Follow-up of the National Water Research Institute Audit

June 2003

Audit and Evaluation Branch

Environment Canada Environnement Canada

Canada

Report Clearance Steps

Follow-up process initiated   April 2003
Report completed   June 2003
Follow-up report approved by Departmental Audit and   January 8, 2004
    Evaluation Committee

Acronyms used in the report

AEB   Audit and Evaluation Branch
NWRI   National Water Research Institute
OAG   Office of the Auditor General
RMAF   Results-based Management and Accountability Framework

Table of Contents

Follow-up of the National Water Research Institute (NWRI) Audit

This follow-up was initiated approximately two years after the initial audit report of NWRI in 2001. The follow-up was done in order to determine the level of implementation of the recommendations made in the original report. 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 the management response.

Two of the three recommendations made in the audit of NWRI have been implemented and actions undertaken to respond to the third one. The third recommendation relates to the development and implementation of a better approach to assess the value-added and impacts of NWRI research. Results will only be seen on a long term basis. Since the degree of risk for the department is low, it is recommended that no further follow-up actions be taken.

Context and Current Status

The audit was requested by the Executive Director of the NWRI who is now Director General of the Institute. He requested that an independent assessment be conducted of the management of the institute against the ten attributes of well-managed research organizations developed by the Office of the Auditor General (OAG) in its report to Parliament dated November 1999 (Chapter 22).

The results of the audit were very positive and many lessons could be shared with the rest of the Department in terms of good management practices, tools and processes; attention given to people management, and to the cultivation of an open and supportive working environment. In summary, at the time of the audit, the institute was consulting its users and clients on their research priorities; planning documents articulated work to be done and linked them to departmental priorities and results; users were very satisfied with the science products they received; the institute was held in very high regard for the quality of its science; and staff was generally proud to be part of the institute. In sum, the NWRI met most of the requirements of the ten attributes.

However, three recommendations were made to address some concerns in the areas of: increasing the recognition and the sense of belonging of technical support employees; guidance and support to Project Chiefs in carrying-out their management responsibilities, especially as it relates to decision-making on the allocation of technical support staff; and performance measurement through the introduction of tools such as client surveys, and other measures to assess the relevance and longer term impacts and to demonstrate the value of the research portfolio of the institute.

Areas Requiring Attention

A number of positive steps have been taken to address the original recommendations. The Institute has instated an annual formal peer recognition program targeting specifically the support staff. This has resulted in a positive impact on the team as contributions of staff is now valued. To address the issue surrounding the allocation of technical staff, the directors and the Project Chiefs have conducted an exercise to reassign technologists where appropriate. The first two recommendations are therefore implemented. The third recommendation which is partially implemented was to develop and implement a broader and better grounded approach to assessing the value-added and impacts of NWRI research. At this point, a Results-based Management and Accountability Framework (RMAF) has been developed but is not yet implemented. In addition, NWRI conducted a series of 4 workshops with their clients to obtain feedback on their priorities and have a better relevancy of the work they do. The results should be felt after the implementation of the RMAF. There is still no annual report however a monthly report is distributed to the institution staff providing better internal communication. NWRI senior management feels that reporting will happen through RMAF, once implemented.

Risk

Taking into consideration that the recommendations were made to improve an already very strong and well-managed organization; that the actions taken by the NWRI since the conduct of the audit in 2001 addressed the majority of the recommendations; and that even though the third recommendation is partially met, actions were undertaken and results should be felt on a long term basis, AEB has concluded that there is no undue risk to the department and therefore recommends that no further follow-up actions be taken.

Table of Recommendations and Measures Implemented

Recommendation #1 - Met

Recommendation	Measures Implemented
Additional steps should be considered to ensure that technical support staff feels part of the NWRI team and that their contributions are valued.	NWRI reinstated an annual peer recognition program targeting specifically support staff. All nominees are recognized in a formal ceremony.

Recommendation #2 - Met

Recommendation	Measures Implemented
NWRI senior management team should take steps to assess the issues around allocation of technical support staff, especially the perception that it is inequitable and inadequate. This should include providing support and guidance to Project Chiefs in these decision-making responsibilities; ensuring the criteria used for technical support allocation are transparent to staff; and providing other support required to ensure the management responsibilities at the Project level are effectively carried out.	Two options were considered: • The first option consisted in a modification of the organization chart by reassigning the technical staff, currently in a pool, to all groups instead of belonging to an independent function deserving each group. That option was rejected because of the added costs the groups would have to assume for employee's expenses such as travels. • The second option consisted in the reassignment of technologists where appropriate. This option was retained and with the help of the directors, the Project Chiefs have conducted the exercise ensuring the process was transparent. • However, no structured process is in place.

Recommendation #3 - Partially Met

Recommendation	Measures Implemented
A broader and better grounded approach to assessing the value-added and impacts of NWRI research should be developed and implemented. This could begin with some fairly basic gathering of feedback from users and clients, and timelier annual reporting.	• A Results-based Management and Accountability Framework on Ecosystem Health key result: *Human impacts on the health of ecosystems are understood and reduced* was developed but is not yet implemented. • An approach was developed to gather feedback from the clients, increase communication and find relevancy of the work done. This approach consists of conducting workshops in priority areas and so far, four workshops have been conducted dealing with agricultural impacts, ground water management, water reuse, and technology and water treatment. • There is still no annual report, however, monthly reports are produced and distributed to the Institution staff, helping with internal communication. The monthly reports are based on weekly reports provided to the ADM. Senior management feels that annual reporting will happen through RMAF.