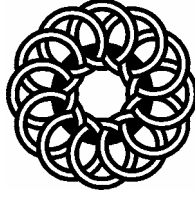


**National Round Table
on the Environment
and the Economy**



**Table ronde nationale
sur l'environnement
et l'économie**

Modern Management Action Plan

Introduction

The federal government is undergoing rapid and significant change in the way it operates and manages itself. The challenges of allocating resources, getting better value for money, strengthening accountability among other challenges, led the government to search for improved management practices. Modern comptrollership is a major initiative to modernize management practices across the federal government and follows the recommendations set out in the *Report of the Independent Review Panel on Modernization of Comptrollership in the Government of Canada*. As indicated in this report, the government will have successfully modernized management practices when managers and organizations integrate these improved practices into their everyday management, and demonstrate a strong capacity to use quality information in decision-making.

This Modern Management Action Plan lays out the actions the National Round Table on the Environment and the Economy intends to carry out in order to strengthen management practices in those priority areas identified during the agency's Modern Comptrollership Capacity Assessment.

Background

In June 2001, the Honourable Lucienne Robillard, President of the Treasury Board, announced that, following a three-year pilot phase, the Modern Comptrollership initiative was extended to all federal departments and agencies. As the NRTEE had already identified the need to strengthen some of its management practices, the agency seized on this initiative in order to make these improvements in a systematic and disciplined fashion. With funding and support provided by TBS, the NRTEE established a modern comptrollership project management office in the fall of 2001. This enabled the agency to manage and adapt the modern comptrollership tools and implementation approach to the unique size and culture of the NRTEE.

Modern Comptrollership is one of the government's key priorities. It 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*. This framework outlines the need for departments and agencies to commit to excellence in four key areas: citizen-focused, values driven, results oriented and responsible spending. In other words, they must be focused on meeting the needs of Canadians. In order to do this, they need to apply sound public service values and place significant emphasis on managing for results and spending responsibly.

Modern Comptrollership is a progressive step on the continuum of management improvement in the federal government, which is necessary because of increased

demands by Canadians for greater accountability, more relevance, and enhanced value-for-money from government policies and programs.

Modern comptrollership is about ensuring that the current and future generations of federal public service managers are equipped with the requisite skills, competencies and understanding of their roles and responsibilities to function effectively in this environment and that they are well supported by their organizations in terms of the following four pillars and three enablers of modern comptrollership.

Pillars of Modern Comptrollership

Shared Values and Ethics support a regime of democratic, professional and organizational and personal values that result in ethical behaviour, attitudes and decisions. Shared values will be instrumental in supporting open, accessible, values-driven and results-oriented operations.

Integrated Performance Information combine the most critical financial and non-financial data and appropriate advice in support of decision-making, results management and reporting.

Mature Risk Management is composed of a comprehensive framework that is integrated into planning, decision-making and monitoring.

Rigorous Stewardship includes responsibilities to safeguard public assets, to develop, operate and support key control systems, management processes, infrastructure, standards and measures of success.

Enablers of Modern Comptrollership

Strategic Leadership refers to the commitment of creating and sustaining a climate for change that fosters the integration of Modern Comptrollership concepts for day-to-day decision-making. Ministers and Public Servants share responsibility for this type of leadership that will result in the integration of values, people and results.

Motivated People focuses on establishing a Public Service workplace that is learning, challenging and rewarding environment, where employees exercise key competencies and skills to achieve expected results.

Clear Accountability involves closer links with the community, increased transparency and public confidence in accountability.

NRTEE Commitment and Governance

On September 21, 2001, the NRTEE's President and Chief Executive Officer confirmed in writing to the Comptroller General of Canada the agency's commitment to implementing the Modern Comptrollership Initiative. Following this commitment, in the fall of 2001, the Round Table established a project management office to oversee and guide implementation of the Modern Comptrollership Initiative.

The NRTEE received funding from TBS to support the hiring of an independent consultant to manage this office on a part-time basis. The Round Table's Corporate Secretary and Director of Operations is responsible for the oversight of the project management office and provides overall direction for implementation of this initiative. The project management office provides progress updates to the Corporate Secretary and Director of Operations on an ongoing basis and all NRTEE modern comptrollership reports and strategies are reviewed and approved by him prior to release or implementation. NRTEE staff is kept informed and involved with priority action plan items through specific training events and updates at monthly staff meetings.

The NRTEE has shown leadership on this initiative within the small agency community, a community comprised of over 65 federal departments and agencies. The Corporate Secretary and Director of Operations is a member of the Small Agencies Modernization Council. The NRTEE is also leading a TBS Innovations Fund Performance Measurement project involving the Canadian Transportation Agency and the Canadian Environmental Assessment Agency. This project is designed to develop effective and efficient tools and approaches to measure performance within small federal agencies with very different mandates.

NRTEE Modern Management Action Plan Objectives

The key objectives of the NRTEE Modern Management Action plan are:

- to summarize the findings and results of the NRTEE's Modern Comptrollership Capacity Assessment;
- to identify the priority areas for improvement and the rationale for why other areas do not require further improvement at this time;
- to provide a comprehensive plan for addressing priority areas for improvement, outlining the linkage to the specific Modern Comptrollership elements and other NRTEE management initiatives;
- to outline actions and initiatives currently underway; and
- to identify time frames, expected results and the person(s) responsible for key activities.

NRTEE Capacity Assessment

In the summer of 2002, the NRTEE undertook a capacity assessment designed to provide the agency with a baseline assessment of current management practices and to identify opportunities for improvement. This was a self-assessment process based on the TBS' KPMG Capacity Check tool comprised of 33 elements under the 7 broad areas explained above, namely:

- Strategic Leadership
- Shared Values and Ethics
- Mature Risk Management
- Motivated People
- Clear Accountability
- Integrated Performance Information
- Rigorous Stewardship

The NRTEE worked with the firm BDO Dunwoody to develop the approach that was used in the capacity assessment. The assessment was completed in the summer of 2002, with the final report delivered by BDO in December 2002. This NRTEE Modern Management Action Plan is based on the findings and information gathered through this capacity assessment process and as reported in the final Capacity Assessment report.

NRTEE's Capacity Assessment Approach

The TBS KPMG Capacity Assessment tool was designed and piloted on large departments in the federal government. As many small federal departments and agencies do not have the capacity, nor the infrastructure and resources, to support many of the formalized, structured systems and processes outlined in the KPMG tool, the tool was adapted to meet the specific and unique needs of the NRTEE. The following is a summary of the approach that was used to adapt and apply this tool in order to carry out NRTEE's capacity assessment:

- **Develop a Capacity Assessment Focus Group Guide** – Using the KPMG tool as a guide, the NRTEE developed a focus group guide with specific questions to ascertain current management practices in relation to each of the 33 capacity assessment elements. A question for each element was included to determine if the current practice was sufficient and why/why not a final question asked participants to assign a rating for each element.
- **Determine Focus Group Participants** – In order to conduct a fair and valid process, the NRTEE established a focus group to carry out this assessment. This group collectively made up over 25% of the total staff complement. This included all of the senior and middle management team and representation from front line

policy staff and administration. The interim Chair of the NRTEE was also a member of the focus group.

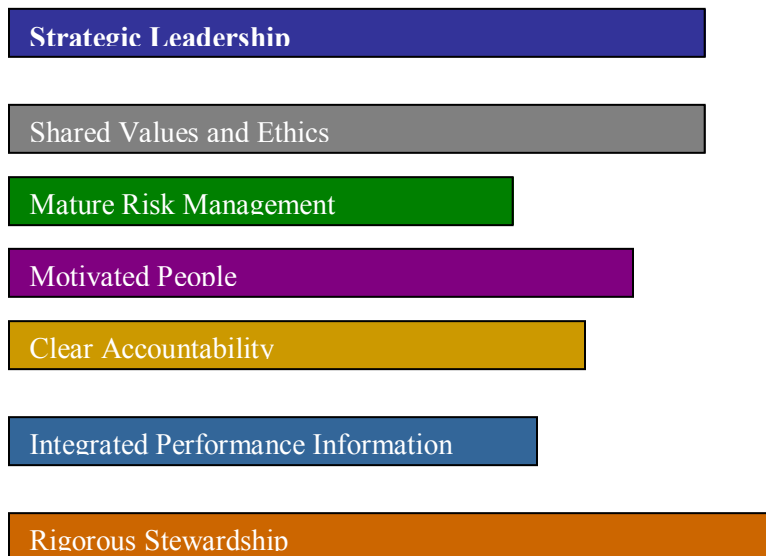
- **Conduct a Modern Comptrollership Information Session** – Although many staff utilize many of the modern management practices intuitively, an information session was provided to the focus group participants prior to the actual capacity assessment focus group meetings. This enabled the participants to develop a clear and common understanding of each of the 33 elements and to begin to think of them in relation to their work and experience. This resulted in participants being better prepared to participate in a full and frank discussion of these elements during the focus group meetings.
- **Conduct Focus Group Meetings** – The original plan was to complete NRTEE’s capacity assessment during a single, all-day focus group meeting. However, given the full and comprehensive discussions that were taking place during the initial meeting, a second focus group meeting was arranged to complete the assessment. All of the participants actively and openly participated in providing their perspectives and ideas to help assess current practices, identify opportunities for improvement, and assign a rating for each of the elements. As this assessment was done using a round table, collaborative approach it also served to validate the findings and ratings.
- **Draft and Finalize the Capacity Assessment Report** – BDO Dunwoody provided the NRTEE with a draft capacity assessment report in the fall of 2002 followed by a final report in December 2002.

Summary of Capacity Assessment Findings

The capacity assessment process highlighted management strengths as well as areas requiring improvement. The summary in Figure 1 indicates that the NRTEE is particularly strong in the areas of Strategic Leadership, Shared Values and Ethics and Rigorous Stewardship with further work required to strengthen management practices in the areas of Mature Risk Management, Motivated People and Integrated Performance Information.

Figure 1 – Summary of NRTEE’s Capacity Assessment Results

1	2	3	4	5
Limited awareness; need significant improvement	General weakness and need for improvement	Current practices are appropriate and meet our needs	Excellent practices; regarded as a model	Outstanding practices; nationally/internationally recognized



Details of Capacity Assessment Results

The Modern Management Action plan is built on the findings and opportunities identified during the capacity assessment process. The following chart in Figure 2 outlines the detailed results that make up each of the 7 areas summarized in Figure 1.

Figure 2 – Detailed Results for Each Capacity Assessment Element

TOPIC	1	2	3	4	5	Rating
Strategic Leadership						
1 Leadership commitment			■	■		3.25
2 Managerial commitment		■	■			2.50
3 Strategic Specialty Support		■				2.00
4 Planning		■				2.00
5 Resource Management			■	■		3.50
6 Management of partnerships			■			3.00
7 Client relationship management				■	■	4.50
Shared Values & Ethics						
8 Values and ethics framework			■	■		3.00
Mature Risk Management						
9 Integrated risk management		■	■			2.00
10 Integrated management control framework		■	■			2.50
Motivated People						
11 Modern management practices competencies		■	■			2.00
12 Employee satisfaction		■	■			2.00
13 Enabling work environment			■	■		3.00
14 Sustainable workforce			■	■		3.50
15 Valuing peoples' contributions			■	■		3.50
Clear Accountability						
16 Clarity of responsibilities and organization		■	■			2.50
17 Performance agreements and evaluation	■	■				1.50
18 Specialist support (covered in 3)						
19 External reporting				■	■	4.00
Integrated Performance Information						
20 Integrated departmental performance reporting	■	■				1.50
21 Operating information	■	■				1.50
22 Measuring client satisfaction		■	■			2.00
23 Service standards		■	■			3.00
24 Evaluative information		■	■			2.00
25 Financial information			■	■		3.50
26 Cost management information			■	■		3.00
Rigorous Stewardship						
27 Business process improvement		■	■			3.00
28 Management tools and techniques		■	■			2.50
29 Knowledge management			■	■	■	4.00
30 Accounting practices			■	■		3.50
31 Management of assets			■	■		3.50
32 Internal Audit (n/a)						
33 External Audit				■	■	4.00

Moving Forward

The NRTEE's capacity assessment process generated enthusiasm and buy-in from middle management and front line staff. It also further strengthened senior management's commitment to move forward and address areas and opportunities for improvement. Following this process, senior management identified priorities for improvement, with the objective of addressing all areas requiring further improvement within an 18-month time frame.

The chart in Figure 3 outlines the Action Plan to address NRTEE's priority areas for improvement. This chart outlines the specific NRTEE management initiatives, the related planned activities, the linkage to the capacity assessment elements and the priority ranking (**high** -completed or well underway between Fall 2002 to Spring 2003 and **medium** - well underway or completed between Spring 2003 and Spring 2004). This chart also details who is responsible for each initiative/planned activity and the related timeframe.

Figure 3 – Action Plan

Management Initiative	Planned Outcomes	Planned Activities	Link to Capacity Assessment Element(s)	Priority Ranking *	Responsibility	Timeframe
Continued leadership and commitment to modernizing NRTEE's management practices	<ul style="list-style-type: none"> Coordinated and sustained commitment to continuously improve management practices and processes 	<ul style="list-style-type: none"> Continue to maintain a Project Management Office to provide leadership, coordination and guidance to senior and middle management Continue to provide leadership within the small agency community (i.e. membership on Small Agency Modernization Council; Small Agency Modernization Comptrollership Group; leadership on a TBS Innovations Fund project on Performance Measurement) 	<p>1 – Leadership Commitment</p> <p>2 – Managerial Commitment</p>	High	Gene Nyberg	Fall 2002 to March 2004
Development of new NRTEE Contracting and Hospitality policies – two areas key to the NRTEE	<ul style="list-style-type: none"> Improved understanding of contract management Improved databank of potential support specialists Improved contract, program and resource management 	<ul style="list-style-type: none"> Consult with staff and TBS for input and feedback Draft new policies Conduct staff training on these new policies Make required adjustments to the policies Implement the new policies 	<p>3 – Strategic specialist support</p> <p>18 – Specialist support</p> <p>6 – Management of Partnerships</p>	High	Gene Nyberg; Pierrette Guitard; Michael Hammond	Nov. 2002 – April 2003
Continued implementation of NRTEE's integrated performance	<ul style="list-style-type: none"> Improved financial and non-financial information for decision-making and reporting 	<ul style="list-style-type: none"> Continue with the implementation in accordance with NRTEE's Performance Measurement Implementation Plan, including: <ul style="list-style-type: none"> Integrating performance 	Integrated Performance Information: capacity assessment elements 20 –26	High	Gene Nyberg; Laurel Murray, Lisa	Nov 2002 – March 2004

Management Initiative	Planned Outcomes	Planned Activities	Link to Capacity Assessment Element(s)	Priority Ranking *	Responsibility	Timeframe
measurement system	<ul style="list-style-type: none"> Improved program management Improved accountability through identification of responsibilities in performance measurement plans. 	<p>measurement into the NRTEE's Program Management methodology and Manual</p> <ul style="list-style-type: none"> Developing an organization-wide performance measurement plan and monitoring and reporting on progress against this plan; Developing Results Chains and Performance Measurement Plans for all of NRTEE's programs, ensuring effective linkage to NRTEE's strategic outcomes and results; and Strengthening the effectiveness and utilization of the ABC system in budgeting, monitoring and reporting. 	<p>4 - Planning</p> <p>5 – Resource Management</p> <p>10 – Integrated management control framework</p> <p>16 Clarity of responsibilities and organization</p> <p>28 – Management tools and techniques</p>		Woodward	
Strengthen NRTEE's strategic planning and reporting	<ul style="list-style-type: none"> Implementation of horizontal, results-based planning, management and reporting Improved resource allocation Improve the relevance of internal and external reporting, linking resources, 	<ul style="list-style-type: none"> Develop a Results Chain for NRTEE to illustrate the linkage between NRTEE's appropriation from Parliament and the strategic outcomes and results to be achieved with these resources and mandate from Parliament. Integrate the NRTEE's budgeting process with the strategic planning and realign the budgeting system to focus on the strategic outcomes and related activities necessary to achieve 	<p>4 - Planning</p> <p>5 – Resource Management</p> <p>19 – External reporting</p> <p>20 – Integrated departmental performance</p>	High	Gene Nyberg; Laurel Murray	Fall 2002 – Spring 2003

Management Initiative	Planned Outcomes	Planned Activities	Link to Capacity Assessment Element(s)	Priority Ranking *	Responsibility	Timeframe
	<p>accountabilities and planned strategic outcomes.</p> <ul style="list-style-type: none"> Improved accountability to Parliament and Canadians 	<p>these outcomes.</p> <ul style="list-style-type: none"> Restructure NRTEE'S Report on Plans and Priorities (RPP) to focus on the Round Table's strategic outcomes and the planned activities to be carried out to achieve these outcomes. Ensure linkages between NRTEE strategic priorities and the Government's priorities are clearly illustrated. This report will also look to provide an overview of the performance indicators that will be used to monitor and report on the achievement or progress towards the achievement of these outcomes. Restructure the NRTEE's Departmental Performance Report (DPR) to report the agency's achievement or progress towards the achievement of its strategic outcomes. This is a shift from the previous focus on activities and outputs to a focus on outcomes and results. Provide training to NRTEE staff to share and review the strategic outcomes and results planned for the agency and discuss and review the linkages to NRTEE's programs. 	reporting			

Management Initiative	Planned Outcomes	Planned Activities	Link to Capacity Assessment Element(s)	Priority Ranking *	Responsibility	Timeframe
Develop new NRTEE human resource policies and practices. Provide staff training on the new policies and practices.	<ul style="list-style-type: none"> Improved clarity and understanding of key policies that impact or affect NRTEE's staff Improved clarity with respect to responsibilities and duties. Improve the level of employee morale and satisfaction 	<ul style="list-style-type: none"> Engage an independent Human Resources consultant to examine NRTEE's existing human resource policies and practices and to develop new policies and practices as required. This will involve examining issues on both a macro level and on a micro level – from employer/employee relations to staff recruitment, retention and staff morale. Assess current skills of staff and skills required to fulfill the clarified roles and responsibilities and develop a plan to address skill gaps identified. Examine the need for implementing performance agreements with middle management staff (incl. Policy Advisors) and implement if deemed to be appropriate, effective and practical for NRTEE. Provide training to NRTEE staff on the new policies and practices. 	<p>Motivated People elements 11 – 15 inclusive.</p> <p>16 – Clarity of responsibilities and organization</p> <p>17 – Performance agreements and evaluation</p>	Medium	Gene Nyberg, John Read	Winter 2003 – late summer 2003
Strengthen internal communications, increasing the opportunities for staff to learn from one-another, input into the decision-	<ul style="list-style-type: none"> A continuous learning and innovation environment Improved business processes and 	<ul style="list-style-type: none"> Hold weekly program meetings involving senior management, program and communication staff to assess and discuss lessons learned and best practices. Post all key meetings on a central, 	<p>27 – Business process improvement</p> <p>15 – Valuing people's contributions</p>	High	David McGuinty; Gene Nyberg Edwin	December 2002 - ongoing

Management Initiative	Planned Outcomes	Planned Activities	Link to Capacity Assessment Element(s)	Priority Ranking *	Responsibility	Timeframe
making process etc.	<p>practices</p> <ul style="list-style-type: none"> Improved knowledge management 	<p>electronic NRTEE calendar with a corresponding email notice to staff.</p> <ul style="list-style-type: none"> Provide cost-effective opportunities for staff to attend NRTEE plenary meetings. Hold a retreat with all staff on an annual basis to address key issues and initiatives. 	29 – Knowledge management		Smith	
Undertake further work to determine the extent to which NRTEE requires a formal risk management framework or strategy and staff training required in this area.	<ul style="list-style-type: none"> Strong risk management practices utilized by NRTEE 's senior and middle management (including Policy Advisors) staff on an ongoing basis. 	<ul style="list-style-type: none"> Develop a risk management profile for the agency, including current practices and process to manage strategic and other key risks (i.e. operational, financial, human resources etc.). Determine the extent to which formal policies, practices, strategies and frameworks are required to meet the NRTEE's needs in this area. Develop and implement the required tools in this area, ensuring they are integrated with NRTEE's planning, management and reporting processes. Determine the needs and approach to effectively provide staff training on NRTEE's risk management practices and processes. Provide required training. 	<p>9 – Integrated risk management</p> <p>10 – Integrated management control framework</p> <p>28 – Management tools and techniques</p>	Medium	Gene Nyberg, Laurel Murray	Spring 2003 – Spring 2004
Undertake further work to determine	<ul style="list-style-type: none"> Common understanding of 	<ul style="list-style-type: none"> Undertake a review and assessment of NRTEE's values and ethics practices, 	8 – Values and ethics	Medium	Gene Nyberg,	Spring 2003-

Management Initiative	Planned Outcomes	Planned Activities	Link to Capacity Assessment Element(s)	Priority Ranking *	Responsibility	Timeframe
the extent to which NRTEE requires a formal values and ethics framework and the training required in this area	NRTEE's values and ethics and management practices and behaviours reflect these values and ethics.	<p>and develop a clear statement/framework of the agencies core values and ethics.</p> <ul style="list-style-type: none"> • Communicate these values and ethics to all staff and NRTEE members and provide related training or briefings if required. • Ensure a process is in place and communicated to all staff to communicate and address ethical dilemmas and monitor any trends in this area. 			Laurel Murray	Spring 2004
Implement a system to effectively track and safeguard NRTEE's assets	<ul style="list-style-type: none"> • Improved management and safeguarding of assets. 	<ul style="list-style-type: none"> • Install new Basset Pro database software package in Finance. • Input all capital assets (those >\$1,500) and attractive assets below this threshold into the database and affix related asset with a new bar code. • Using the portable scanner, scan all assets in the database so as to enable them to be audited and tracked on an ongoing basis. 	31 – Management of assets.	Medium	Pierrette Guitard	<p>Capital Assets: Jan.- March 2003;</p> <p>All other assets to be tracked: April – June 2003</p>
Develop and maintain a comprehensive manual of key NRTEE policies and practices	<ul style="list-style-type: none"> • A common and clear understanding of NRTEE's key policies and practices, 	<ul style="list-style-type: none"> • Review and update all key NRTEE program management, finance and administration policies. • Consolidate the human resource policies and practices that come out of the Human Resources initiative 	<p>29 – Knowledge management</p> <p>16 – Clarity of responsibilities and organization</p>	Medium	Gene Nyberg, Michael Hammond	Spring 2003- Spring 2004

Management Initiative	Planned Outcomes	Planned Activities	Link to Capacity Assessment Element(s)	Priority Ranking *	Responsibility	Timeframe
	<p>including program management, finance, administration and human resources.</p> <ul style="list-style-type: none"> • An effective training and orientation tool for new employees and NRTEE members. 	<p>outlined above.</p> <ul style="list-style-type: none"> • Modify the policies and practices to provide a common look and feel (i.e. consistent electronic medium such as MS Word, common layout etc.). • Maintain this “living” document electronically so as to enable this manual to be readily accessed by all staff as required and to be updated on an ongoing basis. 				

As previously noted, the chart in Figure 3 is intended to illustrate NRTEE’s plan to address the priority areas for improvement identified through the agency’s capacity assessment. To this end, the plan covers 29 (or 88%) of the 33 capacity assessment elements. The following summary outlines the rationale for not specifically covering the remaining 4 elements in this Action Plan:

Capacity Assessment Element	Rationale for Not Addressed in the Action Plan
7 – Client relationship management	The NRTEE has very strong and effective client relationship management practices currently in place and additional practices are not considered necessary at this time.
30 – Accounting practices	As part of the implementation of FIS, the NRTEE developed a comprehensive set of accounting policies to reflect the proper accounting treatment of financial transactions. These policies were used as a model to assist other small agencies and departments within the FreeBalance cluster group.
32 – Internal Audit	Given the very small size of the agency, combined with the fact that the NRTEE is audited to its own level of materiality on an annual basis, a separate internal audit unit and related processes are not considered necessary at this time. If required, the NRTEE would call upon the OAG to conduct a special audit.
33 – External Audit	As the OAG conducts an annual audit and issues an audit opinion on the NRTEE, further attention is not required in this area.

Measuring, Monitoring and Reporting Progress

In order to effectively manage and report on the NRTEE’s Modern Management Action Plan, specific performance indicators will be developed for the Management Initiatives and Planned Outcomes. NRTEE’s project management office will monitor progress on an ongoing basis. Progress reports will be provided to senior management on a monthly basis and more frequently as required. The Corporate Secretary and Director of Operations will provide progress reports to the NRTEE’s President and CEO on a bi-annual basis and more frequently as required. The NRTEE will also provide Treasury Board (TBS) with progress reports on an annual basis and more frequently as requested or required to keep the central agency abreast of key issues. The NRTEE will also report

key management improvement plans and expected results in the agency's Report on Plans and Priorities. Results achieved, or progress towards results, will be reported in the Round Table's Departmental Performance Report.