining a trusted partner to our stakeholders through consistent, credible execution and regular engagement.

# Mandate, Vision, Mission and Values

## Mandate

Supply Ontario is a Crown agency established by regulation (O. Reg. 612/20) under the *Supply Chain Management Act (Government, Broader Public Sector and Health Sector Entities), 2019* (the "SCMA"). The agency's mandate is to improve procurement across much of the public sector by providing and supporting supply chain management and procurement activities for prescribed entities, including:

- **Government** – such as ministries, provincial agencies, the Independent Electricity System Operator, and Ontario Power Generation and its subsidiaries
- **Broader public sector** – such as school boards, publicly-funded post-secondary educational institutions, children's aid societies, and shared services and group purchasing organizations that procure for these entities
- **Health sector** – such as hospitals, the Ottawa Heart Institute, and shared services and group purchasing organizations that procure for these entities

Supply Ontario has authority under O. Reg. 612/20 to collect the following information from entities:

- Current inventories of any goods and future inventory requirements
- Current and future procurement activities
- Supply chain opportunities, contingencies, and constraints
- Information about contracts related to the procurement of goods or services
- Any other information related to supply chain management or vendor performance that Supply Ontario specifies

The regulation also provides Supply Ontario with the authority to issue notice to covered entities that provides direction and guidance regarding supply chain management activities.

## Vision, mission and values

Supply Ontario continues to test its delivery, learn and adjust as the agency grows into its mandate. The guiding vision is focused on harnessing buying power to enable value creation, resilience and economic opportunity for Ontarians. Supply Ontario will realize its vision by bringing cohesion across the public sector on its procurement spend, embracing innovation through leveraging partnerships and relationships with suppliers. Supply Ontario is also establishing a culture that is grounded in core values. While these values continue to be finalized, collaboration, transparency and trust are key.



### **Vision:**

Supply Ontario's vision is to harness Ontario's buying power to enable economic development, province-wide resilience, and value for Ontarians.

### **Mission:**

Bring cohesion to the public sector supply chain by embracing innovation and leveraging diverse partnerships and relationships with suppliers.

### **Values:**

Collaboration, transparency and trust.



# Three-Year Strategy and Delivery Plan (2023/24 to 2025/26)

## Supply Ontario's path forward

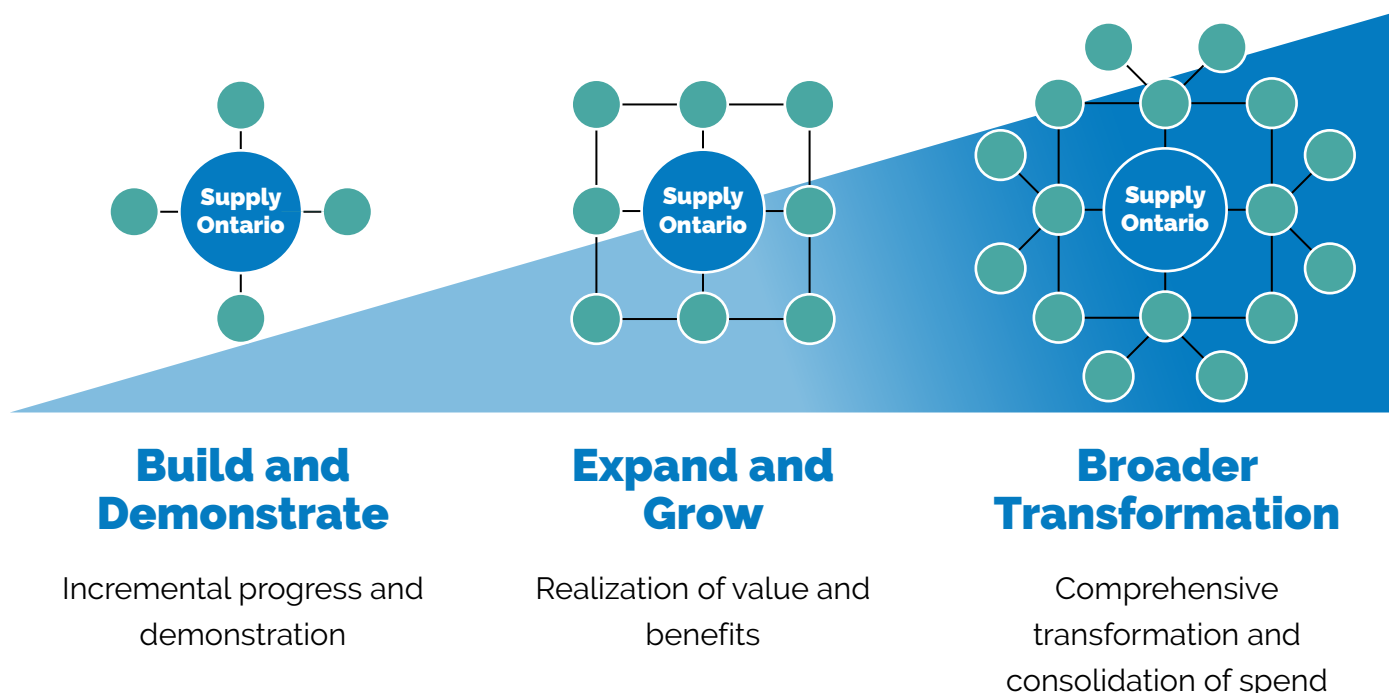
Supply Ontario's business is to enable a whole-of-government approach to purchasing goods and services. The agency will leverage the province's buying power to ensure consistent access to high-quality and reliable products at the best value for the people of Ontario, and in doing so, increase opportunities for Ontario suppliers.

The path forward begins with a focus on low-complexity procurement opportunities that produce value for taxpayers while the agency collaborates with stakeholders, gains experience and builds trust within and across sectors.

In the medium term, Supply Ontario will expand and grow its focus to address value generation opportunities within more complex products and services. This incremental approach enables Supply Ontario to increasingly understand and incorporate unique and diverse needs across categories and sectors.

In the longer term, Supply Ontario will continue moving toward a full-scale category management model, with varying delivery approaches across the public sector.

## Agency maturity



Along this path, Supply Ontario will continue to mature as a new organization by growing its workforce capabilities and expertise over the course of this three-year business plan. The path forward includes approaching any new opportunity or problem with the assumption that the solution should be as digital as possible. This will ultimately translate to a better, more seamless digital experience for vendors and purchasers.

When fully operational, Supply Ontario will be required to store, move and work with substantial amounts of data. Through a phased approach, Supply Ontario will build a core analytics function that can securely manage data from procurement to distribution. In the near term, Supply Ontario will focus on establishing data ecosystem governance, stewardship and infrastructure to help standardize and store raw data. Over the longer term, Supply Ontario will build capacity to aggregate and share data.

The path forward approach is founded on dedicated stakeholder relationship building and collaboration. With strong trust between Supply Ontario and its stakeholders, the agency will deliver robust accountability, coordination and value across the public sector supply chain in the short term while taking a measured and thoughtful approach to achieving the agency's mandate in the long term.

## **Strategic framework and priorities**

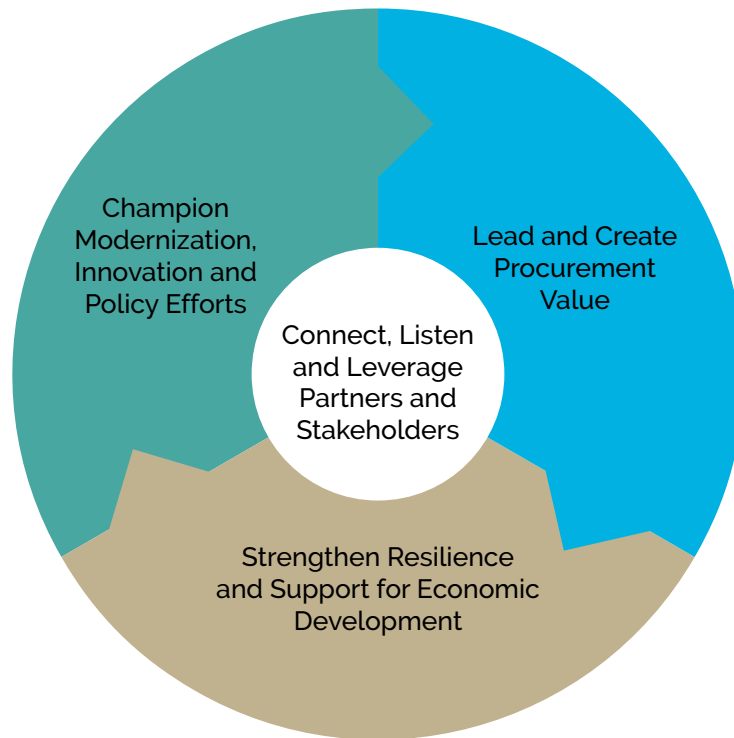
Supply Ontario's strategic framework is anchored in engaging government and stakeholders whose perspectives can be leveraged to inform how the agency plans to champion modernization and innovation, strengthen supply chain resilience, and create procurement value in Ontario.

There is a diverse group of stakeholders across the public supply chain ecosystem, and it is important to connect with them, listen to the challenges they face and leverage opportunities to work together in delivering the agency's mandate.

To position the agency for delivery success, Supply Ontario needs to grow its leadership ability to create value through procurements. Scaling up its corporate capabilities will ensure the agency has the right people, processes and systems in place to operate efficiently and effectively in unlocking better value for taxpayer dollars spent on public sector procurements.

As Supply Ontario builds its organizational and delivery capacity, it will champion a modern and innovative public supply chain ecosystem that is enabled by data-informed policy, responsive to Ontario's purchasing needs. Understanding current local and regional supply chain challenges will help in identifying opportunities to grow and nurture these markets so they can be resilient. This will further strengthen the province's supply chain so that Ontario is better prepared and can rapidly respond to unexpected events.

Together, the components of this strategic framework focus Supply Ontario's mandate along the core benefits that the agency will deliver by harnessing Ontario's buying power and buying smarter together.



## 1. Connect, listen and leverage partners and stakeholders across various sectors and communities

Supply Ontario recognizes the importance of stakeholders in the transformation of Ontario's supply chain ecosystem, which is why stakeholders have a central role in informing how the agency's mandate will be delivered.

The public supply chain ecosystem is comprised of a diverse group of stakeholders, including ministries, provincial agencies, the broader public sector, vendors, manufacturers, service providers, purchasing organizations, distributors, sector associations and the Ontario public who utilize government services and are served by the public sector.

As there are many players in the supply chain ecosystem, it is vital that Supply Ontario understands this complex world thoroughly and ensures it can connect with stakeholders in a meaningful and direct way.

Supply Ontario's stakeholder engagement strategy is anchored in connecting with, listening to and leveraging stakeholders to inform and support the delivery of the agency's transformative mandate.

Building on this strategy, the agency will continue to embed regular two-way engagement with key stakeholders into its approach to doing business. In doing so, Supply Ontario aims to strengthen relationships, identify opportunities for improved partnerships, align key deliverables that meet government and agency objectives, help to inform government policy and build greater awareness of the agency's mandate. As a subset of this, the agency will consider opportunities to establish strategic partnerships to help deliver on priorities.

As Supply Ontario continues to grow, it will make connections between key stakeholders to seize opportunities, advance value creation, create clarity and remove static so that obstacles are cleared for partners and success can be achieved. In addition, Supply Ontario will work to identify and fill gaps in the system through proactive information sharing and relationship building that enables the agency to champion modernization and innovation, strengthen resilience in the public supply chain and support economic development.

### **Priority**

- 1.1** Leverage expertise and experience in the sector and be a trusted, reliable partner for all stakeholders.

## **2. Strengthen Supply Ontario's ability to lead and create procurement value**

### **Leadership ability**

Supply Ontario is building the capacity to be a leader in public supply chain management by making the right investments in people, processes and systems. The agency's ability to create procurement value and drive better value for money is directly linked with the establishment and stabilization of its corporate capabilities. Achieving greater economies of scale, advancing province-wide sourcing, and accelerating initiatives that deliver benefits to Ontarians require the agency to have strong corporate foundations, business processes and a highly-skilled workforce.

Supply Ontario is committed to building a consistently positive employee experience and fostering an inclusive, collaborative and strong culture. This will help Supply Ontario to attract and retain talented, engaged, and energized staff and begin delivering on its strategic objectives.

In 2023/24, the agency will stabilize its fundamental organizational systems including the implementation of an enterprise resource planning (ERP) system that will integrate core business functions. Further, the development of an enterprise program management function and a benefits realization framework will allow Supply Ontario to track, analyze and report on the impact of its work.

### **Procurement value creation**

Supply Ontario will identify and execute on opportunities to integrate purchasing activities that are currently fragmented across Ontario's public sector, making concrete, iterative progress towards creating value for Ontario by pursuing opportunities to optimize and standardize procurement.

Creating value through strategic contract harmonization and increased adoption across the public sector is the beginning of Supply Ontario's plan to develop a provincial category management strategy and sector-specific action plans. Included in the action plans will be a multi-year approach to address decentralized supply chain organizations and purchasing activities for each sector as well as a methodology for measuring value, establishing baselines and identifying time-specific targets. When measuring value, the agency will go beyond the lowest cost to consider the quality of a good or service being delivered. Through a more comprehensive approach to measuring value, Supply Ontario will ensure public sector procurement continues to drive better outcomes for Ontario.

Supply Ontario will move toward a full-scale category management model, with varying delivery approaches across the public sector. Category management is an end-to-end process for purchasing distinct groups (or "categories") of similar expenditure items. It aligns business goals and customer requirements with consideration of supply market capability, while focusing on maximizing long-term value, reducing red tape and minimizing leakage. This strategic method of procurement will encourage collaboration across public sector entities and promote continuous improvement.

In the near term, Supply Ontario will develop a category management strategy that will allow the agency to centrally manage the lifecycle procurement activities of distinct categories of goods and services while meeting operational requirements. The largest opportunities for Supply Ontario exist with categories that are commonly purchased across the OPS/BPS.

Supply Ontario's approach to category management will allow the agency to increase its public spend under management, referring to the total spend Supply Ontario is responsible for managing related to the purchase of goods and services on behalf of prescribed entities. Supply Ontario is building its foundations to track this measure, as well as actual savings and cost avoidance outcomes, to ensure the agency is effectively leveraging the province's purchasing power.

In its mature state, category management will go beyond strategic sourcing to create strategies that will encompass the entire supply chain. This may include client account management, demand planning, spend management, contract management, purchase-to-pay, inventory operations and logistics, and supplier management. To this end, Supply Ontario will develop an understanding of the marketplace, and formulate and execute a strategy on how the marketplace can support public sector entities.

## **Priorities**

- 2.1** Build strong organizational foundations and platforms and develop workforce capabilities to enable Supply Ontario to be a leader in the supply chain ecosystem.
- 2.2** Ensure value creation is focused on improving contracts across the OPS/BPS to unlock better value for taxpayer dollars.

### 3. Champion modernization, innovation and policy efforts in supply chain sectors across the province

#### **Modernizing Ontario's procurement and supply chain through data**

Supply Ontario will modernize how Ontario understands the purchasing needs of OPS/BPS entities across the province. The agency will achieve this by collecting OPS/BPS procurement plans, aggregating purchasing data through enabling systems and analytic capabilities and leveraging stakeholder partnerships and collaborations to deliver results.

Over the next three years, Supply Ontario will build an analytics function that can securely manage data from procurement to distribution. The agency will also establish data ecosystem governance, stewardship and infrastructure to help standardize and store raw data. Over the long term, Supply Ontario will build capacity to aggregate and share data.

Supply Ontario's digital-first approach is underpinned by data privacy and security and hinges on innovative technology. This capability will be vital to inform Supply Ontario's decision-making, program management, operations, collaboration and overall mandate delivery.

#### **Championing innovative solutions to supply chain modernization**

Supply Ontario will leverage intelligence gleaned from data and analytic capabilities, engagements, partnerships and collaborations to determine where the agency can promote innovation across Ontario's supply chain ecosystem. Included in this effort will be stronger considerations around incorporating procurement opportunities for businesses owned and operated by equity-deserving communities.

In the year ahead, Supply Ontario will also work with government partners and industry stakeholders to explore and leverage opportunities to foster and increase innovation in procurement processes, as well as driving adoption of innovative solutions through procurement.

#### **Enabling a policy environment that supports the agency's mandate**

With data capabilities, partnerships and collaborations in place, Supply Ontario will use learnings to help inform the government's view on existing legislation and policy. This will help foster the right policy environment and circumstance to enable the agency's mandate and will help identify existing policy gaps, conflicts and opportunities for the government to address.

As part of Supply Ontario's effort to create an enabling environment, the agency will also develop market guidance, providing strategic direction on how covered entities can support and enable its mandate.

#### **Priorities**

- 3.1** Leverage the strategic use of data to modernize Ontario's procurement and supply chain.
- 3.2** Work closely with government partners to shape policy and regulations that support a modern supply chain ecosystem.
- 3.3** Develop a strategy for implementing procurement modernization strategies (e.g., value-based procurements, innovation, etc.).

## 4. Strengthen resilience and support for economic development

The global COVID-19 pandemic and subsequent disruptions revealed the fragmented nature of Ontario's supply chains. Supply Ontario will focus on strengthening the province's supply chain so that Ontario is better prepared for whatever it may face. As such, the agency will ensure a more reliable inventory and supply of PPE/CSE.

To ensure reliable access to critical products during unexpected events, Supply Ontario will secure Ontario's PPE/CSE supply chain, including warehousing and logistics management. As an initial step, the agency will lay the groundwork with Treasury Board Secretariat (TBS), the Ministry of Public and Business Service Delivery (MPBSD) and the Ministry of Health (MOH) for transitioning responsibility for the PPE/CSE supply chain to Supply Ontario.

Supply Ontario will also partner with the government to create an emergency stockpiling strategy. This strategy will target the ongoing use and renewal of Ontario's PPE/CSE to avoid product expiry, damage or obsolescence, ensuring Ontario is ready for future emergencies based on leading practices and lessons learned from the COVID-19 pandemic.

Supply Ontario's efforts to strengthen supply chain resilience will also support the province's competitiveness and economic development. Supply Ontario will work with government and industry stakeholders to support barrier reduction and, leveraging the Building Ontario Businesses Initiative, provide companies in Ontario with greater awareness and access to public procurement opportunities. This will result in helping Ontario businesses sell more goods and services, create jobs in their local communities, and recover from the economic effects of the COVID-19 pandemic. By supporting the local and regional supply of goods and services, Ontario will combat the impact of global supply chain disruptions, strengthen the public sector supply chain and better prepare our province for future emergencies.

### **Jurisdictional case study: British Columbia**

British Columbia's **Procurement Concierge Program** was developed to help public sector buyers and vendors make meaningful connections.

Through pre-market engagements and discovery days, vendors may exchange information and share ideas with government buyers and vendors, bringing innovative solutions to contemporary public sector problems.

Supply Ontario is aware of innovative approaches to procurement that are deployed beyond Ontario's borders. The agency, in partnership with the government, will explore and leverage similar opportunities to foster and increase innovation procurement processes.

Supply Ontario will ensure meaningful engagement with equity-deserving groups of stakeholders are incorporated in the agency's efforts to inform and support the government's economic development initiatives.

**Priorities**

- 4.1** Ensure Ontario's resilience and ability to rapidly respond to unexpected events, ensuring reliable access to critical products when needed.
- 4.2** Leverage local and regional supply chain opportunities and the Building Ontario Businesses Initiative to ensure there is continuous growth for local Ontario businesses.

**Strategy framework key deliverables and plan**

**1. Connect, listen and leverage partners and stakeholders across various sectors and communities**

Priority	<b>1.1 Leverage expertise and experience in the sector and be a trusted, reliable partner for all stakeholders</b>
<b>2023-24</b>	<ul style="list-style-type: none"> <li>• Establish Supply Ontario's Stakeholder Advisory Council and leverage existing industry councils with a preliminary focus on connecting with key stakeholders, building trust, learning about procurement issues and facilitating information sharing.</li> <li>• Participate in Minister-led roundtables with industry to better understand business needs and procurement opportunities.</li> <li>• Strengthen partnerships with government, shared services and group purchasing organizations, and supply chain ecosystem stakeholders.</li> <li>• Engage and collaborate with Indigenous partners to better understand needs and opportunities in Ontario's supply chain ecosystem.</li> </ul>
<b>2024-25</b>	<ul style="list-style-type: none"> <li>• Continue to develop Supply Ontario's supply chain intelligence capabilities through further engagement with stakeholders to discover gaps and opportunities for further optimization.</li> <li>• Identify and establish new partnerships with stakeholders.</li> <li>• Continue to build out stakeholder-related councils.</li> </ul>
<b>2025-26</b>	<ul style="list-style-type: none"> <li>• Increase presence and engagement with supply chain stakeholders to ensure partnerships generate value for all parties and yield continuous information sharing.</li> </ul>



## 2. Strengthen Supply Ontario's ability to lead and create procurement value

Priority	2.1 Build strong organizational foundations and platforms and develop workforce capabilities to enable Supply Ontario to be a leader in the supply chain ecosystem	2.2 Ensure value creation is focused on improving contracts across the public sector / broader public sector to unlock better value for taxpayer dollars
2023-24	<ul style="list-style-type: none"> <li>• Procure and implement an ERP system that can manage and integrate core business functions.</li> <li>• Establish human resource foundations, policies, practices, processes and programs.</li> </ul>	<ul style="list-style-type: none"> <li>• Introduce a benefits realization framework as a methodology for measuring value.</li> <li>• Develop and execute sector-specific action plans, including a provincial category management strategy, in partnership with TBS and other ministries, including specifying target categories.</li> <li>• Make incremental progress on contract harmonization and category management to generate momentum, build trust and incorporate lessons learned / good practices.               <ul style="list-style-type: none"> <li>» Focus primarily on contracts that SO can optimize in partnership with government.</li> </ul> </li> <li>• Leverage already planned work to demonstrate a more centralized approach to the supply chain community.</li> <li>• Execute on low complexity opportunities that have higher likelihood of success to demonstrate progress, including increasing participation in bulk purchasing.</li> <li>• Work with Ontario Health to establish an improved model for clinical supply chain management.</li> </ul>

Priority	2.1 Build strong organizational foundations and platforms and develop workforce capabilities to enable Supply Ontario to be a leader in the supply chain ecosystem	2.2 Ensure value creation is focused on improving contracts across the public sector / broader public sector to unlock better value for taxpayer dollars
2024-25	<ul style="list-style-type: none"> <li>Continue to build out foundational capabilities, talent and business enablers.</li> </ul>	<ul style="list-style-type: none"> <li>Widen category management focus to address value generation opportunities within more complex products/services and across a broader range of stakeholders.</li> <li>Continue expansion of the vendor of record program to covered entities.</li> <li>Build understanding of and incorporate unique and diverse needs across categories and sectors.</li> </ul>
2025-26	<ul style="list-style-type: none"> <li>Operate as a fully functional provincial agency, led by a culture of continuous improvement and engagement with stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Continue evolution into a full-scale category management model.</li> <li>Become a trusted partner to all stakeholders as a result of consistent, credible execution and communication.</li> </ul>

### 3. Champion modernization, innovation and policy efforts in supply chain sectors across the province

Priority	3.1 Leverage the strategic use of data to modernize Ontario's procurement and supply chain	3.2 Work closely with government partners to shape policy and regulations that support a modern supply chain ecosystem	3.3 Develop a strategy for implementing procurement modernization strategies (e.g., value-based procurements, innovation, etc.)
2023-24	<ul style="list-style-type: none"> <li>• Increase understanding of unique and diverse OPS/BPS purchasing needs across sectors.</li> <li>• Establish data ecosystem governance, stewardship and infrastructure to help standardize and store raw data in a sophisticated manner.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide strategic direction on how covered entities can support and enable Supply Ontario's transformational mandate through market guidance.</li> <li>• Support government on supply chain-related legislation, regulation, policy and directives.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with government partners and industry stakeholders to explore and leverage opportunities to foster and increase innovation in procurement processes, as well as driving adoption of innovative solutions through procurement.</li> </ul>

Priority	3.1 Leverage the strategic use of data to modernize Ontario's procurement and supply chain	3.2 Work closely with government partners to shape policy and regulations that support a modern supply chain ecosystem	3.3 Develop a strategy for implementing procurement modernization strategies (e.g., value-based procurements, innovation, etc.)
2024-25	<ul style="list-style-type: none"> <li>Review procurement plans and procurement spend data, creating analytics for the agency to better understand the diverse and unique purchasing needs of OPS/BPS entities.</li> <li>Improve availability of data and evidence to help Supply Ontario determine further opportunities for contract harmonization as the agency tackles increasingly complex category management initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>Support government on supply chain-related legislation, regulation, policy and directives.</li> </ul>	<ul style="list-style-type: none"> <li>Continue working with government partners and industry stakeholders to explore and leverage opportunities to foster and increase innovation in procurement processes.</li> </ul>
2025-26	<ul style="list-style-type: none"> <li>Continue storing, moving and working with substantial amounts of data.</li> </ul>	<ul style="list-style-type: none"> <li>Support government on supply chain-related legislation, regulation, policy and directives.</li> </ul>	<ul style="list-style-type: none"> <li>Continue working with government partners and industry stakeholders to explore and leverage opportunities to foster and increase innovation in procurement processes.</li> </ul>

## 4. Strengthen resilience and support for economic development

Priority	4.1 Ensure Ontario's resilience and ability to rapidly respond to unexpected events, ensuring reliable access to critical products when needed	4.2 Leverage regional and local supply chain opportunities and the Building Ontario Businesses Initiative to ensure there is continuous growth for local Ontario business
2023-24	<ul style="list-style-type: none"> <li>Secure PPE/CSE supply chain stability.</li> <li>Partner with the government to develop and implement transition plan.</li> <li>Assume leadership role for the pandemic PPE/CSE supply chain.</li> <li>Partner with the government to create an emergency stockpiling strategy, ensuring Ontario is ready for future emergencies.</li> </ul>	<ul style="list-style-type: none"> <li>Provide support to TBS as the ministry develops supply chain and procurement-related policies and regulations, including the Building Ontario Businesses Initiative and the Ontario Public Sector Supply Chain Strategy.</li> </ul>
2024-25	<ul style="list-style-type: none"> <li>Continue monitoring province's supply chain resilience, ensuring a rapid response to unexpected events with reliable access to critical products.</li> </ul>	<ul style="list-style-type: none"> <li>Work with TBS to promote healthy markets through outreach and engagement with vendors, encouraging maximum participation in Ontario procurement opportunities.</li> <li>Continue providing support to TBS as the ministry develops supply chain and procurement-related policies and regulations, including the Building Ontario Businesses Initiative and the Ontario Public Sector Supply Chain Strategy.</li> </ul>

<b>Priority</b>	<b>4.1 Ensure Ontario's resilience and ability to rapidly respond to unexpected events, ensuring reliable access to critical products when needed</b>	<b>4.2 Leverage regional and local supply chain opportunities and the Building Ontario Businesses Initiative to ensure there is continuous growth for local Ontario business</b>
<b>2025-26</b>	<ul style="list-style-type: none"> <li>Continue monitoring province's supply chain resilience, ensuring a rapid response to unexpected events with reliable access to critical products.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure systems and analytics are in place to monitor benefits and value creation of Supply Ontario's activities.</li> <li>Continue providing support to TBS as the ministry develops supply chain and procurement-related policies and regulations, including the Building Ontario Businesses Initiative and the Ontario Public Sector Supply Chain Strategy.</li> </ul>

# Performance Measures and Targets

Supply Ontario is committed to tracking performance measures which monitor the agency's progress towards achieving its mandate letter targets.

## Measurement

In the 2023/24 fiscal year, Supply Ontario will focus on collecting and establishing critical baseline data which will enable more robust performance measures and future period-over-period comparative analysis.

Supply Ontario will develop and implement a complementary methodology for measuring benefits and evaluating value created through performance.

The following measures focus on Year 1 (2023/24) performance and will be reported on with quantifiable outcomes in the agency's 2023/24 Annual Report.

Strategic Framework	Intended Outcomes	Performance Measures
<b>1.</b> Connect, listen, and leverage partners and stakeholders across various sectors and communities	<ul style="list-style-type: none"><li>Enhanced capabilities to connect and listen to Supply Ontario's key stakeholders.</li><li>Strengthened partnerships with government, shared services and group purchasing organizations, and supply chain ecosystem stakeholders.</li></ul>	<ul style="list-style-type: none"><li>Stakeholder Engagement Framework, including a Stakeholder Advisory Council and Industry Councils for targeted categories, are in place.</li><li>New partnerships are formed, and collaboration opportunities identified.</li></ul>

Strategic Framework	Intended Outcomes	Performance Measures
<p><b>2.</b> Strengthen Supply Ontario's ability to lead and create procurement value</p>	<ul style="list-style-type: none"> <li>• Established category management capacity, expertise, and operations.</li> <li>• Enhanced integrated purchasing activities through category management, existing bulk purchasing practices or contract harmonization opportunities.</li> <li>• Established strategy for tracking and measuring value delivered through Supply Ontario's priority projects.</li> <li>• Established ERP system that can manage and integrate core business functions.</li> <li>• Established human resources policies, practices, processes and programs to support employee attraction, retention, and engagement.</li> </ul>	<ul style="list-style-type: none"> <li>• Performance Measurement Framework that includes Benefits Realization in place to support the measurement of economic development, resilience and program (e.g., patient care) outcomes.</li> <li>• Addressable spend under direct Supply Ontario management.</li> <li>• Consolidation of contracts and/or new contract terms negotiated, including increased adoption across the BPS.</li> <li>• Cost savings, cost avoidance or program outcomes achieved through purchasing activities.</li> <li>• Vendor performance management outcomes are identified.</li> <li>• ERP system is fully implemented.</li> <li>• Foundational human resources policies, practices, processes and programs established.</li> </ul>



Strategic Framework	Intended Outcomes	Performance Measures
<p><b>3.</b> Champion modernization, innovation, and policy efforts in supply chain sectors across the province</p>	<ul style="list-style-type: none"> <li>• Enhanced capability to receive and generate insights from critical supply chain data.</li> <li>• Informed government of perspectives on current legislative, regulatory policy frameworks, and emerging issues.</li> <li>• Enhanced understanding of opportunities to foster and increase innovation in procurement processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Implemented a data strategy to receive and store supply chain data for contract, pricing, and service comparisons.</li> <li>• Supply chain intelligence from stakeholder engagements and partnerships are leveraged to inform government of opportunities to enhance policies.</li> <li>• Opportunities to foster and increase innovation in procurement processes are explored and leveraged.</li> </ul>
<p><b>4.</b> Strengthen resilience and support for economic development</p>	<ul style="list-style-type: none"> <li>• Assumed operational responsibility for the PPE/ CSE supply chain (including warehousing and logistics management).</li> <li>• Enhanced provincial readiness for future emergencies dependent on PPE inventory.</li> </ul>	<ul style="list-style-type: none"> <li>• PPE, CSE and Emergency Stockpiling Transition Strategy in place to continue ensuring reliable access to critical products.</li> </ul>

# Appendix A: Resources

## A1: Financial profile 2022/23

Supply Ontario will use its operating budget for the fiscal years 2023/24, 2024/25 and 2025/26 to continue building its capacity and deliver on its core mandate. The agency will provide and support supply chain management on behalf of Ontario public sector organizations, making concrete, iterative progress towards creating value for Ontario by pursuing opportunities to modernize procurement across the OPS and BPS.

The following projected Budget Plan will provide Supply Ontario with sufficient financial, capital and staffing resources to meet its goals over the next two years<sup>1 2</sup>:

	Operating budget plan		
	2023-24	2024-25	2025-26
<b>Revenues</b>			
Transfer payment	\$ 50,250,839	\$ 54,673,470	TBD
<b>Total revenue</b>	\$ 50,250,839	\$ 54,673,470	\$ -
<b>Expenses</b>			
Salaries, wages and benefits	\$ 28,586,055	\$ 32,937,886	\$ 32,937,886
Services	\$ 18,957,783	\$ 18,965,583	\$ 18,965,583
Supplies and equipment	\$ 2,213,000	\$ 2,217,500	\$ 2,217,500
Transportation and communication	\$ 494,000	\$ 552,500	\$ 552,500
<b>Total expenses</b>	\$ 50,250,839	\$ 54,673,470	\$ 54,673,470
<b>Net</b>	\$ -	\$ -	-\$ 54,673,470

1. The budgeted expenses for fiscal year 2023-24 and 2024-25 reflect previously approved values from the 2021-22 Multi-Year Plan, however, the values do not reflect the Bank of Canada's latest inflation projections.
2. The Transfer Payment for the FY 2025-26 is to be determined and is pending government review and approval. The FY 2025-26 expenses are based on a forecast subject to change and are pending approval.

Future funding is subject to adjustment through the government's annual planning and budgeting process.

Supply Ontario abides by applicable government directives and policies and ensures transparency and accountability in reporting. The agency also adheres to public sector accounting standards and practices, and responds to audit findings where applicable.

## **A2: Human resources and staffing**

### **Human resources strategic priorities**

Over the next year, Supply Ontario will work to establish the foundations and human resource (HR) programs to build and support its transformative people strategy. The focus will be on creating HR policies, practices, processes and programs that support the organization's strategic objectives and values. Supply Ontario will treat people fairly and ensure that equity, diversity, inclusion, and belonging are embedded in its approaches, programs, and culture.

The 2023-24 priorities include:

- Developing a people strategy for the organization that is aligned with the agency's business strategy. The focus will be on developing our corporate values, programs and education in alignment with our diversity, inclusion and belonging strategy to support the cultural aspirations of the new organization.
- Designing HR policies and practices to support a modern and flexible work environment, aimed at attracting and retaining talent, fully engaging the workforce and promoting/rewarding performance excellence.
- Developing solid HR strategies and programs aligned with the broader public sector and related industries in the areas of compensation, talent management, organization development and employee engagement.
- Developing a newly created HR team focused on strategic advice, support and services through the creation of efficient processes.
- Implementing an ERP system which will modernize systems and processes across the enterprise in areas such as Human Resources, Payroll and Finance.

### **Organizational design and strategy**

- Supply Ontario is re-examining its organizational design to ensure a structure and appropriate staffing that will support its mandate and be agile to evolve with the agency's maturity.
- The recruitment for the President and Chief Executive Officer position has been completed with Jamie Wallace assuming the role on January 23, 2023.

## Compensation strategy

Supply Ontario's compensation policy and guidelines are based on the following principles:

- Fiscal responsibility, governance, compliance with all applicable legislation and accountability.
- Alignment with organizational mandate, strategic directions and values.
- Value of the total compensation package.
- External competitiveness and internal equity with positions of equal value being compensated within the same salary band.
- Balance consistency and flexibility in compensation program design and application.
- Transparency and open communication, with due respect for privacy.
- Recognize and reward the performance of employees through fair and equitable compensation program.
- Alignment with compensation best practices and Supply Ontario's talent management strategy.

Base salary structure competitiveness was assessed through researching external market comparisons and targeting a median of a defined talent market, representative of relevant broader public sector organizations.

### **Executive compensation framework**

Supply Ontario developed an Executive Compensation Framework (ECF) for positions deemed to be "designated executives" under the *Broader Public Sector Executive Compensation Act, 2014* (BPSECA). In December 2020, a Supply Ontario executive pay structure was approved which outlines the minimum and maximum total cash compensation levels for designated executive positions as well as definitions for 'program/specialist' and 'corporate/enabling' executive roles. To support the implementation of the approved pay structure and to ensure full compliance with BPSECA, the interim HR team created a fulsome ECF which was approved in August 2021.

### **Non-executive compensation framework**

The non-executive compensation structure was endorsed by the board of directors in February 2022 as well as the commencement of the required Bill 124 (Protecting a Sustainable Public Sector for Future Generations Act, 2019) three-year moderation period, which came into effect on April 1, 2022.

### **Benefits**

Supply Ontario provides a traditional suite of benefits to full-time and fixed-term employees. These benefits are 100 per cent employer-paid. Additionally, employees are eligible to participate in a suite of optional benefits at their own expense. Supply Ontario also offers programs for short- and long-term disability as well as a comprehensive Employee & Family Assistance Program.

## Summary of staffing numbers

Workforce planning activities continue to ensure Supply Ontario is hiring top talent and building organizational capacity. The chart below provides information by functional area on the number of current employees, service level agreements, fee-for-service and professional services in place, and the number of positions in recruitment as of February 28, 2023.

Funding is in place for 113 positions for the fiscal year 2022-23. As of February 28, 2023, Supply Ontario's total workforce headcount is comprised of 55 permanent full-time, 11 fixed-term contracts, one service level agreement and seven contingent workers. As Supply Ontario continues to ramp up, recruitment efforts are underway to fill the remaining vacancies.

## Workforce data as of February 28, 2023

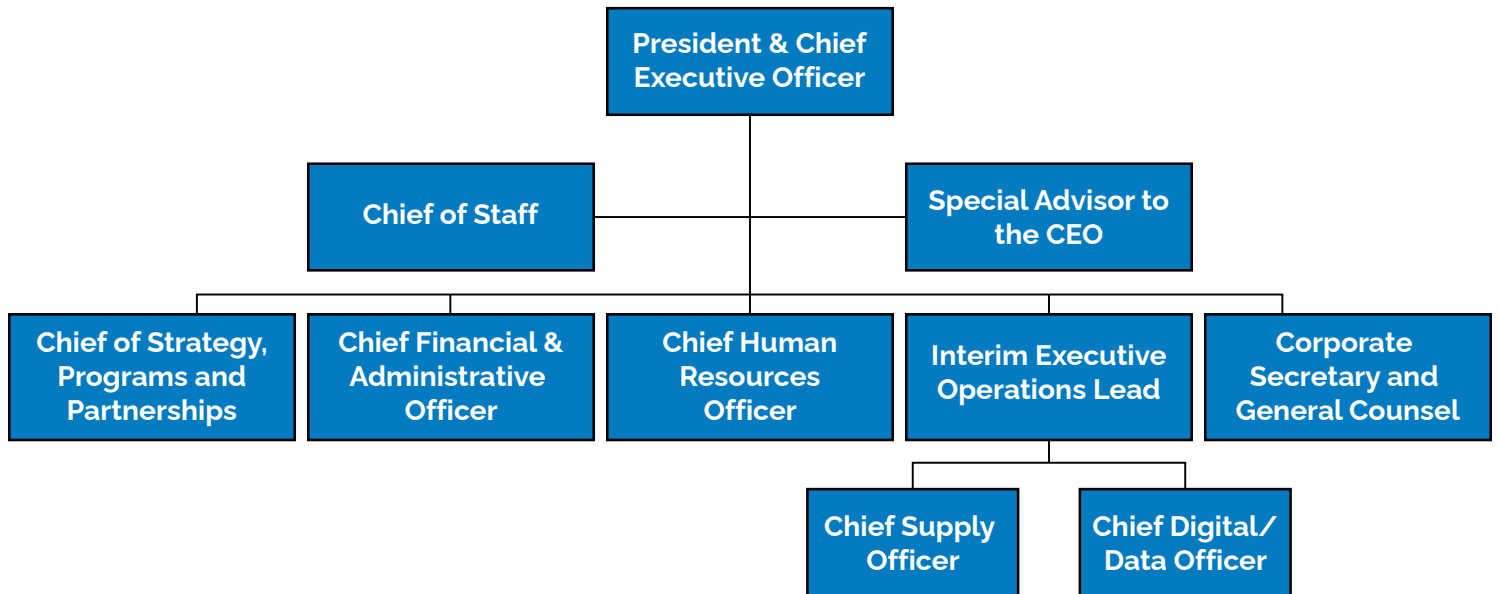
Functional area	Total employee headcount	Management	Non-management
Office of the President and CEO	5	1	4
Legal and Corporate Secretary	2	1	1
Finance and Administration	23	9	14
Human Resources	13	3	10
Policy, Governance and Stakeholder Relations	14	6	8
Supply Chain Management, Digital and Data	17	4	13
<b>Total</b>	<b>74</b>	<b>24</b>	<b>50</b>

Supply Ontario's workforce is comprised of management and non-union employees.

## Organization chart

### Supply Ontario executive leadership team

February 28, 2023



### A3: Realty

Supply Ontario continues to explore regional office locations in compliance with the objectives of the government's Community Jobs Initiative. As agency staffing complements grow, the agency will revisit the geographic distribution of staff and other locational considerations (e.g., proximity to managed warehouse, supplier/partner facilities or hubs).

# Appendix B: Risk Identification, Assessment and Mitigation Strategies

Supply Ontario has established an Enterprise Risk Management (ERM) program that allows for prudent risk management while pursuing strategic objectives and managing operations. The ERM program leverages risk management methodologies to identify, assess, mitigate and monitor risks through a systematic and integrated approach.

Supply Ontario's risk management function is overseen by its Management Risk Oversight Committee. Supply Ontario will continue to review and manage its risks by ensuring appropriate mitigation plans are in place. Key risks are disclosed to the ministry on a quarterly basis in accordance with requirements set out in the Management Board of Cabinet's Agencies and Appointments Directive.

Supply Ontario continues to enhance its key enterprise risk management capabilities, capacity and business processes towards achieving a mature risk-informed culture across the agency. As Supply Ontario operationally evolves, there may be additional risks (e.g., cybersecurity) identified and disclosed to the ministry.

Supply Ontario also continues to implement its Board-approved governance roadmap for the purpose of strengthening the Board's role in agency governance, strategic oversight and meeting its accountabilities. As part of the roadmap, specific structures and roles were identified that should be implemented and filled in order to support the Board's role in agency governance and accountability. The onboarding of additional members will allow the Board to expand and augment its skills, diversity and experiences.

Key risks identified under the ERM framework at this time include:

## **Timely recruitment and retention of skilled workforce**

Supply Ontario continues to build its organizational model and capacity to successfully deliver on its mandate. Timely recruitment of staff has been impacted by unique skill requirements and challenges in attracting qualified candidates in a post-pandemic market. With recent leadership changes, Supply Ontario has also had to mitigate, in the short term, against staff departures in an effort to continue to sustain organizational growth and development.

Supply Ontario has developed a resourcing strategy that allows for quick ramp-up of staffing resources and organizational stability while balancing the agency's ability to successfully onboard the new staff. The strategy includes use of external firms to assist with recruitment efforts, exploring interim staffing arrangements with partner organizations (e.g., the OPS) and leveraging external resources, where appropriate.

## **Fragmented and incomplete supply chain data**

Ontario's public sector supply chain ecosystem is large and complex. Billions of dollars are spent each year on goods and services across ministries, provincial agencies, hospitals, school boards, colleges and universities and social service organizations. Each organization has their own data collection and management systems, which may contribute to the fragmented, incomplete, and inconsistent supply chain data environment.

The success of Supply Ontario's strategic, centralized procurement initiatives is heavily dependent on comprehensive and quality data from the various sectors as well as Supply Ontario's capacity to assess, analyze and maintain datasets. As Supply Ontario builds its digital platforms to support its data strategy, the agency may be subject to cybersecurity threats resulting in potential financial, legal and reputation impacts.

To manage these risks, Supply Ontario is working on a Master Data Management strategy that includes a practical, insightful and secure province-wide supply chain database architecture. The strategy will be supported by data collection best practices, agile data modelling methodologies to respond to changing environmental factors and will include ongoing data collection and maintenance principles. Supply Ontario is also working on a data platform that will meet its data management needs, and include a robust cybersecurity program to prevent, detect and respond to cyber threats.

## **Stakeholder engagement strategy**

A robust stakeholder engagement strategy is critical to delivering a strong supply chain value proposition to over 6,000+ covered entities. Stakeholder confidence and support will be important to solidify Supply Ontario's role in public sector supply chain transformation in Ontario. As Supply Ontario advances its key business transformation programs, it will need to continue monitoring and mitigating risks related to stakeholder engagement to ensure it is well-positioned to adapt to the changing demands and preferences of its stakeholders.

Supply Ontario will be developing a comprehensive framework to maximize and facilitate ongoing stakeholder engagement, consultation, and collaboration. A key component of this framework is the establishment of a stakeholder advisory council and subcommittees to ensure alignment of supply chain priorities and initiatives across the ecosystem, learn from supply chain experts throughout the ecosystem, discuss potential supply chain opportunities, and seek input/feedback regarding Supply Ontario's proposals. Information from these consultations will help prioritize and facilitate buy-in on Supply Ontario's initiatives and plans.



# Appendix C: Environmental Scan

A number of factors impact Supply Ontario and its operations. The agency has assessed external influences and trends in the public supply chain landscape, the public policy landscape and the economy, as well as the significant impact of the COVID-19 pandemic that weaves through these factors.

## Public supply chain landscape

Ontario's public supply chain landscape is fragmented and decentralized with duplication of efforts, inconsistent processes, and a lack of cross-government integration. This has created data and intelligence gaps, operational inequalities, inefficiencies, and limited customer service.

Supply Ontario's environmental scan has identified the following challenges and opportunities:

### **No whole-of-government approach to purchasing goods and services**

- Estimated \$30 billion provincial spend is handled in a decentralized manner.
- Redundancy and significant duplication of processes across approximately 6,000+ public sector entities.
- Near zero visibility of data and business intelligence.
- Little sharing of information; silos are abundant.

### **Limited customer focus**

- Poor vendor experience in navigating a complex public procurement system.
- Vendor performance management is inconsistent and highly variable.
- No clear definition of who is the customer or what is customer value.

### **Emphasis on lowest price**

- Traditionally focused on price rather than total value; limited emphasis on supporting economic development, jobs or innovation.
- Public procurement has not prioritized the need for supply chains to be resilient to disruption.

### **Impact of COVID-19**

- Inflation of production and transportation costs.
- Labour shortages and production line capacity limits result in reduced production, manufacturing and shipping delays.
- Border closures or restrictions negatively impact access to, or delivery of goods.

## Public policy landscape

Since Supply Ontario's establishment in November 2020, the provincial government's policy decisions continue to aim at ensuring a robust stockpile of PPE/CSE at all times and providing Ontario companies with greater access to public procurement opportunities. These initiatives are intended to strengthen Ontario's supply chain resilience and better prepare the province for potential future emergencies. Supply Ontario will have a key role in implementing these initiatives.

### **Personal Protective Equipment Supply and Production Act, 2022**

This legislation was passed on April 14, 2022, but is not yet in force. Additional work is being undertaken to develop the requirements for the province to maintain a significant minimum level of critical goods, ready to be deployed to withstand the challenges of extraordinary events without having to rely on unstable foreign supply.

### **Building Ontario Businesses Initiative Act, 2022**

This legislation was passed on March 3, 2022, but is not yet in force. The legislation is intended to reduce barriers and provide companies in Ontario with greater access to public procurement opportunities, helping them to sell more goods and services, create jobs in their local communities, and recover from the economic effects of the COVID-19 pandemic. Supply Ontario is working closely with the government to support the remaining policy work needed to bring this act into force.

## Economic outlook

While Ontario experienced strong economic growth through 2021 and in the first half of 2022, the economic outlook remains uncertain. Consumer prices have been deeply affected by the COVID-19 pandemic. More recent global events, such as the war in Ukraine, have continued to impact the prices of purchased goods. Projections indicate that the rate of inflation has declined from its peak, due largely to fluctuating gasoline prices, but inflationary pressures remain elevated. In addition, the federal government has warned of a possible mild recession in 2023 and the Bank of Canada projects that the pace of economic growth in Canada will stall and remain flat through mid-2023.

This ambiguous economic outlook is creating strategic challenges across the supply chain and procurement landscape at the global, national and local levels. With inflationary pressure causing prices to rise and the threat of recession increasing the risk of stockpiling, there is a need to balance supply and demand while remaining prepared for continued disruption. Supply Ontario's mandate to provide and support supply chain management across the Ontario public sector by pursuing opportunities to coordinate and rationalize procurement is more important now than ever.

# Appendix D: Information Technology (IT) / Electronic Service Delivery (ESD) Plan

Supply Ontario is working towards implementing digital service improvements to make sure customer service standards are met while ensuring information privacy and security are treated as a top priority. As advanced information systems and technology shape the foundation of delivering more convenient, reliable and accessible services, Supply Ontario is ensuring modern capabilities and security enhancements are built in, every step of the way.

The future of IT Services within Supply Ontario will be built on a leading ERP system that is seamless, hyperconnected, secure, cost-effective, and highly available to drive 24 x 7 services while allowing staff to respond, scale, and adapt as conditions change. Having this connected IT ecosystem will allow Supply Ontario to be flexible and accessible in ways not possible before.

For Supply Ontario to unlock the value of data and deliver better services, it will need to be a leader in a variety of strategic approaches and tools to ensure meaningful progress is achieved in all situations, including methods that have evolved since COVID-19 (e.g., artificial intelligence and machine learning). Supply Ontario will need to adopt global, highly scalable, innovative and resilient technology platforms to make its service delivery modern and customer focused. By leveraging world-class technologies to improve government decision-making and transparency/accountability, Supply Ontario will help realize cost efficiencies, increase value for money and reduce fiscal risk while meeting the needs of people and businesses in Ontario.

# Appendix E: Initiatives Involving Third Parties

Supply Ontario will continue seeking opportunities to work with stakeholders to deliver on its strategic objectives and the government's priorities.

Supply Ontario is developing a stakeholder engagement strategy to build relationships and promote healthy markets by directly obtaining input and feedback from key stakeholders. The agency is committed to collaborating and engaging with a broad range of stakeholders, including industry groups, to understand their perspectives, identify opportunities of mutual interest, and work together to improve the public procurement landscape.

Supply Ontario is also looking to achieve greater economies of scale, advance province-wide sourcing and accelerate the execution of supply chain and procurement initiatives.

Supply Ontario and Mohawk Medbuy Corporation (MMC) are collaborating to accelerate opportunities to rationalize procurement in Ontario's healthcare sector and broader public sector. The collaboration focuses on three priority areas: data aggregation, target sourcing and value creation, and supply chain foresight and risk mitigation. Existing collaboration agreements with Supply Ontario do not involve transfer payments from Supply Ontario.

As Supply Ontario identifies further initiatives, the agency will seek additional near- and long-term collaboration opportunities with shared services organizations and group purchasing organizations to advance its mandate.

Supply Ontario will be strategic in developing, maintaining and leveraging relationships with third parties within Ontario – nationally and in other comparable jurisdictions – to promote collaboration, information sharing and engagement.

# Appendix F: Communications Plan

Communications is a core enabler for Supply Ontario as the agency builds up its foundations and focuses on delivering on its mandate. Communications are designed to engage targeted audiences, inspire employees and be transparent in sharing information as the agency works in partnership with its key stakeholders.

## Objectives

- **Delivering on Supply Ontario's mandate:** Support the organization in communicating and engaging on key priorities.
- **Develop Supply Ontario's brand:** Position Supply Ontario as a trusted leader in supporting the supply chain in Ontario and as a collaborative partner.
- **Inspire employees:** Create opportunities for employee engagement and communication and promote vehicles for sharing success stories across the organization.
- **Engage with stakeholders:** Involve stakeholders and partners to build upon their expertise, share information, collaborate on solutions and leverage key learnings and success.

## Target audience

- Vendors, suppliers and distributors.
- Shared services organizations and group purchasing organizations.
- Public sector, broader public sector and health sector buyers and program managers
- Government (TBS, MPBSD, MOH, Ministry of Education, Cabinet Office, Premier's Office, other ministries).
- Industry, business and professional associations.
- Indigenous communities.
- General public.

## Strategic approach

- Create compelling narratives about Supply Ontario so that audiences understand the overall role of the agency and the value it brings to Ontarians.
- Utilize a number of internal and external communications channels to meaningfully engage with audiences, such as media relations, social media, stakeholder communication, issues management, etc.
- Work collaboratively with stakeholders to leverage their reach, share learnings, and look for new opportunities within the sector.
- Guided by Supply Ontario's Memorandum of Understanding, work with the ministry as partners and support a collaborative approach to sharing information and exploring communications opportunities.

## Tactics

As the agency continues to put foundational communications programs in place, it will support the organization as it ramps up with a focus on delivering on key priorities. Supply Ontario's communications will focus activities in a number of areas:

- Concentrated engagement and outreach with stakeholders, including but not limited to vendors, SSOs/GPOs, public sector and broader public sector buyers and program managers, government partners, Indigenous business advocates, associations and public sector supply chain entities in jurisdictions outside of Ontario. Engagement and outreach will be conducted across Supply Ontario and will focus on sharing intelligence, incorporating valuable stakeholder perspectives and encouraging vendor participation in public sector supply chain initiatives.
- An external communications program focused on strategic areas such as proactive media relations, a streamlined and consistent approach to issues management and expanded use of social media platforms to grow our reach and leverage opportunities to cross-promote content with government and stakeholders.
- A website strategy that will focus on evolving the current website and content to ensure more comprehensive information and resources related to Supply Ontario's mandate and activities are clearly communicated and compliant with the *Accessibility for Ontarians with Disabilities Act, 2005*.
- An internal communications program that is focused on the employee experience and creating meaningful communications where employees feel informed, heard and connected to one another. The strategy will develop foundational tools, such as an intranet, and will enable two-way communications through internal town halls, employee and manager roundtables, employee surveys, CEO communications, lunch and learns and a variety of other engagement methods.

# Appendix G: Response to the Mandate Letter

As required by the Agencies and Appointments Directive, the President of the Treasury Board issued an annual mandate letter to Supply Ontario that sets out the expectations for the upcoming fiscal year.

Supply Ontario will work closely with TBS on the execution of this mandate letter and will coordinate with stakeholders as appropriate to deliver on these expectations.

The government established Supply Ontario to enable a whole-of-government approach to purchasing goods and services. Coordinating the government supply chain and streamlining complex procurement processes will position Supply Ontario to deliver tangible results.

Supply Ontario is committed to growing into its mandate that would provide and support supply chain management on behalf of the Ontario Public Service and the broader public sector, which includes the health and education sectors. Supply Ontario will make concrete, iterative progress toward creating value for the province by pursuing opportunities to centralize and rationalize public procurement. In addition to Supply Ontario's focus on the immediate priorities outlined in the Mandate Letter, there is work needed to acquire the necessary operational capability to deliver on government expectations through hiring, partnerships and organizational development.

The Mandate Letter lists a number of key priorities, which Supply Ontario has incorporated into its key initiatives for 2023-26, including:

## **Create value and deliver results from centralized procurement**

As referenced on pages 9-11 and 14 of the Business Plan, Supply Ontario commits to the following:

- Lead the implementation of category management for sectors, reflecting input from TBS and other ministries.
- Lead increased uptake of bulk purchasing as an immediate avenue for consolidating public spend.
- Lead contract harmonization opportunities to generate better value for public dollars.

## **Build capacity**

As referenced on pages 7-8 and 20-22 of the Business Plan, Supply Ontario will acquire the necessary operational capacity to deliver on government expectations through hiring, partnerships and organizational development, with a focus on producing tangible results.

## **Secure supply chain stability**

As referenced on pages 12, 13 and 16 of the Business Plan, Supply Ontario commits to partnering with the government to achieve the following:

- Develop and implement a plan for Supply Ontario to assume operational responsibility for the PPE/CSE supply chain (including warehousing and logistics management).
- Develop an emergency stockpiling strategy to ensure readiness for future emergencies based on lessons learned from the COVID-19 pandemic and leading practices.

## **Build relationships and promote healthy markets**

As referenced on pages 13 and 16 of the Business Plan, Supply Ontario commits to partnering with the government on vendor and stakeholder engagement.

## **Execute sector-specific action plans**

As referenced on pages 9-11 and 14 of the Business Plan, Supply Ontario commits to partnering with the government to develop the following:

- Multi-year plan to implement category management.
- Multi-year plan to address decentralized supply chain organizations and purchasing activities for each sector.
- Methodology for measuring value, establishment of baselines and identification of specific targets with timelines.
- Improved model for clinical supply chain management, aligning provincial supply chain activities with clinical needs, patient safety and health sector operations.

## **Support the Ministry's development of policies and regulations related to implementing the Building Ontario Businesses Initiative and to advancing the Ontario Public Sector Supply Chain Strategy**

- As referenced on pages 16 and 26 of the Business Plan, Supply Ontario will support the government on policies under BOBI and the Ontario Public Sector Supply Chain Strategy.

As outlined in the 2023-26 Business Plan, Supply Ontario is committed to meeting the minister's expectations and fulfilling these government priorities while continuing its operational ramp-up over the year ahead.