



Organizational SWOT and PESTEL Analysis

City of Guelph

March 2023

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Introduction

In September 2022, the City of Guelph (the “City”) began the process of refreshing its [Guelph. Future Ready. City’s Strategic Plan 2019-2023](#). StrategyCorp Inc., a third-party consulting firm with specialization in municipal strategic planning, was retained by the City to support staff and Council engagement and development of the 2024-2027 strategic plan.

As part of the strategic planning process, StrategyCorp, in collaboration with the City’s project team, facilitated a series of 1:1 interviews and workshops with City’s Council, Executive Team (ET) and Corporate Management Team (CMT), between November 2022 to January 2023. The goal of these engagements was to develop an understanding of the City’s current state, including major strengths and weaknesses, and to identify key opportunities and challenges that should be addressed through the 2024-2027 strategic plan as the City looks ahead to the next four years.

The following report provides two of the key deliverables from this consultation: a SWOT analysis and PESTEL analysis.

This report was produced by StrategyCorp and was reviewed by the City before finalization.

SWOT

A SWOT (strengths, weaknesses, opportunities and threats) analysis is a tool used in strategic planning to understand an organization’s current state and inform the design of its future state.

The following analysis considers both the strengths, weaknesses, opportunities and threats facing both the Corporation of the City of Guelph as well as the community of Guelph, as both lenses are critical to informing City’s strategic planning process and articulating its key priorities over the next four years.

This SWOT was developed from and iterated in tandem with Council, ET and CMT engagements including 1:1 interviews and workshops.

Strengths

Corporation

- Committed, driven staff team
- Effective Council relationships
- Good Council-staff relations – Council tends to support staff recommendations
- Track record of being leaders in sector
- Strong financial position and multi-year budget process
- Demonstrated success in advancing projects
- Nimble track record of responding to emerging issues
- Innovation in procurement: “Not all business as usual”
- Focused on modernization, leading edge practices (e.g., participatory budgeting, online services)

Community

- Progressive, inclusive community
- High quality of life

- A truly “livable City” – this is an economic development strength
- Engaged, dynamic community
- Strong social capital (e.g., community service, clubs)
- Strategic location (Highway/train connections, gateway to Grey-Bruce)
- Post-secondary hub (University of Guelph, Conestoga College)
- Relatively prosperous community
- Attractive City
- Access to green space, parks, trails
- Great air quality
- Demographically diverse – a community of all ages
- Ability to retain youth
- Land available for economic development
- Relatively safe

Weaknesses

Corporation

- Lack of focus/rigour in decision-making
- Slow to implement (delays, etc.)
- Need to continue to develop and work on Council-staff relationship
- More work to do to commit KPIs, report on progress
- Disconnect between Strategic Plan and staff direction
- HR: “Guelph is a great training ground for Waterloo employees”
- Riding on our reputation: Need to be leaders again
- Need to deepen relationships with broader stakeholders
- Communication and customer service
- Guelph isn’t as ‘green’ as it thinks it is – falling behind on climate file
- Focus of services in the downtown – what about other areas?
- We dabble in areas outside City’s jurisdiction – need to stick to our lane
- History of fiscal prudence means need to “catch up” (e.g., approved inadequate facilities to save money)

Community

- Housing: Lack of supply of attainable and affordable housing
- Homelessness and lack of support services
- Intense mental health and addictions challenges in the community
- Inadequate access to supportive housing
- Impact of social issues on downtown
- Attractive City
- Access to green space, parks, trails
- Great air quality
- COVID-related stresses still being felt in the community (e.g., businesses that just barely survived COVID now facing new challenges)

- Lack of water supply to support growth
- Inadequate leveraging of City's culture
- Increasing resident expectations – not always appreciative of what Guelph already has and the work the City does

Opportunities

Corporation

- Set the line between what we need to do and what we want to do
- Finish what we start
- Scale back things that are unaffordable or defer
- More focused retreats and policy discussions between Council and staff
- Empower staff to lead, be innovative
- Continued advocacy to province
- Build stronger relationships with development community
- Greater leveraging of university and college relationships
- Build on momentum of the circular economy and food program
- Engage in cultural planning to enhance livability and tourism attraction
- Planning: “use it or lose it” policy on approvals
- Pursue new water supply opportunities

Community

- Continued collaboration with businesses and employers
- More engagement with First Nations
- Improve connections to other communities (e.g., Guelph-Goderich trail)
- Federal and provincial support for community and social services and supports
- Better leverage the City's strategic location - first municipality outside Greenbelt to the West
- Better engage and empower the community to support key priorities (e.g., climate change mitigation, community sustainability)
- Climate change resilience will drive future prosperity
- The best economic development strategy is to build a thriving community where people want to locate and invest...don't chase companies

Threats

Corporation

- Provincial policy changes
- Loss of DC revenue
- Inflation, increasing cost of infrastructure projects
- History of property taxes greater than inflation
- Continued COVID revenue/cost impacts
- Long-term financial sustainability
- Provincial inaction induces Guelph to spend too heavily on matters outside Guelph's jurisdiction

- Administration/Council trying to do too much – how can you focus on anything when you’re focusing on everything?
- Competition for municipal staff

Community

- Resurgence of COVID
- Economic recession/inflation and impacts on affordability of living
- Lack of affordable housing to support job attraction and economic development
- Inadequate relations with development community to get the housing we need
- Competition from neighbours for business attraction
- Labour shortage
- Competition from other educational institutions
- Inadequate local and regional transportation
- Erosion of public trust in government/decline in civic engagement (during but not necessarily on because of COVID)
- Public expectations exceed municipal capacity/revenue

PESTEL Analysis

A PESTEL focuses on six key factors to better understand and identify key trends, issues and concerns in the macroenvironment that should be considered as part of the strategic planning process.

The following PESTEL analysis includes inputs from the environmental scan process, conducted as part of the City’s strategic planning process, as well as input from Council, the Executive Team and Corporate Management Team provided in workshops conducted as part of the City’s strategic planning process.

- **Political:** Assesses the influence and impacts of **other governments/policy** on the organization
- **Economic:** Assesses the impact of **economic trends and shifts** on the organization
- **Social:** Examines **social trends and the societal environment**, including demographic factors
- **Technological:** Assesses how **technology and innovation** may impact the organization and service delivery
- **Environmental:** Assesses how the **climate and environment** may impact organizational activities
- **Legal:** Assesses how **legal changes and liabilities** may influence the organization

Political Factors

- Guelph in transition from “town” to “big City” and still wants to hold onto its “town” roots (e.g., focused on congestion, parking, low taxes, staff efficiencies) – but this may be constraining its ability to embrace being a high growth, diversified community and the resulting benefits
- Shifting priorities of Council
 - Attraction to bold, exciting, new ideas
 - Overcommitment to what is achievable based on resources and capacity in the organization

- Potential expansion of Strong Mayor powers by the province and potential impacts on the budget, hiring of management staff, etc.
- Provincial priorities and legislative/policy impact on Guelph (e.g., More Homes Built Faster Act)

Economic Factors

- Inflation: tied to affordability and attainability in community and Corporation
 - People cannot afford to work for the City
 - Need rental housing to support employment base, otherwise will see sizable shift
 - Continuing supply chain issues
- Risk of economic recession – uncertain for how long or how bad? Who will be impacted?
- Municipal financial challenges
 - Impact of COVID and reduced revenues (i.e., transit ridership not at pre-COVID levels)
 - Impacts of provincial limits on growth funding tools (i.e., Development Charges, Community Benefits Charges, s. 42 Parkland Charges) on infrastructure to meet growth
 - State of Good Repair backlog - \$289M
- Guelph has done well with growth management – went up, not out. However, need to keep pace with expansion in terms infrastructure, business attraction and retention, availability of employment lands
- Impact of remote work and impact on local economic development (e.g., commercial space, downtown vibrancy)
- Potential GO expansion
- Town-and-gown effect: Benefits of a strong University of Guelph presence and expected growth with Conestoga College, but also housing challenges (students drive up costs for local workforce)
- City real estate – need a clear plan or strategy regarding the City’s land holdings
- Areas of focus moving forward: downtown, sectoral business success (tying this into Powering Our Future)

Social Factors

- Increase in cost of living and affordability concerns in the community (e.g., food prices, interest rates, rents, etc.)
- Shifting demographics – aging population and impacts to services, infrastructure, etc.
- Community need for affordable and social housing (end homelessness through housing) – but there are more requests for financial support than the City can fund through the budget/reserves
- Mental health and addictions crisis and interrelationship with other needs such as housing, food, counselling, primary health care, etc.
- Impact of social pressures on the downtown, and economic development (including small businesses)
- Growing diversity of community, and need for polices that focus on diversity, equity and inclusion, both in the organization and in the community.
 - Spatial growth in the community: How can the City serve residents with equity,

regardless of geography?

- Town-and-gown impact: PSE partners can be leveraged for community development
- Downtown is important but most social issues are city wide and need to be managed

Technological Factors

- Significant advancement in this area within the Corporation – but should continue to go further:
 - Modernization of customer service, digital communications, etc.
- Guelph as an “innovation corridor.” What will this look like in four years?
- What does “Smart Cities” mean for Guelph? (Is it just technology? Is it more about future-readiness than purely technology?)
- Remote/hybrid work
- Potential impact of driverless vehicles
- Potential expansion of GO Transit
- Cybersecurity
- Big Data: what do to with it how to use it

Environmental Factors

- Organization is uniquely climate aware – more so than many of municipalities – which enables good alignment with the federal government for funding
- Corporate sustainability – opportunity for climate as the compass in the organization?
- Extension of climate change strategy/action into the community
 - How to bring about/incentivize behavioural change?
- Competing priorities/policies at the City – focused on sustainability and climate change mitigation but how to reconcile with day-to-day operations and concerns
 - For example: balancing active transportation plans with concerns about parking; seeking to reduce carbon footprint while still lighting community facilities, grass cutting, etc.
- Transit and active transportation to support climate action, sustainability in the community

Legal Factors

- Risk management
- Joint and several liability
- Provincial governance and land use planning changes
- Contractor safety
- Procurement policies – often the City gets no bidders for tenders
 - Access to qualified people is constrained