

**Department of Indian Affairs and Northern Development  
Corporate Services  
Departmental Audit and Evaluation Branch**

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**Review of Management Practices  
N.W.T. Region**

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# Executive Summary

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The Departmental Audit and Evaluation Branch (DAEB) carried out a review of the management practices of the Northwest Territories (N.W.T.) Region of DIAND between January and March 1997. The purpose of this project was to review and assess the regional management practices as well as the identification of best practices that lead to achievement of intended results.

## Objectives and Scope

The objectives of the review covered the regional management practices and frameworks in selected responsibility centres; compliance with central agency and departmental policies and procedures and best practices that lead to improved effectiveness of the organization.

The review included management practices, initiatives and controls pertaining to the existing management framework; the fulfilment of departmental obligations and priorities; innovations and improvements in the delivery of client and public services and in information management; financial management; human resources management; environmental management and risk management.

As the present review covered management practices, we did not review individual programs.

## Methodology

The methodology covered four principal areas:

- *Purpose* (i.e., assessing the organization's direction and planning);
- *Commitment* (i.e., assessing the organization's commitment to its identity and values);
- *Capability* (i.e., determining the organization's competency); and,
- *Monitoring and Learning* (i.e., the internal controls and the operating environment of the organization).

Detailed criteria and review steps were developed for each of these four areas. In addition, the review team pursued other areas as they became evident. The methodology and the assessment criteria were approved by the Regional Director General (RDG) before the conduct of the fieldwork phase.

During the review we also identified “best practices”. A best practice is defined as a business practice that contributes the most to efficiency, effectiveness, economy and achievement of objectives.

## General Assessment

Subject to the need for minor improvements in the Finance and Human Resources areas, the regional management practices in general are conducive to attainment of the region's objectives and compliance with policies. There are a number of best practices, as identified by us.

## Main Findings

### Purpose: Assessing the Organization's Direction

**The region has established an integrated planning and priority setting process that incorporates risk assessment and performance measurement.**

The region uses two main processes to ensure that planning and priority-setting are integrated. They are the Department's Framework for Action (FFA) and Mid-Term Review. It is the FFA that sets annually the strategic priorities for the department which the region uses to establish its deliverables. The Mid-Term Review serves as an annual review of, and monitoring against, commitments and priorities, and as a basis for the necessary management actions and adjustments. In addition, the Mid-Term Review is used to review the performance of each directorate against established targets. Workload indicators are also developed as a tool for planning, monitoring, and allocating resources.

The region uses risk assessment for operations, inspections and environmental waste risk management, and for work planning and priority setting.

**Key best practices:** the Mid-Term Review exercise; and the use of workload indicators.

### Commitment: Reviewing the Organization's Identity and Values

**The atmosphere in the region is conducive to promoting commitment towards achieving objectives.**

The ethical values are defined, communicated and promoted throughout the region. A mechanism used to achieve this objective is the Leadership Initiative, which is used to raise awareness of, and involvement in, risk-taking and personal commitment to regional goals.

Multiple activities are in place to improve the mutual trust and communication in the region. Efforts include "stand-ups" and "work-out" sessions; the definition of mission statements by directorates; and, at times, surveys to encourage feedback from employees.

**Key best practices:** the use of feedback mechanisms by the Communications Directorate; and the use of stand-ups and work-out sessions as means of exchanging information, problem-solving and communications.

Capability: Determining the Organization's Capacity to Excel

**In general, the region's skills and experience base is adequate to meet its operational and strategic requirements.**

Opportunities for training and development are in place and the region is meeting its targets of hiring northern Aboriginals. However, in support of the region's strategic goals and commitment to ongoing aboriginal recruitment, there is a need to develop a human resource plan to identify the region's ongoing human resource requirements. In addition, greater analysis of the feedback from training programs should be conducted. This mechanism is in place, however, it can be more fully utilized.

The region is well positioned with respect to internal and external communications. The Communications Directorate is well integrated into the operations of the region. A communications plan exists, as does a Regional Incident Management Plan and an Issue Tracking System.

In the area of controls the region has effective control mechanisms in place to guide key areas of operational management, financial management, and human resources management. However, in the Finance area, improvements are required in the area of post-audits of payments. Also, the "value-added" role (i.e., the challenge role) of the Finance function needs strengthening, particularly for contributions.

Improvement to the control regime is also required in the area of service standards for Human Resources. This improvement will provide greater certainty to regional managers as to the timing and responsibilities for staffing and classification actions.

Towards improved security and access control, the region uses a "Card Access System". Every time an employee (or a visitor) enters the regional offices, s/he has to use an access card. The "Card Access System" records the time of the access and the office accessed. For outside office hours, the access is monitored and reported by the Regional Security Officer to management.

**Key best practices:** the electronic bulletin board to provide information in the area of human resources services; and the use of the Card Access System.

## Monitoring and Learning: A sense of the Region's evolution

### **The integration and monitoring of the activities of the region are adequate.**

The region conducts regular monitoring and forecasting of its environment, using several mechanisms such as the weekly Regional Executive Committee meeting, media scans by the Communications Directorate, the Mid-Term Review, the forecast of mineral development activities and the Operational Impact of Claims exercise.

The review team found instances where the organizational structure was revised to reflect the new operating environment. For example, the five district offices were amalgamated into three in order to better respond to land claims and other operational needs. A Mineral Resources directorate was established to better serve the mining industry by consolidating a number of discussions which were initiated elsewhere in the regional organization. A new Mineral Development Division was also added to the directorate.

The updated Information Management Strategic Plan (IMSP) is also a response to changes in both external and internal operating environments. It identifies significant ways in which the organization manages its business information needs and related systems. The key concept is that management's information needs to drive the informatics technology. The benefits include more efficient management use of information and improved service to regional management. Information management systems, such as the Land Information Management System (LIMS), have been developed through the plan and by user staff in concert with the consultants.

# Section 1 - Introduction

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## Background

The Department of Indian and Northern Development (DIAND) is currently operating within a context of fiscal restraint and emphasis on accountability, devolution and change. The priority areas for DIAND are:

- implementing self-government;
- improving conditions on reserves;
- achieving claims settlement; and,
- facilitating political and resource development in the North.

The Northwest Territories (N.W.T.) Region has, in turn, identified a number of priority areas that are in line with the departmental priorities. These are:

- Progress on Land Claims;
- Implementation of the Right of Self-Government;
- Improving Community Conditions;
- Political and resource development in the North; and
- Changing the Relationship with First Nations.

N.W.T. Region consists of the regional office and three district offices; South Mackenzie (Yellowknife), North Mackenzie (Inuvik) and Nunavut (Iqaluit). The region is led by the Regional Director General (RDG) and assisted by a management team comprised of an Associate RDG and eight directors. There are 189 full time equivalent staff.

Since 1992, the N.W.T. Region has re-organized from two programs (Northern Affairs Program and the Indian and Inuit Affairs Program) to one consolidated DIAND region. Prior to that time, a corporate services unit provided services to both programs.

The region's responsibilities include a number of important matters, as summarized below.

### Building Northern Public Governments

Efforts are underway for the creation of the Government of Nunavut by implementing the Nunavut Act. The division of the N.W.T. will result in the creation of two separate territories on or before April 1, 1999.

It is expected that the *Mackenzie Valley Resource Management Act* (MVRMA) will be proclaimed in 1997. This Act will provide for the establishment of a number of co-management boards in the Mackenzie Valley including an environmental assessment board, land and water boards and a wildlife management board. Similar boards have already been established in Nunavut.

This movement towards co-management demonstrates a significant shift in culture and management of DIAND in the N.W.T., from one of full authority and accountability to consultation, shared responsibility and co-management.

### Pursuing Northern Sustainable Development

In the N.W.T., there is extensive and increasing activity in the area of diamonds and mineral development. The territories has been the leading Canadian jurisdiction in mineral staking activity for the last 3 years. Whereas this activity calls for encouragement, its impact upon environment also needs attention.

The region has emphasized sustainable development in its delivery of provincial-type responsibilities. Efforts are focused on modernizing resource management regimes throughout the region. The legislation and regulations are administered in the context of northern political, social economic and environmental values, and reflect current federal policy and administrative processes. This process is aimed at balancing northern development with environmental sustainability.

The public hearing phase regarding the Broken Hill Proprietary (BHP) diamonds project has been completed. The Panel recommendations from the review were approved by the Ministers of DIAND and Environment in the summer of 1996. In summary, the recommendations allowed for the operation of the mine within certain environmental parameters.

### Protecting the Arctic Environment

Protection of the Arctic environment is an ongoing priority of the region. The Arctic Environmental Strategy (AES), and the Arctic Environmental Protection Strategy (AEPS), which will both be sunsetted March 31, 1997, were targeted at northern environmental protection and remediation. Resources to replace these programs are currently being sought.

The AES has funded the assessment and clean-up of several northern hazardous waste sites. To date, a total of 477 sites have been cleaned up, while 215 sites still require detailed assessments, and 481 sites are considered non-hazardous and do not require remediation. Site assessment and clean-up are part of a formal process which considers health risk, the department's legal and land claim obligations, and the department's ability to manage any associated environmental risks.



## Implementing Land Claims and Self-Government Agreements

As a result of final land claim agreements, a number of complex resource management regimes are being enacted, resulting in a co-management or partnership approach to resource decision-making. As for the *Mackenzie Valley Resource Management Act*, it is anticipated that the *Nunavut Water Act* and the *Nunavut Surface Rights Act* will be promulgated in 1997.

## **Objectives**

The objectives of the review were to:

- assess whether the regional management practices and frameworks in selected responsibility centres are operating with due regard to maximum effectiveness, efficiency and economy;
- assess the degree that selected aspects of regional operations comply with central agency and departmental policies and procedures; and
- identify best practices that lead to improved effectiveness of the organization.

## **Scope**

The scope included management practices, initiatives and controls pertaining to the following:

- planning, organizing, communicating, directing and controlling operations in the region;
- support of the fulfilment of departmental obligations and priorities;
- innovations and improvements in the delivery of client and public services and in information management;
- financial and administrative operations in the areas of appropriateness of financial control framework;
- human resources management practices and policies;
- environmental management issues including the evolving regulatory regime;
- operational risk management including waste management practices, operational and inspection activities, environmental management, work planning and priority settings; and
- planning and management of initiatives related to land claims implementation and the resultant monitoring for accountability.

In considering the above, best management practices were to be considered in terms of results-orientation and due risk consideration in supporting the key management philosophies of:

- client focus;
- quality assurance;
- involvement and participation;
- service standards;
- building horizontal linkages;

- supporting departmental strategic directions;
- principles vs. rules-based management; and
- leadership and risk-taking.

As the present review covered management practices, we did not review individual programs.

## **Methodology and Timeframe**

An established framework was used throughout the conduct of this review. It was applied to the three phases: planning and evaluation phase, fieldwork and analysis phase, and reporting phase. The benefits of a framework are two-fold: to ensure a critical path for the review team; and to demonstrate the review as a participative, objective and open process. The planning phase and detailed fieldwork for this review were conducted in January 1997.

The methodology used consisted of four principal areas:

- *Purpose* (i.e., assessing the organization's direction and planning);
- *Commitment* (i.e., assessing the organization's commitment to its identity and values);
- *Capability* (i.e., determining the organization's competency); and,
- *Monitoring and Learning* (i.e., the internal controls and the operating environment of the organization).

Detailed criteria and review steps were developed for each of these four areas. In addition, the review team pursued other areas as they became evident. The methodology and the assessment criteria were approved by the RDG before the conduct of the fieldwork phase.

A key element of the review was to focus on identifying “best practices”. A best practice is defined as a business practice that contributes the most to efficiency, effectiveness, economy and achievement of objectives.

The review team interviewed the Regional Director General, the Associate Regional Director General and eight (8) Regional Directors that comprise the Regional Executive Team (REC). In addition, five (5) managers were interviewed as they were responsible for areas that fell within the scope of the review (i.e., environmental management, human resources management, financial management, information management, and administration). They also conducted a detailed assessment of documents related to the management practices of the region.

## Section 2 -

# Observations and Recommendations

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The observations, best practices and recommendations are provided below in order of the four areas of the review methodology.

### ***Purpose : Assessing the organization's direction***

The region has established an integrated planning and priority setting process that incorporates risk assessment and performance measurement.

The review team assessed regional management practices to determine if:

- objectives and priorities are established in plans and regional policies;
- the policies and plans incorporate risk assessment and performance measurement;
- priorities and plans are reviewed and updated regularly, and are communicated to managers and employees.

### Plans and regional policies

In 1992 the Northern Affairs Program and the Indian and Inuit Affairs Program were combined to produce an integrated region. Prior to that time, the region was divided into two separate entities. A corporate services unit provided services to both programs. This integration laid down the framework for cohesive planning and priority setting.

Two processes ensured that the planning and priority setting processes are integrated at the region. They are the Department's Framework for Action and Mid-Term Review.

In 1995, the Resourcing Our Priorities (ROP) exercise was used by the region as an opportunity to identify resource needs for regional priorities based on the Department's Framework for Action, to streamline activities, and to balance workloads. In the N.W.T. Region, this included an analysis of the resources required for regional commitments including the operational impact of land claims.

We found that the ROP exercise served as a realistic and accurate baseline for identification of future priorities and resource requirements. In turn, the annual Mid-Term Review serves as a review of, and monitoring against, commitments and priorities identified by the region based on the department's Framework for Action, and the necessary management actions and adjustments.

In brief, the planning process is as follows:

- the Framework for Action (FFA) identifies:
  - ▶ past achievements against approved DIAND priorities; and,
  - ▶ statement of priorities planned for future years;
- the ROP serves as the baseline for priorities and resource needs (i.e., what should and should not be done);
- the annual Statement of Regional Deliverables shows the plan to meet the priorities expressed in the FFA;
- Directorate work plans show the detailed actions against priorities for each directorate;
- Expenditures Reporting by Activity shows the spending by Program; and
- the Mid Term Review is an exercise to determine if regional priorities are on track and to develop the priorities for the future year.

### Risk Assessment

The region uses risk assessment for both strategic priority setting and operational planning. Specifically, we found risk assessment and management processes for:

- Operations and Inspections Activities;
- Environmental Risk (i.e., Northern Environmental Risk Assessment Strategy); and
- Work planning and Priority Setting.

For Operational and Inspections Activities, the region uses a panel of inspectors to determine the risks associated with each inspection file. An inspection plan for the region is developed based on the sites of highest risk. Resources are assigned to the highest risk sites based on a rating system (severity and frequency).

The Northern Environmental Risk Assessment Strategy (NERAS) is used to establish priorities for remediation of waste sites. It was developed with the Action on Waste Program in mind. Given the number of sites in the N.W.T. and the limited resources the region establishes priorities for action, based on public health risks; legal obligations under the *Canadian Environmental Protection Act* (CEPA), the *Fisheries Act*, the *Territorial Lands Act* (TLA) and Aboriginal land claims obligations.

Work planning and priority setting, with the help of ROP and the annual Mid-Term Review exercises, follow a risk assessment approach. It is used to identify the priorities of the region and the resources that can be applied. In addition, these two exercises point out the effects of reallocation decisions on regional operations.

## Performance Measurement

We found that performance measurement is in place in the region. Performance measurement consists of identifying indicators and targets, monitoring actual results, and implementing corrective action.

The region has workload indicators in place for each of the directorates. For example, the Minerals Directorate has workload indicators for the number of licences and leases issued, given existing resource levels. In addition, it identifies the changes in workload over time. The Mid-Term Review is the annual exercise used to review the performance of each directorate, and to plot required changes in direction, based on new or emerging priorities.

We found the following, with respect to the assessment of the region's plans and performance:

- the region conducts planning that is in line with the departmental strategies and priorities;
- the region uses an integrated operational planning process to link priorities with actions and resources;
- the region monitors, reviews and reports against achievements using various means, such as the Mid-Term Review; and,
- the ROP was an accurate and critical baseline for regional priorities and resources.

## Best Practices

The best practices in the area of purpose, direction and priority-setting are as follows:

- the region has developed an extensive monitoring exercise known as the Mid-Term Review which culminates in a two to three day managers meeting and comprehensive report on mid-course corrections. This is a means of assessing progress against plans and priorities, identifying resource needs; and re-defining priorities, as needed;
- workload indicators are used by directorates as a means of determining regional workload capacity and required resources;
- the region has developed an Information Technology Strategic Plan (ITSP), which has been recently updated and broadened to become the Information Management Strategic Plan (IMSP). This plan is used to link objectives with information management requirements. This plan identifies the present and future information needs of the region in the light of the priorities. It demonstrates best practices in integration of management information needs, regional priorities and technology and systems planning. The emphasis is on the approach that information needs of management govern informatics technology; and

- an output of the ITSP is the Lands Information Management System (LIMS), which was developed to replace a number of manual functions related to Lands Management. LIMS automates the region's operational requirements for land management in one application. It covers leases, permits, titles and issuances; environmental screening and environmental assessment; risk assessment and inspection tracking. LIMS provides important information and data integration to meet the region's needs. LIMS integrates Geographical Information System (GIS), word processing, data bases and spread sheets, digital images, Computer Aided Design (CAD) and satellite image into one operation. The system was developed by operational staff in concert with consultants.

## ***Commitment : Reviewing the organization's identity and values***

**The atmosphere in the region is conducive to promoting commitment towards achieving objectives.**

The review team assessed the region's ability to identify and communicate its identity and core values as follows:

- are ethical values established and promoted throughout the region?
- Is an atmosphere of mutual trust in place that is conducive to promoting achievement of intended results?

### Ethical Values

Ethical values (i.e., shared beliefs that influence the choices made by individuals or the organization) are being defined and promoted throughout the region. A mechanism used to achieve this is the Leadership Initiative. This initiative was coordinated by the Policy and Planning Directorate to raise awareness of, and involvement in, risk-taking, improved communications, breaking down barriers (stove pipes) and personal commitment to regional goals.

### Atmosphere of Mutual Trust

There are a number of activities being used for improving the mutual trust at the region, and adding to the working relationships:

- stand-ups are used to exchange information and discuss issues of common interest;
- work-outs are used to focus on problem solving and addressing stove-pipes in the organization;
- mission statements were developed at the directorate level to articulate the core values and basic goals of the organizational unit;
- an electronic bulletin board is used to communicate information; and

- surveys are conducted, at times, to encourage feedback from employees.

These mechanisms and practices have had an impact on the atmosphere, the definition of goals and objectives and the corporate culture of the region.

### **Best Practices**

The best practices identified in the area of commitment are as follows:

- the use of feedback mechanisms by the Communications Directorate. These mechanisms allow employees to report on satisfaction, concerns and issues; and
- the growing acceptance and use of stand-ups and work-outs as means of exchanging information, problem-solving and communications.

### ***Capability : Determining the organization’s capacity to “excel at our job”***

In general, the region's skills and experience base is adequate to meet its operational and strategic requirements.

The review looked at the following:

- Do skills, knowledge and experience match the operational and strategic needs?
- Are internal and external communication adequate to meet the operational and strategic objectives? Is communication integrated into management practices?
- Are the decisions and actions coordinated throughout the region?
- Are the control mechanisms effective?

### **Skills, Knowledge and Experience Base**

The region provides appropriate opportunities for training and development of its employees. There are a number of practices in place to address training requirements:

- comprehensive call letter package (acknowledged by Corporate HR as a model to follow) is in place linking the three “learning” programs: training and development, education leave and the Northern Program’s Career Development Planning Project;
- employees receive training and career counselling;
- employee training and development plans are developed for each employee;
- under the Career Development Planning Project (CDPP) all regional indeterminate and term staff have the opportunity to define their career aspirations (within or outside of the federal public service) and to develop a career training plan towards achieving this goal;

- each of the Nunavut Trainees has a comprehensive training plan that details the learning activity, how it is to be accomplished, under who's direction, and in what time frame; and
- group activities are coordinated where numbers warrant (which may involve invitations to participate to other government departments and/or the GN.W.T.) to ensure cost effectiveness of training.

### **Best Practices**

The following best practices emerged in the area of Human Resource Services:

- an electronic bulletin board has been established to provide a comprehensive course/seminar data base encompassing the major training providers (TDC, CCMD, Banff School of Management, GN.W.T., and other institutes who provide seminars relevant to the region's needs) accessible to all staff from their desks;
- an electronic bulletin board of job opportunities for regional positions, and for the EX community is posted and updated regularly; and
- a "did you know..." column in Northlines was established to provide useful information on human resource management programs, policies and regulations.

In addition, the region had set a target of 50% for hiring northern aboriginals, as shown in their recruitment activity report - October 17, 1996 to January 24, 1997. To date, this target has been achieved (11 out of 22 vacant positions).

However, improvements are required in the following areas:

- training and development plans can be better aligned with regional requirements and regional priorities. For example, there is a need to show what training is required, given strategic direction, priorities and changes. We recognize that this function is being performed in certain areas, such as the workshops for negotiating skills and their development as a strategic priority. However, an overall plan that integrates regional requirements with regional priorities would be beneficial; and
- while there is a review procedure in place to gather and analyse feedback from employees on completed training and development events, there is no managerial assessment on the efficacy of the training on employee behavior/job performance. This analysis should assess whether value for money was received from staff training and development.

**Recommendation 1:** The Regional Manager of Human Resources, in consultation with the employees and the Regional Executive Committee, should ensure that employees' training plans are aligned with the corporate directions and priorities of the region.



**Recommendation 2:** The Regional Manager of Human Resources should conduct an analysis of whether value for money was received from staff training and development towards meeting the region's objectives and service levels and submit the analysis to the Regional Executive Committee. This analysis should consider soliciting managerial feedback on the efficacy of staff training and development.

### Internal and external communications

The region is well positioned with respect to both internal and external communications. The Communications Directorate is integrated into the operations of the region. Moreover, information exchange and internal communications are well established. Evidence of these findings are found in the following plans and system:

- a Communications Plan exists for the region that covers communications objectives and activities;
- a Regional Incident Management Plan has been developed to address regional responses to significant incidents;
- a Communication Skills Training Plan for N.W.T. staff to enhance their communication skills; and
- daily public environment monitoring reports and a weekly environment issues report provides ongoing communications and planned response to regional issues.

### Best Practice

The following best practice emerged in the area of Communications:

- Development and use of an internal, computerized employee newsletter which is designed to obtain employee feedback through surveys and polls.

### Decisions and Actions

Mechanisms are in place to coordinate the actions and decision-making of the region. These include:

- The Regional Executive Committee (REC) meetings serving as a forum for the coordination of regional priorities and actions;
- Regional Operational meetings addressing operational issues;
- the annual managers meeting to review corporate issues; and
- the Mid-Term Review, a regional exercise aligning resources and priorities.

## Control mechanisms

In general, the region has effective control mechanisms in place to provide guidance to key areas such as operational management, financial management and human resources management.

One of the primary control activities at the region is the Mid-Term Review. This process is used to integrate the activities of resource allocation, operational and planning management, risk management and human resources management. Also, the reporting on expenditures and variances is adequate for regional management purposes, and is communicated to headquarters.

However, the Finance function's "value added" (challenge) role needs strengthening as to the timing, adequacy and needed corrective actions for post-audits of payments. In addition, Finance should perform review and challenge function for financial transactions as a service to colleagues. Improvement is particularly required in the challenge for contributions agreements.

Certain improvements are also required in the area of service standards for Human Resources. There was some uncertainty as to the service delivery time frame on staffing and classification actions. Moreover, some managers were uncertain as to their role in preparation of the necessary documentation. Hence, the range of services required, definitions of roles and responsibilities and development of service standards are needed. Service standards provide a practical way to focus services on clients and to demonstrate the responsibilities of the providers of services and individual managers who need those services.

Regarding the security controls we noted that the Card Access System in operation in the region is well managed and provides good access control and related information to management. Plans are in hand to extend the record of access, presently for regional offices, so that access and entry to the elevator will also be covered.

## **Best Practice**

The following best practice is related to the security function.

- The use of the Card Access Log to control, record and report upon access to the building is a best practice.

**Recommendation 3:** The Director of Corporate Services should ensure that post-audits are conducted on a timely basis, reviewed and reported pursuant to the reporting requirements identified by headquarters finance.

**Recommendation 4:** The Director of Corporate Services should ensure that the Finance function provides a value-added challenge activity for contributions and other contractual obligations being entered and for payments being initiated.

**Recommendation 5:** The Director of Corporate Services should develop and communicate service standards that include: the roles, responsibilities of each division in each area of expertise; a description of the services provided; and related service standards (e.g. the number of days).

### ***Monitoring and learning : A sense of the region's evolution***

We reviewed the region's ability to monitor the external and internal environment and to adapt to changes affecting the priorities and actions. Specifically, we covered the following:

- the region's processes to monitor its environment and performance; and
- the regional information needs, the assessment thereof, and follow-up action as necessary.

#### Monitoring and forecasting of the operating environment

The region conducts regular monitoring and forecasting of its environment, using several mechanisms, including:

- Media scans by the Communications Directorate;
- the Mid-Term Review process;
- the Mineral Resources Directorate's forecast of mineral development activities over a long term period; and
- the Operational Impact of Claims, forecasting the changes called for in regional operations in the light of land claims settlements; and
- the forecasting of resource requirements which is defined in "Meeting our Framework Requirements"

In turn, the review found that organizational changes have been made to respond to the operating environment. For example, the five district offices were amalgamated into three in order to better respond to the land claims and other operational needs.

#### Regional Information Needs

We have already commented upon the Regional Information Technology Strategic Plan (ITSP) in the section under "purpose". We found that the linkage to regional priorities, the intended improvements in efficiency and automation, and the focus on improving client needs are positive features of the strategy.

# **Terms of Reference**

## TERMS OF REFERENCE

### REVIEW OF MANAGEMENT PRACTICES IN THE NORTHWEST TERRITORIES REGION

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**BACKGROUND:** Since April 1, 1992 when new responsibilities had been assigned the department has undergone a significant organizational change in relationships between Corporate Headquarters and Regions. Also, the public sector environment is adapting to new challenges as well as downsizing and reorganizations.

The nature of DIAND has continued to change from one of providing services and products to First Nations, to the roles of funding and facilitation.

Since 1992, the NWT Region has re-organized from two offices (Indian and Inuit Affairs Program and the Northern Affairs Program) to one consolidated DIAND region.

Results from the reviews of Management Practices in 1994-1995 were well received by the auditees and the Departmental Audit and Evaluation Committee (DAEC). The review conducted by the Departmental Audit and Evaluation Branch (DAEB) covered the Ontario, British Columbia and Atlantic Regions.

The Northwest Territories Region consists of the regional office and three district offices: North Mackenzie (Inuvik), South Mackenzie (Yellowknife) and Nunavut (Iqaluit). The region is led by the RDG assisted by a management team comprised of an Associate RDG and eight Directors. There are 189 full time equivalent staff.

**NEED:** DAEB conducts, on a periodical basis, reviews and assessments of management practices, as well as a determination of Best Practices. These reviews assist management in sharing Best Practices and improving operations. All regions and headquarters branches, are covered on a cyclical basis.

**SCOPE:** The review will include management practices, initiatives and controls pertaining to the following :

- planning, organization, communicating, directing and controlling the operations in the region (including ROP);
- support of the fulfilment of department's obligations and priorities;
- innovations and improvements in the delivery of client and public services and in information management;
- financial and administrative operations in the areas of appropriateness of financial control framework;
- human resources management practices and policies;
- environmental management issues including the evolving regulatory regime;
- operational risk management including waste management practices, operational and inspection activities, environmental management, work planning and priority setting; and
- planning and management of initiatives related to land claims implementation and the resultant monitoring for accountability.

In considering the above, best management practices should be considered in terms of results-orientation and due risk consideration in supporting the key management philosophies of:

- client focus;
- quality assurance;
- involvement and participation;
- service standards;
- building horizontal linkages;
- supporting departmental strategic directions;
- principles vs. rules-based management; and
- leadership and risk taking.

**EXCLUSIONS:** The review will not include an assessment of the following:

- implementation of Treasury Board's Security Policy; and
- materiel management

**OBJECTIVES:** The objectives of the review are to:

- assess whether the regional management practices and frameworks in selected responsibility centres are operating with due regard to maximum effectiveness, efficiency and economy;
- assess the degree that selected aspects of regional operations comply with central agency and departmental, policies and procedures; and
- identify best practices that lead to improved effectiveness of the organization.

**APPROACH:** The review will be conducted in the following three stages:

- Preliminary Review and Evaluation;
- Fieldwork and Analysis; and
- Reporting.

**RESOURCES:** The project will be implemented using contracted resources and will be managed by DAEB.

**TIMEFRAME:** The Review Planning will commence in August 1996 and the report will be completed by March 1997.

**APPROVED BY:**

W. Johnson  
Regional Director General  
Northwest Territories Region  
January 20, 1997

# **Action Plan**



PROJECT TITLE/TITRE DU PROJET:  
 REGION OR BRANCH/RÉGION OU DIRECTION GÉNÉRALE:

Review of Management Practices  
 Northwest Territories Region

(1) RECOMMENDATIONS / RECOMMANDATIONS	(2) REPORT / RAPPORT PAGE NO.	(3) ACTION PLAN / PLAN D'ACTION	(4) RESPONSIBLE MANAGER / GESTIONNAIRE RESPONSABLE (TITLE / TITRE)	(5) PLANNED COMPLETION DATE / DATE PREVUE DE MISE EN OEUVRE
1. The Regional Manager of Human Resources, in consultation with the employees and the Regional Executive Committee, should ensure that employees' training plans are aligned with the corporate directions and priorities of the region.	10	The Regional Manager of Human Resources will assess the extent to which the region's staff training and development plans reflect corporate direction and regional priorities by August 31, 1997. The Service Review in the attached Terms of Reference and Implementation Plan proposes to comprehensively address all recommendations from this Review of Management Practices and is planned for completion by August 31, 1997.	Regional Manager of Human Resources and Jim France Director of Corporate Services	August 31, 1997
2. The Regional Manager of Human Resources should conduct an analysis of whether value for money was received from staff training and development towards meeting the region's objectives and service levels and submit the analysis to the Regional Executive Committee. This analysis should consider soliciting managerial feedback on the efficacy of staff training and development.	11	The Regional Manager of Human Resources will conduct an analysis of whether value for money was received from staff training and development and submit the findings to the Regional Executive Committee by November 30, 1997.	Regional Manager of Human Resources	November 30, 1997
3. The Director of Corporate Services should ensure that post-audits are conducted on a timely basis, reviewed and reported pursuant to the reporting requirements identified by headquarters finance.	12	The Director of Corporate Services will, consistent with reporting requirements identified by headquarters finance, put in place post-audits conducted on a timely basis by June 30, 1997.	Director of Corporate Services	June 30, 1997
4. The Director of Corporate Services should ensure that the Finance function provides a value-added challenge activity for contributions and other contractual obligations being entered and for payments being initiated.	12	The Director of Corporate Services is presently undertaking a Service Review with the view to providing a value-added challenge activity for contributions, other contractual obligations, and payments. The anticipated Service Review will be completed and recommendations implemented by September 30, 1997.	Director of Corporate Services	September 30, 1997
5. The Corporate Services Directorate should develop and communicate service standards that include: the roles, responsibilities of each division in each area of expertise; a description of the services provided; and related service standards (e.g. the number of days).	13	The Director of Corporate Services will develop and communicate service standards as a part of the previously alluded to Service Review. It is intended to implement service standards for Human Resource Services, Corporate Planning and Financial Services, Information Management, and Contracts and Administration in a format consistent with this recommendation by September 30, 1997.	Director of Corporate Services	September 30, 1997