



Treasury Board of Canada  
Secretariat

Secrétariat du Conseil du Trésor  
du Canada



## **Modern Comptrollership: The Foundations of Modern Management**

**Comptrollership Branch**

**Treasury Board of Canada Secretariat**



**Canada**





## Introduction

Modern Comptrollership is a management reform focused on the sound management of resources and effective decision-making. It goes to the heart of the Government of Canada's management framework as described in *Results for Canadians*. In its quest to achieve the highest quality of service to the public, the Government of Canada is committed to excellence in four areas that are critical to a well-performing public sector, namely: citizen focus; values; results; and responsible spending. Canadians expect continuous improvement of management practices, increased focus on results, responsible spending and accountability.

Modern Comptrollership represents the essential prerequisite and foundation upon which modern management is built. As such, it is the latest step in a continuum of management improvement in the federal government. Why has Modern Comptrollership become necessary? The business of government and the practices of public service management have increased in complexity in recent years as a result of several factors. The environment within which the federal public service operates is continually changing. Increasingly knowledgeable and informed clients and citizens expect responsive and accessible government services. The effects of the global economy and the related challenges of Canadian companies competing

effectively in that market challenge us to reflect upon public service policies, programs and service delivery mechanisms. Evolving federalism challenges us to forge mutually beneficial partnerships with other levels of government, the not-for-profit sector and the private sector in order to better serve Canadians. The judicious application of technology presents opportunities to enhance service delivery while reducing costs. The modern public service manager lives this reality, and every day makes difficult choices. Modern comptrollership is about ensuring that the current and future generations of federal public service managers are equipped with

“Improving management requires continued effort and attention. I am confident that the modern management agenda presented in *Results for Canadians* will better equip the Government of Canada to provide Canadians with the high-quality, cost-effective programs and services they want, expect and deserve.”

Lucienne Robillard  
President of the Treasury Board

the requisite skills, competencies and

understanding of their roles and responsibilities to function effectively in this environment. They deserve to be well supported by their organizations in terms of the guidance they receive, the tools they are given, and the information available to them.

What is ‘modern’ about modern comptrollership? Traditional comptrollership focuses primarily on financial information. Modern Comptrollership is about people. Roles and responsibilities related to comptrollership have evolved for managers and functional



“Modern Comptrollership has provided us the opportunity to re-examine and assess the way we manage our affairs. As a small organization, it has been particularly beneficial, allowing us to build on our strengths and focus on further improvements. We anticipate an improved and modern management framework set in the context of our operational realities, that will lead to increased efficiencies and a more responsive organization.”

Joan Mac Donald  
Director General Corporate Services  
Canadian Transportation Agency

specialists alike. The people challenges are: 1) to build awareness and acceptance of these changing roles and responsibilities; 2) to articulate the requisite competencies and skills; 3) to self-assess the extent to which we meet the competency profile; and 4) to develop learning plans to build the required capacity.

Modern Comptrollership is also about infrastructure. Organizations must create an environment conducive to Modern Comptrollership and provide the appropriate delegations of authority, mature integrated information systems, appropriate controls and tools to support their managers and functional specialists to manage in this complex reality. Finally, Modern Comptrollership is also about changed relationships between departments and agencies and the Treasury Board Secretariat as the Government of Canada's management board.

## **The Four Pillars of Modern Comptrollership**

The Independent Panel on the Future of Comptrollership defined Modern Comptrollership as a set of principles founded on a philosophy. The philosophy is



straightforward. The stewardship of public resources can no longer remain the domain of functional specialists; it must become a management function. Managers ought to be able to discharge their stewardship responsibilities without resort to overwhelming 'command and control' policies. And in consequence of this, a new partnership ought to exist between functional specialists and program managers based on a mutual commitment to integrated management decision-making.

From this philosophy, the Panel derived four principles, sometimes referred to as the four pillars of modern comptrollership. The choice of the term 'pillar' is unfortunate since it connotes rigidity and separateness when in fact the four should be seen as dynamic systems and modes of management practice. In a fully effective organization, each would function in its own right, and all would enjoy a dynamic interrelationship one to another.



The Panel proposed that the four be viewed as the essential prerequisites of integrated decision making. Every modern manager, from the front line to the executive committee table, must be capable of making decisions that bring together: integrated financial and non-financial performance information; sound risk management; options for flexible delivery but with due regard for appropriate control; and sound public service values and ethics.

**Integrated Financial And Non-Financial Performance Information:** Measuring and reporting on performance is not a simple matter for governments. All over the globe, different jurisdictions are struggling to improve the quality of the performance information provided to citizens. Modern Comptrollership presumes this commitment to performance reporting, and goes one better. Modern Comptrollership presumes that departments can not only report on their program performance but can also, in a relatively systematic fashion, link their resources spent with the results achieved. **This in turn is only possible if departments implement Results Based Management.** It is understandable that Parliamentarians would want to know what it costs to produce certain results. But why do managers need to know what a result may cost? Because there are alternative ways of doing so, each with differing costs and being able to associate resources with results makes for more informed choices about the most cost effective course.

**Sound Risk Management:** Risk along with cost needs to be prominent in the analysis of options since the level of risk one is prepared to manage has a bearing on the real cost of achieving the result. Every manager to some degree relies on instinct to factor risk into the choices he or she makes. But this is not sufficient. Every well performing

organization owes it to its managers to systematically consider: the risk environment within which it must operate; the tolerance that the organization has to risk; and, the guidance and latitude it is prepared to provide to its managers.

“At Communications Canada it is our intention to design our new organization based upon the principles of modern comptrollership to enable us to effectively respond to client needs.”

David Myers  
Director General, Corporate Renewal  
Office, Communication Canada

**Appropriate Control:** Faced with diminishing resources, and mounting demands for public engagement and accountability, modern managers must continually seek out innovative ways to deliver results for Canadians. But being able to do so presumes that managers are provided with an integrated, principles-based framework of appropriate internal control, in the place of a multiplicity of overly complex control policies. Again, the issue of risk management must be considered in establishing what is ‘appropriate’ control because the extent to which control can be released is dependent on the extent to which there is tolerance for risk. If there is zero tolerance for risk, there will be a rigid and comprehensive control framework.

**Values and Ethics:** Finally, every decision by a manager in the Public Service of Canada must be grounded in the values of the Public Service and of their department. This is not a hypothetical matter. The ethical standards of Public Service in Canada are among the highest in the world.



“ Many of the government’s initiatives that are designed to strengthen management capabilities – initiatives such as the Improved Reporting to Parliament Project and Program Integrity—depend on the success of the modern comptrollership initiative. For example, improved reporting to parliament expects departments to clearly identify what they have accomplished with the resources entrusted to them and to report the costs of the services and programs they have provided to Canadians. To do this well, departments need to have strong comptrollership capabilities. ”

Report of the Auditor General  
Chapter 7, Strategies to Implement Modern  
Comptrollership, April 2002

Everyday however Public Servants are challenged to make complex choices. From their departments, they require guidance and tools on applying Public Service values in their complex, day-to-day decisions. None of the four ‘pillars’ is new, and singly each does not make comptrollership ‘modern’. It is recognizing their interdependency and managing their interrelationship that has the effect of transforming and ‘modernizing’ comptrollership.

## Responsibility and Entitlement

Managers should approach the pillars in two ways: as a personal responsibility, and as a professional entitlement. First, it is the responsibility of every manager to ensure that his or her management practices manifest the four principles. Every manager should strive to make decisions that bring together risk management, appropriate control, resources and results, and Public Service values and ethics. At the same time

however, every manager should feel entitled to expect from their department an integrated framework and agenda for risk management, systems that link financial and non-financial performance information in a timely and accessible manner, integrated control frameworks, and practical guidance on the application of ethics and values in day-to-day decisions. In turn it is the obligation of modern, effective organizations to provide to their managers an environment conducive to the practice of modern comptrollership principles.

## Learning

As a manager in the federal Public Service, you know that modern comptrollership is a foundation of the government's medium-term agenda for management change as set out in *Results for Canadians*. The implementation of modern comptrollership is a government priority that has been extended to all departments and agencies. You have a critical part to play in this initiative, which calls for nothing less than embedding the principles and practices of modern comptrollership, or modern management as some call it, in every management activity and in the awareness, responsibilities and skills of every manager. This new way of looking at comptrollership - as a management function, not simply as a tool for financial administration or the responsibility of financial experts - will amount to a profound cultural change in the practice of Public Service management.

Through its focus on enhanced management of scarce resources, on more effective, integrated decision-making at all levels, and on clear accountabilities, modern comptrollership can support you in achieving your managerial and operational objectives, and, ultimately, in improving



service to Canadians. But, in turn, it will require that you build comptrollership principles into your thinking and comptrollership practices into your organization. It will demand that you adopt a management style and philosophy that link financial and non-financial performance information, that understand and manage risk, that ensure flexibility within a context of appropriate controls, and that reflect Public Service values and ethics.

## Additional Resources

A variety of resources are available to assist managers to access training and other support services to implement modern comptrollership. Most departments and agencies have their own Modern Comptrollership Project Management Offices which are a good source of information and assistance. Additional services include:

**Advisory Services:** Available through the Comptrollership Modernization Directorate, Treasury Board Secretariat (call (613) 952-8125).

**Tools and Frameworks:** ([http://www.tbs-sct.gc.ca/CMO\\_MFC/](http://www.tbs-sct.gc.ca/CMO_MFC/)).

**Modern Comptrollership Practices:** an extensive on-line database ([http://www.tbs-sct.gc.ca/CMO\\_MFC/](http://www.tbs-sct.gc.ca/CMO_MFC/)).

## Learning Resources

**CCMD** - Canadian Centre for Management Development (CCMD) will provide over 100 separate offerings on Modern Comptrollership. For more information contact [ccmd-ccg.gc.ca/corporate/course\\_list\\_e.html](http://ccmd-ccg.gc.ca/corporate/course_list_e.html)

### UNIVERSITIES

The **University of Ottawa** offers a part-time university program specifically designed for civil servants. [www.governance.uottawa.ca/certificate](http://www.governance.uottawa.ca/certificate)

The **University of Victoria** and Human Resources Development Canada have entered into an agreement to offer a program of studies on modern comptrollership to staff of Human and Resources Development Canada, B.C./Yukon Region. <http://web2.uvcs.uvic.ca/lrg/hrdc/>

The University of New Brunswick is offering a part-time certificate program in Modern Public Management in both official languages. Open to all federal public servants in the Atlantic region, the program is designed for the busy pace of a working manager. The successful completion of eight courses is required. Each of these courses has been designed with the elements of Modern Comptrollership as a common theme. The program is currently accepting registrations for June 2003. For more information contact <http://www.unb.ca/extend/mpm/>

### TDC

Modern Comptrollership for Implementers – a two-day course developed by Training and Development Canada for staff responsible for the implementation of Modern Comptrollership in departments: [http://www.edu.psc-cfp.gc.ca/tdc/course2000/index\\_e.htm](http://www.edu.psc-cfp.gc.ca/tdc/course2000/index_e.htm)

