

Follow-up to the Management Review of Environment Canada's Sustainable Development Strategy

Audit and Evaluation Branch

Report Clearance Steps

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Acronyms used in the report

ADM	Assistant Deputy Minister
BL	Business Line
CESD	Commissioner of the Environment and Sustainable Development
DAEC	Departmental Audit and Evaluation Committee
DM	Deputy Minister
DPR	Departmental Performance Report
EC	Environment Canada
EMB	Environment Management Board
MAP	Management Administration and Policy Table
SD	Sustainable Development
SDS	Sustainable Development Strategy

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Follow-up to the Management Review of Environment Canada's Sustainable Development Strategy

This follow-up is being conducted two years after the report on the Management Review of Environment Canada's Sustainable Development Strategy (SDS). The follow-up is being done to determine what actions have resulted from the review findings and recommendations and to evaluate the appropriateness of the actions taken in response to the review recommendations. Follow-ups are important as they give senior management a crucial indicator as to the implementation rate of recommendations and adjustments made in relation to management responses.

Context and Current Status

The amendments made to the Auditor General Act in December 1995 created the Office of the Commissioner of the Environment and Sustainable Development (CESD). The amendments to the Act also required departments and agencies to table Sustainable Development Strategies (SDS) in the House of Commons by December 1997 and to subsequently report on departmental performance in implementing these strategies.

The CESD also requested that departments conduct management reviews of the implementation of the first round of sustainable development strategies prior to initiating the strategy updates. The Review Branch (now the Audit and Evaluation Branch) was requested by senior management to conduct this review to assess the implementation of Environment Canada's SDS. The results of the review were to be used as input to discussions by the Management, Administration and Policy (MAP) Table in determining the areas of emphasis and approach to the update of EC's SDS.

Overall, the review found that the EC's mandate and ongoing activities contribute in significant and substantive ways to SD within the federal government and that EC was committed to carrying out numerous activities that support the achievement of the goals of the SDS. The review also concluded though that most if not all of the activities that the department was engaging in would have been carried out without the SDS. It was found that the SDS did not demand or manage change, instead it was built upon existing activities that were currently underway.

As a result, the review made four recommendations that centred on articulating a strategic approach to SD in the department, making the updated SDS a strategy for change, clarifying SD roles and accountabilities of program managers and improving measurement and progress reporting of SDS impacts.

Areas Requiring Attention

Generally the follow-up has discovered that the program has been successful in meeting some of the recommendations made in the Management Review while others require further attention. Of the four recommendations made in the Management Review, two have been met, one partially met and one not met. The areas that still require attention are:

- Strengthening the incorporation of social considerations into SD decision making at EC;
- Making the linkages between the mission; the SDS; Business Line Plans and work plans at the program level clear and transparent; and,
- Improved measurement and progress reporting of SD impacts.

Risk

The actions taken in responding to the recommendations of the Review have helped to strengthen EC's Sustainable Development Strategy. There remain however, some aspects of the recommendations that require attention in order to completely address the issues identified in the Management Review. However, the risk posed to the department is deemed to be minor in relation to the Management Review of the SDS. The program has requested another similar review be undertaken before the next stage in 2003.

Detailed Recommendations and their Assessment

Recommendation #1

EC needs to articulate the strategic approach to be taken by the department to Sustainable Development, as an ultimate goal or outcome.

- ***Clarify for program managers EC's mandate as it relates to SD and how we plan to approach its implementation, to facilitate buy-in and a concerted, cohesive approach to the implementation of the SDS within EC;***
- ***Determine in a comprehensive way how economic and social considerations will be made explicit and be brought to bear on EC decision-making; communicate this to managers and staff; and,***
- ***As part of the new strategy, senior management should consider placing significant focus on capacity-building role for EC in order to advance the achievement of SD both internally and externally.***

Assessment of Actions Taken - Met

The updated SDS is clear in articulating the strategic approach of making SD a reality at EC and its update has served to give clarity and focus to attempting to meet this mission statement.

The updated SDS has provided more focus to SD at EC. The update process for the SDS included consultations with staff and managers which provided buy-in to the updated SDS, and clarified for managers EC's mandate as it relates to SD thereby facilitating its implementation. The updated SDS is also more closely integrated with the Business Line (BL) planning process, which has served to ensure that managers are involved and aware of SD initiatives.

The updated SDS outlines how economic and social considerations will be brought to bear on EC's SD decision-making, through consultations as well as an issue scan, but the SDS seems to only address the integration of economic considerations into decision making and little attention is given to social considerations. The MAP Table also indicated that there has

been less integration of social indicators than of economic indicators. An SD lens is under development which is basically an assessment tool to help policy analysts ensure that policies and programs which they are developing are supportive and fully coincide with the Government of Canada's principles of sustainable development. Although this lens is aimed at aiding managers integrate social and economic and environmental issues into their SD decision making, the capacity to consider social indicators for decision making related to SD still needs to be strengthened.

The internal awareness of EC related to SD has been strengthened through the implementation of an internal communications approach including the creation of a web site. Internal capacity has been strengthened through the development and delivery of a course on SD. This course has been delivered five times, to about sixty EC employees. It is currently being revised to reflect participant feedback and to incorporate current initiatives.

External capacity for SD has been strengthened by EC through its continued leadership on a number of interdepartmental committees, e.g. Interdepartmental Network on Sustainable Development Strategies; ADM Task Force on Sustainable Development, and the DMs' Sustainable Development Coordinating Committee. A key initiative being pursued under the direction of these committees is the preparation of a federal sustainable development strategy (FSDS). A FSDS will be an overarching, longer-term policy framework to promote a shared vision and coordinated action on sustainable development across the federal government. The FSDS will provide guidance for the next round of departmental SDSs.

Recommendation #2

Make the role of the updated SDS as a strategy for change clear to managers and staff. EC objectives and what is required from Tables in their Business Line Plans need to be stated clearly:

- ***Involve managers, through consultations, in the development of the SDS and in determining how it will be reflected in Table and also work plans in order to support its implementation through the departmental "one-pass" planning process; and,***
- ***Make the linkages between the mission, the SDS, Business Line Plans and work plans at the program level clear and transparent.***

Assessment of Actions Taken - Partially Met

The updated SDS clearly states that it is a strategy for change and this has been made clear to managers and staff through communications and consultations.

In updating the SDS there were concerted efforts to integrate the SDS with EC's planning and reporting processes. Business Line and Regional Planners were members of an internal working group which provided ongoing guidance and assistance throughout the preparation of the SDS. Management oversight was provided by the MAP Table, however, all Business Line Tables were engaged as necessary to provide input. The intention was to ensure that all agreed-upon SDS commitments were incorporated into Business Line plans so that they would be resourced and implemented. EMB received regular reports and provided final approvals.

The BL links to the SDS are made clear through the call letter to planners that originates from the Corporate Planning and Reporting Branch. The call letters contain guidelines for planning and reporting for Business Lines and also contain instructions related to what is expected for the Report on Plans and Priorities (RPP) as well as the Departmental Performance Report (DPR). Reporting on progress on implementing SDS commitments is an element of the DPR.

There has been no effort to explicitly clarify the links between the mission, the SDS, BL Plans and work plans at the program level.

Recommendation #3

Clarify the roles and accountabilities at the program manager level.

Assessment of Actions Taken - Met

A chart has been created that contains accountabilities for different commitments and priority areas related to SD. Each of the commitment areas in the chart assigns accountability to a specific Director General. The majority of the SDS commitments fall under the MAP Table. MAP has undertaken an initiative which helps clarify the accountabilities of senior managers related to SD. MAP ensures that priority issues are incorporated into managers' performance agreements. Also, commitment reviews are done mid-year and year-end to ascertain whether accountability leads are meeting their commitments.

However, SD issues along with many other issues have not been fully included in manager performance contracts for sake of practicality and as a result it is unclear how many managers do have performance contracts that reflect their SD accountabilities. Although there has been only limited effort to clarify the roles and accountabilities at the program manager level, the input of all commitments into performance agreements is quite impractical given the amount of details required.

Recommendation #4

Improve measurement and progress reporting through the inclusion of baseline information.

- ***Include deliverables in the SDS that promote the specific behavioural and other changes we are seeking, accompanied by clear targets and performance indicators that are focused, time bounded and measurable.***

Assessment of Actions Taken - Not Met

The updated SDS contains four themes, each of which has detailed goals, objectives and targets, all aimed at demonstrating change in how EC promotes SD. As well, the SDS contains a list of performance measures at the goal level. Some commitment areas contain time-bounded and measurable targets, which include indicators to facilitate the measure of progress.

The Annual DPR progress report on implementing SDS commitments will provide performance information at the target level. It is very activity oriented. To date, broader performance information at the objective or goal level which could assess the broader impacts or outcomes of the SDS has not been established.

The establishment of a performance based management approach to ensure that SD results are achieved has not yet occurred and there has been no concerted attempt to build a performance based management system for SD. The program notes the challenges in measuring the outcome of commitments that relate to creating policies, increasing knowledge and improving capacity. In many cases, it would be difficult to assess direct impacts because of the many influences on the end state. The program also maintains that it is difficult to have a valid and useful performance based management system for the SDS when its primary intent was to create a culture change at EC; such cultural shift is a difficult thing to measure.

Conclusion

The actions taken to address the recommendations of the Management Review of EC's SDS have addressed some of the issues identified in the report. Although there are issues that remain outstanding, it is recommended that no further follow-up actions be taken as another update of the SDS is due by the end of 2003. In anticipation of the update, the program has indicated that another review of the SDS should be conducted in order to meet CESD expectations and assess what the impacts of the SDS have been.