



Audit of Governance and Performance June 2008 Management Response and Action Plan

Recommendation	Action Plan	Responsibility	Expected Completion Date
1. The Executive Committee is effective but with the recent application of so many emerging demands, it is suggested that the Executive Committee consider a self-assessment and further delegation of some duties.	<ul style="list-style-type: none"> ▪ The Deputy Minister supported by the DG Corporate Service will commission a review of the corporate governance structure to ensure relevance and effectiveness in light of changes in accountability, PS Renewal, MAF, MRRS and HR Modernization. ▪ WD will explore and consider the development of a self-assessment survey tool to allow members of Executive Committee to continuously improve operating effectiveness. 	Deputy Minister and DG Corporate Services	September 2008
2. In the fall of 2007, terms of reference were established for the Executive Committee and seven other senior management committees. Senior management needs to assess the purpose, membership, roles and responsibilities of all of these committees in relation to each other to determine if the current committee structure is effective in helping the department achieve its objectives.	<ul style="list-style-type: none"> ▪ The DG Corporate Services in consultation with the respective Chairs of the corporate committees will make recommendations to Executive Committee regarding: Terms of Reference, Linkage with Executive Committee and Membership. 	DG Corporate Services	September 2008
3. Other committees need to be empowered to deal with operational level issues in order to free up time for the Executive Committee to tackle change management and strategic and emerging challenges on a timely basis. Monitoring and feedback to senior management could be achieved with the formal appointment of champions from the Executive Committee.	<ul style="list-style-type: none"> ▪ In support of the Deputy Minister's review of corporate governance, the DG Corporate Services will prepare recommendations for Executive Committee regarding the roles and responsibilities of the DG Operations Committee and other Corporate governance committees (IMT Council, Planning Committee, etc) 	DG Corporate Services	September 2008



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<p>4. All levels of the organization need to be aware of their accountabilities in terms of the department's strategic outcomes. Stronger linkages are needed between the strategic outcomes, business plans and all performance agreements.</p>	<ul style="list-style-type: none">▪ The department has developed a corporate planning framework, summarized in a one-page diagram that describes the linkages between Government of Canada outcomes, WD's mandate and vision, WD priorities and the MRRS. This was distributed to all employees in a desk drop along with an explanatory memo to all staff from the Deputy Minister.▪ The Director of Programs, under the banner of Embracing Excellence, will visit all WD offices in order to conduct <u>all staff</u> briefings on the visioning exercise, MRRS, the PAA, departmental business plans and WD's priorities. The presentation will be framed in the context of the corporate planning framework. Specific attention will be given to the link between MRRS and the PAA and the responsibilities of all staff in the achievement of WD's results.▪ WD Regions and Corporate Branches currently prepared business plans which utilize a common template and are aligned with the Corporate Business Plan and WD's priorities. These plans will be shared with a view to the sharing of best practices and to encourage understanding of regional differences.	<p>Director, Programs</p>	<p>BC - September 2008</p> <p>All other regions – June 2008</p>



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5. Now that the visioning exercise has been completed and approved, it is an opportunity to re-visit the organization structure and make changes if found necessary to better achieve WD's redefined objectives.	<ul style="list-style-type: none">See Response to Recommendation #1Following the completion and implementation of the Corporate Governance Review and in the course of Strategic Review, WD's Executive Committee will review regional operations/program delivery and policy governance structures to ensure relevance and effectiveness.	Corporate DG's ADM's	Complete six months following Strategic Review
6. Stronger clarity on roles and responsibilities as well as greater integration of all existing elements of strategic planning is needed. In this regard, accountability for all elements of departmental planning needs to be fully clarified and assigned to a single executive lead.	<ul style="list-style-type: none">Roles and corporate leadership of planning will be included in both the near term Corporate Governance Review and the longer term operations and program delivery review mentioned in the previous response and response to point #1.	DM, DG Corporate Services and ADM's	Fall 2008 (Corporate Review) Fall 2009 (Operations and Program Delivery Review)
7. WD should review its current internal support services organizational structure to ensure that the structure supports the most effective and efficient achievement of the department's strategic objectives.	<ul style="list-style-type: none">A review of organization of internal support services will be conducted in the course of Strategic Review.	DG Corporate Services, DG Corporate Finance and Programs and ADMs	Fall 2009



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<p>8. Current forecasting assumptions and methodologies could use more independent rigorous challenge and non-financial collaborative information to substantiate financial forecasts. A rigorous mid-year financial forecast analysis, and regularly thereafter, which are collaborated with concrete operational information and opportunities for reallocation, will contribute to alleviate the lapses. Further analysis of methods used by other successful departments might assist to identify best practices could be adopted.</p>	<ul style="list-style-type: none">▪ ADMs and Corporate DGs are required to sign an “Attestation” certifying accuracy of forecast.▪ Regional forecasts are reviewed against previous years activities to confirm validity.▪ Forecast review processes by Corporate Finance include trend and variance analysis.▪ CFO/SFFO present the financial update information at Executive Committee meetings and identify issues requiring attention. Executive Committee members will review and challenge peer forecasts.▪ Forecasted lapses are reported as part of the financial update to Executive Committee and regions/corporate units are encouraged to explore ways of utilizing the funds.▪ Explore forecasting methods utilized by other departments and adopting best practices as appropriate.	<p>DG Corporate Finance and Programs, Director, Business Planning and Resourcing, Regional Finance Managers</p>	<p>January 2009</p>



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<p>9. Seventy five percent of those asked support the thinking that there is room for a comprehensive strategic plan beyond what is prepared in the RPP. A corporate strategic plan will assist in articulating the department's operational priorities and strategies as well as mandate, mission and outcomes. It will make the strategic plan user-friendlier for staff and interested stakeholders instead of a document tailored for central agency purposes. A comprehensive strategic plan also becomes an invaluable tool for senior management in monitoring progress on priorities when there are mid-year reviews.</p>	<ul style="list-style-type: none">▪ In 2007-2008, WD implemented a Corporate Business Plan that includes a fully integrated HR Plan, risk assessment as well as departmental program and operational priorities.▪ The plan is prepared on an annual basis in accordance with WD's Planning cycle and supports development of corporate unit and regional business plans as well as the RPP.▪ Beginning with the 2008-09 Corporate Business Plan, WD provides a specific planning focus on departmental program and operational priorities including the allocation of resources to priorities.▪ In view of the impending strategic review and the ongoing corporate reorganization which will consolidate responsibility for planning within the new Policy Planning and Performance Branch the recommendations related to planning will be assigned to the new Executive Director Policy, Planning and Performance who will consolidate planning in one place, the Strategic Business Plan, which will, in turn, drive all other planning elements.	<p>DG Corporate Finance and Programs, Directors PPX, DG Corporate Services, Director HR, Director, CMC</p>	<p>Spring 2009</p>



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<p>10. Dedicated resources need be reallocated to new priority initiatives and tracked.</p>	<ul style="list-style-type: none"> ▪ Beginning with the 2008-09 Corporate Business Plan, WD provides a specific planning focus on departmental program and operational priorities including the allocation of resources to priorities. ▪ WD's 2008 – 2009 Budget Allocation exercise allocated additional human resources to the regional offices to support MRRS and additional resources to Ottawa Office to support procurement. ▪ Appropriate resources will continue to be identified for new priorities established in the course of WD's annual business planning process. 	<p>DG Corporate Finance and Programs</p>	<p>April 2008</p>
<p>11. WD needs to review the respective roles of those who support policy work at headquarters, in the regions and in Ottawa to ensure resources are coordinated and aligned with supporting achievement of strategic outcomes. Research criteria need to be developed for the department as a whole and made available to regions.</p>	<ul style="list-style-type: none"> ▪ See Response to Recommendation #1 and #5 	<p>DM, DG Corporate Services, ADMs</p>	<p>Fall 2008 Corporate Fall 2009 Regional</p>
<p>12. Implementation of the visioning exercise should be a priority of the Executive Committee while the information gathered is still relevant and useful. As part of that implementation, concentrated efforts on both internal and external communications will be needed and communication pushed as everybody's responsibility</p>	<ul style="list-style-type: none"> ▪ See response to Recommendation #4 ▪ WD has and will continue to devote attention to communicating its vision to both staff and clients alike. ▪ All Staff sessions on MRRS and the PAA under Embracing Excellence communicate the priorities and the outcomes expected. 	<p>ADMs Director, Programs Director, CMC</p>	<p>Ongoing</p>



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13. WD needs to complete its ongoing work on the development of performance indicators that are linked to the department's strategic outcomes. The progress on the information management system is noteworthy; however, the department must collect the correct performance indicators in the system to be fully effective and get the appropriate return on investment.	<ul style="list-style-type: none">▪ WD continues to work with TBS on development and implementation of the Performance Measurement Framework in accordance with the MRRS policy and the MRRS implementation schedule.▪ The results reporting module of Project Gateway has been completed and performance reporting templates are under development.	Director, Programs	Fall 2009