Results-based
Management and Accountability Framework for the Western Economic Partnership Agreement Program

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2.0 Introduction

The Western Economic Partnership Agreement (WEPA) Results-based Management and Accountability Framework (RMAF) consists of two major components:

- A pan-western RMAF (umbrella framework) for the WEPA Program that serves as the overarching framework for the overall initiative and will describe the strategic federal government objectives and expected outcomes; and

- Individual or component Evaluation Frameworks (one for each federal/provincial WEPA in Manitoba, Saskatchewan[1], Alberta and British Columbia) that support the pan-western RMAF and recognize the distinct aspects of the program at the individual agreement level. [2]

This report presents the pan-western RMAF for the WEPA Program. Evaluation frameworks for each of the four agreements are available under separate cover. It should be noted that this framework is intended to be a "living" document such that it is expected to be modified and enhanced over time as program priorities change and as relevant information is collected.

To support comparison between the agreement level frameworks, the RMAF and the broader Western Development Program, tables presenting the logic model and performance measures for each framework have been provided under separate cover.

2.1 The Results-Based Management and Accountability Framework (RMAF)

The RMAF for the WEPA pan-western program and the evaluation framework for each of the federal-provincial agreements serve as blueprints for federal and provincial government representatives to help them focus on measuring and reporting on outcomes throughout the lifecycle of the agreements. The evaluation frameworks/RMAFs address the requirement for both ongoing performance measurement and the need for longer-term evaluation planning. Ultimately, the frameworks incorporate the principles of performance measurement and evaluation into all stages of policy, program or initiative management.

This requirement is in alignment with modern management practices. The federal Treasury Board (TB) Policy on Transfer Payments (June 2000) formalizes the requirement for an RMAF as part of a TB Submission, and the TB Evaluation Policy (April 2001) recognizes that there are occasions when an RMAF can provide benefits to managers, even when not required under the TB Policy on Transfer Payments. Each of the western provinces also requires that government agencies measure and report on performance in relation to their objectives.

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[1] The Saskatchewan RMAF was completed prior to the development of the WEPA pan-western framework. For that reason, some aspects of the Saskatchewan framework do not reflect recent developments with respect to WD performance measures and initiatives to strengthen performance measurement.
[2] The agreement level documents are referred to as evaluation frameworks which is consistent with the terms of the federal-provincial partnership agreements. However, the evaluation frameworks do conform to the guidelines and requirements for Results-based Management and Accountability Frameworks developed by the Treasury Board of Canada Secretariat and released January, 2005.

The development and implementation of an evaluation framework/RMAF are guided by the following principles:

- Utility - to ensure that managers can use the framework to explain their policies, programs and initiatives to Canadians and to institute sound performance measurement approaches and manage for results;

- Collaboration and ownership - federal and provincial partners see value in the RMAF, and work together to develop, and hence accept ownership of, the RMAF. With the active involvement of managers, the RMAFs are used to ensure that information needs of managers, as well as formal accountability requirements, are met;

- Transparency - to ensure that all stakeholders understand what outcomes are expected as well as how and when they will be measured;

- Decision- and action-oriented - to ensure that information needed by managers and other stakeholders is available when it is required for key decisions;

- Credibility - to ensure that professional standards are adhered to and that the framework establishes realistic commitments for measurement and reporting; and

- Flexibility - to respond to the ever-changing context within which policies, programs and initiatives operate. In order for this flexibility to be realized, the framework needs to be regularly revisited and adapted as necessary.

This document is intended to meet the needs of WD and its provincial partners and help foster a collaborative approach to measuring the performance of the WEPA program and WEPA agreements.

3.0 WEPA Program Profile

3.1 Program Context

Western Economic Diversification (WD)

Western Economic Diversification (WD), through its legislative mandate, has broad responsibilities for: i) promoting economic development and diversification in western Canada, and ii) advancing the interests of western Canada in national policy, program, and project development and implementation. WD's mandate allows it to take a flexible and innovative approach to supporting regional economic development in western Canada.

Projects funded under the WEPAs are directed to initiatives that support WD's three ongoing priorities:

- Innovation

- Entrepreneurship

- Sustainable communities.

Under these broad categories, individual regions place emphasis on areas of particular economic interest to their own unique situations – e.g. tourism revitalization, development and promotion of environmental technologies, and ground-breaking health technology research and development.

Western Economic Partnership Agreements - WEPAs

Since 1974, one of the main forms of government support within the area of regional economic development in Western Canada has been through federal/provincial cooperative development agreements. Even though the program titles, principles and total budgets of federal/provincial agreements have changed, the broad objectives have remained the same: to promote federal/provincial co-operation in regional economic development.

The first formal type of federal-provincial agreement for economic development in western Canada - the General Development Agreements (GDAs) - was ratified in 1974. A framework for the GDAs provided for a ten-year umbrella agreement. In 1984, the GDAs were replaced with a new "umbrella" agreement - Economic Regional Development Agreements (ERDAs). The ERDA umbrella was in effect between 1984 and 1994 and divided into two generations. The second-generation agreements (1989 - 1994) were reconfigured and renamed the Western Economic Partnership Agreements.

These Partnership Agreements had a total five-year budget from the federal government of $242 million that was allocated equally amongst the western provinces and matched by each of them. These new agreements were designed to support both federal and provincial economic priorities. The federal government identified four pan-western areas that could benefit from greater federal expenditures, and allocated specific funding to these areas as follows: forestry ($60 million); tourism ($20 million); communications technology ($20 million); and minerals ($20 million). The remainder ($122 million) was designated to federal-provincial projects that reflected provincial priorities.

By March 1996, almost all of the subsidiary agreements under the Partnership Agreements had expired. Subsequently, WD, as the federal manager of federal-provincial economic development

agreements, received approval from the Treasury Board (TB 823628, December 14, 1995) to propose terms and conditions for the renewal of the Western Partnership program or a successor program. Extensive consultations were carried out between federal and provincial officials on the purpose, objectives, and strategic direction for each WEPA. Recognizing the unique characteristics of each province, WEPAs were tailored to meet regional needs and existing strengths, while at the same time building upon existing national and provincial economic development policies.[3]

A 2002 evaluation of the WEPAs concluded that they provide a flexible economic development tool able to respond to regional priorities; they continue to be relevant in meeting federal and provincial economic development goals, and that they have been effective in establishing strong federal / provincial working relationships.[4]

New WEPAs were signed with each of the four western provinces in late 2003, building on the previous set of agreements. On a cost-shared 50:50 basis, the new WEPAs will invest a total of $200 million in the western Canadian economy over the next four years. WD provides $25 million in funding to each western province with matching provincial contributions.

3.2 WEPA Objectives and Linkages to WD PAA (Program Activity Architecture)

The revised WEPA Terms and Conditions state that the overall objective of Western Economic Partnership Agreements is to develop and diversify the western Canadian economy by:

- Addressing mutual economic development priorities that promote key elements of the federal government's agenda in the West;

- Strengthening partnerships between the federal government and the four western provinces;

- Reducing overlap and duplication; and

- Enhancing federal visibility and coordination.

WEPAs have the following specific objectives:

- Strengthen innovation in western Canada;

- Diversify the northern economy of western Canada;

- Contribute to more competitive and inclusive urban economies;

- Increase Aboriginal participation in the mainstream economy; and

- Increase western Canadian participation in international markets through export development trade, and foreign investment and international tourism promotion.

The WEPA Program supports WD's three strategic objectives related to Innovation, Entrepreneurship and Sustainable Communities.

- Within the Innovation area, WD's strategic objective is to strengthen the western Canadian innovation system by increasing capacity, awareness, and use of new technologies; creating greater linkages between communities and

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[3] Audit and Evaluation, Western Economic Diversification (January 2005), Terms of Reference for the development of a Results-based Management and Accountability Framework for the Western Economic Partnership Agreement (WEPA) Program

[4] Alberta Economic Development, Alberta Innovation and Science, and Western Economic Diversification Canada, (September 26, 2002), Proposed Framework for Renewal of WEPA and Potential Joint Initiatives.

private/research/educational institutions; and creating new, and strengthening existing technology clusters.

- Entrepreneurship objectives relate to improving business services and information, and developing the skills and capacity of western Canadian businesses to result in an increase in new businesses or to enhance existing businesses. WD will also engage in activities to increase investment in western Canada, and increase trade and export opportunities to enhance the competitiveness of western businesses in the global economy.

- Sustainable Communities objectives reflect the reality that many factors affect the ability of communities to access and take advantage of opportunities for economic growth. WD will work to ensure that social, environmental and economic factors are considered when addressing community needs.

These three strategic directions can be described individually, but they are closely linked. Innovation is often the result of entrepreneurial activities that drive the emergence of new sources of long-term employment and wealth. That, in turn, can enhance the sustainability of local communities and the quality of life for their residents.

These directions are consistent with the Government of Canada's economic development priorities, and those of the Industry Portfolio. Innovation and Entrepreneurship have been a major focus for several years, but the department's activities and priorities have evolved in response to emerging economic trends, government priorities, and WD's experience to date.

The WEPA program largely fits within the Program Activity Architecture of the WDP (Western Diversification Program). Consequently, the WEPA program is guided, as appropriate, by the RMAF that was developed for the WDP in 2003. The WEPA RMAF adopts relevant aspects of the performance measurement strategy and evaluation strategy. However, the level of detail required to manage the WEPA Program requires additional elaboration and development of aspects of the strategies found in the WDP RMAF. In some cases, WEPA priorities and the delivery approaches adopted require that performance measures and evaluation issues be developed to supplement those already proposed for use within the broader WDP program.

4.0 Planned Results

4.1 Logic Model and Expected Results

Logic models: define how the program works by showing the relationship between program resources, activities and intended results. They illustrate the cause and effect relationships.

Inputs or resources that support the program, including dollars, staff resources, infrastructure and others things that are required to enable the delivery of the program;

Activities (or services and functions) that take place to deliver the program and work towards desired outcomes;

Outputs which include the units of service provided or product developed through the provision of services and functions;

Outcomes are the impacts and effects for which the program was conceived and designed. They reflect the intended program benefits specified in mission statements, goals and objectives, strategic outcomes, etc.

Three types of outcomes related to the logic model are defined as:

- Short-term or Immediate Outcome: an outcome that is directly attributable to a policy, program or initiative's outputs. Outcomes at this level occur fairly quickly after the delivery of outputs (e.g., SMEs have access to capital, improved business skills and capacity, increased investment).

- Mid-term or Intermediate Outcome: an outcome that is expected to logically occur once one or more immediate outcomes have been achieved. These are enabled by the short-term outcomes (e.g., SMEs growing in strategic sectors).

- Long-term or Final Outcome: the highest-level outcome that can be reasonably attributed (to some degree) to a policy, program or initiative in causal manner, and is the consequence of one or more intermediate outcomes having been achieved. These outcomes usually represent the raison d'être of a policy, program or initiative. They are indicative of a changed condition in a target population, for example, the ultimate outcomes of individual programs, policies or initiatives contribute to the higher-level departmental strategic outcomes or agency goals (e.g., increased international competitiveness).

The level of control or influence that the program has over the achievement of outcomes tends to be highest with respect to short-term outcomes and lowest with long-term outcomes. Consequently, demonstrating that program activities influenced an outcome becomes more difficult for longer-term outcomes (See Exhibit 4-1 below).

The logic model is a useful starting point in developing an evaluation framework because it clarifies how a program works, what it is aiming for and how program activities contribute towards the broader aims of the program. As a consequence, in developing a logic model, program managers are basically clarifying what they would need to see in order to conclude that the program was successful or is succeeding.

In doing this, the program manager then is in a very good position to identify the critical aspects of performance that need to be monitored and to identify program risks and identify ways to manage those risks.

4.2 WEPA Pan-Western Logic Model

The logic model at the pan-western level of WEPA is presented in Exhibit 4-1, below. The logic model groups activities and related outputs and outcomes into four themes: collaboration and partnership; innovation; entrepreneurship; and sustainable communities.

Collaboration and Partnership

The logic model recognizes that collaboration and partnership is a critical component underlying the way in which business is conducted in all investments funded through the agreement. The Collaboration and Partnership theme identifies the key activities undertaken by the management committees that manage the individual WEPAs, and the expected outputs and outcomes of these activities. The critical results expected from this component of the logic model include:

- Joint identification of priorities between partners, and focusing on investments in projects that will address them;

- Leveraging of investment from project partners (from partners outside of the provincial-federal partnership formalized through the WEPA agreements);

- Improved communication and cooperation between WD and provincial partners; and

- An overall increase in the capacity to address economic development priorities in the west.

Innovation

WEPA invests in projects that support Innovation by making strategic investments in infrastructure, skill building and organization by enhancing technology commercialization and technology adoption in firms. The development of innovation capacity, a culture of innovation, and adoption of new products, processes and technologies are collectively viewed as an essential support to economic growth to help maintain the competitiveness of businesses and sectors in Western Canada.

Within the WEPA program, results from the innovation component of the program often are viewed as inputs that support business development as well as entrepreneurship and sustainable communities.

Business Development and Entrepreneurship

The program supports initiatives that promote business development and entrepreneurship. These include the development of infrastructure and linkages that strengthen clusters or foster growth within key strategic sectors of the economy.

In some cases investments in business development and entrepreneurship have a strong innovation or community component to them.
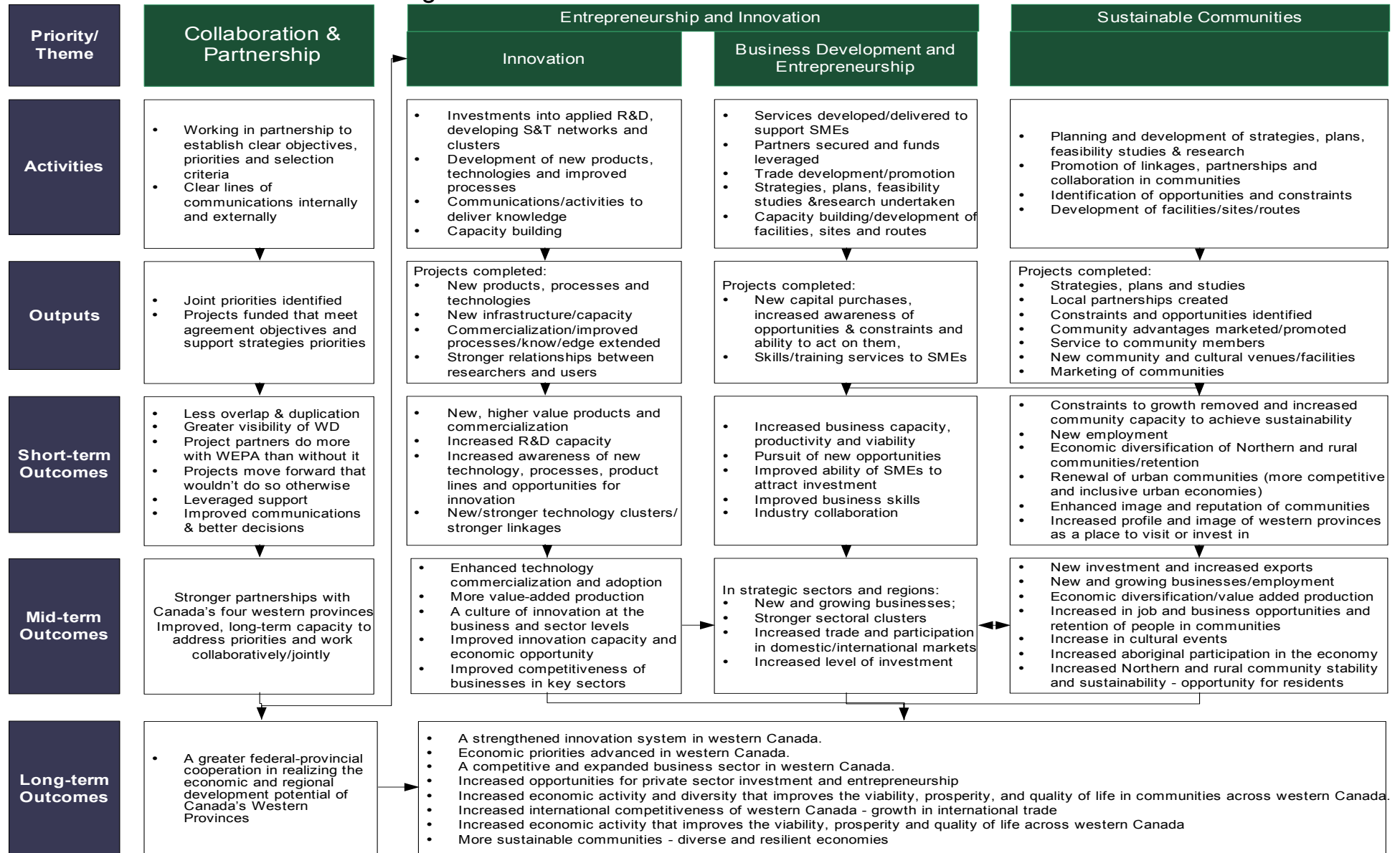
Sustainable Communities

Investments into sustainable communities intended to strengthen the competitiveness and sustainability of communities. Often, there is a particular focus on rural or northern development, but urban considerations are also factored into the selection of projects where the economic and community impact are recognized. Projects tend to have a community wide focus, although some are more squarely focused on improving the quality of life in communities through the development of cultural and social services and capacity.

Expected Results (Outcomes)

In the long-term, the WEPA program is expected to contribute to:

- A greater federal-provincial cooperation in realizing the economic and regional development potential of Canada's western provinces

- A strengthened innovation system in western Canada.

- Economic priorities advanced in western Canada.

- A competitive and expanded business sector in western Canada.

- Increased opportunities for private sector investment and entrepreneurship

- Increased economic activity and diversity that improves the viability, prosperity, and quality of life in communities across western Canada.

- Increased international competitiveness of western Canada - growth in international trade

- Increased economic activity that improves the viability, prosperity and quality of life across western Canada

- More sustainable communities - diverse and resilient economies

Exhibit 4-1: WEPA Pan-western Logic Model

Priority/Theme	Collaboration & Partnership	Entrepreneurship and Innovation		Sustainable Communities
		Innovation	Business Development and Entrepreneurship	
Activities	• Working in partnership to establish clear objectives, priorities and selection criteria • Clear lines of communications internally and externally	• Investments into applied R&D, developing S&T networks and clusters • Development of new products, technologies and improved processes • Communications/activities to deliver knowledge • Capacity building	• Services developed/delivered to support SMEs • Partners secured and funds leveraged • Trade development/promotion • Strategies, plans, feasibility studies &research undertaken • Capacity building/development of facilities, sites and routes	• Planning and development of strategies, plans, feasibility studies & research • Promotion of linkages, partnerships and collaboration in communities • Identification of opportunities and constraints • Development of facilities/sites/routes
Outputs	• Joint priorities identified • Projects funded that meet agreement objectives and support strategies priorities	Projects completed: • New products, processes and technologies • New infrastructure/capacity • Commercialization/improved processes/know/edge extended • Stronger relationships between researchers and users	Projects completed: • New capital purchases, increased awareness of opportunities & constraints and ability to act on them, • Skills/training services to SMEs	Projects completed: • Strategies, plans and studies • Local partnerships created • Constraints and opportunities identified • Community advantages marketed/promoted • Service to community members • New community and cultural venues/facilities • Marketing of communities
Short-term Outcomes	• Less overlap & duplication • Greater visibility of WD • Project partners do more with WEPA than without it • Projects move forward that wouldn't do so otherwise • Leveraged support • Improved communications & better decisions	• New, higher value products and commercialization • Increased R&D capacity • Increased awareness of new technology, processes, product lines and opportunities for innovation • New/stronger technology clusters/ stronger linkages	• Increased business capacity, productivity and viability • Pursuit of new opportunities • Improved ability of SMEs to attract investment • Improved business skills • Industry collaboration	• Constraints to growth removed and increased community capacity to achieve sustainability • New employment • Economic diversification of Northern and rural communities/retention • Renewal of urban communities (more competitive and inclusive urban economies) • Enhanced image and reputation of communities • Increased profile and image of western provinces as a place to visit or invest in
Mid-term Outcomes	Stronger partnerships with Canada's four western provinces Improved, long-term capacity to address priorities and work collaboratively/jointly	• Enhanced technology commercialization and adoption • More value-added production • A culture of innovation at the business and sector levels • Improved innovation capacity and economic opportunity • Improved competitiveness of businesses in key sectors	In strategic sectors and regions: • New and growing businesses; • Stronger sectoral clusters • Increased trade and participation in domestic/international markets • Increased level of investment	• New investment and increased exports • New and growing businesses/employment • Economic diversification/value added production • Increased in job and business opportunities and retention of people in communities • Increase in cultural events • Increased aboriginal participation in the economy • Increased Northern and rural community stability and sustainability - opportunity for residents
Long-term Outcomes	• A greater federal-provincial cooperation in realizing the economic and regional development potential of Canada's Western Provinces	• A strengthened innovation system in western Canada. • Economic priorities advanced in western Canada. • A competitive and expanded business sector in western Canada. • Increased opportunities for private sector investment and entrepreneurship • Increased economic activity and diversity that improves the viability, prosperity, and quality of life in communities across western Canada. • Increased international competitiveness of western Canada - growth in international trade • Increased economic activity that improves the viability, prosperity and quality of life across western Canada • More sustainable communities - diverse and resilient economies		

Timing and Flow of Benefits

While the logic model provides a high level description of the relationship between WEPA activities, outputs and intended outcomes, it does not adequately illustrate the timing of benefits (i.e., when the outputs and outcomes actually occur). The logic model describes these as short-term, intermediate and long-term suggesting that the long-term outcomes cannot be generated until the short and medium-term outcomes have been realized.

In practice, it should be remembered that WEPA is making investments into initiatives that can be located at different stages within a continuum of development. In some cases, projects funded through WEPA are at the very early stages in the project continuum such as idea generation, proof of concept or feasibility studies. In other cases, projects are making investments into an initiative that is further along in the project continuum, where specific products or tangible benefits are realised. The project continuum and the relative attribution of the type of project to outcomes is depicted in Exhibit 4-2 below. The logic model illustrates the cause and effect relationships within this continuum, but it can be different for each of the jurisdictions or for individual projects within each jurisdiction. Consequently, the timing of the benefits (outcomes) may differ from the logic model in individual cases. The place of projects on the continuum also has implications for the types of measures expected to be used.
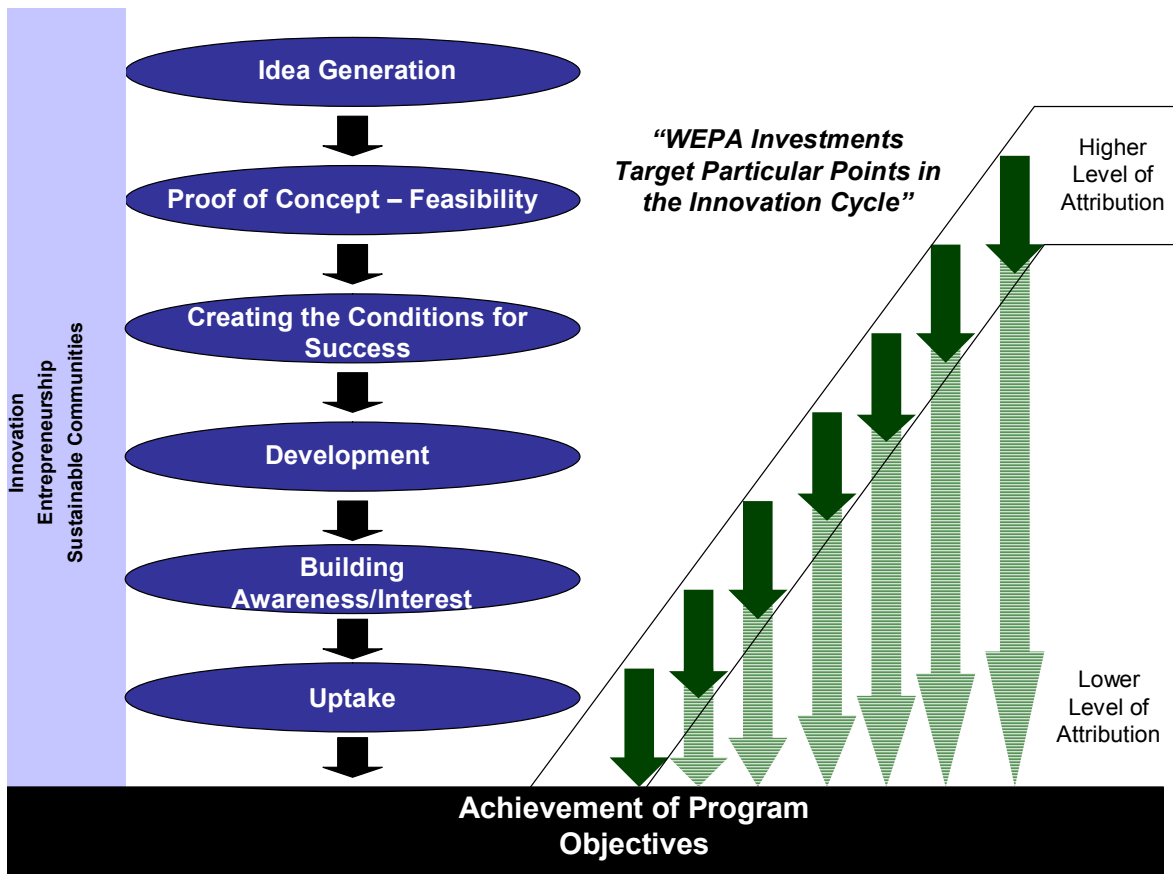
Exhibit 4-2 – Project Continuum

In relation to performance measurement and the evaluation of program effectiveness, this has certain implications:

- Projects that are at earlier stages in the continuum will generally have a less direct influence on the achievement of longer-term outcomes. The results of these particular projects may be best seen through acceptance or adoption of an idea or uptake of the project to the next stage in the continuum. In these cases it will be more difficult to demonstrate a strong level of attribution between project activities and longer-term outcomes and the time-frame between the completion of project activities and longer-term outcomes will be longer.

- Projects that are at later stages in the continuum will have a more direct influence on the achievement of longer-term outcomes. The timeframe between the completion of project activities and the achievements of intended program outcomes will be shorter and the capacity to demonstrate attribution between project and program activities to the longer-term outcomes will be stronger.

Program staff will need to keep these observations in mind when identifying outcomes, performance measures and targets that are to be used to monitor project performance. It is also a factor which should be taken into account when the effectiveness of agreements or the pan-western program is assessed.

Internal and External Factors

Internal and external factors can have an influence on the ability of WD and its provincial partners to work towards and achieve intended outcomes. The key factors associated with the WDP are summarized below.

Internal factors (some of which can be influenced or determined at the agreement level; others at the program level) include:

- The capacity of the respective partners to manage workloads and achieve timely approval of projects;

- The ability to fund projects – partners' capacity to fund projects could slow or accelerate the pace of implementation;

- The ability to adapt to changing priorities is affected by (1) the management committees and their approaches to identifying new priorities, (2) the manner in which projects are evaluated and selected, and (3) the extent to which new funds can be made available to respond to new priorities;

- The availability of resources to monitor and manage projects; and

- The development of systems to capture and report on relevant data.

External factors (i.e. outside the agreement and the program) include:

- Willingness/interest of proponents in pursuing identified priorities;

- The quality of proposals – the ability to pursue priorities is dependent upon proponents developing proposals that meet the funding criteria;

- Changing priorities within WD and the province can affect the relevance of WEPA priorities;

- Broader technological trends;
- Exchange rates and trade-related decisions which can affect progress within particular clusters and sectors; and
- The economic climate in Western Canada.

Accountabilities

Governance Structure

Each WEPA is managed through a Management Committee which is co-chaired by a senior representative of WD and the province. The Management Committees have the ultimate responsibility for approving projects and are accountable for the success of their respective Agreements.

The Management Committee is supported by various staff members from within WD and the province. These staff comprise a program director or manager from each jurisdiction, who acts as the main liaison in the process, and who is further supported by other operational staff.

WEPA Program Delivery

Projects are identified in a variety of distinct ways under the different WEPAs. They are the result of a Request for Proposal process in one region, and in others, they are established by either party under the agreement as meeting a recognized need, or are jointly identified as projects that will meet the needs of both parties. On occasion, proposals are submitted by proponents who have determined that they have a project which they believe will meet the criteria for funding under the agreement. These proposed projects are considered by the respective parties to determine whether they meet agreement objectives and funding criteria.

Once identified, both parties undertake an evaluation process – again this can vary by region. In all cases WD staff use a formal evaluation tool – the Due Diligence Report (DDR) - which involves a rigorous process, normally undertaken by a business officer. This form is also used by one of the provinces, which ensures a consistent approach is taken and that full consideration is given to all relevant aspects of the proposal. In other regions, the province carries out a more informal evaluation, wherein they ensure the project meets the objectives of the program. The DDR, or other evaluation tool is approved by various levels of authority within each jurisdiction. After evaluation, a Project Approval Form is prepared and signed by the respective co-chairs of the Management Committees as their formal approval of the project.

Project funding and management processes vary between agreements. In some regions, projects are specifically identified as relating more closely to one or other of the parties and it is left for that party to monitor and manage the project – in others, project management is a shared responsibility. This management includes refining the proposal and negotiating the contract with the proponent and then entering into a funding agreement.

Within the DDRs or other evaluation tools, the expected benefits/impacts/outcomes are identified as part of the evaluation and the same terms are included in the funding agreement. It is the shared responsibility of the parties to ensure that the deliverables under the contract are met and that the project meets the objectives of the program and hence the expected outcomes.

WEPAs are based on the following principles:

- Equal cost-sharing between the federal and provincial governments,
- Partnership and joint federal provincial planning and decision-making;

- Equal allocation of funding among the four provinces;

- Funding provided for sustainable growth, not short-term relief;

- Building on strengths and enhancing competitiveness to achieve a more sustainable economic base;

- Recognition of the unique characteristics of each provincial economy while at the same time being consistent with national economic development policies;

- Encouraging incrementality and private and institutional participation;

- Encouraging the participation of other federal government departments and agencies;

- Coordinating and enhancing ongoing federal and provincial government and industry activities;

- Reducing overlap and duplication by enhancing the coordinated economic development activities of the federal and provincial governments;

- Providing flexible delivery mechanisms (i.e. unilateral, joint or third-party delivery); and

- Projects should not be carried out by, or be for the benefit of, commercial enterprises.

5.0 Risk Assessment and Management

5.1 Key Risks, Needs and Mitigating Strategies

The RMAF for the WEPA program is intended to meet the needs of, and address the risks identified by WEPA partners, various stakeholders, and other interested parties. These parties can be classified as follows:

1. Provincial government represented by:

   - Management Committee members

   - WEPA program managers

   - Program/business officers

   - Provincial agencies that fund projects or are involved in the implementation and management of projects

   - Central agencies including Treasury Board

2. Federal government represented by:

   - Western Economic Diversification, including

     - Management Committee members

     - WEPA program managers

     - Program/business officers

   - Central agencies, including:

     - Treasury Board

     - Expenditure Review Committee

3. Local communities, both urban and rural

4. Business, research, cultural and tourism associations and organizations, and communities.

The most important risks and needs have been identified, along with the strategy required to manage the risk or satisfy the need, from each of these perspectives and are identified in Exhibit 5-1, below. The strategies identified should be considered in the context of the implementation plan described in Section 8.0 Implementation Plan.

Exhibit 5-1: Key Risks and Needs

Theme	Risk/Need	Level of Risk	Mitigation Strategy
Program Success Criteria	▪ Criteria for assessing program performance and success are not sufficiently clear, precluding assessments of effectiveness and cost-effectiveness.	▪ High – the WEPA program does not have precise performance targets. ▪ High - since the objectives for the WEPA program and supporting Agreements do not provide precise criteria against which to measure success. Objectives are high level and targets are established at the project level as opposed to the program level. ▪ There are no benchmarks with respect to cost-effectiveness and efficiency. ▪ Without clear outcome targets and performance measures, cost-effectiveness cannot be reliably determined.	▪ Performance targets are identified at the project level. ▪ Limited targets are identified at the program level ▪ Evaluation should focus on strategic priorities identified at the agreement level.
Cost Effectiveness	▪ Projects selected may not be the most cost effective way of achieving stated WEPA objectives	▪ High – program success criteria are not sufficiently detailed to adopt a strategic approach to project selection.	▪ Selection and approval process are designed to strengthen linkages between projects and WEPA objectives.
Performance Measures	▪ Outcomes cannot be easily monitored on an ongoing basis.	▪ High - Currently, accountability and processes for monitoring and reporting on project level results (outcomes) are under development.	▪ The focus of ongoing performance management for WEPA is on outputs and shorter-term outcomes. ▪ Project level agreements clarify recipient accountability for reporting against shorter-term outcomes.
	▪ Program does not have a common set of performance measures that can be rolled up to the WD/pan-western level	▪ Medium - Ability to adopt a common set of performance measures is constrained by diversity/scope of projects	▪ Develop measures at the agreement level which will complement or support more diverse program level measures
	▪ Some outcomes are difficult to quantify / measure	▪ Medium	▪ Provide a mix of quantitative and qualitative performance measures. ▪ Start by focusing on shorter term easier to measure outcomes, relying on information that currently exists or can be readily collected
Implementing Performance Measures	▪ Performance measures developed at the WEPA level are inconsistent with the needs of WD ▪ Relevant performance data for outcomes is not collected.	▪ Medium - There are no formal mechanisms to support ongoing performance measurement within WD. (Reporting requirements and WD performance measures are under development.)	▪ RMAF includes a plan for review and revision. As measures are developed at the agreement level, consideration should be given as to how they might support or be role dup into the program level
	▪ Recipients are not collecting and reporting out against planned results.	▪ Medium - Recipient capacity to identify and report on outcomes is limited ▪ No incentive for recipients to collect performance data after completion of the project.	▪ WD is in the process of reviewing monitoring and payments processes required to improve the quality of recipient reporting. ▪ New contracts should contain requirement to report out on data ▪ Measures should wherever possible be of benefit to the recipient so that it is in their own

Theme	Risk/Need	Level of Risk	Mitigation Strategy
			• business interests to collect the relevant information
	• Project approvals have proceeded without agreement over performance measures and core outcomes	• Medium – a portion of WEPA funding has been allocated to projects before performance measures were established for the program.	• In some cases, WEPA partners may work with project recipients to improve the quality of performance measures. • The WEPA RMAF draws on performance measures (when appropriate) that are already in use at the project level to improve consistency between performance measures used at the project, agreement and pan-western levels.
	• Project monitoring is not coordinated between federal and provincial partners. Ability to develop program-wide performance reports is limited. • Business processes are not fully documented and currently do not support performance measurement at the project level.	• Low-medium – the level of coordination is high in some regions and lower in others.	• None identified • Regions should share "best practices" so that their counterparts can benefit • WD and their provincial counterparts on the management committee should explore opportunities for sharing the results of their respective monitoring
Resources to Support WEPA Performance Management	• Partners may not have adequate administrative resources/capacity to support performance measurement/RMAF. • Provincial and Federal partners may manage projects to different standards.	• High – ability to implement ongoing performance measurement is constrained by current level of partner resourcing.	• The evaluation framework and broader RMAF includes a plan for transitioning to ongoing performance measurement. • Intention is to start with short-term outputs / outcomes which are usually easier to measure and collect data for longer term outcomes as the program develops • Direction for this strategy should be sought from WD headquarters
	• Rationale for current funding levels is not clear • Extent to which current level of resourcing is sufficient to achieve program objectives is not clear.	• Medium	• None identified • Ensure all funds are spent on meaningful projects within predetermined funding schedule (Program evaluation?) • Management Committee approves funding decisions
Program Priorities and Program Responsiveness	• Funds may be fully committed or distributed early in the life of the agreement, leaving insufficient funds for future years. • Extent to which priorities are jointly identified and the approach/method for identifying them varies between agreements. • Priorities, as defined in the agreements are high level/very general. • Some delivery models used within the WEPA Program at the agreement level may	• Medium – funds have been fully allocated in Alberta which reduced the ability to adapt to changing and/or emerging priorities.	• None identified • Monitor projects closely, to ensure they will all use the funds allocated to them within the term of the agreement, and reallocate to other priority proposals as funds become available

Theme	Risk/Need	Level of Risk	Mitigation Strategy
	- reduce the capacity to respond to changing needs/recognize changing needs. - Flexibility to respond to changing needs could be compromised if program becomes prescriptive. - Too much flexibility could pose an accountability risk.		
Project Selection	- Project eligibility is broadly defined and allows most projects to qualify for funding.	- Medium – priorities are determined through management committee and jointly agreed to.	- None identified - Each project is individually evaluated through the use of Due Diligence Reports or against evaluation criteria and the Management Committee jointly approves all projects
Beneficiaries and Distribution of Benefits	- Program beneficiaries are not clearly identified - Relative distribution of benefits has not been clearly defined among intended beneficiaries and WEPA objectives.	- Low to Medium – beneficiaries are identified at a high level. - The relative weight placed on particular objectives and benefits has not been determined prior to making funding allocation decisions.	- None identified
Incrementality	- Funding provided by partners is not incremental.	- Medium – in some cases, provincial partner funding is not clearly incremental.	- Program evaluation will be used to determine incrementality.
Attribution	- Some outcomes are long-term in nature and ability to attribute WEPA investment to outcome is very limited.	- High	- The initial performance measures for the WEPA program are focused on shorter-term outcomes where the level of attribution is higher and more easily determined.
Program Collaboration/ Joint Management - Consistency of Program Implementation Amongst Regions	- Different regions have applied different methodologies and criteria to project selection. E.g. : RFP vs. proposal driven; leveraging of funds from outside of WD / Province	- Medium	- Program evaluation will determine if there is best practice in this regard

In the following sections, a performance measurement and evaluation strategy, as well as an implementation plan are presented which are intended to further address the risks identified.

6.0 Performance Assessment Plan

The performance assessment plan provides direction to the activities that will be conducted on an ongoing and periodic basis. It encompasses a broad range of performance management activities which includes a combination of:

- Procurement – which encompasses the criteria and processes for the evaluation of investment opportunities (potential projects);

- Project monitoring and reporting – which encompasses the criteria and processes for project monitoring and reporting;

- Performance measurement – which specifies the performance measures required to support performance management within the program;

- Auditing – which specifies the audit related activities required to address program risks related to contract compliance; and

- Evaluation - can be used to respond to some of the risks and needs identified for the WEPA program that cannot be addressed through any of the other activities identified above.

The RMAF focuses on performance measurement and evaluation at this point, but WEPA program managers and partners should ensure that each of the other elements are in place and that they are coordinated with each other to achieve an efficient approach to performance management within the WEPA program. Future iterations of the RMAF for the WEPA program could include these other elements.

6.1 Performance Measurement

The performance measures identified for the WEPA program are intended to link with the Program Activity Architecture of WD, when appropriate. The measures are also intended to assist managers in managing their operations at the project, program and agency level in both WD and the provinces.

There are several limitations that affect the ability of WD and the provinces to fully implement these measures.

- At present, WD does not have a fully integrated process and systems to support ongoing performance measurement. WD will be developing and implementing improvements but, at present, this represents a significant limitation on the extent to which ongoing performance measurement can be practiced within the WEPA Program.

- The familiarity and capacity of recipients to implement performance measures is unknown at this point. Since much of the performance information will be provided through recipient reporting, the uncertain capacity of recipients should be considered as potentially a major limitation.

- The measures are also expected to see some revision as WD's PAA and supporting performance measures/indicators are refined. While this framework is being prepared, WD has just begun an agency-wide initiative to develop regional and HQ outputs and

outcomes for each of the sub-activities within the PAA. As this initiative progresses, there may be a need to revisit the performance measures identified in the framework.

Exhibit 6-1 identifies performance measures at the output and outcome levels currently identified for the WEPA Program. For each measure, a performance measurement plan has been developed and is presented below, including a brief description, data collection methods, data sources, responsibilities, and the timing of data collection and reporting. At this point, the source of certain specific data, and the responsibility and timing for collection of that data, will not be determined until the parties have more fully implemented the RMAF as outlined in Section 8.0.

The measures included are wide-ranging and intended to allow partners at the agreement level and at the pan-western level to monitor performance in relation to key results. In this regard, partners are expected to focus on the results where a reasonable level of attribution to the WEPA investment can be expected. Consequently, this means that partners will need to consider at which stage the WEPA investment is being made within a broader project continuum, the results that can be reasonably expected from that investment, and how best they can be measured.

Specific performance measures identified at the agreement level are identified in the attachments.

Exhibit 6-1: WEPA Pan-western Performance Measures

Investment Theme	Type of Measure	Performance Measure	Data Collection and Analysis Methods	Responsibility	Timing
Collaboration and Partnership	*Output*	▪ Number and $ value of projects funded ▪ % of projects that meet agreement objectives and support identified strategic priorities ▪ $ value of leveraged funds (or ratio of leveraged funds: WEPA funds)	Project files	Project Officer (WD or province)	On-going, as projects are initiated and completed
	Outcome	▪ $ value of funding leveraged as a result of the completion of WEPA-funded project ▪ % of stakeholders (management committee / team members, proponents, partners, recipients, clients) who feel that the WEPA program allowed them to do things that they otherwise would not have been able to do or do as quickly ▪ Level of client satisfaction with WEPA ▪ Increased awareness of WEPA ▪ New instances of federal – provincial cooperation resulting from WEPA ▪ Continuation of WEPA funding	Project files Surveys / interviews of key stakeholders Surveys / questionnaires Budget papers / announcements	Project Officer (WD or province) To be determined (TBD) as part of implementation plan (see Section 8.0) TBD	On-going, as projects are initiated and completed TBD TBD
Innovation and Entrepreneurship	*Activity*	▪ # and $ value of projects funded ▪ $ value of leveraged funds (or ratio of leveraged funds: WEPA funds)	Project files	Project Officer (WD or province)	On-going, as projects are initiated and completed
	Output	▪ # and $ value of projects completed ▪ Studies / plans completed ▪ # of partnerships / networks developed / maintained ▪ % of projects that have achieved the objectives / planned outcomes / targets identified in the Schedule As ▪ $ value of new R&D infrastructure / centres / other physical assets developed ▪ # of new technologies / products developed	Project files	Project Officer (WD or province)	On-going, as projects are initiated and completed

Investment Theme	Type of Measure	Performance Measure	Data Collection and Analysis Methods	Responsibility	Timing
	Outcome	• % of projects that have achieved the objectives / planned outcomes / targets identified in the Schedule As • Increased investment by other parties in area of funding • % of projects that are adopted by the next level in the project continuum – e.g. # products or processes that are identified for further R&D • # of demonstration projects that are adopted elsewhere • % projects that have funds contributed from outside the WEPA partners • $s leveraged • # jobs created or maintained • # industry association / partnerships created • # of patents filed / issued • # technologies adopted • # of training courses and # of people trained • # skilled personnel / positions filled with recent graduates of training programs funded through WEPA • New companies established to commercialize technology • Growth in non-traditional and regional sectors (value of sales) • Growth in strategic sectors (building on existing advantages) • Net migration to Western Canada in target sectors	TBD as part of implementation plan (see Section 8.0)	TBD as part of implementation plan (see Section 8.0)	TBD as part of implementation plan (see Section 8.0)
Sustainable Communities	*Activity*	• # and $ value of projects funded • $ value of leveraged funds (or ratio of leveraged funds: WEPA funds)	Project files	Project Officer (WD or province)	On-going, as projects are initiated and completed
	Output	• # of partnerships developed/maintained • % of projects that have achieved the objectives / planned outcomes / targets in the Schedule As • # of new or enhanced community services or facilities	Project files	Project Officer (WD or province)	On-going, as projects are initiated and completed
	Outcome	• % of projects that are adopted by the next level in the project continuum • # of demonstration projects that are adopted elsewhere • Growth in key sectors / clusters / regions (e.g. value added, northern, rural, urban, youth, aboriginal as appropriate)	TBD as part of implementation plan (see Section 8.0)	TBD as part of implementation plan (see Section 8.0)	TBD as part of implementation plan (see Section 8.0)

Investment Theme	Type of Measure	Performance Measure	Data Collection and Analysis Methods	Responsibility	Timing
		youth, aboriginal as appropriate) - o $ value of sales in strategic value-added sectors - o $ value of exports/goods shipped - o $ value of investments - o # businesses created / maintained / expanded - o # of jobs created or maintained ■ # instances facilitating community involvement ■ # of partnerships developed/maintained ■ # instances of increased capacity in community organizations ■ $s leveraged (funding that is in addition to funding provided through WEPA partners; funding that is leveraged as a result of the completed project) ■ # training courses developed ■ # of people trained ■ # visits to cultural and recreation facilities ■ # of visitor days/visits (domestic, short haul, long haul) to WEPA funded sites/attractions ■ # of people attracted to Western Canada as a result of WEPA funded activities) ■ # rural and remote Canadians served ■ % of projects that have achieved the objectives / planned outcomes / targets identified in the Schedule As ■ Usage of new services / facilities / institutions ■ New programs aimed at youth ■ Number of post secondary spaces created			

6.2 Evaluation Strategy

The evaluation strategy presented in this section identifies issues and questions associated with six broad themes including:

- Relevance (and rationale);
- Program design/implementation;
- Success;
- Cost-effectiveness;
- Continuous improvement; and
- Performance measurement systems.

The evaluation strategy employs the framework used in the WDP RMAF as a base and when appropriate uses the same evaluation issues and questions. While many of the issues and questions posed in the WDP RMAF are relevant, they are often posed at a level that is too general to provide sufficient guidance at the WEPA Program level. In these cases, more specific evaluation issues and questions have been developed.

For each evaluation issue and question, the table identifies the level at which the evaluation will be conducted, as follows:

- WDP – the issue is most relevant or best addressed through WDP level evaluative activities;
- WEPA Program - the issue is most relevant or best addressed through WEPA Program evaluative activities;
- WEPA Agreement - the issue is most relevant or best addressed through WEPA Agreement evaluative activities.

For each evaluation issue and question, indicators, data sources and methods, as well as evaluation activity (implementation, interim, etc.) are also noted in Exhibit 6-2, below. The interim evaluation consists of certain aspects of both a formative and summative evaluation.

Exhibit 6-2: Evaluation Framework Table

Theme/Issue	WEPA Evaluation Questions	Indicators	Data Sources-Methods	Evaluation Activity
Relevance:	Is the WEPA Program an appropriate response to the needs identified? ▪ What is/are the particular need(s) that the program responds to? Are these needs documented and complete? ▪ Is there a demand for program services? ▪ Does the program area or activity continue to serve the public interest? ▪ Is there a legitimate and necessary role for government in this program area or activity? ▪ Is the current role of the federal government appropriate, or is the program a candidate for realignment with the provinces?	• Perceptions of business managers, planners, program managers • Examples of other economic and technical development approaches • Policy review	• Key informant interviews • Policy and research documents • Surveys	• WDP level evaluation/survey/research to identify client needs and review program rationale
	Are there any areas of potential overlap with other programs? Is there evidence that: • Accepted projects could have qualified for funding in other program • Proponents applying for funding under several programs	• Evidence of complementary activities and alignments among federal-provincial programs	• Funded projects • Other federal / provincial funding agreements	• WDP level evaluation/survey/research to identify client needs and review program rationale
	Does the program respond adequately to identified needs? ▪ Do each of the WEPA Agreements respond appropriately to the needs identified? ▪ Does the program respond adequately to the needs when viewed from a pan-western perspective? ▪ Have the needs changed from those the WEPA Program originally intended to meet? If so, how have those original needs changed? ▪ Has the WEPA program been flexible enough to respond to changing needs?	• Perceptions of business managers, planners, program managers • Economic and business trends • Measures of new businesses in key (technology) sectors • International trade success by western Canadian firms	• Individual WEPA agreements • Key informant interviews • Statistics Canada, provincial economic data • Surveys • WD project database	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
	Are the objectives of WEPA consistent with WDP and current government and department priorities and objectives? ▪ Does the WEPA Program fit within WD's current Program Activity Architecture (PAA)? ▪ Do WEPA Agreements fit within WD's PAA? ▪ Does the WEPA program fit into the WD economic development strategy?	• Perceptions of senior program management • Alignment of WEPA objective with WD and federal government objectives • Evidence of complementary activities and alignments among federal-provincial programs	• Key informant interviews • Policy and research documents • Evidence of complement-tary activities and alignments among federal-provincial programs	• Interim Evaluation – conducted through HQ
	Are the objectives and planned outcomes of WEPA consistent with provincial government and provincial agency priorities and objectives?	• logical alignment / congruency of objectives	• documented provincial policies and priorities	• Interim Evaluation – conducted through HQ
Program Design and Implementation:	Is the delivery model an effective/efficient mechanism for federal/provincial cooperation in the delivery of the WEPA? ▪ Has an effective management structure for the WEPA Agreement(s) been created? Are management committees meeting their requirements set out in the Partnership Agreement? ▪ How are WEPA priorities determined? Are they jointly determined? Are there ways to improve the joint identification of priorities? ▪ How are stakeholder and client needs	• Perceptions of managers • Project file review	• Key informant interviews • Audits • WD project database	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation

Theme/Issue	WEPA Evaluation Questions	Indicators	Data Sources-Methods	Evaluation Activity
	identified and considered in the establishment of priorities? ▪ What are the priorities identified at the agreement level and are they articulated in a manner that enables partners to allocate resources in a manner that is strategic? ▪ Does the management committee structure enhance WD's and each province's ability to deliver economic development programs (innovation, business development and entrepreneurship, community development, etc.)? ▪ Are there some WEPA delivery models that are working better than others? (e.g. RFP vs. WD / provincially identified priorities) ▪ Are there options for improving the delivery model for the WEPA Program and agreements?			
	Is the design of the WEPA program appropriate given its stated objectives? ▪ Have objectives, outputs, and outcomes been identified at the agreement and project levels? ▪ Is the logic of the program and agreements clearly articulated and defensible, given the objectives of the program? ▪ Are there alternatives to the WEPA Program in attempting to meet the stated program objectives?	• Linkages exist between the different components • Perceptions of business managers, planners, program managers • Examples of other programs	• Logic model • RMAF • Contracts with recipients • DDRs • Interviews with business managers, planners • Document/ policy literature review	• WDP level Interim Evaluation
	Do the identified priorities provide clear direction to the project identification and selection process? ▪ What are the criteria used to make project funding decisions? ▪ Are common selection criteria used by WD and the provincial partner? ▪ Do the selection criteria allow partners to optimize effectiveness in relation to priorities? ▪ Do approval processes allow for timely implementation of projects? ▪ Did the approval/selection process used by management committees adequately consider the objective of environmental integrity? ▪ Do clients feel that the approval process is fair, transparent and efficient (that it does not take too long)?	▪ Perceptions of business managers, planners, program managers • Perception of clients (funded and not funded)	• Criteria used in evaluating proposals • Survey of clients • Interviews with business managers, planners	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
	How do partners resource agreements? Are there options for improvement (e.g., Should an unencumbered budget be allocated for WEPA by provincial partners?) ▪ Does the current level of investment lead to lost opportunities?	N/A	• Management Committee opinions • Interviews with business managers, planners	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
	How effective has communication, management and cooperation between provincial and federal governments and other relevant partners been? • What impact does the quality of communication and the communication requirements for the WEPA have on the impact of the program? • Are program objectives and strategic priorities understood by management committees, WD staff, program partners, stakeholders, clients	▪ Perceptions of business managers, planners, program managers • Perception of clients (funded and not funded)	• Criteria used in evaluating proposals • Survey of clients • Interviews with business managers, planners	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation

Theme/Issue	WEPA Evaluation Questions	Indicators	Data Sources-Methods	Evaluation Activity
	(recipients) and potential clients? • Is there unnecessary duplication of administration effort between WD and its provincial partners? • Has the WEPA program been implemented as intended? • Have there been any unexpected barriers or challenges to implementing the program as planned?			
	• Has due diligence been conducted on each of the applications to ensure that the applications to ensure that the application meets WEPA goals and objectives and that associated budgets are reasonable? • Have the project-level agreements been properly monitored by program officers? Are the project reports completed properly and in a timely fashion?	• Audit • Perceptions of managers • Project file review	• Key informant interviews • Audits • WD project database	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
	Have recipients produced the required outputs of the planned results/program components (see logic model above)? If not, what factors impeded this delivery and what changes in design and delivery are required?	• Audit • Perceptions of managers • Project file review	• Key informant interviews • Audits • WD project database	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
	Are there accountability risks posed by the structure and design and delivery of the WEPA program?	• Audit	• Audit	• WDP level
Success:	What has happened as a result of the Program? Has the Program achieved what was expected? • Were funds successfully leveraged from sources other than government (i.e., beyond the contributions made directly by WD and provincial partners) through public-private, nonprofit and other arrangements? (where expected as part of funding criteria) • What did WEPA allow WD and its provincial partners to do that could not have been done otherwise? • Can outcomes be attributed to program activities? • Are projects/initiatives supported through WEPA more self-sustaining as a result of funding?	• Did results meet objectives?	• Evaluation criteria • DDRs • Project results	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
Collaboration and Partnership:	Did WEPA agreements promote collaboration and strengthen partnerships between the federal government and the provinces? • Were priorities identified jointly through the agreements? • Did the WEPA Agreements lead to more strategically focused investments into fewer projects? • Do the agreements and the program promote key aspects of the federal government's agenda in the west? • Did the WEPA Program and WEPA Agreements reduce overlap and duplication and contribute to improved efficiency and effectiveness in the area of economic development between partners? • Were federal and provincial partners equal participants in the agreement?	• "Spirit" of cooperation between parties	• Management Committee questionnaire	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation

Theme/Issue	WEPA Evaluation Questions	Indicators	Data Sources-Methods	Evaluation Activity
	Was the funding and project effort distributed across priority areas appropriately? Were there priorities that were either under-funded or over-funded?	• Reasons for rejected proposals • Levels of funding provided	• Rejected proposals • Successful proposals	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
	Impact of collaboration: Did WD and its provincial partners achieve more through collaboration that they would have otherwise done? ▪ Has WEPA improved the visibility of WD? ▪ Has WEPA led to any incremental improvement in service at the client level (e.g., reduced number of access points to government and information on funding options; improved information) ▪ Did the WEPA program improve the capacity of recipients to move forward more quickly or decisively than they would have been able to do otherwise? (i.e., they are now better able to attract funding as a result of the WEPA project; they were able to proceed with a project that they would not have been able to do otherwise, etc.)	• Number of applications • Stakeholder/recipient perceptions • Management committee perceptions	• Survey stakeholders including Municipalities; research and value-added community; aboriginal leaders; tourism industry	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
Innovation:	Has the WEPA program strengthened innovation in western Canada? (What evidence is there that the innovation system has been strengthened?) ▪ Have physical assets been created in strategic sectors targeted by WEPA? ▪ Has economic and business research been completed and disseminated? Have these been useful to decision-makers and businesses? ▪ Has investment occurred in skills, knowledge, and competency? ▪ Has there been an increase in capacity and awareness of new technologies in the key sectors, clusters or regions targeted through the WEPA Program? ▪ Has technology commercialization occurred as a result of WEPA Program investments? • Have linkages among innovation system players been created? ▪ Have technology clusters of strategic significance been strengthened? ▪ Have investments in innovation contributed to the diversification, the development or strengthening of new sectors, clusters of sectors of regional significance?	• Perceptions of managers in the innovation system • Enumeration of new technological developments and commercialization • Project file review • Tracking of key technology used by business	• Key informant interviews • Surveys • WD ongoing performance measurement/ database • Case studies • Business magazines / industry profiles	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
Entrepreneur-ship:	Has entrepreneurship been enhanced (as measured by new start-ups, more viable firms, increased industry collaboration, and increased investment)? • Has the business climate been improved in western Canada? • Overall, is the business sector more competitive and productive, and has this led to increased economic activity? • Is there expanded trade, access to new markets and increased investment (foreign) in strategic or targeted sectors and clusters? • Has the development of workforce skills taken place to support economic development in the priority areas of the agreement	• Enumeration of start-ups that have benefited from funding • Increased business activity • Perceptions of business and other managers • Investment activity • Business start-ups • Measures of business confidence • Enumeration of training delivered and completed	• Key informant interviews • WD ongoing performance measurement/ database • Surveys • Case studies • Statistics Canada and provincial economic data • Project files	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation

Theme/Issue	WEPA Evaluation Questions	Indicators	Data Sources-Methods	Evaluation Activity
	• Have WEPA investments led to the creation, expansion, modernization and increased valued-added activity for SMEs?			
Sustainable Communities:	Have communities been strengthened through increased collaboration? Have they been able to adjust to change? Have communities that have received support become more sustainable? ▪ Are communities more able to attract investment as a result of the WEPA program? ▪ Have communities been able to strengthen local economies through diversification, development of clusters, identifying and advancing opportunities? ▪ Are communities more sustainable/viable as a result of WEPA investments? ▪ Are communities more innovative and entrepreneurial as a result of WEPA investments? (BC specific) ▪ Have investments been used to provide opportunities for disadvantaged groups?	• Effective business and public sector responses to changes • Creation of plans to respond to change • Implementation of training, skills development, business advice and other supports for the community • Perceptions of business managers, planners, program managers, community leaders • Investment activity • Business start-ups • Measures of business confidence	• Key informant interviews • Case studies • Statistics Canada and provincial economic data • Surveys • WD ongoing performance measurement/ database	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
	• Has the development of strategic clusters, sectors, and regions been supported by the agreement?	• Growth in the tourism sector	• Tourism Industry Associations • Key informant interviews • Case studies • Statistics Canada and provincial economic data • Surveys • WD ongoing performance measurement/ database	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
	• Has the WEPA program increased the level of aboriginal participation in the economy?	• Numbers of aboriginal people employed in target industries / communities	• Survey of Aboriginal leaders • Key informant interviews • Case studies • Statistics Canada and provincial economic data • Surveys • WD ongoing performance measurement/ database	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
Unintended Program Impacts:	Are there unintended benefits and outcomes that have occurred as a result of the WEPA program or WEPA Agreements? Are there unintended negative impacts of the WEPA program or Agreements	•	• Survey of stakeholders • Survey of management committee and project managers	• Information collected at the agreement level will be rolled up the program level • Interim Evaluation
Cost-effectiveness/Efficiency:	Is the WEPA good value for money? ▪ Could the resources have been used in a more effective way?	• Information from project database • Perceptions of	• Audit reports • Key informant interviews	• Interim Evaluation

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Theme/Issue	WEPA Evaluation Questions	Indicators	Data Sources-Methods	Evaluation Activity
	▪ Could and should the WEPA have been delivered in a different manner? ▪ Do project recipients use funds efficiently? ▪ What can be done to deliver the WEPA Program in a more cost-effective manner?	business managers, planners, program managers • Performance Audits • Project data	• WD ongoing performance measurement/ database	
	▪ Are WEPA administrative and operational costs reasonable and are funds being distributed at the lowest possible cost? ▪ Is the use of funds in the WEPA better than in other WD programs? ▪ Does WEPA allow WD to improve its efficiency as an agency?	• Information from project database/project data • Perceptions of business managers, planners, program managers • Audit opinion • % of administrative costs compared to total program dollars	• Key informant interviews • WD ongoing performance measurement/ database • Audit / evaluation reports	• Interim evaluation • (potential to address through Audit)
Performance Measurement Systems:	Are outcomes and performance measures clear, quantifiable and consistent with WD's PAA performance measures and the ones in use by its provincial partners? ▪ Have performance measures been established and implemented for key outcomes? ▪ Are systems in place to ensure adequate performance monitoring and reporting at the project, agreement and program levels? ▪ Is there an appropriate balance between the need for the performance information and cost of getting it? ▪ Is the performance information being used (if so, how is it being used) and is the information reliable and credible?	▪ Performance measurement system meets criteria for good performance measurement and reporting	• Assessment of system against established criteria	• Interim evaluation • (potential to address through Audit)
	Has the capacity for performance monitoring and reporting improved? ▪ At the WEPA Program level? (WD and Province) ▪ At the Agreement Level ▪ For agreement partners? ▪ At the recipient level?	▪ Performance measurement system meets criteria for good performance measurement and reporting	• Assessment of system against established criteria	• Interim evaluation • (potential to address through Audit)

7.0 Potential Reporting Commitments and Strategy

The RMAF is intended to support performance management and accountability at the project, agreement, program and WD levels. This section identifies the key reporting events that are required to meet the needs of program managers, project/business officers and others at these various levels with respect to:

- Program management;
- Decision-making;
- Accountability (annual reporting at Agreement, program, WD/Prov. lead agency); and
- Communication and information sharing.

The reporting requirements are summarized below in Exhibit 7-1.

Exhibit 7-1: Potential Reporting Requirements

Measurement Activity	Product	Content	Reporting Frequency	Responsibility
Ongoing Performance Measurement	Project reports	Information on all key measures reported internally on a regular basis (specifics to be determined)	To be determined	Program Directors (specific responsibilities to be determined)
	Annual performance report	Summary information included in each year's DPR	After each fiscal year, with the report produced by the end of the first quarter in the following fiscal year	Each Mgmt Cttee for the respective jurisdiction WD for rolled up data
	Surveys	Synopsis of findings	Annually (or after each survey)	Director, Audit and Evaluation
Interim Evaluation	Report	Identifies preliminary results Reviews program rationale; delivery model and performance measurement approach Provides program results information to support negotiation of future WEPA agreements	Results to be communicated to WEPA by July/August 2007	Pan-western RMAF Implementation Team, supported by Audit and Evaluation and in collaboration with the respective Management Committees
Effectiveness Review of WEPA-Funded Projects	Case studies of projects funded through previous WEPA agreement	Series of case study reports that examine impacts of a selection of projects that are representative of the investments made through WEPA	Results to be communicated to WEPA by July/August 2007	Pan-western RMAF Implementation Team, supported by Audit and Evaluation and in collaboration with the respective Management Committees

8.0 Implementation Plan

It will take time and effort to fully implement the RMAF for the WEPA programs. A phased approach is recommended to implement the RMAF in a manner that allows WD and its provincial counterparts to build on the infrastructure, processes and information sources that currently exist, and, over time, develop new processes and systems that are required to establish a full performance management framework.

In the short-term, WD should focus on the outputs and short-term outcomes of the projects funded under WEPA. Specifically this would involve:

- Implementing by the end of the fiscal year the performance measures which currently exist, and can be easily (or already are) collected and reported

- Over the next twelve months, implementing those performance measures which would most readily benefit / support the results of the WEPA program but which are currently not collected (focus on those that are most easily obtainable);

- Carrying out a scan of the WEPA operating environment, over the next 12 months, to further identify program risks, strengths and opportunities (could include a formal SWOT analysis);

- Conducting an interim evaluation (composed of certain aspects of both a formative and summative evaluation) to be completed by summer of 2007, to enable the results of the evaluation to be used in the formation of the next version of the WEPA agreements; and

- During the 2006/07 fiscal year, implementing an annual review of selected projects to assess the capacity to measure and report on results, (and to assess performance).

WD may also wish to carry out an impact assessment of the previous agreement, reviewing a sample of projects, to determine the long term outcomes that have resulted from these projects, and thus help to assess the effectiveness of the previous program and use the results of this to help shape the design of the program in the future.

Each year, WD should aim to build on the work undertaken in the previous year – assessing the results of any projects which may have been reviewed or evaluated to determine what improvements can be implemented. Each year, additional meaningful measures can be identified and the relevant data collected. The interim evaluation is intended to provide useful information for the program to incorporate into the next round of negotiation of the WEPA Agreements.

It is recognized that WD has several corporate initiatives underway which link to the RMAF process. These initiatives impact WD's ability to fully introduce performance management within the WEPA program. However, as WD evolves and the Program Activity Architecture (PAA) becomes more sophisticated, and as systems are developed which have the capability of storing and reporting meaningful information, so too the quality of data will be enhanced. This, in turn, will allow WD to start evaluating the longer term outcomes of the activities undertaken, while always recognizing the limitations that attribution places on the longer term outcomes. Ultimately, WD can aim to be in a position of having on-going performance measurement as the way business is carried out within the WEPA program - with regular monitoring of relevant data

to provide the required level of performance reporting rather than a stand-alone evaluation process.

WD should therefore seek to introduce the following elements, over time:

- Performance measures that are aligned with the PAA and most meaningfully measure the results of the work undertaken through the agreements;

- Confirmation of data sources – i.e. obtain a clear understanding regarding the responsibility for collecting data – WD (and which department within WD) / province / recipients / or other existing sources;

- Determine the capacity to collect relevant data from these sources;

- Clearly understand and agree to reporting requirements for each party at all levels (i.e. program, agreement, project, annual, quarterly);

- Determine systems requirements and those processes that have to be developed by each party to support data collection at the project level;

- Establish processes for routinely collecting the necessary data;

- Determine baseline information, benchmarks and performance targets so that meaningful performance measures can be developed; and

- Coordinate any audit activities within the WDP risk-based audit framework..

WD should establish a team, similar to the current Steering Committee, comprising representatives from HQ and each of the jurisdictions, to monitor the implementation of the plan outlined.