

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

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**Review of Management Practices  
Alberta Region**

**Project 97/19  
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# Executive Summary

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This review of the management practices of the Alberta Region was conducted between October 1997 and March 1998 as part of the review cycle managed by the Departmental Audit and Evaluation Branch. The scope of the review included operations and financial management with an emphasis on strategic rather than operational issues.

## Methodology

The review was carried out in three stages:

- Orientation and Planning – Preliminary review of documents, selected interviews and a full day workshop revealed three themes for detailed scrutiny.
  - Planning processes
  - Performance management processes
  - Overall approach to transition management
- Conduct and Analysis – Detailed interviews with staff and clients were conducted for each agreed theme. As well, available and relevant documents were reviewed.
- Reporting – A presentation of the results was provided to senior staff. This written report concludes the reporting process.

## General Assessment

The Alberta Region has demonstrated an ability to maintain a strong client focus through a period of tremendous change. Changes that have had nation-wide impact, such as the emergence of a new relationship with First Nations and renewed commitment to self government and devolution of service delivery have had significant impact on operations within the Alberta Region. In addition, the local management team has experienced tremendous turnover in the past two years, and many key positions continue to be filled only on an “acting” basis. Local personnel have managed to remain committed to serving their First Nations partners through this considerable turmoil.

Management practices have not fared well through this period of transformation. Planning and performance management processes have become quite informal and as a result, are not particularly effective. As well, there is no clear vision of how the region will navigate through the transition that undoubtedly will continue for some time to come.

As a result, it is very difficult for managers or staff to ensure that their day to day activities support the longer term directions of the department, or to assess how well they are doing in achieving corporate goals.

## **Main Findings**

**Planning** – The current regional planning process, which is a departure from past practice, has not been documented or fully implemented. The current activity focus does not reflect client concerns about economic development. This area is considered by First Nations to be critical to achieving the goal of full devolution. However, INAC plays a somewhat limited role in facilitating access to economic development assistance. It is recommended that the revised planning process be documented, and that the process be used to refine the approach to resource allocation and service design, with particular attention to assisting First Nations to access support for economic development.

**Performance Measurement** – The region is to be commended for their recent investment of considerable time and effort in the development of a set of performance measures which were seen by the department and First Nations as relevant and appropriate. However, these measures have not been implemented. The current regional process for managing performance at both the corporate and individual levels is inconsistent. It is recommended that a more aggressive and broadly based approach to monitoring organization performance, and a more consistent approach to monitoring individual performance, be adopted.

**Transition** – The region is in a state of transition. Although this is recognized, and a number of discrete activities have been initiated in order to move toward devolution, there is no overall plan for managing the transition process. It is recommended that there be a reorienting of the Alberta Region to a transition “mind-set”, and development of specific transition strategies that recognize existing variations in First Nation capacities and interests.

The structural and project initiatives contained in the Minister’s “Agenda for Action with First Nations”, which emerged during the term of this review, will create significant additional pressure to plan for and manage a transition process, and develop measurement systems that can track progress.

# Section 1 - Introduction

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## Background to the Review

This project is part of the Departmental Audit and Evaluation Branch (DAEB) cycle of management practice reviews. The review was requested to help the management team of the Alberta Region ensure regional management practices meet departmental policies and standards, and in particular are appropriate to the circumstances of the region.

From the outset of this review, the project team was asked to consider several important project themes:

- as much as possible, maintain a strategic rather than operational focus.
- link observations and recommendations to management systems wherever possible.
- focus the review on key areas as soon as possible.
- maintain a region-wide focus while gathering data, and in findings and recommendations.
- involve staff and clients as much as possible.
- consider stakeholders an important part of the audience for the final report.

## The Alberta Region Context

The forty-three First Nations that make up the client group for the Alberta INAC team are located in three treaty areas. There are 111 reserves encompassing approximately seven hundred thousand hectares of reserve land. The First Nation status population at December 31, 1996 was 76,419. Sixty-seven percent were living on-reserve and crown-land. Almost sixty percent of the population is under twenty five years of age.

The management team of the Alberta Region is accountable for a wide range of services currently provided to this client group. These services are delivered throughout the region, and managed from head office in Edmonton. They include:

- Lands and Trusts Services;
- Intergovernmental Affairs and Operational Policy;
- Funding Services; and
- Corporate and Support Services, including human resources, communications; and executive and corporate services.

The challenge of serving the clientele of the Alberta Region is compounded by a number of themes that can be considered part of the local “scene”. They include:

- **Diversity** – There is a great deal of diversity among First Nations in Alberta, from the very poor to the quite well off. This means the INAC - Alberta organization must either seek to provide an extremely wide range of services to meet the needs of all its clients, or begin to segment its “market” and design its service mix to meet the needs of a narrower range of presumably less well off clients.
- **Have’s and Have Not’s** – The existence of several prosperous and commercially active bands creates a unique regional dynamic. Less well off First Nations are able to see, first hand, the significant benefits associated with achievable economic success. These examples become the “benchmark” from which INAC - Alberta economic development efforts are measured, and the source of pressure from First Nations for more and better efforts in this regard.
- **Turnover and Fragmentation** – There is no “unified voice” for First Nations in Alberta. This situation is exacerbated by a relatively high level of turnover among the leadership of First Nations. It is difficult to establish and maintain a broadly based overall regional strategy rooted in consensus among stakeholders in these circumstances.
- **Political Attention** – INAC - Alberta is not accustomed to the kind of political attention it currently receives, and this ongoing situation has greatly enhanced the time and skill level needed to manage the communication function, both between the region and head office, and between local managers and their clients.
- **Accountability and Distance from Service Delivery** – The political situation is aggravated because INAC - Alberta is in a transition toward full devolution. The organization is being asked to answer for activities it often has no direct knowledge of or control over. This situation will continue as long as transition itself. It needs to be recognized and accounted for in the regional communications and transition planning.

- **Environmental Issues** – This is a sensitive matter in this region because of the importance First Nations attach to effective use and stewardship of the land and its inhabitants, and the attention that several recent events have brought to the subject.

Another factor which presents a challenge to the Alberta Region is the government-wide phenomenon of high turn over in senior management positions. The management team within the Alberta Region has experienced a considerable amount of change in recent years, and at the time of this review, five of the eight senior management positions were held by individuals in an “acting status”, including the two most senior positions. This lack of continuity in the management team makes it difficult to develop and sustain long-term strategies and supporting plans.

Any one of these represents a significant challenge; in combination they create an ongoing high-stress circumstance. In spite of these difficulties, management and staff at all levels continue to try to maintain their focus on serving clients well, and supporting the national agenda for renewing the relationship with First Nations.

## **Methodology for the Review of Alberta Region Management Practices**

This review was carried out in three phases.

**Phase One – Orientation and Planning** – The purpose of this phase was to allow the team to perform an initial risk assessment and focus the work to be carried out in the balance of the review. This stage involved a review of business objectives, management strategies, and the overall control environment. The team reviewed relevant documents, interviewed members of the management team, and facilitated a full day workshop with fifteen staff members representing all parts and levels of the organization. In each of these venues the team sought information regarding planning and resource allocation, ongoing operations, and performance measurement and management. This stage concluded with a discussion of preliminary findings with the regional executive team, and a report recommending three areas of management practice to receive further review.

**Phase Two – Conduct and Analysis** – Fieldwork was carried out in accordance with the plan and focus recommended at the end of Phase One. The team carried out a detailed review of relevant documents, as identified in Appendix I. As well, team members carried out structured interviews with members of the senior management and service delivery teams of the Edmonton office, head office staff in Ottawa, staff of the southern regional office, and delegations of representatives from four First Nations. The observations and recommendations contained in this report are based on the information provided to us from these sources.

**Phase Three – Reporting** – The reporting process for this review has three parts. The report provided at the end of Phase One contained a review of initial findings. Near the end of Phase Two a full presentation of the preliminary Phase Two results was made to the full management team at its planning retreat. This report forms the third and final step in the reporting process.

**Scope of the Review**

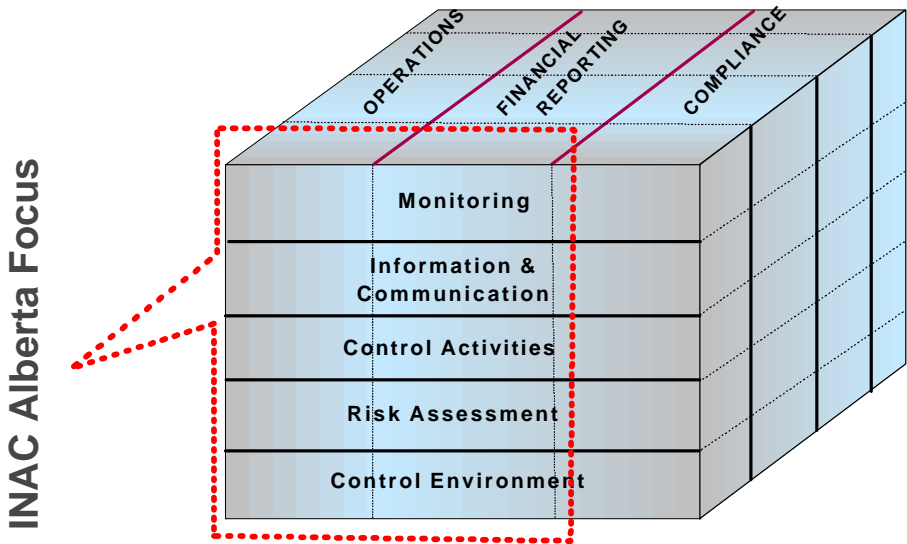
The initial scope of the review was defined to encompass all aspects of the Criteria of Control (CoCo) model defined by the Canadian Institute of Chartered Accountants. Accordingly it included examination of how management practices are impacting upon:

- **Purpose** – the organizations sense of direction and planning;
- **Commitment** – the organizations sense of identity and values;
- **Capability** – the organizations competence; and
- **Monitoring and Learning** – the organizations overall development.

These areas were explored during the Planning Phase of the review. The data gathering was structured as depicted in Exhibit I - The Integrated Control Framework. As shown in Exhibit I, the scope of the review included operations and financial management, but did not extend to encompass verification of compliance with control procedures.

**Exhibit I**

**The Integrated Framework**





In the Phase I report, it was noted that INAC – Alberta is an organization in a state of transition which is being driven by several factors:

- the Government of Alberta has rapidly redefined its role and service delivery mechanisms, and accountability structures, in a wide range of service delivery areas. This includes many of those of interest to First Nations and INAC., such as social services, education and health. This has had, and will continue to have an impact on First Nations.
- the Government of Canada is reallocating resources in accordance with its new approach to fiscal restraint. There will continue to be fewer resources available, and they will likely be allocated differently.
- the Government of Canada is systematically redefining its relationship with Canada’s First Nations. This initiative will likely be reaffirmed and re-energized as part of the Governments response to the Royal Commission on Aboriginal Peoples.
- Each of these factors is sufficient to drive a rethink of the role and supporting management systems of the organization. Collectively, they amount to a powerful impetus for commitment to a controlled transition. In terms of the CICA COCO framework, the challenges emerge primarily from the “Purpose” and “Commitment” components of the overall evaluation framework.

### **The Themes**

The themes which emerged through the Preliminary Survey Phase research activities are fairly typical of the symptoms encountered in organizations that are trying to cope with transition. Organizations undergoing significant change often find themselves in the situation of attempting to apply decision making, planning and service delivery systems designed for a stable environment in an environment that has begun to change and is thus no longer stable, and which is not likely to stabilize for some time. Several themes are especially noteworthy.

#### Themes in the area of **Planning**:

- the apparent absence of a direct linkage between plans, resource allocation, and actual needs and events indicates that the “real world” of meeting needs and delivering services is changing, and that deviations from established plans are needed to align and realign the organization as situations evolve.
- a high level of activity and overall frustration with the seemingly endless need to respond to “issues”, with consequent re-direction of resources from planned or ongoing tasks to “fire fighting”. The number of issues, and their diversity and complexity, increase when the environment is changing, and the key players are trying to redefine their roles in it.

- a multitude of coping strategies and initiatives (the “flavour-of-the-day” identified to us by both staff and management) with no clear priorities, conclusions or finish to them, is also symptomatic of rapid change. There is continuing uncertainty regarding what initiatives are most important because old benchmarks and roles are no longer relevant, and new ones have not yet become clear and stable.

Themes in the area of **Performance Management**:

- uncertainty regarding how to define performance, and how to measure it. Again, because old frameworks are no longer relevant, old approaches to performance management will not work.

Themes in the area of **Management of Transition in Programs and Operations**:

- frustration with the inadequacies of old tools, and new tools that have not yet matured, such as those expressed surrounding new agreements with First Nations. This includes the number of ongoing changes needed to make them work, the amount of time managers must spend in the “field”, and at head office, coping with one-off initiatives and requests from First Nations. The adequacy of new tools and approaches is also affected by the considerable variation in commitment and capacity among First Nations regarding the new role they are expected to play.
- the general frustration with the perceived inconsistency between the “talk” of First Nation independence and an INAC role of “funding and steering”, and the apparent day-to-day “walk” of increased levels of INAC involvement driven by an enhanced accountability framework. This is symptomatic of transition, where elements of both the old world and the new must co-exist.

The fundamental challenge facing INAC – Alberta is to identify and then focus on managing that which is critical to successful transition. Organizations that carry out successful transitions know what matters most, and ensure that it is well done.

**Recommendations for the Conduct Phase**

The recommendation from the planning phase was to focus the balance of the review effort on the following three areas:

- **Planning** – It was recommended that particular attention be given to the unclear link between resource allocation and needs, the apparent allocation of resources based on current issues rather than long term needs and strategies, and the multiplicity of change and improvement initiatives.

- **Performance Management** – It was recommended that the team review how individual and program performance is being defined and measured, and the nature of the linkage of this process to organizational goals and objectives.
- **Transition Management** – It was recommended that the team investigate how much progress has been made in moving from traditional to more current approaches, especially levels of empowerment of First Nations.

These recommendations were based on the consistent themes encountered in documents, interviews, and the workshop. The management team accepted these recommendations. Therefore, the themes of transition, and effective management of supporting planning and performance management systems, formed the focus for the field work conducted in Phase Two of the review.

## **Section 2 - Findings and Recommendations**

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The findings and recommendations from this review are organized under the three main themes which guided the fieldwork and analysis. Accordingly, the findings are presented under the following headings:

- Planning;
- Performance Measurement; and
- Transition.

### **Planning**

At the highest level, planning involves examining the evolution of the needs of First Nations, and devising a strategy for service delivery which will meet these needs. INAC - Alberta is faced with a particularly difficult evolution of service needs. They are confronted with the challenge of managing a “two track” approach to service that accounts for both the current need for enhanced First Nation accountability and compliance frameworks, and ongoing direct involvement in service delivery, while also supporting promising First Nation initiatives that will enhance governance and community economics. In effect, the organization is called upon to both “row” and “steer” during a planned transition period. The current processes for defining services and service delivery strategies do not take this reality into account.

One manifestation of this is the degree to which the department has fallen behind in meeting the needs of First Nations for support in the area of economic development (ED), which is a very high priority for those communities struggling to position themselves for greater independence. The department maintains that INAC is not a source of economic development resources, but will facilitate access to such resources. First Nations, however, maintain that economic development is a critical factor in achieving the objective of devolution shared by INAC and native communities. In the view of First Nations, ED seems to be an afterthought to INAC, and this is reflected in the attention to ED relative to other activities. In the view of First Nations, ED related activities are highly control oriented, and this highly sophisticated service area often involves people who are not well qualified to carry out the work. There is a sense that economic development is considered by INAC to be “somebody else’s problem”. Essentially, this is an accurate observation in that the departmental position has been that funding for ED should come from sources other than INAC. However, there has been no exploration of pro-active or creative delivery strategies such as the strategic use of Alternate Service Delivery or qualified third parties. This is an area where planning for services to meet the needs of the First Nations community has fallen behind the evolution of First Nations needs.

At a more detailed level, the process for preparing the annual plans and budgets has changed considerably in the past two years. The previous planning process was based on management contracts, and it was generally thought to be overly cumbersome and bureaucratic. The current process has allocated clear responsibility for the planning function but resource limitations have reduced time and attention devoted to actual planning. The new planning process is not yet documented, and no work plans have been developed. The planning process is “top-down” with little staff input. Appendix II contains diagrams of the planning process, past and present.

## **Recommendations**

1. It is recommended that the Regional Director General, Alberta Region recognize the diversity of needs in the approach to planning for services. The planning process needs to support the design of service arrays, especially to clarify the regions’ role in support of First Nations economic development services, to reflect this reality.
2. It is recommended that the Regional Director General, Alberta Region, explore with First Nations approaches to providing economic development support services to First Nations. The very different economic circumstances among First Nations makes it unlikely the current “project specific apply and respond” model is responsive and aggressive enough to meet the challenges that have been identified by First Nations.
3. It is recommended that the Regional Director General, Alberta Region, establish and document an annual business-driven planning cycle. Specific responsibilities should be allocated for the various planning activities.

## **Performance Measurement**

Effective performance measurement involves:

- defining corporate objectives and goals;
- establishing measures which can be used to assess progress; and
- tracking and reporting achievement of the goals and objectives.

A key component of an effective performance management process is the development of goals for individual management and staff members which are consistent with the corporate objectives, and which in aggregate reflect the full set of achievements which must be realized in order for the corporate objectives to be accomplished.

Within the Alberta Region, there is no consistent approach to performance management. Measurement of organizational performance is very informal and unstructured. Weekly management meetings include informal enquiries regarding deliverables, but there is no formalized reporting of goal oriented progress, and no direct recourse where deliverables are not met. Management variance reports are for financial matters only, and contain little background information. The complex system of reports from First Nations is used to ascertain the results of current spending. Responses vary depending on the nature of the funding agreement or instrument involved, and the nature of the variance. No overall approach to variance responses is in place.

In many of the functional areas involved (education, social services, health) performance is difficult to measure, and this is not going to change. Any approach to performance measurement must reflect this reality. The region invested considerable effort in the development of a set of performance measures which were considered by management and First Nations partners groups alike to be quite sound. However, these measures have never been implemented.

At the individual level, members of the management team develop verbal contracts and set their goals and objectives with the Regional Director General, or Assistant Regional Director General. However, there is no mechanism to ensure goal congruence between management and corporate goals. Staff can have verbal or written performance evaluations (at present, the performance evaluations are about 50% verbal, 50% written). No goals and objectives are set for staff, causing performance measurement to be based on job descriptions. This approach is not aligned with INAC's intent to develop less descriptive job descriptions.

### **Recommendations**

4. It is recommended that the Regional Director General, Alberta Region, consider:
  - adopting an existing template, or developing a new one; and
  - using both team and individual performance measurements that (1) are results not process driven, (2) cover more than just financial performance, and (3) are specifically linked to documented organization goals.
5. It is recommended that the Regional Director General, Alberta Region, develop a documented performance appraisal process that will apply to all levels of the organization.
6. It is recommended that the Regional Director General, Alberta Region, develop an overall performance tracking system that will identify variances from anticipated performance at both the individual and team level. It will be important to ensure performance variances are addressed when they become known. As well, current, direct, structured client feedback should be used as part of this process.

## **Transition**

Within the Alberta Region, there is acknowledgement that the role of the department is changing, and that there is a commitment to work towards a new relationship with First Nations. As well, although the vision of this new relationship is not particularly clear, there is awareness of the general principles that are expected to be embodied in the new way of working. The challenge will be to manage through the lengthy and difficult period of transition.

At the moment, the overall approach to transition is unclear and there is no evidence of a regional transition plan. There are many discrete initiatives under way within the region, but they are essentially a set of disjointed efforts rather than components of coherent overall transition strategy. Staff do not have the framework of an overall transition process within which to context their own job duties. Without this, it is difficult for them to contribute to the overall movement shift in departmental orientation.

Among INAC staff there is uncertainty regarding the capacity of First Nations to carry out their role in any transition process, leading to concerns that INAC will be held to blame for lack of progress in an initiative that they ultimately cannot implement alone. However, most individuals within INAC have not stepped up to their own individual accountability for accepting and managing change within their own sphere of activities, in that they do not see themselves as personally accountable for initiating and managing a transition. This is likely caused by the lack of clarity around the overall transition process, and the difficulty that this creates for individuals to understand their individual role in the process.

The transition management process is further complicated by the number of Federal departments interfacing with First Nations. These organizations do not share a common vision of the role the Federal government is to play, and the functional implications of that role. Few are looking to be as “hands off” as INAC in the long run.

## **Recommendations**

7. It is recommended that the Regional Director General, Alberta Region, develop an overall transition management plan that distinguishes between skills and resources needed to manage transition, and those needed to manage after transition is completed. It will be important to manage the plan through the corporate planning and performance management systems, and this will include ensuring that the plan is reflected in the goals and objectives established for individuals. As well, other relevant federal organizations operating in the region should be invited to contribute to the development of the plan.
8. It is recommended that the Regional Director General, Alberta Region, identify the roles that First Nations might play in long term transition. It may be appropriate to develop two models - one which reflects the situation of a relatively independent community, and a second one which addresses the realities of communities which are less well off.

## Overall Context for Recommendations

The findings of this review are best understood in the broader context of the major strategic thrusts initiated by the Department in the wake of the findings of the Royal Commission on Aboriginal Peoples (RCAP). The review team encountered repeated references to the potential implications of RCAP during this review. Near the end of the review the specifics of the Departmental response to RCAP began to emerge. The change strategy outlined in the “Agenda for Action with First Nations” has four themes or priorities.

- **Renew the Partnership** – Acknowledge and take action to address the errors of the past, including establishing mechanisms to recognize First Nations as governments and as partners. Includes developing mechanisms for Decision-making, and establishment of tripartite regional protocols to address on and off reserve issues on a regional basis.
- **Recognize and Strengthen First Nations Governments** – Continue to develop and enhance government-to-government relationships driven by a recognition of the inherent right to self government, Aboriginal title, and treaty rights under the *Constitution Act, 1982*. Includes developing Governance Transition Centres, and regional justice and dispute resolution bodies.
- **Equitable and Sustainable Fiscal Relationships** – Develop and implement new fiscal relationships that will allow First Nations governments to attain sufficient autonomy to support their governance and service delivery structures. Includes a new government-to-government transfer system and resource revenue sharing strategies and mechanisms, and an initiative to improve accountability, and data collection and exchange among and between governments.
- **Supporting Stronger First Nations Communities and People** – New measures to enhance economic development and community and individual self-reliance. Includes a national partnering strategy on economic development and a renewed emphasis on aboriginal training and investment in First Nations Youth.

There are three major themes especially relevant to this review.

- **Changed Decision Mechanisms** – There is a consistent theme regarding decision making, both within First Nations, and between First Nations and other levels of government. Structural change is anticipated, and there will be support for new approaches.
- **Changed Funding Mechanisms** – There will be a new framework for governments to work with, but as well there will be new approaches to collecting and managing resource revenues, and associated accountabilities.



- **Emphasis on Economic Development** – There is a consistent theme of enhanced independence and renewed governance through sustainable economic development, and a recognition that economic growth involves complex regional realities that must be addressed on a local or regional basis.

This is an aggressive agenda for significant change. It is also an agenda that will have to be delivered at the regional level. These major themes reinforce the relevance of the findings and recommendations of this review:

- to manage change of the scope and complexity contemplated in the “Agenda for Action” the Alberta team will need to develop and maintain a transition mind-set, supported by a coherent transition plan;
- implementing the transition plan will require a sound planning and performance measurement framework designed to meet the needs of this region, and the preference of its key decision makers; and
- the importance of economic development in the overall “Agenda for Action” is consistent with the information collected from the First Nations who participated in this review.

## **Section 3 - Implementation and Next Steps**

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The following are suggestions as to how the Alberta Region management team might consider moving forward with the implementation of the recommendations contained within this report.

**The first priority is to address the key strategic business decisions.** It is important for management to accept that the organization is in a long term transition, and to plan and deliver services accordingly. A first step might be to develop, in partnership with First Nations, a “readiness continuum” that indicates the scope of individual First Nation readiness to accept additional responsibilities, and the specific actions needed to enhance this readiness. The development of this readiness continuum could use as a starting point the results of the management assessment process currently underway. When this process is complete, INAC - Alberta will be in a position to work with individual First Nations to define their current service needs and to develop service delivery strategies in line with the defined needs.

**In parallel, the region can begin to develop and implement a sound planning process.** The design of the planning process can begin in parallel with business strategy development, but the final process should reflect the characteristics of the service array. The process should encompass all aspects of service delivery and administration. As well, the planning process should clearly identify service-oriented corporate and individual results which support measurement of progress against strategic goals. Finally, there must be increased focus; the organization does not have the resources for “non-critical” initiatives.

**It will then be feasible to develop and implement a meaningful performance measurement process.** The process for performance measurement, and the specific measures that are used, must reflect the business plan and characteristics of the service array. The performance measurement process must begin with an assessment of the success of the organization in meeting corporate goals. As well, goals of individual managers must be linked to the corporate business strategy and plan. Finally, the INAC - Alberta should explore creative ways to reward achievement.

## **Section 4 - Conclusion**

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The Alberta team is faced with a new challenge, regional implementation of the significant initiatives identified in the Minister's "Agenda for Action". If this challenge is to be met, the team will need a transition management mind-set, supported by an appropriate planning process and plan. Implementation of the plan will need to be monitored by a performance measurement system that links and measures individual and corporate performance, and provides the information needed to adjust plans and identify promising new initiatives.

**Terms of  
Reference**

## **Terms of Reference**

### **Review of Management Practices - Alberta Region**

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**Background:** This project is part of the Departmental Audit and Evaluation Branch (DAEB) ongoing cycle of management practices reviews to be conducted in each region and at headquarters. The cycle started in 1994-1995, and is part of a five-year plan.

The Alberta Region consists of 43 First Nations located in three treaty areas. There are 111 reserves encompassing approximately 700,000 hectares of reserve land. The First Nation status population (Indian Registry System — IRS) at December 31, 1996 was 76,419, of which approximately 67% being identified as living on-reserve and crown-land. Almost 60% of that population is under 25 years of age.

The region is currently led by an acting Regional Director General as well as an acting Associate Regional Director General. The regional executive is supported by 6 program areas (Executive Services, Funding Services, Lands and Trusts Services, Inter-governmental Affairs & Operational Policy, Corporate Services and Human Resources).

All programs operate out of the regional office in Edmonton. In addition, there is a 7-person field services office in southern Alberta on the Tsuu T'ina reserve near Calgary and a 1-person field services satellite office in St. Paul.

Currently, there are 185.5 full-time equivalent staff in the region (our allocation 166.5; 7 teachers at the federally administered Cold Lake School; over-programming 5.0 and Ressourcing Our Priorities —ROP 7.0).

The 1997-1998 regional budget is currently \$467,218.0 m (salaries \$8,292.0; regional operations \$4,656.0 and First Nation funding \$454,270.0).

**Need:** This review has been requested to enable the new management team of the Alberta Region to ensure that all regional management practices meeting departmental policies and standards are in place and appropriate to the circumstances of the region. It will also assist the team to identify opportunities to improve management practices to ensure the most effective and efficient support to the organization.

**Scope & Issues:** The review will use an approach based on the Criteria of Control Objectives (CoCo) defined by the Canada's chartered accountants under four principal areas:

Purpose — a sense of the organization's direction and planning

- How does the region achieve the organization's objectives? (Both regional and departmental)

Commitment — a sense of the organization's identity and values

- To what extent are values, policies and divisions of responsibilities consistent with the organization's direction?

Capability — a sense of the organization's competence

- Do people have the competency, knowledge, skills and tools including systems, processes and procedures to support the departmental's objectives?

Monitoring and learning — a sense of the organization's development

- To what extent monitoring of the regional environment and performance support the re-evaluation of the department's objectives and control?

**Approach:** It is proposed to adopt a process based on quantitative and qualitative research methodologies completed by consultation and participation techniques for the achievement of concrete, visible results. The project will be initiated by an Audit Manager from the Departmental and Evaluation Branch (DAEB) with the assistance of consultants.

The review will be conducted in three phases as follows :

### **Planning/Orientation Phase**

This phase establishes the framework for the project. It clarifies the mandate, the objectives, the scope and expected results. This entails a preliminary study of the regional management practices, systems, processes and procedures.

The object of this phase is for local management and the review team to reach a common understanding of the orientation and the methodology of the project. The members of the team clarify the methodology, the appropriate qualitative and quantitative methods and the nature of the sampling where applicable to produce an activity plan.

### **Gathering/Conduct Phase**

During this second phase of the review, the team carries-out the plan developed earlier. Activities include individual interviews and group meetings/sessions if appropriate; review of records and processes and management practices; and all other necessary research and gathering information.

### **Analysis and reporting Phase**

Analysis — Once the information has been gathered, the review team analyses the data and clarifies issues such as :

- What is the current state of affairs?
- What are the gaps?
- Suggestions for filling the gaps and improve the regional practices to respond to future needs.
- Identification of effective practices.

This information will be presented to a group of regional representatives. The consultants, with the support of the group, will validate the data, propose recommendations, and develop the framework of a work plan for implementation.

Reporting — The purpose of the report is to incorporate key information and major recommendations developed during the course of the review into a practical and concise format. This includes results of analysis and work plan for implementation.

- Resources:** The work will be undertaken both in-house and with the use of consultants.
- Cost:** The estimated cost for the contracted resources is between \$50,000 and \$70,000.
- Timeframe:** The planning will commence in October 1997. A draft report will be completed by December 1997.

### **Approved by:**

F. Jobin  
A/Regional Director General  
Alberta Region  
October 20, 1997

# **Action Plan**



PROJECT TITLE / TITRE DU PROJET : Review of Management Practices

REGION OR BRANCH / RÉGION OU DIRECTION GÉNÉRALE : Alberta 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 Director General, Alberta Region, should recognize the diversity of needs in the approach to planning for services. The planning process needs to support the design of service arrays, especially to clarify the regions's role in support of First Nations economic development services, to reflect this reality.	9	The region has committed resources to lead the planning initiative in the region. The region has initiated Gathering Strength discussions with an All Chiefs Committee and the various technical committees that have been established. Program directorate plans that will evolve as a result of these activities will reflect the diversity necessary to address the needs of First Nations.	Regional Executive Committee / RDG	Planning Process: December 31, 1998  Implementation: Ongoing
2. The Regional Director General, Alberta Region, should explore with First Nations approaches to providing economic development support services to First Nations. The very different economic circumstances among First Nations makes it unlikely the current "project specific apply and respond" model is responsive and aggressive enough to meet the challenges that have been identified by First Nations.	9	To fulfil DIAND's goal of community economic development, funding is provided towards the Community Economic Development Organizations (CEDOs). The region funds CEDOs (through transfers to First Nations), who provide technical advisory and developmental supports needed to create viable, ongoing economies at the local level. To further support the economic development initiatives at the local level, the region has an economic development unit, reporting directly to the A/RDG, that focuses on Market Access (Procurement Strategy for Aboriginal Business), AWPI, Opportunity Fund and Resource Development and Management.	Associate RDG	Implemented/ Ongoing
3. The Regional Director General, Alberta Region, should establish and document an annual business-driven planning cycle. Specific responsibilities should be allocated for the various planning activities.	9	The region has committed resources to lead the planning initiative in the region. The region has initiated Gathering Strength discussions with an All Chiefs Committee and the various technical committees that have been established. Program directorate plans that will evolve as a result of these activities will reflect the diversity necessary to address the needs of First Nations.	Regional Executive Committee / RDG	Planning Process: December 31, 1998

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4. The Regional Director General, Alberta Region, should consider: <ul style="list-style-type: none"> <li>• adopting an existing performance measurement template, or developing a new one: and</li> <li>• using both team and individual performance measurements that: (1) are results not process driven, (2) cover more than just financial performance, and (3) are specifically linked to documented organization goals.</li> </ul>	10	The region has committed resources to lead the planning initiative in the region. The region has initiated Gathering Strength discussions with an All Chiefs Committee and the various technical committees that have been established. Program directorate plans that will evolve as a result of these activities will reflect the diversity necessary to address the needs of First Nations. (Performance Evaluation: On-going bi-laterals).  In concert with the planning initiatives noted above, program directors will develop management contracts with the RDG & A/RDG that will reflect appropriate performance measures necessary to meet the RDG's targets as established by the DM as well as targets that are established by regional management to meet specific regional First Nation needs. The external performance measurements will be developed in conjunction with our First Nation partners.  These targets will flow through from the directors to their managers and supervisors and line staff.	Regional Executive Committee / RDG	Management Contracts: annually, June 30, 1999
5. The Regional Director General, Alberta Region, should develop a documented performance appraisal process that will apply to all levels of the organization.	10	The region already has a performance appraisal process in place. Steps are being taken to strengthen the existing processes to ensure that established targets are in fact being met and that achievements are being formally reviewed on a periodic basis.	Regional Executive Committee / RDG	Annually July 15, 1999

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<p>6. The Regional Director General, Alberta Region, should develop an overall performance tracking system that will identify variances from anticipated performance at both the individual and team level. It will be important to ensure performance variances are addressed when they become known. As well, current, direct, structured client feedback should be used as part of this process.</p>	<p>10</p>	<p>The region has committed resources to lead the planning initiative in the region. The region has initiated Gathering Strength discussions with an All Chiefs Committee and the various technical committees that have been established. Program directorate plans that will evolve as a result of these activities will reflect the diversity necessary to address the needs of First Nations. (Performance Evaluation: Ongoing bi-laterals).</p> <p>In concert with the planning initiatives noted above, program directors will develop management contracts with the RDG &amp; A/RDG that will reflect appropriate performance measures necessary to meet the RDG's targets as established by the DM as well as targets that are established by regional management to meet specific regional First Nation needs. The external performance measurements will be developed in conjunction with our First Nation partners.</p> <p>These targets will flow through from the directors to their managers and supervisors and line staff.</p>	<p>Regional Executive Committee / RDG</p>	<p>Management Contracts: annually June 30, 1999</p>

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<p>7. The Regional Director General, Alberta Region, should develop an overall transition management plan that distinguishes between skills and resources needed to manage transition, and those needed to manage after transition is completed. It will be important to manage the plan through the corporate planning and performance management systems, and this will include ensuring that the plan is reflected in the goals and objectives established for individuals. As well, other relevant Federal organizations operating in the region should be invited to contribute to the development of the plan.</p>	<p>11</p>	<p>The region has already implemented an enhanced communication strategy with staff. A variety of all-staff meetings have been held on the Gathering Strength and Leadership initiatives. We are also actively promoting the use of other mediums to communicate regularly with staff (intra-net). Regional management is currently in the process of reviewing the existing structure and considering options for change that will enable it to meet the specific needs of the regional First Nations.</p>	<p>Regional Executive Committee / RDG</p>	<p>Implemented/ Ongoing</p>
<p>8. The Regional Director General, Alberta Region, should identify the roles that First Nations might play in long term transition. It may be appropriate to develop two models - one which reflects the situation of a relatively independent community, and a second one which addresses the realities of communities which are less well off.</p>	<p>11</p>	<p>As noted earlier, regional management is working closely with the Chief's Committee and the various First Nation staff led technical working groups that have been established by the committee. Every effort will be made to incorporate First Nation participation in the region's transition process.</p>	<p>Regional Executive Committee / RDG</p>	<p>Implemented/ Ongoing</p>

# **Appendix 1**

## **Summary of Documentation Reviewed**

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The following documents were reviewed during the Conduct and Analysis phase of the Review of Alberta Region Management Practices.

## **Policy and Overall Strategy**

- Alberta Region Statement of Priorities
- Statement of Priorities – Alberta Region – December, 1996
- Journey of Many – The Deputies’ Council for Change – 1993
- Federal Policy Guide – Aboriginal Self-Government
- People to People: Nation to Nation – Consultation document summarizing the main findings of the Royal Commission on Aboriginal Peoples
- Agenda for Action with First Nations – Federal Government Response to Royal Commission on Aboriginal Peoples – INAC Web Site – February 22, 1998.
- Framework For Action – January 1996
- Economic Development Action Plan – INAC – Alberta – to March 31, 1998

## **Implementation Tactics and Administration**

- Alberta Region Service Standards – 1995
- Noel Memo of Dec 14, 1997 re: Service Standards
- Review of Management Practises – Quebec Region – June, 1997
- Regional Budget – Alberta Region – 1997-1998
- Alberta Region Action Plan – Human Resources – April 14, 1997
- Overall Alberta Region Action Plans – Various Dates – Fall, 1996
- Ressourcing our Priorities

- Fall 1997 memo from DM\ADM regarding current priorities
- Summary of Town Hall Meetings Associated with Leadership and Learning Initiative – Janis St. Louis - November 6, 1997
- Leadership Initiatives – Presentation to Alberta Region Managers – June 1996
- Ressourcing our Priorities – Executive Summary of Alberta Region submission
- Alberta Region Public Education Strategy – January, 1996
- Alberta Region Service Standards – 1995
- Alberta Day Presentation – INAC - Alberta – October 8, 1996
- INAC Information Release – Progress Report on Stoney Issue – September 8, 1997
- Partnership “Handouts” of November, 1995, August, 1996, November, 1996, and March, 1997.
- Treasury Board of Canada – Quality Services Guide II – Measuring Client Satisfaction
- Alberta Region Organization Charts – July 16, 1997
- Management Contract Agreements – Alberta Region Management Team – 1996-1997
- Performance Report – Improved Reporting to Parliament – Pilot Document – Indian and Northern Affairs Canada and Canadian Polar Commission – March 31, 1997
- Comprehensive Funding Arrangement – National Model for 1997-1998
- Revised on-reserve housing Policy:
  - press release
  - letter to Chiefs
  - Working Guide to Preparing a First Nation’s Housing Proposal
  - Guidelines for the Development of First Nations Housing Proposals
  - On- reserve Housing Program – Questions and Answers
- Auditor Generals Report – Accountability Practises from the Perspective of First Nations - September, 1996

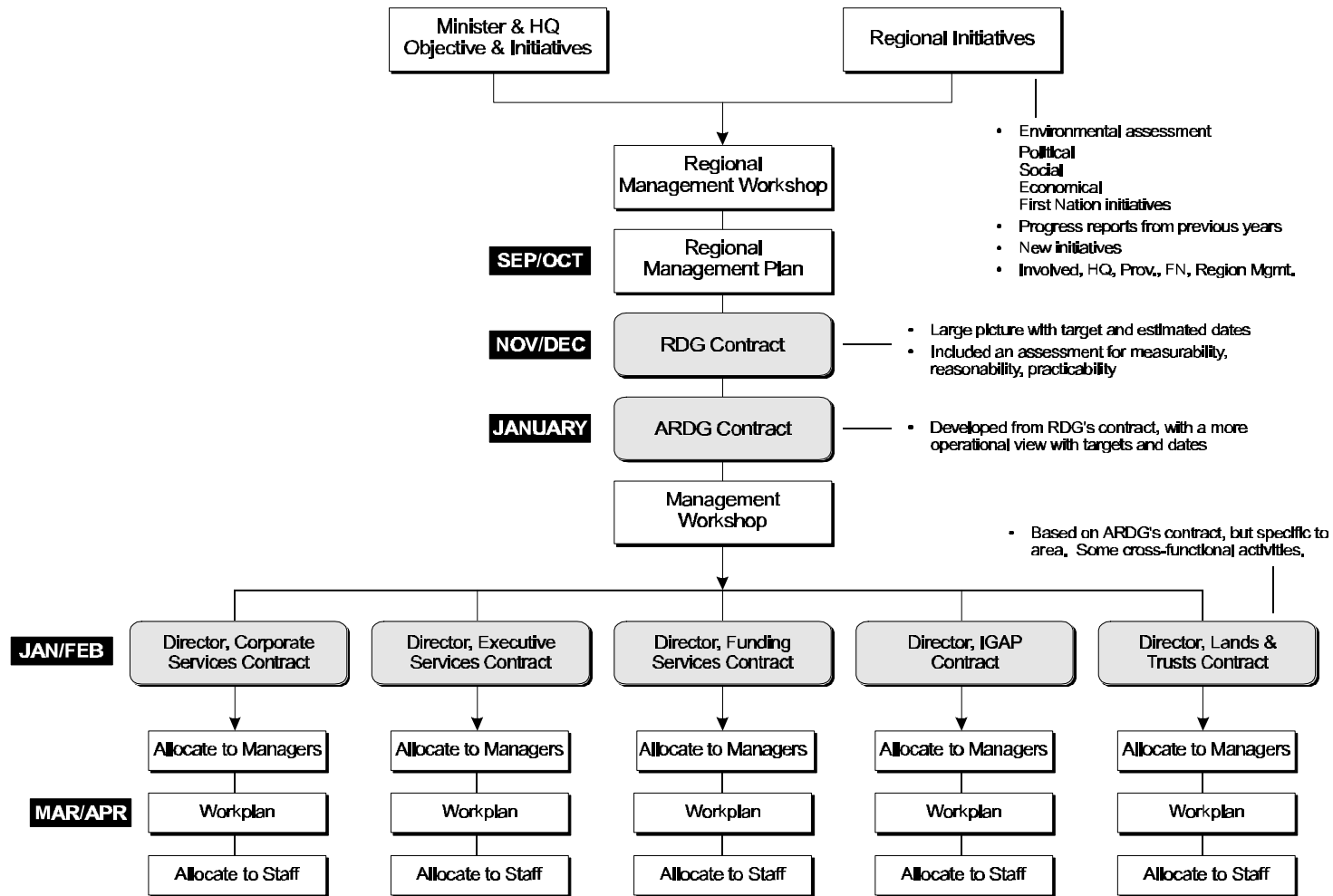
- Auditor Generals Report – Funding Arrangements for First Nations – November, 1996
- Sustainable Development Strategy - December 11, 1997
- INAC Information Management Strategic Vision
- Supporting Material for Information Management Committee Fall Meeting – December 5 1996
- Draft Financial Transfer Agreement – Draft 7, January, 1997
- Definitions and Schedules for 1997-1998 Comprehensive Funding Arrangement
- Alexis Treaty Land Entitlement Agreement (as a sample)
- Kainaiwa/Blood Tribe Settlement Agreement (as a sample)
- Alberta Region – Ressourcing Our Priorities Submission – March, 1996
- Risk Management – A Framework for Reconciling Empowerment and Control in the Public Sector – Oct 31, 1996
- Report for the Control of Self Assessment of Funding Arrangements – Alberta Region Report – 1996-1997
- Sample Management Variance Report – September, 1997
- FMC Funding Pressure Update – November, 1997
- Summary of Existing Funding Arrangements by First Nation – 1996-1997
- Alberta Region Action Plan – April 1997fs
- National Service Standards for Funding Services – December, 1994
- Budget / Cash Comparison by region – Alberta Region – November, 1997
- INAC – Characteristics of Funding Arrangements and Authorities – Report of the Auditor General of Canada, November, 1996.
- “Statement of Priorities” – INAC, Alberta Region – December, 1996
- Alberta Region “Deliverables” – 1997-1998
- INAC Leadership Profile – Deputy Minister’s Office



# **Appendix 2**

## **Traditional and Current Planning Processes**

# TRADITIONAL PLANNING PROCESS



# NEW PLANNING PROCESS

