**MGMT 6054 – Team Assignment – Industry Projects and Operations**

**Group: 10**

**Student Names and ID:**

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| **INDUSTRY** | |
| Name and describe your industry including annual revenue, percentage of workforce employed, growth, and other. (Based on provincial or national data). (2 point) (minimum 150 words) | The project we have selected is Scarborough Subway Extension, which is an extension project, located in Toronto, Canada.  The Industry we chose is Public Transportation Industry, which involves planning, construction and maintenance of transportation systems.  Operating Revenues for Urban Public Transit in Ontario were impacted heavily due to pandemic and were at an all-time low of $49.4 million in May 2020 from a peak of $366 million in Jan2020. These revenues are now in recovery phase and are at $189.3 million by March 2020.  It is estimated that about 375,000 employees work in Transit Industry in Ontario between 2019-2021 which is about 5.2% of the total share of employment.  The project Scarborough Subway Extension, is part of the Toronto Transit Commission (TTC) Subway system, which also includes the Scarborough RT (Rapid Transit). The TTC derives its revenue from multiple sources, including government funding, advertising, and passenger fares, amounting to approximately 1.1 billion CAD.  TTC currently employs around 17,000 people, making it the largest public transit company in North America.  The TTC is dedicated to enhancing public transportation by investing in infrastructure and expanding its network. [The Scarborough extension project, which is currently under review and study, aims to replace Line 3 and reduce travel times.](https://www.metrolinx.com/en/projects-and-programs/scarborough-subway-extension) This development is expected to benefit both businesspeople and students, providing easier access to various destinations. |

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| **PROJECT** | |
| Project description (1) (minimum 75 words) | This project is about the evolving [Scarborough Subway extension started in 2021, and this project is an extension of the Bloor Danforth subway line which is otherwise known as Line 2](https://www.slideshare.net/TorontoPCU/sse-terms-reference). It is basically a plan to replace the old SRT line (Scarborough Rapid Transit) and extend it through some of the major stations in Scarborough like Kennedy, Scarborough Centre, McCowan and Eglinton. This is done under surveillance of the province and will also be documented as an Environmental Project. The key purpose of this Project is to accommodate people with more capacity, improve network space, and provide reliable access to all the local neighborhoods by opening new stations. |
| What is the established project OBJECTIVE? How does it relate to industry-specific and organizational STRATEGY? (1) (minimum 150 words) | Here are some of the objectives which are established in this project, that are used to offer [services and achieve targets](https://assets.metrolinx.com/image/upload/v1664375542/Documents/Metrolinx/2019-02-28_SSE_Preliminary_Design_Business_Case_o3qhmu.pdf).  **Improving transportation:** This is one of the primary objectives as the subway relies on a better transport environment and offering the best services to the passengers like network, access to more stations etc.  **Building and development:** Providing a safe and secure environment while designing platforms, walkways and assessable to more chairs in the platform.  **Sustainability:** The project supports and aims at reducing negative impacts on the transportation system by bringing up eco-friendly practices that improves quality of life of people and their surroundings.  The project was commenced to provide better and more efficient services to the public by aligning it with the established objectives. The government invested in this as it would in setting up good infrastructure and increasing economic development within the city. Thus, this strategy paves the way to public satisfaction. As the project is related to the Construction industry, the objectives are aligned to its strategic purposes. |
| What was the UNIQUE product, service or result of the project? (1) (minimum 75 words) | Expanding the subway network adds more unique features to the project as well as to the people. Through this project, there will be a lot of changes in the subway system like improvisation of better transit, capability, updated technology, etc.  When it comes to the technology part, there is been a new or unique service that was recently provided in the subway line. Rogers Communications has commenced a [5G wireless network service in Scarborough subway](https://toronto.citynews.ca/2023/04/11/rogers-to-expand-its-5g-network-across-the-entire-toronto-subway-system/), and they are planning to expand it to more stations. Lack of network was one of the issues faced by the passengers in the subway, and this initiative of Rogers has created a great impact in the subway as it allows the passengers to call and text while they are travelling.  This takeover of Rogers had made other network services like Bell and TELUS more unsecured, as they thought that it could shut them out of the wireless network service. Acquisitions were also made upon Rogers by some of the network companies on this issue. |
| Provide details about its TEMPORARY nature including a defined beginning and end. (1) (minimum 75 words) | The Scarborough Subway Extension (SSE) is part of a set of four subway and light rail transit projects initiated by the Ford government in 2019. [In May 2021, STRABAG was awarded the Advance Tunnel contract for the SSE. Their responsibilities included designing, planning, executing, and financing the tunnel for the project. Construction activities commenced in June 2021, which included preparatory](https://www.toronto.ca/services-payments/streets-parking-transportation/transit-in-toronto/transit-expansion/line-2-east-extension/) . The initial plan entails excavating around 6.9 kilometers of tunnel over the next upcoming years.  In September 2021, Metrolink and Infrastructure Ontario (IO) combinedly issued a Request for Qualifications (RFQ) to identify potential teams interested in implementing the design and construction of the Stations, Rail, and Systems (SRS). Afterwards, a select group of qualified companies moved forward to the Request for Proposals (RFP) phase, commenced on February 9, 2022. [Then on November 30, 2022,](https://www.toronto.ca/services-payments/streets-parking-transportation/transit-in-toronto/transit-expansion/line-2-east-extension/) the contract for the SRS was awarded to Scarborough Transit Connect (STC) and presently, there is a concerted effort in progress to assess and match the pre-existing design blueprints in close partnership with STC. The SSE (Scarborough Subway Extension) project is scheduled for completion around the years 2029/2030, with the goal of seamlessly integrating with the existing TTC Line 2 operations. |
| What were TIME, COST and SCOPE/PERFORMANCE/QUALITY requirements? (1) (minimum 150 words) | The Scarborough Subway Extension (SSE) stands as a pivotal infrastructure initiative that promises substantial enhancements compared to the Business as Usual (BAU) scenario. This project entails the construction of a [3-stop extension to the Toronto Transit Commission’s Line 2 Bloor-Danforth Subway](https://www.readkong.com/page/scarborough-subway-extension-preliminary-design-business-8534210), creating a crucial link between Kennedy Station and Sheppard Avenue and McCowan Avenue. It is anticipated to serve around 105,000 daily commuters, offering efficient transit access to vital locales including Scarborough Centre, Lawrence Arterial, and the Sheppard Avenue Corridor. Notably, the SSE is to set to save a remarkable 575,000 person-minutes in daily transit travel time when contrasted with BAU.  From an economic perspective, the SSE is projected to generate $2.7 billion in economic benefits. However, [the total project costs estimated to range from $5.5 to $6.0 billion, yielding a benefit-cost ratio of 0.60 to 0.66](https://urbantoronto.ca/news/2020/03/metrolinxs-preliminary-business-case-scarborough-subway-extension-raises-questions.41663). the net present value is anticipated to fall within the range of -$2.4 billion to -$1.9 billion.  In terms of sustainability, the SSE promotes the development of healthier communities by welcoming an additional 12,000 transit users during morning peak hours, reducing vehicle kilometers traveled by 30,000 kilometers during peak hours, and curbing auto-related greenhouse gas emissions by 10,000 metric tons annually in comparison to BAU.  [Financially, the SSE is supported with a capital cost of $5.5 billion and operating costs amounting to $926.5 million](https://www.readkong.com/page/scarborough-subway-extension-preliminary-design-business-8534210). The project is planned with a public-private partnership model (P3) for tunnel works, targeting completion by 2029 or 2030, with a seamless integration into the existing TTC line 2 operations. The SSE represents a holistic solution, offering improved transit services, economic advantages, and sustainability benefits, albeit with a significant financial investment. |

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| **OPERATIONS/ROUTINE WORK** | |
| Describe an example of operations once the project is completed along with an explanation of why it is not a project. (2) (minimum 150 words) | The operations team performs several tasks, and these tasks are performed after completing the construction work i.e., expanding the subway network and after the initial testing. An example of operations includes Infrastructure Management, [Customer Service](https://www.infrastructureontario.ca/en/what-we-do/projectssearch/scarborough-subway-extension--stations-rail-and-systems/), Facility Management, Health and Safety, and Security.  **Customer Service:** Issuing passes/tickets to passengers, guiding passengers on the train routes/schedules, collecting fares, and ensuring the best customer experience are all part of Customer Service Operations.  **Explanation:** Operations are not considered to be a project as they are continuous and repetitive tasks that are necessary for successful functioning. Operations do not have an endpoint and are ongoing. On the other hand, projects have start and end points with specific deliverables.  In our example, the Construction of the Scarborough Subway Extension is a “Project” as it has a definite starting point and an endpoint. It has clear timelines as to when the groundbreaking (construction work) begins, what tasks are to be completed by a certain date and when the extension work needs to be completed. Whereas “Operations” in our Scarborough Subway Extension includes providing best-in-class passenger services, maintenance and repairs of the railway tracks, ensuring timely dispatch of trains and updating daily schedules. These operations have to be performed every day and are aimed to ensure that the system is efficient and runs over an extended period. |
| How does the operations/routine work relate to industry-specific and organizational STRATEGY? (2) (minimum 150 words) | Operations relate to the activities performed by an organization/group periodically and are necessary for its functioning. Some of the key tasks performed by operations include production, managing inventory, customer service, health and safety, quality control, maintenance, logistics, and admin functions. The success of a project heavily relies on daily operations, and these daily operations must align with the tenets of the organization. Any organization for it to be successful must lay out their mission/vision statements and follow these principles to the core.  The organizational strategy for the Scarborough Subway Extension project is to enhance transit efficiency for commuters traveling to and from the downtown core and within Scarborough. [This project involves the replacement of Line 3, a move expected to result in reduced travel durations and improved accessibility to essential destinations, such as employment centers, educational institutions, and other key locations within Scarborough](https://www.metrolinx.com/en/projects-and-programs/scarborough-subway-extension). The primary goal is to offer swift and convenient transportation options to passengers, ultimately benefiting the community’s mobility and connectivity. This is only possible if the daily operations are executed smoothly i.e., ensuring trains depart on time, passengers are provided with updated information on routes/schedules and about delays.Without performing these tasks, it is unlikely that the objective of the project – reducing travel time is possible. |

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| **REFERENCES** (5) (minimum 10 references) |
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