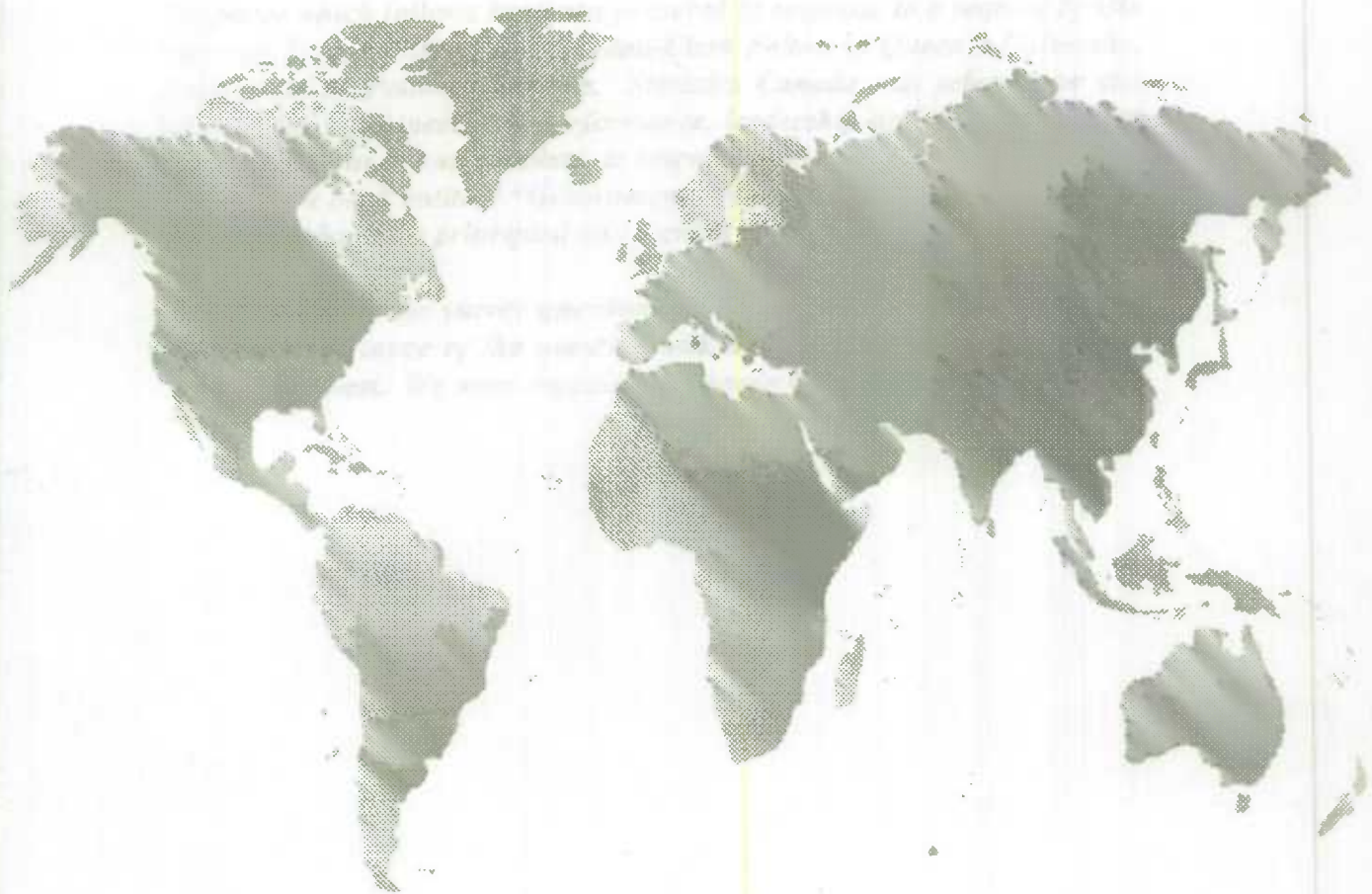


STRIVING FOR EXCELLENCE

*Responses from Statistics Canada to the
Ingstrup Survey on the Government at its Best*



Response
prepared by
Eve Simpson
April 25, 1996



Statistics
Canada

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Canada

STUDY ON THE HISTORY OF THE

The first part of the study is devoted to a general survey of the history of the country from the earliest times to the present day. It is a comprehensive and well-written work, which will be of great value to all those who are interested in the history of the country.

The second part of the study is devoted to a detailed account of the various events which have shaped the history of the country. It is a well-written and interesting work, which will be of great value to all those who are interested in the history of the country.

STRIVING FOR EXCELLENCE

The paper which follows has been prepared in response to a request by Ole Ingstrup, Senior Advisor and Skelton-Clark Fellow of Queen's University, Department of Political Science. Statistics Canada was selected on the basis of our sustained high performance, leadership and adaptation, and our commitment to our mandate, to respond to a survey which will be used as input to a book entitled "Government at its Best". The book is intended to be a workbook for principled and focused change in the public sector

In responding to the survey questionnaire, Statistics Canada was asked to rank the importance of the question with the letter 'a' being highest and the 'c' the lowest. We were requested to choose 4 a's, 4 b's and 4 c's

STRIVING FOR EXCELLENCE

Responses from Statistics Canada
to the Ingstrup Survey on
Government at Its Best

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1. **a b c** To what extent, and how, does your organization know where it is going in the future? What is its corporate direction or vision...its mission? How does your organization know its own identify (for instance, through values or principles...)? What informs its esprit de corps?

Statistics Canada's corporate vision is that of a statistical agency striving for excellence, committed to developing a clearly articulated vision of strategic information requirements based upon a sense of the major issues society is likely to face in the foreseeable future. The Agency is committed to thoroughly understanding its client needs. It provides information to clearly illuminate issues, rather than just to monitor the phenomenon, and provides information as direct input into decision-making. It is an agency committed to evolving in response to needs, while maintaining a high level of public credibility and non-political objectivity.

The organization's core values are relevance, reliability, professionalism, and non-political objectivity. The Agency is committed to providing the information society needs in the best way possible within budget limitations. As part of professional obligation, clients are informed of exactly what the data limitations are, (to the extent that the Agency is aware of them), and of the methodology used to collect and compile statistics. The core value of non-political objectivity is of key importance, for the moment people cease to believe the Agency is indeed free of political motivation, the data produced will lose their intrinsic value.

OBJECTIVES

The three main objectives of the Agency are:

Relevance of Product Lines

The subject matter of Agency products must be relevant to our client needs. To accomplish this the Agency:

- remains vigilant over changing economic and social phenomena in order to monitor the success of current policies;
- identifies areas where clients have a need for new policies (i.e. policy gaps) and anticipates the information needed to support decisions in new areas;
- measures the effectiveness of current client investments such as in the fields of health care or crime prevention;
- sheds light on causalities. This is vital when governments are trying to change the status quo. It is accomplished by building frameworks and tracking over time, i.e. longitudinal surveys.

Client Orientation

In order for our products to be useful, our clients must know that they exist and must know where to get at them. We have at least three different classes of clients and each has its own set of issues.

- For the general public, who want to use general information, normally through the media, we ensure regular, insightful media reporting, and provide flagship publications such as Canadian Social Trends. We ensure that there are analytic highlights in all our publications.
- For specialized clients, who need access to large volumes or custom package of existing data, we advertise what is available, we provide incentives for our subject matter authors to identify potential clients and to make information available, and we provide special discounts for those unable to pay, i.e. schools.
- For specialized clients, who want customized surveys in order to collect new information which would otherwise not be accessible, we endeavour to maintain a capacity to handle extra projects and charge competitive costs. This activity is not only a major net revenue generator, it also places information into the public domain, that would otherwise be unavailable. Sometimes such analytic compilations, having proven their continuing usefulness, become part of a regular program.

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Mobilization of Resources - A Positive Work Environment

To succeed, our people must have a strong sense of their value and contribution to the Agency. For this to exist, they must have a strong sense of the role and identity of the organization to which they belong. Statistics Canada has gradually built a series of practices which support and demonstrate our commitment to our employees, creating our identity and reinforcing our distinctiveness.

- We ensure that the Agency acquires the best employees possible, who have the right background, and we continue to develop an approach to training and career development which will enable them to maximize their potential.
- We encourage a "sense of belonging" by capitalizing on the basic goodwill of people who want to make room within their personal goals and priorities, for those of the organization. Employees work with management, not for management. We encourage employees to feel that the organization belongs to them and that they have a stake in how well it does.
- We encourage our managers to work together to realize the corporate optimum and to make Statistics Canada the best possible, rather than only being committed to producing the best possible products for their local area of the organization.

PREREQUISITES

These primary objectives cannot be achieved without the following prerequisites:

A Highly Motivated, Flexible and Well-Trained Staff

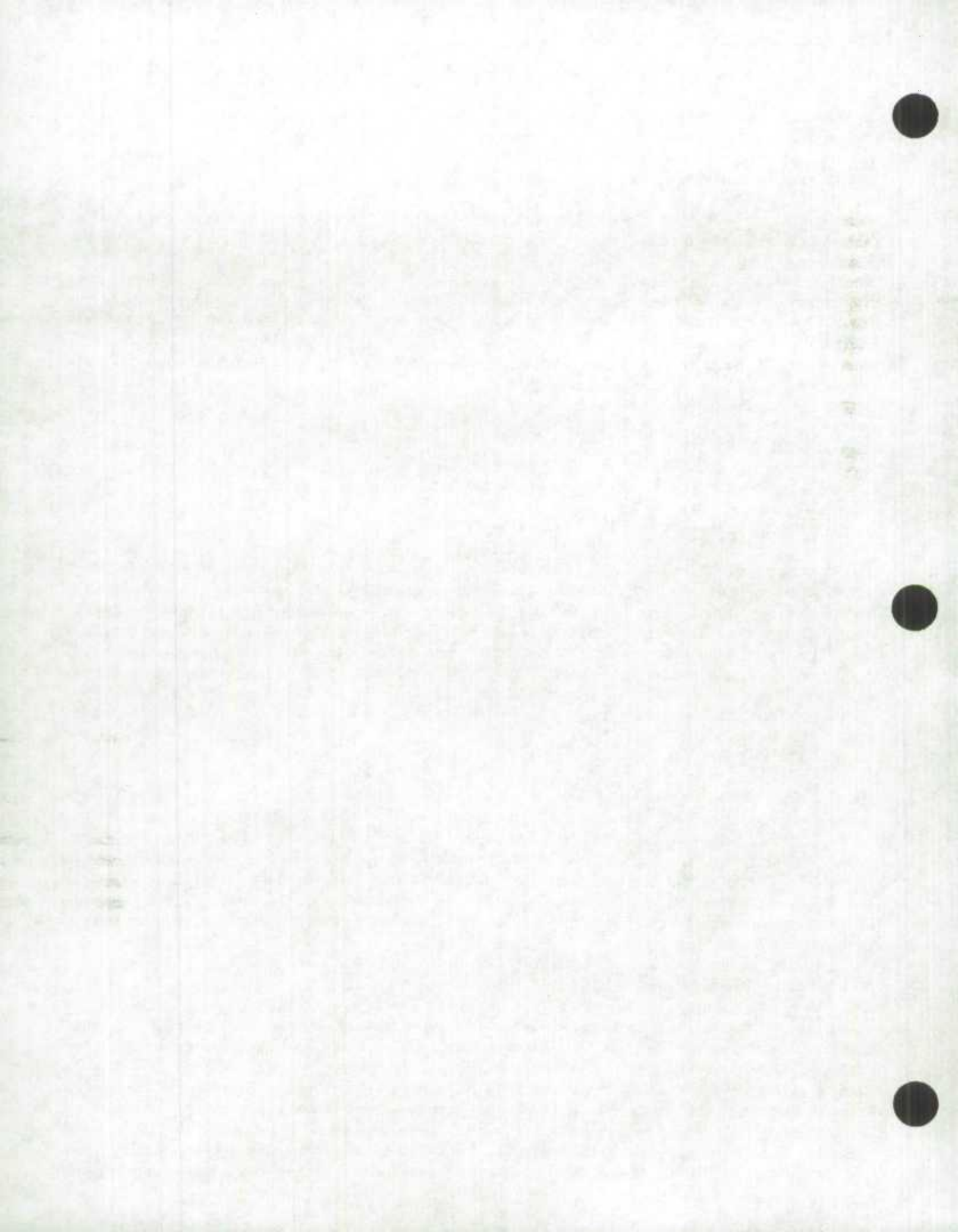
Eighty percent of our budget is salary. It makes sound business sense to increase individual employee effectiveness. Increasing staff flexibility makes the organization more adaptable; it increases staff redeployability. Budget reallocations are easier to implement while maintaining high job security when an organization is flexible. Vertical barriers become an obstacle of the past, with the organizational cohesion brought about by movement and flexibility. To achieve this flexibility and increase individual effectiveness a system of committee structures is in place so that managers are directly involved in Human Resources initiatives. At Statistics Canada, line management drives personnel management at all levels of decision-making, with personnel specialists providing advice and general assistance, but never control.

High Public Standing

Our fundamental business as Canada's national statistical agency is service to the public. We also have a critical dependence on public co-operation, which, in turn, rests on our public image. We maintain and boost this image through media relations. We provide a relevant product line. We ensure non-political objectivity by fixed release dates, balanced reporting, no policy advocacy, and the standing of the Chief Statistician. People have no direct way of checking statistical information; they can only trust the data, depending upon their confidence in the statistical agency which produced them. Our high professional standing, respect for privacy, confidentiality, and concern for reporting burden strengthen user confidence. Regular, relevant, and readable releases result in repeated media references.

Infrastructure in Good Order

Infrastructure refers to everything needed to develop new statistical products or even to maintain them over time: subject-matter expertise, research and development, methodology, systems capacity, state-of-the-art computing, regional and headquarters operational management capacity, classification systems, and so on. In periods of budget restraint, these capacities appear easy targets because they are not immediately needed to maintain existing statistical output. Yet, it is our expertise in these areas that ensures our institutional expertise and perhaps even, our survival. It is this infrastructure that lets us improve our efficiency, that ensures the continuing relevance of our product line, and lets us respond quickly to cost-recovery or base-funding opportunities as they appear. Given a good infrastructure, specific statistical programs can be implemented or reinstated at relatively



low cost. A strong infrastructure is a major determinant of organizational adaptability. It takes a long time to establish this infrastructure or to rebuild it if it is deleted.

Corporate Vision and Commitment

A corporate vision and commitment is perhaps the most difficult goal to achieve because it involves a shared organizational culture, or "esprit de corps". The identification of current corporate objectives and their consistent pursuit is vital so that the Agency can pull-together in the same direction. Given the need for coherence of outputs and the increasing requirement for customized packages that draw upon a variety of relevant sources, direct engagement of managers in corporate activities, and communication are essential to ensure a corporate perspective. In this arena there are natural conflicts: investing scarce funds in training employees, suffering the consequences of being without these key employees while they are on training, and releasing a high-potential employee for a developmental assignment and taking a chance on the replacement's skill and knowledge level; accepting a redundant employee; and, having the foresight to identify and terminate low priority products and releasing the savings for higher priority use elsewhere.

CROSS-CUTTING PRINCIPLES

There are a number of cross-cutting principles which together establish a philosophy towards management and which characterize the unique management style at Statistics Canada. These six key cross-cutting principles are:

Example from the Top

Employees and managers have many competing demands on their time. In setting their priorities they become adept at detecting what is really important to the organization as opposed to what is merely stated for political purposes. This is most often done by observing what the organization, as represented by senior management, does as opposed to what is said. For example we find that notes to all employees from senior management urging adherence to one policy or another have very little lasting influence and actually diminishes the sense of leadership. To have an impact senior management must practice what it preaches. Employees and managers are persuaded when they see that senior management is setting the example. The most potent way to set this example is when the organization decides to allocate a portion of its scarce resources to the support of its corporate initiatives. For example, managers will be more persuaded to release their best employees for training when the organization provides the initial investment to launch the training in the first place. We refer to this as example from the top.

Repetition, Consistency and Tradition

Statistics Canada has introduced a number of concrete programs designed to build a sense of "pulling together". Each program by itself has only a small effect on the change in behaviour of our 5,000 employees, and even less on the eventual change in attitudes. The real impact comes from the cumulative effect of hundreds of such mechanisms which all repeat and reinforce the same basic message: let's all work together as one cohesive organization to make Statistics Canada the best possible. Eventually a strong sense of identity and tradition is developed with which employees can identify and form a commitment.

In addition to promoting the cumulative effort of these many initiatives we are careful not to undo the effort by reversing one of these principles because of short-term expediency. For example, we promote the notion that a certain minimum investment in job training is essential for the long-term survival and prosperity of our organization and that we expect the same strong support from each of our managers. If we were to allow our training budget to become subject to the volatile swings of our budget levels it would not take long before our managers would begin to cut back on their own local support for training. In the same way we resist changes in our organizational structure; its basic framework has remained intact for over 15 years.

This does not mean that we are unmindful of the need to adapt our concrete programs to changing priorities or technology. It does mean, however, that once the Agency decides on certain fundamental approaches to our management we maintain this approach year after year regardless of the pressures which may arise due to budget



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pressures or other competing priorities. We do not allow a "flavour of the month" approach. At times, it would have been very expedient to alter our "no lay-off policy" or to eliminate our annual investment in training or professional recruitment. This would have made it easier to deal with certain budget pressures or solve competing problems. Rather, we opt to adjust the amount of investment to adapt to current competing priorities, but the basic commitment and program remain unchanged over the years. With this consistency of vision, Statistics Canada has gradually built a series of principles and practices which contribute to our distinctiveness and our identity and gives our employees a strong sense of tradition.

Participation and Ownership

The more employees participate in what is going on, the more they develop a personal stake in obtaining effective results. Successful organizations are willing to trade some of their central authority in order to foster this sense of employee ownership. Rather than issuing orders and following up to ensure compliance, employees are challenged to produce certain results and are left free to determine the best process. The employee is compared to a guided missile rather than to an artillery shell; the employee makes decisions and corrections along the way rather than following a predetermined path.

There are three key elements to developing participation. First employees must be challenged to produce results; they must feel the pressure of having to find ways of reaching their goals, not just following a process. Second, for the challenge to be real, there must be delegation of a certain amount of authority to the employee. Third, the employee must be made to account in a visible way for any successes in achieving the goals.

There are also two main costs associated with this participative approach. First, the central organization must be prepared to give up some of its authority and control in order to delegate. Second, as more and more employees and managers become decision-makers the organization is forced to spend more time informing these decision-makers about relevant events, thus, the investment in internal communication becomes quite heavy.

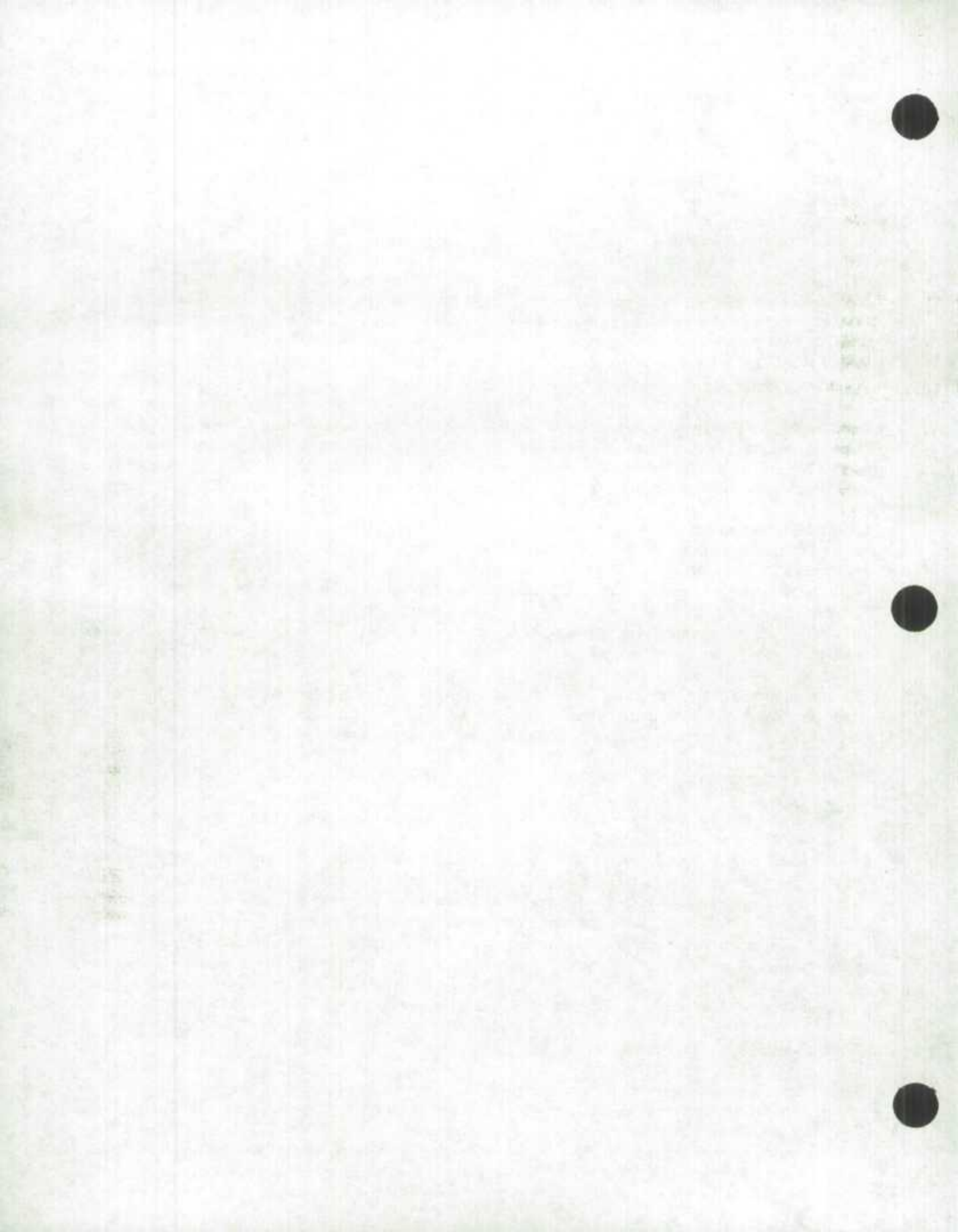
The Agency employs the technique of management participation through a variety of management committees in order to develop a sense of ownership among managers. All our major corporate programs (planning, marketing, training, recruitment, informatics etc...) are directed through a framework of management committees. The most important aspect of this approach is that the committees are not advisory but rather are totally responsible for the design and management of these programs. The functional staff provide support while the line managers are accountable for the success or failure of the programs.

Incentives vs Regulations

Employees and managers have difficulty with corporate initiatives which provide little practical benefit to their operations. However, when the corporation can create a mechanism which clearly links the new program to benefits which have a direct impact on their local programs, there is a much different attitude. The best way to establish this practical link is in the use of incentives. For example, our new professional recruits come at a high cost for divisions because we factor in the cost of their special training. In spite of this, they are always in great demand because of the high quality and competence which they bring to their work. Our major survey courses are in high demand because employees know that successful completion of these courses will be a consideration in their future career advancement. Similarly, employees now want to be considered for rotation because the no lay-off policy provides a safety net in case something goes wrong and because they know that breadth of experience will be an important consideration in career advancement.

Comprehensive Systems Approach

Our corporate-wide programs are too important to be left to depend on a series of ad hoc decisions by individual areas within the Agency. On the contrary, we believe in a comprehensive systems approach for each of our major programs. In professional recruitment, all our recruitment needs are "pooled" and one concerted effort is made by the department to attract the best recruits at the most advantageous time. Similarly, although we have increased our investment in training to over 3% of our budget, this investment is channelled into very specific courses designed to benefit particular Statistics Canada programs and to enhance career development in certain



desirable ways. Our use of generic competitions and rotational programs are designed to enhance career development for all middle and senior managers and our no lay-off policy applies to all our employees without exception.

This corporate-wide systems approach would not receive sufficient support from managers of employees if the Agency did not first invest in providing a strong example from the top, repetition and consistency, participation in the development of new programs and line management ownerships, and the use of incentives. In this way, the first four cross-cutting principles are essential for the systems approach.

The Career Public Servant

Many organizations today are moving away from the concept of the career public servant. They can achieve greater efficiency and flexibility by having a greatly reduced central core of career employees supported by temporary assignments of casual employees or contracts. Our view is that, for Statistics Canada, this approach would be short-sighted. The efficiencies achieved in the short-term would be more than offset by the loss of the wisdom, creativity and dedication which is gradually built up in the career public-servant.

Statistics Canada believes in selecting only the very best for its ranks, but once on board, it believes in investing liberally in our employees for the long-term. The Agency has major policies which support this commitment to our career public servants, including: a highly competitive and systematic professional recruitment program; a high level of investment in technical and professional training needed for current and future work; an agency-wide generic approach to career development; and a series of practices designed to promote employee retention and commitment including: a no lay-off policy, investment in internal communications and equitable treatment for all employees.

2. **a b c** Describe the way (both the 'what' and the 'how') in which your organization communicates and otherwise interacts, both internally and externally. How do you manage communication and relationships? What is important and what is not important in this area?

Communication is of central importance in the management of statistical agencies. It is the means whereby we maintain an awareness of users' needs, plan and integrate the various inputs and signals we have received, market and publicize our products, encourage a flow of information to the public, demonstrate our high international reputation and promote our institutional image.

Communication with the Decision Makers

It is a prerequisite that there should be a broadly shared belief among government decision makers in the value of statistics for policy making. The agency engages in institutional marketing to highlight and publicize existing statistics relevant to policy issues, and to explicitly identify missing statistical information and the type of analysis that it would support.

Statistics Canada has implemented several concrete initiatives with this objective. Every time a statistical release is issued with some significant and non-routine information, the Chief Statistician sends a personal letter containing analytic highlights to the federal deputy ministers of the appropriate departments. The same is true regarding provincial deputy ministers in respect to areas of provincial primary responsibility.

Presentations of statistical trends and analyses in particular policy areas have been given to the community of federal deputy ministers. These presentations bring together relevant data from a wide variety of sources and have been greeted with enthusiasm by officials who are typically unaware of the analytic power of integrated information. The presentations provide an ideal forum for highlighting missing statistical information and the implications of these gaps.



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All cabinet documents are routinely reviewed. These reviews represent further occasions to underscore to the deputy ministers of the originating departments the statistical information needed to support their recommendations or to monitor the impact of the new programs that they propose. Regular attendance by the Chief Statistician at weekly federal deputy minister meetings and periodic retreats provides further opportunities for productive interactions, and also contributes to establishing networks of personal relationships. In our experience the knowledgeable support of deputy ministers is of critical importance: when it comes to statistics (or other "technical" issues), most ministers are ready to accept the advice of their deputy ministers.

Image of a Well-managed Agency

It is essential that the central management authorities develop an image of Statistics Canada as a well-managed agency that uses its resources efficiently and that sets its priorities well. In Canada these central management authorities are the Treasury Board, which oversees government operations, the Department of Finance, and the Privy Council Office (cabinet secretariat). The importance of perceiving the statistical office as a well-managed agency cannot be exaggerated. In fact, even where the case is successfully made that serious statistical information gaps exist and that these gaps hinder the development or monitoring of important government activities, it does not follow that the statistical office should be granted additional resources. Indeed, the traditional and strongly held view used to be that among "all those statistics" there must be some that should be discontinued; and at any rate there must be further room for generating additional efficiencies.

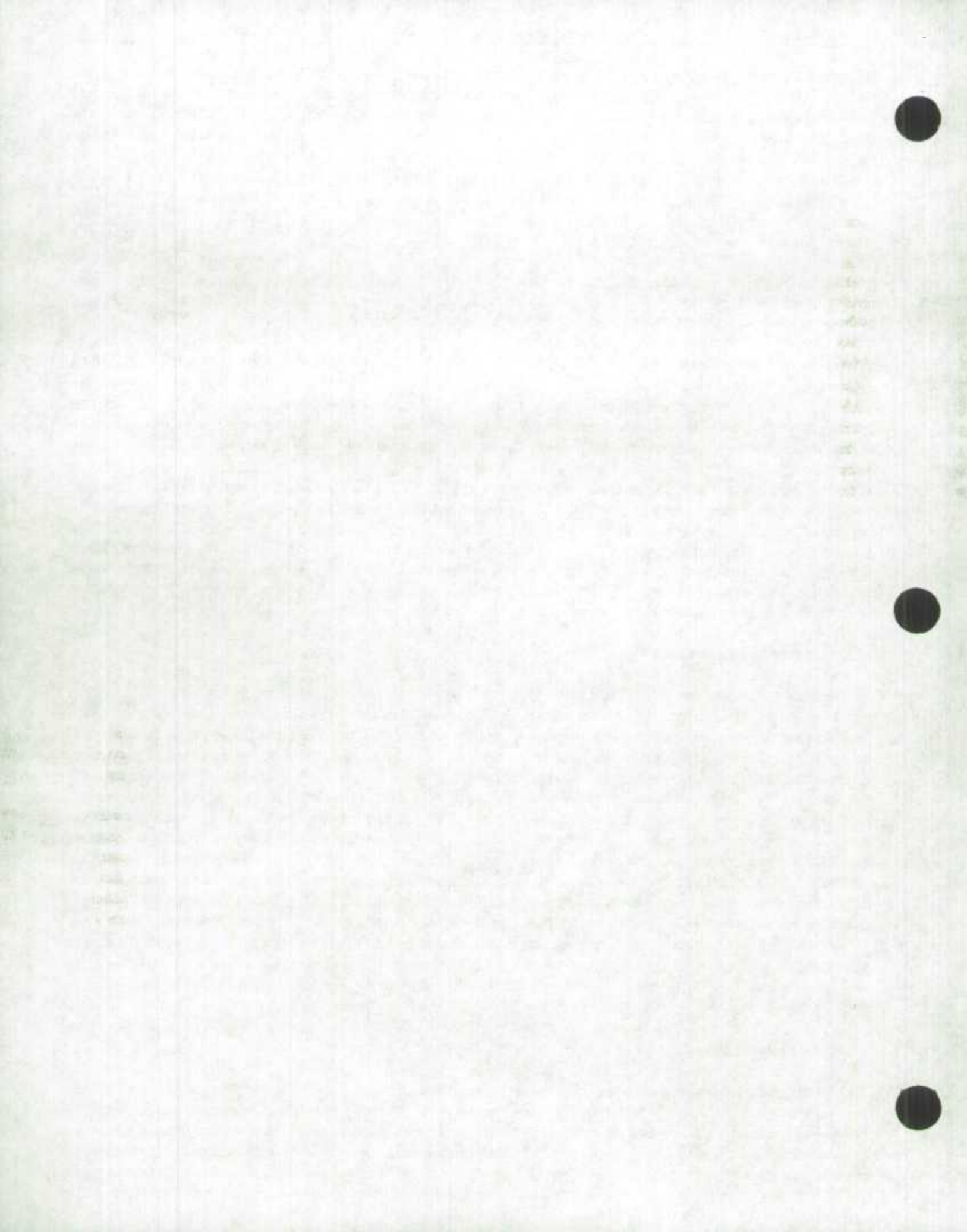
We have worked very hard to establish an image as being one of the best managed departments of government. This involved the application of a series of innovative management techniques, particularly in the areas of personnel management, management of electronic data processing, planning, financial management, and program evaluation; and investing in the effort of sharing our experiences with others. This latter activity is pursued in a variety of ways: through invited lectures to the community of personnel managers, lectures to the community of Assistant Deputy Ministers, special reports, articles in general federal government and business magazines, and active participation in appropriate committees and task forces.

Strong Technical Reputation

The agency's technical reputation must be strong. For this there are no recipes. It requires a sustained record of timely, relevant, and reliable output over a period of time. Key elements of such a performance must include the maintenance of strong technical standards, a strong internal capacity for methodological and analytic work, and robust infrastructures which provide a capacity to respond flexibly to externally funded user demands. A high international reputation also tends to bolster the domestic image - at least in Canada. Furthermore, such a performance has to be supported by a communications effort to ensure that the image of the agency reflects this performance. Elements of such a communications effort include readable publications, good substantive analyses, releases of highlights of statistical information in language reproducible by the media, responding constructively to criticisms of the agency and misrepresentations of its outputs. Of course, appropriate internal review procedures are necessary to ensure that the outputs of the agency meet its technical standards and are appropriate for a government statistical agency, e.g., that analytic studies are carefully balanced so as to inform policy while not straying into the domain of policy prescription. A reputation that has taken years to build up can be lost very quickly by one or a few mistakes. It is an unfortunate truth that the image of the agency is almost as important as the reality: relevant and accurate statistics are not useful if they are not trusted. To maintain relevance, a statistical office must know what information is needed to shed light on the most important issues facing society.

Policy on Release Dates

Our communications policy on release dates and times is critical to maintaining public confidence. Every November we publish for the coming years the release dates of our more sensitive series (monthly employment/unemployment, consumer prices, international trade, gross domestic product, balance of payments, leading economic indicator, etc.). Release dates for all other series are signaled towards the end of the preceding month. These dates are published in *The Daily*, a daily release which serves two major purposes. First, it signals the availability of data (no data are available until *The Daily* releases them at 8.30 a.m.). Our on-line electronic



databank unlocks the new data points simultaneously with the release time of *The Daily*. Secondly, *The Daily* carries a brief analytical summary of the major findings written so that it can be directly quoted by the media. This process guarantees that our release dates are not manipulated for political convenience; it ensures equal access at the same time by all concerned; it facilitates the work of our most important users (economic analysts make provision in their calendars for the days of important new releases); it contributes to orderly financial markets (a few minutes of advance access can be the source of significant speculative advantage).

Substantive Analysis

An objective and even-handed flow of analytical output can contribute significantly to the image of professionalism and political independence that are so essential for statistical offices. Perhaps more than anything else, this helps to differentiate the public image of the statistical office from that of 'the government'. In addition to publishing a wide range of analytical reports, an explicit policy requires that all our statistical releases include an interpretative highlights section, calling attention to significant economic and social developments but in an even-handed manner. Both objectivity and relevance are important. Objectivity involves exploring all sides of an issue, avoiding policy advocacy, stating assumptions, highlighting major findings whether or not these reflect well on the current or the preceding government. Relevance relates to the choice of topics: they should deal with issues of clear importance - even though some of them might be controversial. Some examples of our analytical output are a monthly detailed economic analysis of trends, a monthly leading economic indicator, the analysis of the government's income from indirect taxes (triggered by an intense current debate about a new value-added tax), income redistributing impacts of government social program and tax measures introduced in the last several years, policy implications of an aging society, crime among youth, victimization, etc. Like our other publications, analytical studies must feature readable highlights, and these are very widely quoted by the media.

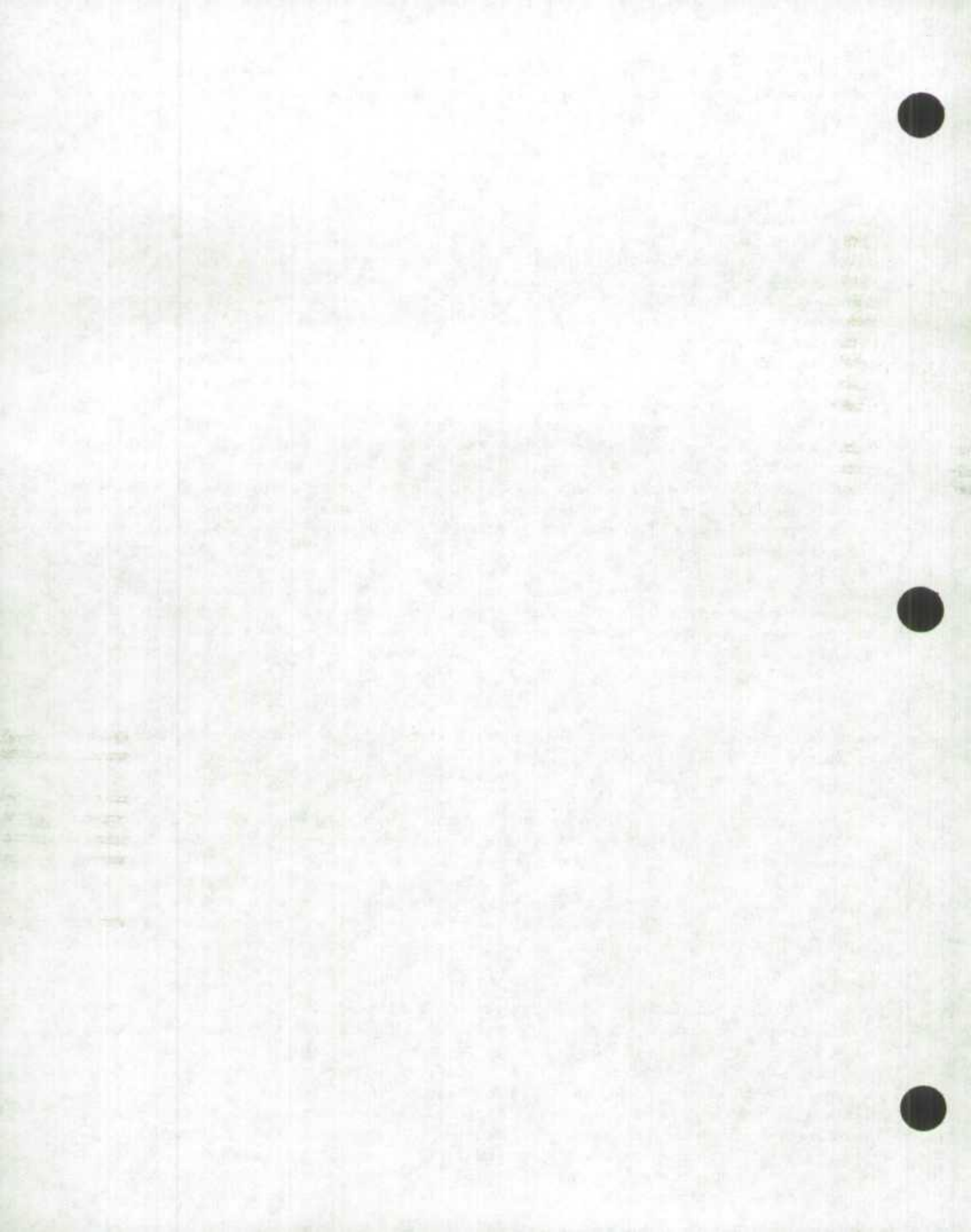
Initially, our analytical efforts were not uniformly welcomed by officials in other government departments. They are now generally accepted. The government understands that it is in everyone's best interest to have a national statistical agency which is, and is seen to be, politically independent. This acceptance was facilitated by the high general standing of the agency and the quality of its analytical output.

Single Point of Access

Statistical offices have traditionally been organized for the purpose of efficient production of statistics, resulting in output that is specific to the statistical collection vehicle. At the same time most users need information organized around analytic issues. Communicating to our clients the availability of information is vital.

Having a single point of access is clearly important for nearly all clients, particularly for the large majority who do not have a detailed knowledge of the internal roles and responsibilities of different components of the statistical system. A single access point may be thought of as an overall data bank which holds all the non-confidential data of the statistical system and has a good search capability. Whether or not such a concept can be implemented comprehensively, partial versions of it certainly exist: e.g., a single data bank covering all frequently used time series. Another practical version of the single access point is an organizational entity that performs the necessary search on behalf of clients (perhaps for a fee) and pulls the needed information together for them.

It is undoubtedly more difficult to implement such a concept in a decentralized statistical system. Yet a system-wide function could certainly be envisaged to perform this service, located either within the statistical system or in the private sector. But a single access service does not happen automatically in a centralized system either. At Statistics Canada we are approaching the issue from several directions. First of all, there is a fail-safe single access point in the form of a widely advertised toll free telephone number. It is designed for all those who have little advance knowledge of the system or its outputs. Next, macroeconomic analysts and others primarily interested in time series can avail themselves of a data bank containing some 500,000 series and distributed by Statistics Canada both directly and through the private sector. There are special arrangements for those clients who require information provided to them that is tailored to their needs. Indeed, there is a proactive program in place to work with larger clients so as to identify with them the information packages that would be of greatest



benefit for them. In the case of private sector clients these proactive arrangements are usually carried out by our regionally distributed marketing service; in the case of federal and major provincial departments they are typically handled, on behalf of the entire system, by the head of a designated subject matter program. While a variety of different arrangements are needed to meet the needs of different client groups, all access points should act as overall entries to the entire system.

Ease of Searching Data Holdings

Well-developed statistical systems hold far too much information to be effectively searchable in an ad hoc manner. In recent years the issue of information about data holdings (metadata) has received increasing emphasis. Australia is working systematically towards the implementation of a single comprehensive metadata system and is probably ahead of most other countries in this domain. The cost and long term maintainability of a single centralized system is not yet fully evaluated. Canada is working in a more evolutionary manner pursuing developments along several lines. We have some metadata systems but they lack the complete functionality that is needed. We also collect systematically a variety of machine readable texts which, through key word searches, lead users to relevant information bases. And we are encouraging the development of different implementations of sectoral metadata bases, with a view to testing each of them in concrete settings.

Ease of access involves more than the ability to identify what relevant information is available. It also involves the capability to retrieve needed information and to do so fast. However, statistical offices of developed countries are much better at retrieval than at identifying the data relevant to a particular need. Accordingly, the latter remains the focus for current attention.

Addressing Specific Client Group Priorities

Major client groups have varying needs. To manage communication with these groups, it is critical to understand their interests and needs. Client orientation has always been part of the accepted culture of statistical offices. But, until a few years ago, it was an abstract concept: one "knew" what clients wanted, indeed "one knew better" than the clients. Improving client orientation has been the explicit preoccupation of STC's management for the last fifteen years and substantial progress was achieved in relation to federal and provincial departments.

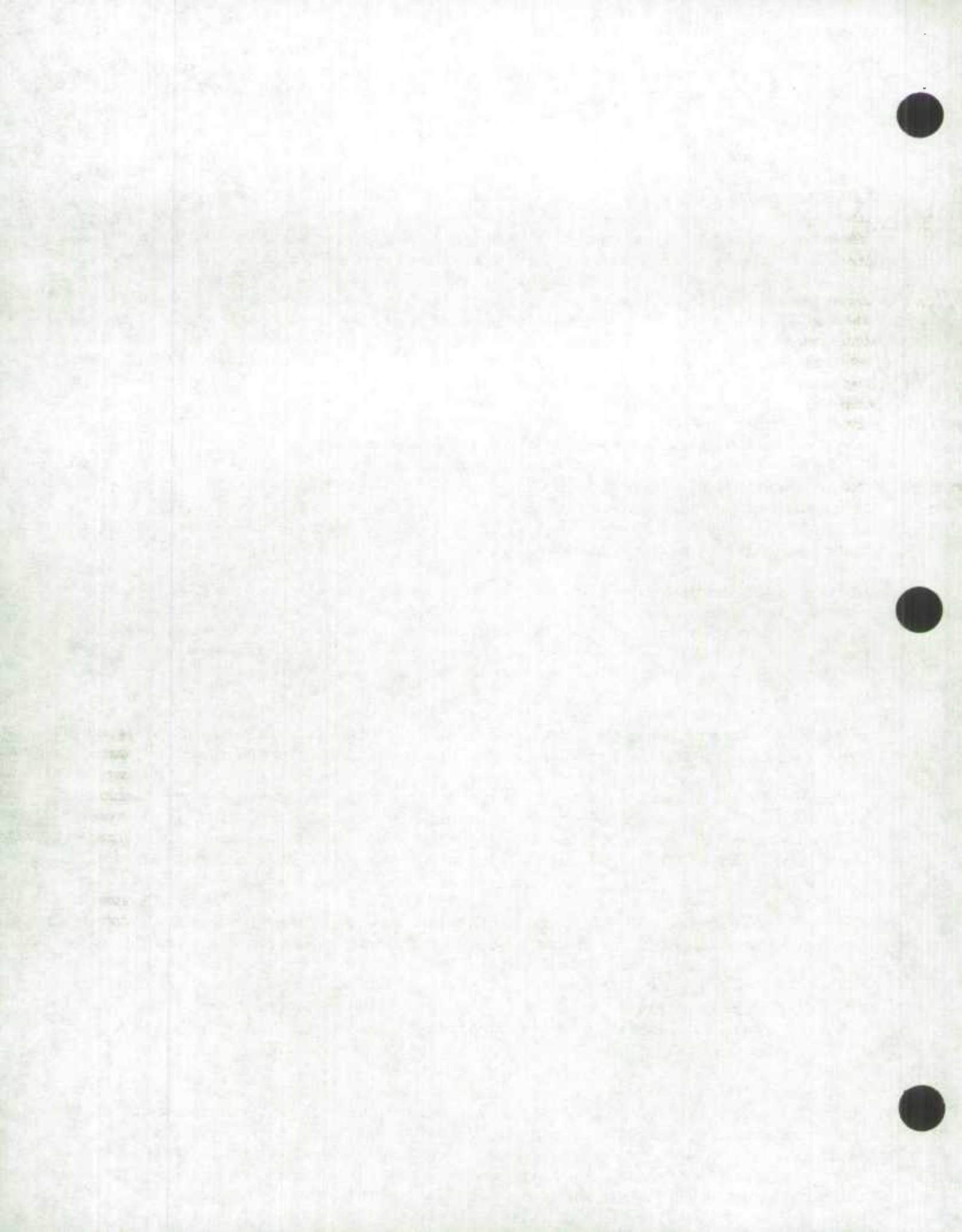
Attitudes to other clients changed significantly when we were allowed to keep revenues earned from the sale of products and services and could provide incentives designed to motivate our staff to be more client oriented.

The interest of Government policy analysts lies in monitoring major social and economic issues, understanding the factors that influence them, and predicting the outcomes of alternative policy interventions. Their statistical needs include timeliness, consistency, and large volumes of data needed for simulation exercises and for assessing the impacts of different policies on a variety of population groups. Anonymous micro data files are also required.

Meeting the needs of policy analysts is of particular importance given the influence they collectively have upon government policies and priorities. Bilateral arrangements with other departments help us gain an understanding of their needs for changing a statistical product line. Our on-line time series data bank, with its "one-stop shopping" facility for this kind of information, is extensively used by them, as is our library of anonymous micro data files, machine readable census releases, etc. They are also among the largest clients of special custom tabulations. Government clients are charged for statistical information on exactly the same basis as all others.

General public

While the detailed statistics we release each day are of substantial interest to a relatively small number of users who depend on them for their work, the "general public" has little need or motivation to use them. On the one hand, this realization is underlying our market oriented charging and dissemination approach. On the other hand it also led to a much greater awareness of the very special dissemination needs of this, the largest segment of our clientele. Since we could not assume that the free availability of all the information we produce would



automatically lead to its wide utilization, we needed to devise an explicit strategy designed to inform the general public about important social and economic developments as revealed by new statistics.

The main elements of the strategy are the following:

- the provision of detailed information;
- focusing on the media, the source of statistical information for the vast majority of the population;
- making special arrangements with and for small but important subgroups which are heavier users of general statistical information but who cannot afford to pay market prices for them: students; academic researchers; the well educated and broadly interested generalists; special interest groups.

The most important component of our strategy for the public good component of our product line is attention to the media. We had for many years a publication, called *The Daily*, which summarized new statistical information released on that day. We have completely refocused this release, away from the purely descriptive ("this went up and that went down") and towards an emphasis on insights and significant new findings ("what is the story line"). Over a period of one year the Chief Statistician and some of the agency's best analysts spent several hours each week reviewing critically the releases of the previous week. This represented a strong motivation for all agency staff involved to adopt the new orientation. It also resulted in a widely used guide on how to write for *The Daily*.

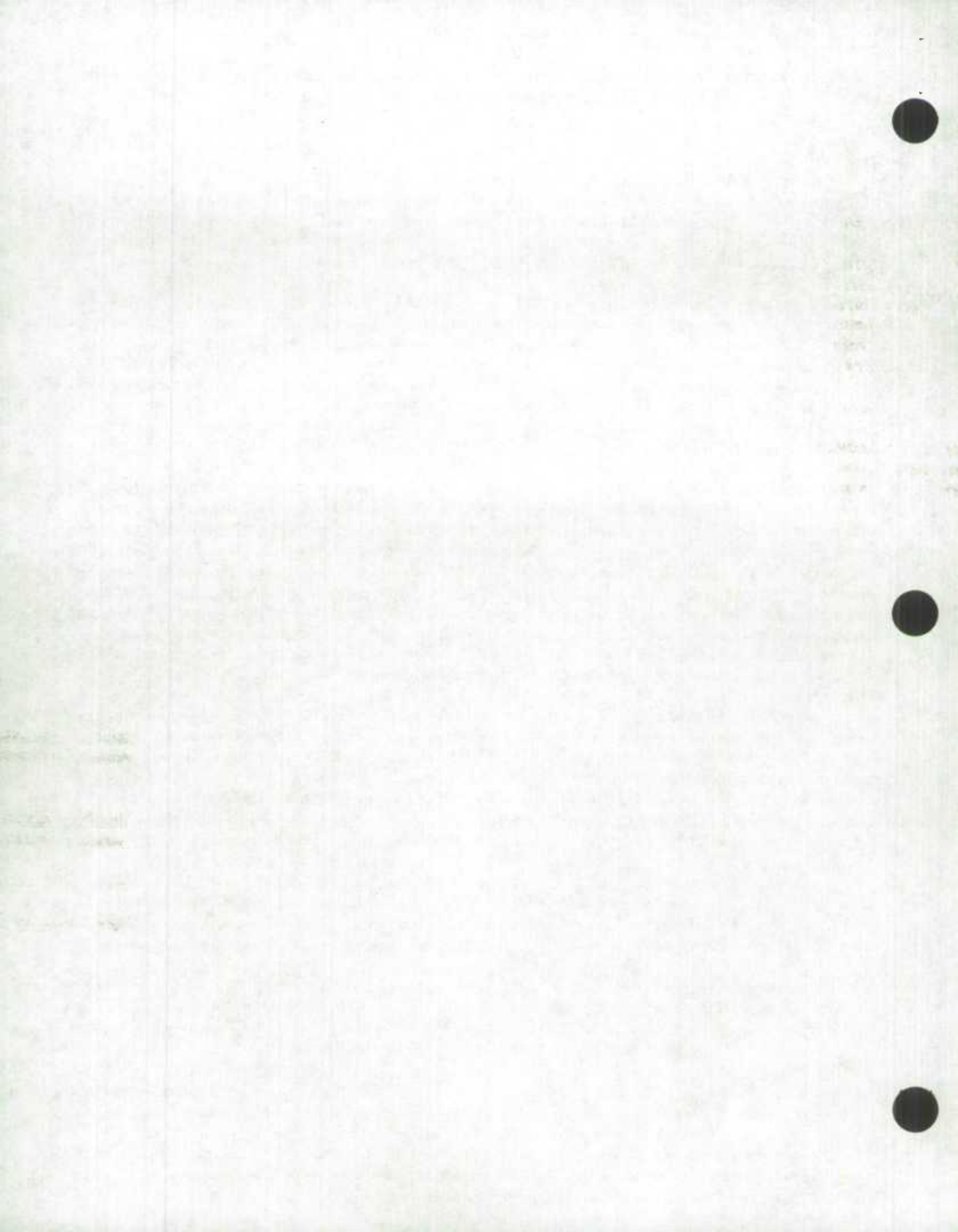
Most people obtain their statistical information (and form their images about statistical offices) through the media. We therefore pay considerable attention to them. The existence of *The Daily* and its journalistic style - in the good sense of the word - plays an important role in transmitting the information to the media and minimizing errors of retransmission. Every release features the name (and telephone number) of contacts - they respond to the media on a priority basis. The media also have a hotline should they want to have interviews with senior personnel. We return their telephone calls the same day. We provide background briefing to senior economic columnists about the merits and limitations of major statistical products. Incidentally, a similar but even more extensive program of this kind aimed at senior bureaucrats is part of our on-going activity; it includes, for example, letters from the Chief Statistician to Permanent Secretaries calling attention to the significance of unusual releases, also correcting their departments' inappropriate use of our statistical information.

We have a policy to respond in writing to all erroneous media reports, misrepresentations and/or criticism. Even though printed corrections may not receive as much coverage as the original report, they have an impact, not least on the offending reporter. We also impress on media reporters (and other authors) that the source of information should be properly credited. Our objective is to establish, through repeated media references, a well-known identity for Statistics Canada - one that is recognized as the source of information about a wide range of issues of importance to the public. Beyond contributing to public confidence, this helps to create an image of relevance. We are helped in this, as in many of their other issues, by the centralized nature of the Canadian statistical system.

In addition to trying to reach the broadest cross section of the population via the media, we must also pay attention to other special groups who are relatively intensive users of statistical information but for whom the commercial rates we charge might be prohibitive. Special measures are designed to look after their concerns.

- Generalists with a broad interest. We publish a series of thematic compendia for them. Of widest interest are Canadian Social Trends, a magazine style quarterly, and the Canadian Economic Observer, a monthly overview of the state of the economy. Somewhat more specialized are the quarterly Health Reports, Focus on Culture, Perspectives on Labour and Income, Education Quarterly Review.

Academic researchers. The same time series information that is commercially available on-line is also released quarterly on CD ROM -- with an unavoidable production delay. The large volume of data they contain, combined with their low price, make CD ROM an ideal vehicle to meet many of the needs of academic researchers. At the same time, because of their lack of timeliness, they do not compete with the commercial potential of the on-line service. The same time series information is also available for academic subscribers on Internet. Additional services provided to academics include heavy discounting of all



publications that have been superseded by more recent issues; and access, at marginal cost, to our large library of anonymous micro data files (a planned new service).

- **Students.** It is in our interest to encourage the quantitative education of our future clients. We have therefore invested considerable effort into developing another special CD ROM based product containing the most widely used time series, Census based area profiles, and software. The marketing approach relies heavily on providing curriculum assistance to teachers on how to use the package within the context of specific courses. The product is now used in the schools of nine of our ten provinces.
- **Special interest groups.** The main help they would like to get from the statistical system is a compilation of all relevant information that bears on their concerns. We believe that it is in the public interest to shed light on issues that are widely discussed. We have therefore established a small group whose sole responsibility is to integrate data and produce compendia on such topics as women, the youth, the elderly, the disabled, aboriginal peoples, etc. The choice of topics is often influenced by forthcoming major public events, such as United Nations thematic summits.

Business clients

To the extent there are distinguishing characteristics of business clients, we would expect them to be looking for: very good timeliness, speed of delivery, and highly targeted relevance. Of these, targeted relevance is the area where statistical agencies have the best relative advantage. It involves bringing together a customized package designed to address the specific information needs of the particular business. However, in order to capitalize on our potential advantage, we found it necessary to establish a knowledgeable sales staff whose task is to identify potential business clients, find out their requirements, and bring together the needed information for them. A second prerequisite is good access by such a staff to the data bases from which they can retrieve the required information, as well as the availability of good supporting metadata information. We have made considerable progress in this direction but more is needed. Thirdly, it is essential that the incentives and motivation of the head office staff should strongly favour a client service orientation and cooperation with the regional sales staff. A series of measures have been instituted at Statistics Canada to help in this respect.

Speed of delivery (measured in terms of elapsed time between the receipt of a sales order to the receipt of data by the client) is a second potential advantage of national statistical offices. The needed technology certainly exists. Once again, the key is good internal access to and good documentation of frequently used data collected anywhere within the statistical system, so that whoever is the primary contact with a given client can assemble the requested information.

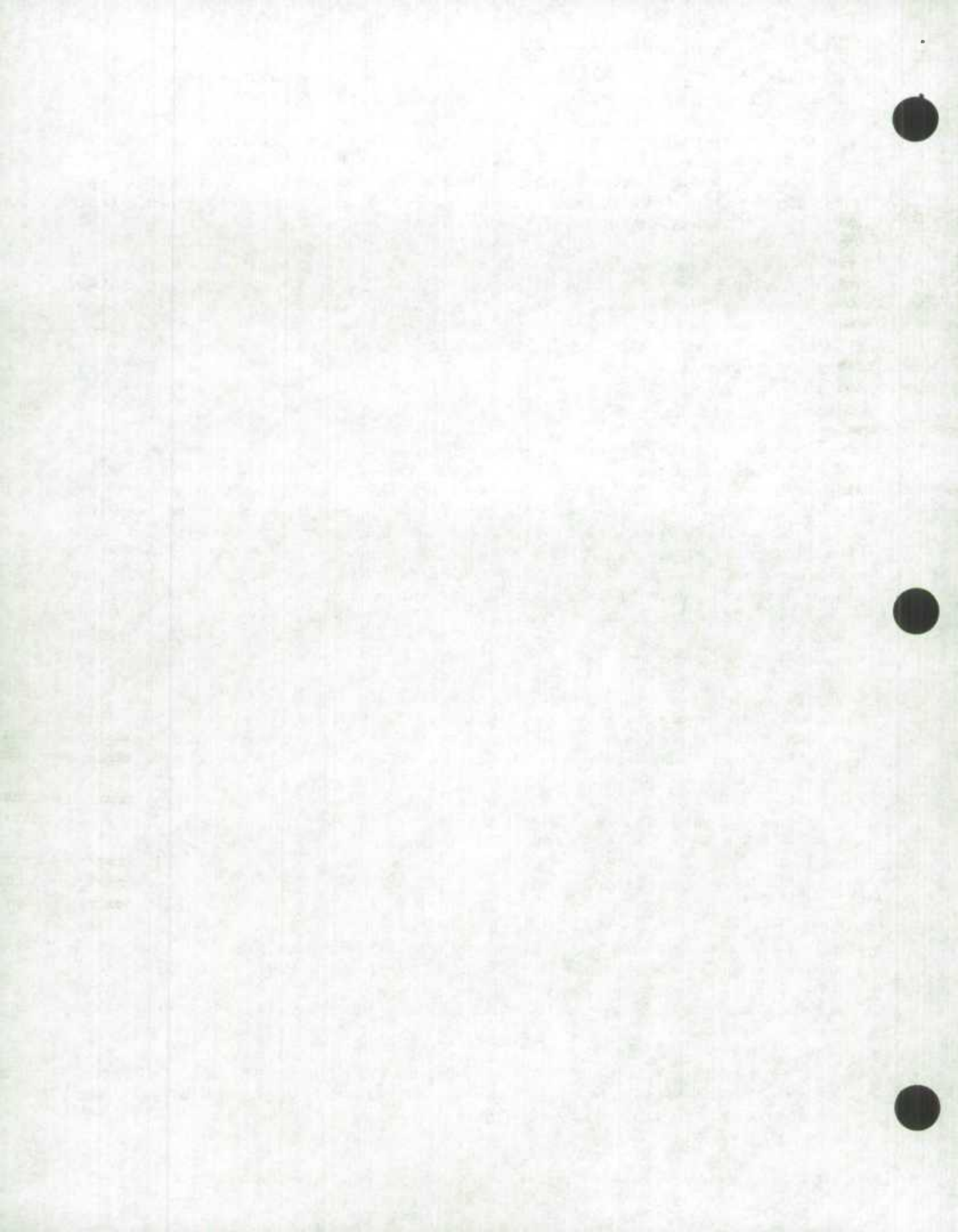
Statistics Canada currently derives a revenue of \$12.8 million from the sale of its products and services, excluding revenue from client sponsored special surveys. Of this amount 52% comes from business clients.

Managing Internal Communications

Statistics Canada's senior management share the belief that there is a profound need for communication about what we do, and more importantly, what we plan to do. Such communication is needed to ensure that our employees understand what is happening at the Agency level. It also helps trigger employee involvement.

People want to be part of the decisions that affect how their work is done. Applied communications measures include:

- Weekly meetings of the departmental Policy Committee followed by briefing sessions run by ADM's for all managers. At the divisional meetings, staff are encouraged to ask about where the Agency and field are going and how their division is adjusting. People want to know how corporate decisions will affect them and their work.
- Meetings between the Chief Statistician and all senior managers twice a year in small groups in the case of directors, and individually in the case of Directors General.



- A network of management committees, with the Policy Committee at the apex meeting weekly, discussing all major issues prior to consideration by the Chief Statistician. Every Bureau Director is a member of about two such committees which address cross-cutting functions and services. Most major initiatives usually pass through such management committees before presentation to the Policy Committee.
- All of our major functional programs benefit from a management committee of directors and DG's. There are management committees for EDP, Finance, Data Dissemination, Marketing, Human Resources activities such Training and Development, Professional Recruitment Employment Equity, Senior Personal Review (examining special staffing and classification concerns), Official Languages, as well as a newly mandated Redeployment Committee, and a newly formed committee to examine Performance Management. Managers are empowered to manage the program, thus fostering a sense of ownership for a corporate program. All of the human resources committees of line managers are scheduled to report quarterly to the Human Resources Development Committee (composed of all the ACS's and the Chief Statistician).
- A number of subject-matter committees have been activated, particularly in areas where the subject-matter is of interest and concern to more than one bureau division.
- Annual management conference of directors, organized by a committee of managers. Topics are issues of corporate interest and priorities.
- Organization of a lecture series to promote knowledge and communications among professionals and managers throughout the Agency.
- Formal presentation once a year, by the Chief Statistician, of a 'State of the Union' message to all managers, followed later by a special publication of SCAN, the employee magazine, in which the Chief Statistician is interviewed about accomplishments and plans.
- A middle management conference, organized by a Committee of Middle Managers, and directed at themes of corporate interest and priority.
- Use of Employee Opinion Surveys to probe and encourage employees to help improve their work environment. Two surveys have been conducted to date, one in 1992 followed by one in 1995. The later survey was designed to provide a comparison with 1992 figures, in order to guide further management initiatives, clarify issues raised in 1992 and monitor initiatives put in place after the first survey.
- Development of a structured participative approach and comprehensive feedback mechanism in our basic operational planning process.
- Managers are held accountable in a visible manner through submission of Biennial Program Reports (formerly Annual Program Reports) prepared within divisions. A personal response from the Chief Statistician to each of the 60 directors, is received in response the Program Report.
- Regular Labour Management Committee meetings chaired by the Chief Statistician, and consultation by working committee with union representation when initiatives are being developed.
- Personal participation of the Chief Statistician at each of the orientation sessions for new employees, including an interactive session in which employees may talk with the Chief Statistician and the ACS's.
- Skip-level career interviews in which every employee is offered the opportunity to discuss career aspirations with his/her supervisor's supervisor. These are not performance review sessions, which continue to be carried out by supervisors. Rather, these 'skip-level' sessions focus upon employees' career aspirations and ways to foster them through on-the-job training, courses, reassignments, and other means. Skip-level meetings are a chance for supervisors to stimulate and challenge in a constructive way. The recent Employee Opinion Survey found that 57% of indeterminate employees reported that they were offered skip-level interviews within the past two years, and 41% actually had skip-level meetings.

- ICN - the Internal Communications Network - which became operational in late 1993-94, has quickly emerged as a major pillar in the agency's internal communications efforts. Over 20 information bases, including the Daily, Newsbriefs, the Agency's phone book, Policy Manual, Statistics Canada Training Institute Course Catalogue and Schedule, the Employment Equity Plan, Guidebook for Employees with Disabilities and many more documents are readily available on the ICN. (The recent Employee Opinion survey indicated that at least 1/2 of our employees consulted the ICN at least once a week).
- Divisional get-togethers to review problems, hear from employees about reorganizing work, and keep each other informed about work in the division. Some to recognize and address employee concerns. The objective is to improve the communication flow between supervisors and staff and between members of project teams who come from different divisions.
- Other facets of our internal communications program include an internal newspaper entitled "Scan", noon-hour briefings on topical subjects of all kinds, a monthly Personnel "Bulletin" delivered to every employee, staff counseling services to assist employees with career, training, and personal problems, and an Employee Resource Centre which provides a multitude of information of interest to employees.

Future Challenges

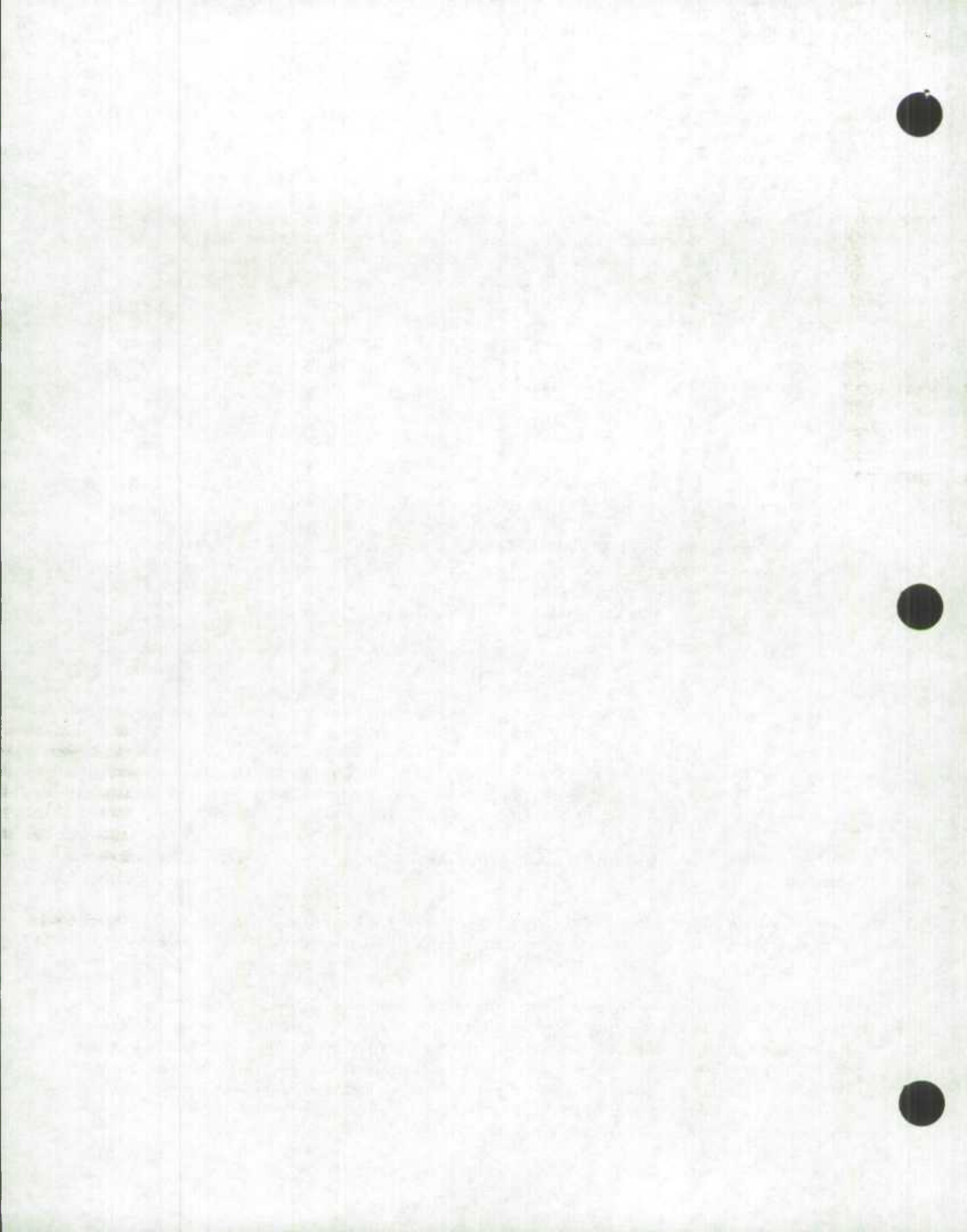
Our priority and current challenge is to develop and implement a practical and usable meta-database, that is a comprehensive compilation about data holdings, how to access them, definition of concepts involved, the collection methodology and so on.

Secondly we must bring to fruition the long development of our on-line data-base. We need this to provide a direct service that end-users can subscribe to and also to let regional office staff create customized information packages on demand. This on-line system must be compatible with the Internet so we can offer it there as soon as Internet technology can be used for commercial transactions.

Third, we must rapidly rationalize what we want to offer on the Internet as a free service. Four categories are foreseen:

- Metadata: This is essential so clients can obtain free information about our data holdings and how to order them. We have the beginnings of such a service, but it is clearly not fully developed;
- Public good data: Once again, we have the beginnings of such a service since the Internet carries *The Daily*. But we must go beyond this point and establish a searchable, subject-oriented mini-version of CANSIM containing data series that are regularly and freely released via *The Daily*;
- Data as a marketing tool: We want to make some data available free to promote the range of information we provide;
- Data with limited users: Some publications' subscription base is so small, the most cost effective dissemination decision is to stop publishing them and instead make them available free, probably via the Internet.

The challenge we face in communications is how to make the most effective use of the information highway, as it emerges. Efficient external electronic communication is essential since much of the Agency's work depends upon communication with users, analysts, researchers, other government departments and other statistical agencies. The potential for more "teleworking" adds to this requirement. Connections to Internet, external e-mail services and the Senior Executive Network - a government-wide electronic bulletin board and e-mail system for senior managers - are now some of the facilities available. While increasing their accessibility, we must safeguard the security of our internal network.



Statistics Canada has a need to find the most efficient way to pull together information from different internal sources to meet user requests. To do so we must have a robust electronic network for rapid communication among the Agency's various processors. The network gives our employees access to an array of services at their work stations, the services themselves can reside on the processor most suitable for each.

A network supported by common software tools that perform the Agency's essential functions reduces the need for retraining, makes staff more mobile and adaptable, and minimize software licence costs.

The Agency has completed premise wiring, and with the issuance of the Policy on the Use of Software and its accompanying "toolbox" of approved software products, Statistics Canada is moving toward greater commonality within the Agency which will facilitate the communication process. For the future technology will continue to have a significant impact upon the way we do business.

3. a b c How does your organization understand and define its place in the system of organizations of which it is one part, and how does your organization manage (in the broadest sense) its natural network? Also, how does your organization ensure that it is helpful in solving interdepartmental - horizontal - issues (issues which require the involvement of several organizations apart from your own)?

The Statistics Act authorizes and requires that Statistics Canada coordinates the national statistical system. A basic element in the Canadian framework is the National Statistics Council. Many countries have some version of such of body. Their role, method of appointment and accountability vary. They share the common purpose of providing high level policy guidance to the statistical system and of serving as protection against politicization.

The National Statistics Council forms the apex of a structure of advisory committees, which advise the Chief Statistician on issues of statistical policy and program balance. Its members are drawn from academic life, industry, labour, business consultancy, provincial and municipal governments, the media, and the Statistical Society of Canada. While their explicit mandate is to advise the Chief Statistician about broad policies and priorities, members of the Council are appointed by the Minister responsible for Statistics Canada (in consultation with the Chairman of the Council and the Chief Statistician) and have therefore access to him should they think the agency is threatened - either because of political intervention or lack of adequate funding. The Council's very significant influence and standing derives from the eminence of its members. The Council has some 40 members, selected on the basis of their individual expertise and prominence, but with care to ensure that Council membership overlaps with membership of each of the Advisory Committees which advise the Chief Statistician in such diverse program areas as demography, international trade, agriculture, national accounts, price measurements, social conditions, service statistics, science and technology statistics, statistical methodology. This contributes to the expertise necessary for the Council.

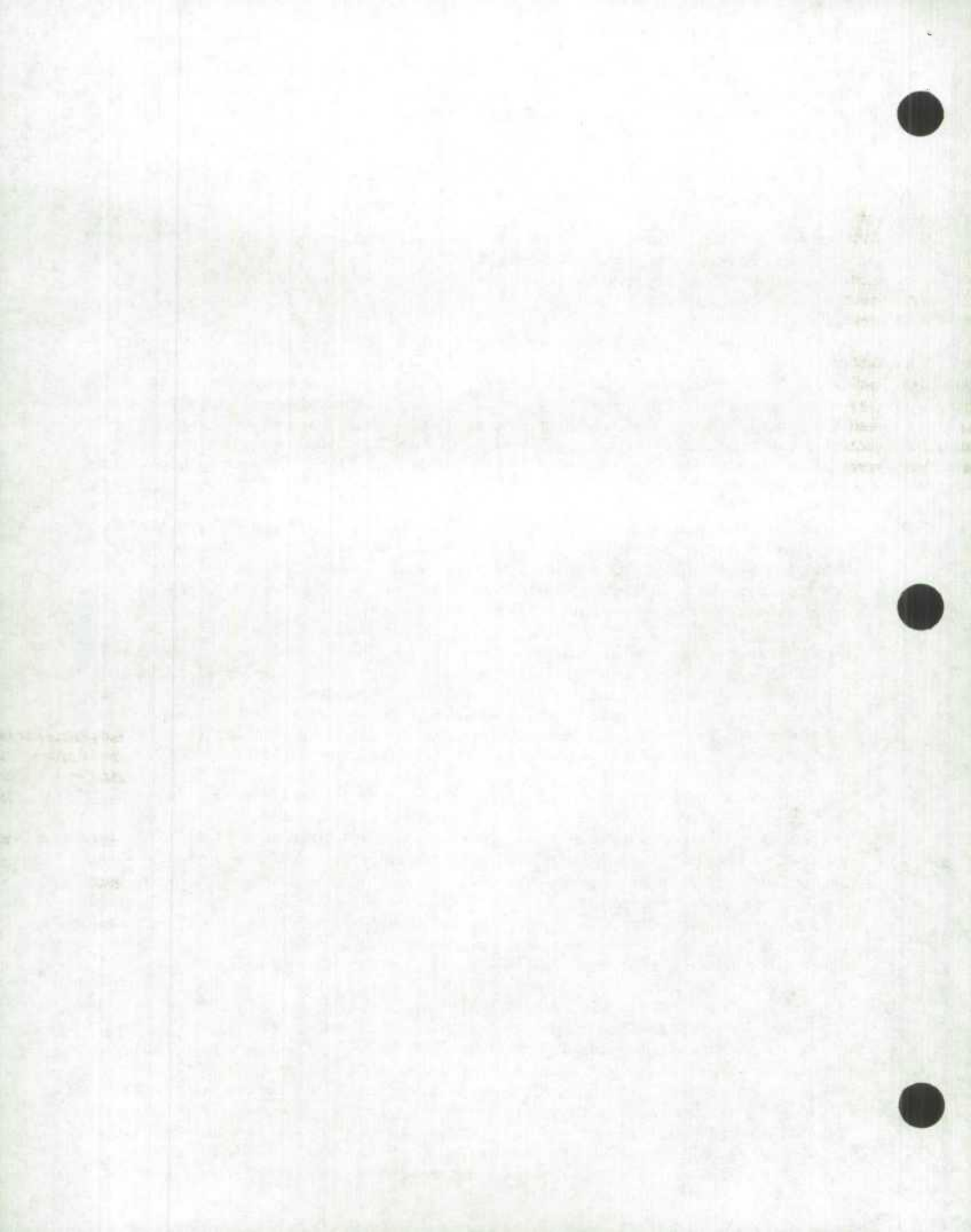
Members of the dozen or so Advisory Committees are selected on the basis of their personal standing and expertise, and are appointed by the Chief Statistician, usually for a term of 3 years. Their role is to challenge the status quo in terms of both content and broad methodology. They typically meet twice a year for a day and a half, and members serve without remuneration. They review the current programme and methods, challenge assumptions, point out major gaps and advise both the subject matter experts and the Chief Statistician. The head of the substantive program most directly concerned serves as the secretary, but meetings are widely attended by staff. Most of the committees' contribution is channelled through the informal interactions provided by this arrangement, but written recommendations to the Chief Statistician are encouraged. In addition to their actual advice, the process itself makes a significant contribution. It offers a source of stimulation, validation and priority advice. It demands the explicit articulation of assumptions and trade-offs, contributes to the professional development of our experts (how else could we provide them with such intensive applied seminars in their own fields and about their own work?), places in the forefront the most advanced users' needs, provides quality assurance for all other users and results in a cadre of knowledgeable and prestigious external spokespeople who can defend the agency if it is unfairly attacked.

Another of our systematic efforts to maintain awareness of evolving statistical information needs are federal-provincial consultations. The provinces in Canada have constitutional jurisdiction with respect to health, education, and major aspects of justice. In these areas in particular, elaborate mechanisms exist to ensure that statistical priorities correspond to provincial needs. Typically, in each of these areas there are senior working committees which have to submit an annual plan to a committee consisting of all appropriate provincial and federal deputy ministers (permanent secretaries) and the Chief Statistician. These latter committees, in addition to their annual review, provide strategic direction.

Coordination with the provinces is all-embracing. It involves numerous working level committees created by and reporting to the Federal-Provincial Consultative Council on Statistical Policy, which is chaired by the Chief Statistician and involves a representative from each province nominated by the premier of the province. Such coordination is explicitly required by the Statistics Act.

Priorities for the statistical system are set by the Chief Statistician based on a very broad understanding of the needs for statistical information, as well as all special considerations that should affect priorities. The greater the authority of the Chief Statistician, the more important it is to have a variety of mechanisms through which the different needs of different organizations and client groups can be determined. National (federal) needs should receive particularly high priority, since it is in the public interest that the major issues facing the country be decided on the basis of relevant information, available for all to analyse and discuss. Nevertheless, not all those needs can be satisfied, so priority decisions are unavoidable. In our experience the following approaches have proven to be productive:

- Full access to Cabinet documents. In the Canadian system of government, all significant issues are decided collectively by the Cabinet. Decisions are taken on the basis of discussion papers setting out options, and format submissions seeking approval for one of them. Access to these documents provides a singularly useful mechanism for the monitoring of evolving national policies. The rank of the Chief Statistician within the hierarchy of public servants usually has a lot to do with such access.
- In the Canadian system every minister has a deputy minister - his or her chief advisor who is also the administrative head of the department. Unlike the minister, the deputy minister (Permanent Secretary in British terminology) is not a politician but a public servant. Direct access by the Chief Statistician to deputy ministers is the most useful method to become aware and understand the issues and ideas which are being considered by senior officials even before they reach Cabinet. Given the long lead times involved in developing new statistical information, the earlier this takes place the more likely the capacity to respond.
- The participation of the Chief Statistician in weekly meetings of deputy ministers is also important in maintaining an awareness by other deputy ministers of the role of existing statistical information as well of persisting gaps; and conversely, of keeping Statistics Canada well informed of emerging government priorities. Effective information exchange works in both directions: the Chief Statistician can brief deputy ministers individually and collectively about social and economic developments based on the analysis of statistical information. Such personal presentations, as well as personal briefing letters sent to interested deputy ministers advising them of highlights of unusual or particularly interesting releases, provide excellent occasions to highlight the analytic usefulness of statistical information. These occasions are also ideal to draw attention to the gaps in information and how these gaps handicap the formation of public policy.
- One of the most beneficial approaches to assess federal priorities is to maintain a close and formal bilateral relationship with key departments. In our experience multilateral committees are not nearly as productive. It is only within a bilateral context that both parties can ensure that the right people participate, and that the interaction is perceived as important and productive to both sides. In multilateral fora only a fraction of the issues is of direct interest to individual participants, and pressure of time often prevents their full exploration. Bilateral committees at a senior level (typically co-chaired by deputy agency heads) have been created with each of the major federal departments. These meet regularly several times a year and make Statistics Canada aware of the client departments' needs. Conversely, they provide an opportunity to them to comment on our plans. By increasing awareness, these committees play a major role in maintaining a client base. Where



priority needs cannot be satisfied within Statistics Canada's budget, they become the vehicles for negotiating special surveys or other services on a cost recovered basis.

- It is a particularly challenging task to maintain productive relationships with departments having operating responsibility for administrative records of major statistical interest. It is sometimes possible to provide reciprocal services (such as the provision of statistical summaries that are useful for policy development and management of the department). More often the influence of the statistical agency over key administrative record systems depends on its overall standing, especially that of the Chief Statistician, and on the level of understanding, among fellow Deputy Ministers of the importance of good statistical information.

Generally, the interactions described above are far more productive if supported by a strong analytic capacity. Good analysts are needed to understand client requirements and to convey statistical findings in a manner which users can relate to their policy concerns.

There is a general remark that applies to bilateral contacts in decentralized statistical systems: statistical offices have a potential advantage in dealing with those departments in which they are located. However, there is a risk: while most of the productive exchanges are bilateral, most of the important issues to be addressed are horizontal (multilateral) in character. Therefore even where the issue is *prima facie* agricultural, environmental, or health related, its full explication must take account of other relevant substantive and departmental perspectives. Bilateral department consultations, important as they are, must never become the sole determinants of statistical priorities.

An important determinant of the success of statistical systems in federal countries is the extent to which they succeed in managing to become a national as opposed to only a federal statistical system. Coordination is key to achieving this objective.

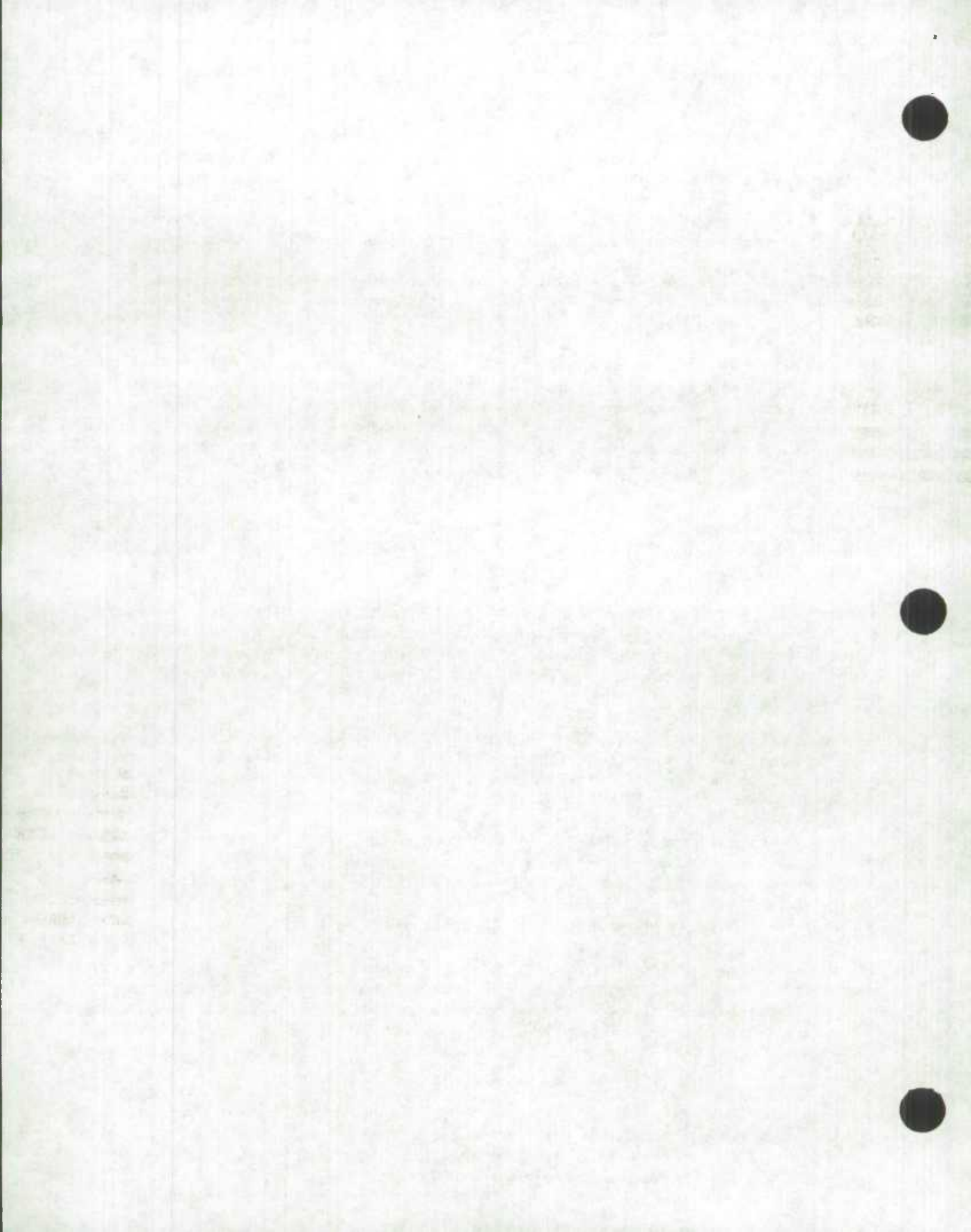
The purpose of coordination is to permit the components of the statistical system to act as a coherent system. Such coherence includes the ability to mobilize budgetary resources to meet broad priorities, to deploy people according to overall needs, to exploit possible synergies (e.g. using common tools, registers, field staffs), to ensure that the outputs of the system are coherent where they need to be, and to defend the system against political interference.

Coordination is intrinsically important in all countries, but is clearly more difficult to achieve in decentralized statistical systems. Most countries have a Chief Statistician who is formally responsible for such coordination. In centralized systems he/she can accomplish most of these functions on the basis of his/her line authority. In decentralized systems other mechanisms are needed, such as:

- budgetary control (or significant influence over constituent budgets);
- control over classification systems;
- control over reporting burden (approval of statistical forms, i.e., the "clearance" function as it is called in the United States);
- inter-agency personnel management (elements of this exist in Britain).

The Canadian Statistics Act formally assigns a variety of coordination tasks, but it is largely silent about mechanisms. Given our highly centralized statistical system, however, the relevant mechanisms are almost all internal. Some years ago the agency had a formal right of first refusal on all federally funded surveys, as well a requirement to review their proposed methodology, but this formal "power" was voluntarily given up. We feel that we should and are able to compete on our merit. In reality, practically all large scale government sponsored surveys are carried out by Statistics Canada.

Some useful tools are provided by the Statistics Act to assist in the minimization of reporting burden. The possibility of provincial (state) statistical agencies wishing to have access to identified or identifiable micro data is recognized. It permits the sharing of such information with those among them who operate under an act comparable to the national Statistics Act in terms of compulsory collection and confidentiality protection. But even in such cases, the sharing is at the discretion of the Chief Statistician who has to be satisfied that the



physical and organizational requirements for credible confidentiality protection are met. The Act also permits the Chief Statistician to share identifiable information with non-statistical government agencies provided that respondents are advised about the intended sharing, that they are provided with an opportunity to object, and that identifiable information is only shared with respect to those respondents who did not object to it. This latter provision is a useful tool to prevent the proliferation of essentially similar collections: some for statistical, other for administrative or enforcement purposes.

An important dimension of coordination relates to administrative records used for statistical purposes. Few if any countries have effective formal tools to ensure that changes to administrative records will not do irreparable harm to statistical information derived from them. There are some less formal safeguards, however. The most important of these is the standing of the statistical office and its head: the higher these are, the more likely it is that information about possible changes will be known at a time when intervention will at least be seriously considered. And finally, the higher the profile, the more likely it is that important allies can be mobilized, should it be necessary.

4. **a b c** **How do you ensure that your organization is able to focus on issues (operational issues as well as policy issues), values and principles and results? How do your accountability, incentive and reward systems reflect the importance of attending to issues, values, and results?**

Statistics Canada, while a federal agency within a federal system of government, is explicitly required by the Statistics Act to serve the statistical requirements of all levels of government. But, by tradition we also serve the (non proprietary) statistical needs of all sectors. A prerequisite to correctly reflecting the issues to be addressed and the priority requirements of clients is the maintenance of a wide range of "listening devices".

In question #3 we discussed the role of the National Statistics Council, the advisory committees, consultations with federal government departments, bilateral relationships and federal-provincial consultations. Statistics Canada uses these organizations and relationships to identify and focus upon emerging issues.

Consultations with Federal Government Departments

It has been our experience that bilateral consultations - with one department at a time - are considerably more productive than multilateral ones: in multilateral meetings a large part of the agenda is, of necessity, of limited interest to a majority of participants. As a result, and over time, there is downgrading in the level of representation of client departments. Liaison with the statistical office is handed over to technicians - people with little awareness of the policy agenda of their departments and even less authority to commit resources when these are needed to back up their priority requirements. In order to combat this risk, and to balance the perceived risk of a centralized statistical system becoming isolated from the government's policy priorities, bilateral committees at the level of Assistant Deputy Minister level have been created with each of the major departments. These committees review opportunities to exploit new statistical programs, statistical needs which cannot be met through existing programs or simple modifications of them, the statistical implications of new policy initiatives, possible short term means of meeting these needs (e.g., work directly funded by the client department), and, in some cases, the supply and adaptation of administrative data.

Federal-Provincial Consultations

Given their constitutional responsibility for health, education and justice, provincial governments are both key policy users of statistics and the primary source of administrative data in these areas. In each of the areas of provincial constitutional responsibility we have established a network of federal-provincial committees which at the summit involves the group of responsible deputy ministers and the Chief Statistician of Canada. These senior committees identify the specific policy priorities requiring statistical support, and provide a forum for peer pressure on the relevant provincial and federal departments to adjust their administrative systems over time so as

to achieve comparable statistical reporting. For each of the other major subject areas, working level committees of the provincial statistical offices and Statistics Canada meet annually and report to an umbrella body - the Federal-Provincial Consultative Council on Statistical Policy. The latter is composed of the official statistical appointees of the provincial governments and is chaired by the Chief Statistician of Canada. It reviews cross-cutting issues affecting federal-provincial relations within the national statistical system.

Advisory Committees

Fifteen advisory committees were established by Statistics Canada to advise the Chief Statistician in major program areas such as demography, international trade, agriculture, etc., and on cross-cutting issues such as statistical methodology. Members are chosen for their expertise in the various areas. They provide a valuable external source of advice and stimulation. A National Statistics Council, composed of some 40 distinguished Canadians with backgrounds primarily in academic work, business, and labour, is appointed by the Government to advise the Chief Statistician on policy and major program issues. Each advisory committee is represented on the Council.

Program Evaluation

Every major program area is subject to a formal program evaluation approximately every five years. A major focus is the extent to which the program is meeting user needs, and whether it should be curtailed, modified, or expanded. In order to ensure objectivity, all evaluations are carried out by external experts under contract to the Chief Statistician. Their reports, together with the response of the reviewed program's management in Statistics Canada, are carefully reviewed by the senior executive body of the Agency.

Monitoring Policy Initiatives

Given the lead time necessary to put new statistical programs in place, it is essential to monitor emerging issues of policy concern and to anticipate the likely corresponding information needs. Close liaison with policy departments, access to and systematic reviews of Cabinet documents, and participation by the Chief Statistician in the weekly and other briefings of Deputy Ministers are among the measures used.

User Enquiries and Market Feedback

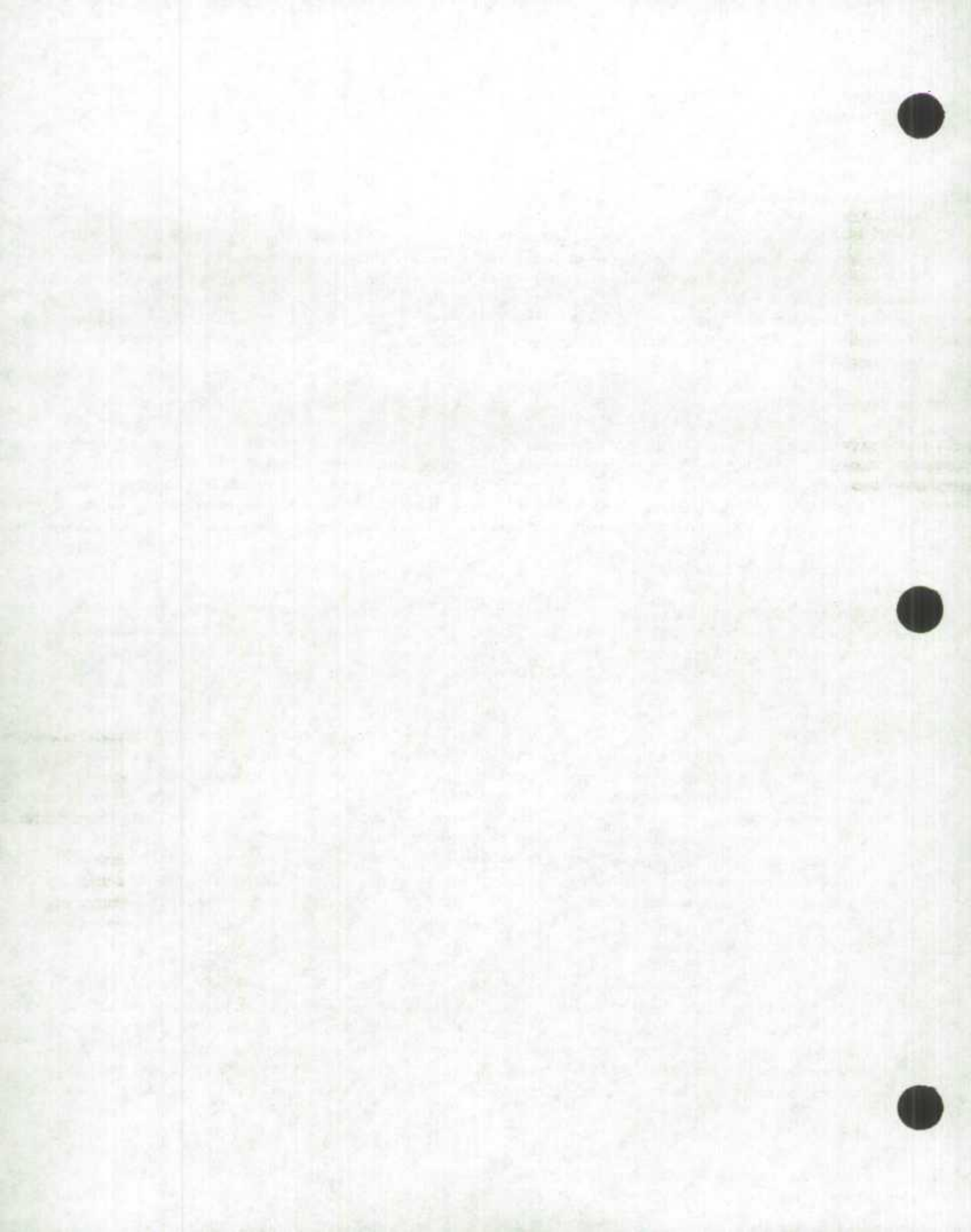
User enquiries, especially those that cannot be satisfied, provide very direct information on user needs and data gaps. Equally, sales figures on conventional publications and electronic media products as well as other indicators (e.g., numbers and types of access to electronic data banks) constitute another direct source of information on what users really value and what they appear willing to forego. These market signals have become meaningful since we introduced realistic prices for statistical products and services. In some cases, particularly where new products are being considered, targeted market research can be used to assess demand and tailor the product accordingly. We respond annually to some 400,000 telephone enquiries, process 380,000 publication subscriptions and casual sales, and sell 1,000,000 accesses to our on-line electronic data bank.

Specific Program Consultations

On the occasion of major program designs and redesigns extensive and focused user consultation takes place. Prime examples are the 1991 and 1996 Censuses of Population which were preceded by a widespread program of public meetings, focus groups, meetings with known and potential data users and interest groups. Such consultation is important not only for establishing data needs, but also for developing public support for the program itself when it reaches the collection stage. Another example is provided by the consultations that take place when a major classification system is overhauled.

Liaison with Other User Groups

Periodic meetings with representatives of groups such as trade associations, Chambers of Commerce, professional societies, and routine participation in their relevant meetings and workshops contribute to Statistics



Canada's awareness and understanding of the needs of these groups. This task is shared by staff from Ottawa with their professional colleagues largely dedicated to this task and located in our various regional offices.

Analytical Feedback

Analytic use of statistical data is another important source of information on data weaknesses and gaps, and therefore of potential data needs. An internal analytic capacity provides a particularly useful approach to identifying data quality programs as well as gaps in the data. By using statistics to analyze economic and social issues, agency personnel acquire direct experience comparable to that of the most intensive external users. Analytic work also provides a linkage to external analysts which, in turn, creates an awareness of their emerging data needs. Statistics Canada's analysts typically become strong "product champions" of both new statistical information and improved access and dissemination methods.

This process is our assurance that our product line is relevant and that we are clear about the issues and about the direction in which we want it to go to stay relevant in the future.

The Planning Process

Statistics Canada has developed and implemented a detailed planning process designed to integrate the various inputs and signals about directions in which we should head to focus issues, within the budgetary framework provided to us by the Government. Given the inherently judgmental nature of the final setting of priorities, we consider it important that the process be transparent in the sense that all proposals, their reasons, and inherent trade-offs be fully and openly discussed with all senior managers of the agency. This ensures that the full range of considerations is taken into account, that decisions are visibly made on the basis of statistical priorities and without political interference, and that they represent a "corporate consensus".

The planning process is also designed to allow cross-cutting issues to surface, to foster efficiency improvements, and to encourage innovation by funding low cost but promising proposals (e.g., small research studies, pilots, feasibility studies).

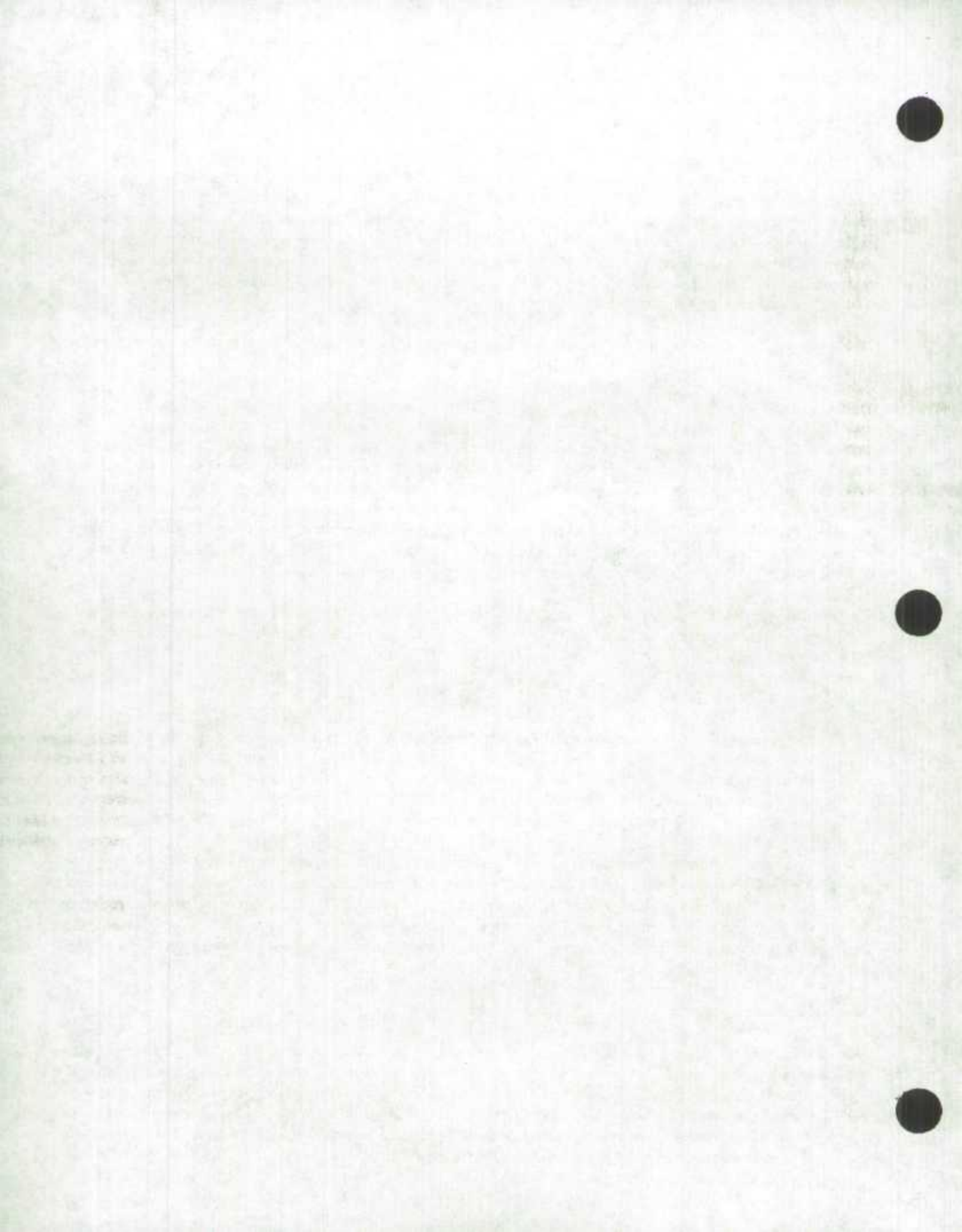
The process consists of four steps:

- the preparation of Biennial Program Reports on each line area and performance during the previous year;
- the review and updating of strategic long-term directions and priorities;
- tactical and operational planning; and
- decisions regarding resource allocations and policy issues.

It should be borne in mind that the bulk of resource allocations within the Agency is pretty much fixed from year to year. In fact, on average Statistics Canada's annual plan displaces for reassignment some 3 to 5% of its total budget, which is probably typical for a well-established and developed statistical agency - an overwhelming proportion of whose core programs cannot be changed from year to year. Of course, the annual value of these reassignments is very significant on the margin (some \$9 million) and their cumulative impact year-in and year-out is considerable.

Biennial Program Reports

Every second year a report falls due from each subject matter (e.g., agriculture or education) and service area (e.g., marketing or computing services). The report focuses on achievements of the past year; measures of performance in terms of cost, timeliness, quality; an assessment of the extent to which the program complies with corporate and international standards; significant new initiatives under way; and major issues confronting the program. While these reports serve as an accountability vehicle for program managers, the section on major issues is an important source of that program's input to the planning process.



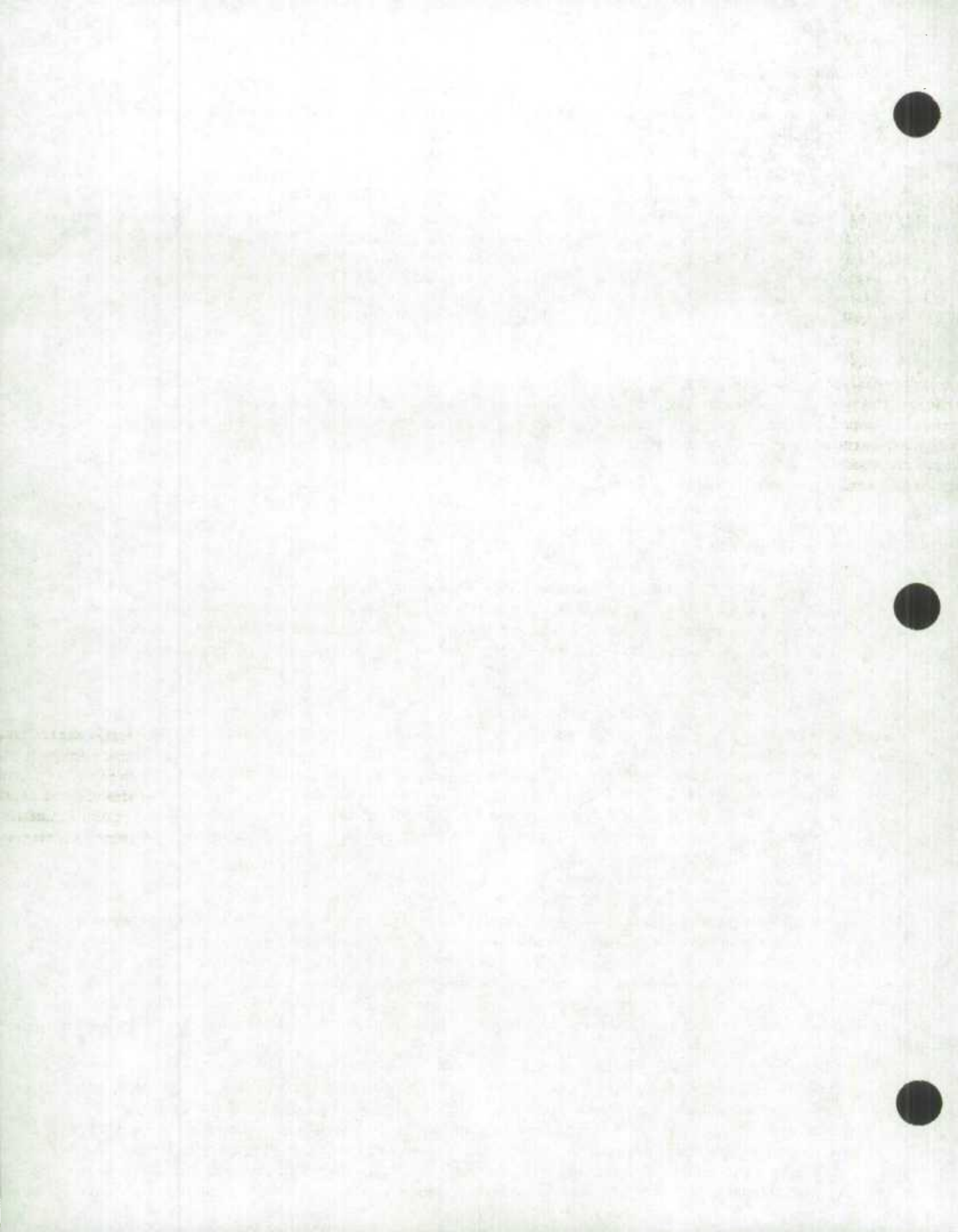
Strategic Planning

Strategic priorities and directions are reviewed during the summer. Directors of groups of related programs form so-called Planning and Review Teams (PRTs) whose proposed strategic priorities are viewed and filtered by "syndicates" chaired by the most senior agency officials immediately below the Chief Statistician. The syndicates examine the changing pressures and opportunities in their respective program areas, and confirm or adjust their proposed strategic priorities accordingly. These are presented for a thorough debate and discussion to a conference comprising some thirty of the agency's senior managers. On the basis of the conclusions reached, the agency's top management establishes and issues corporate strategic priorities and guidelines for that year's planning cycle. By definition, strategic directions do not change drastically from year to year. They are refined, rather than fundamentally changed each year, unless significantly changed circumstances call for dramatic re-orientations. An issue ceases to be a strategic priority once the means to address it are mobilized and put in place.

Tactical and Operational Planning

Guided by the strategic priorities and the variety of applicable inputs, Planning and Review Teams develop tactical plans and program proposals for their respective areas. These are used by the Syndicates to prepare specific proposals for program changes. All such proposals are developed jointly with the relevant service areas to ensure that they are properly and fully costed.

- **Adjustment:** To request a modification to a prior year's planning decision, e.g., to postpone the phasing in of an efficiency proposal or to reduce the scale of its return. We want to ensure that planning proposals do not become overly conservative, therefore we are ready to accept such adjustments when there are good supporting reasons.
- **Ongoing:** To seek additional resources necessary to maintain a program at its current level of frequency, detail, or quality. Workload increases are normally expected to be absorbed within existing resources. Therefore these requests are strongly discouraged and are only approved in exceptional circumstances. Indeed, relatively routine approval of such requests could quickly exhaust the small discretionary resources which can be freed up from year to year.
- **New initiative:** To seek resources needed to improve an existing activity or to initiate a new activity. The proposed activity can result in new or improved statistical output, or it may relate to an internal service function, or investment in infrastructure. We also maintain three so-called "block funds". Two of these represent resources earmarked respectively for methodological research and analytic activities; the third is earmarked for a variety of small investments needed to improve the system of national accounts and its feeder surveys. The annual allocation of resources from these block funds is delegated to groups of managers. Their activities are reviewed post facto during the senior planning conference and the reviews can give rise to adjustments to these funds.
- **Efficiency:** To identify an activity that can be carried out with fewer resources without diminishing the level of output or to seek resources to invest in a process that will give rise to an efficiency. On the assumption that an agency involved in information processing should be capable of sustaining an average 1% per annum efficiency improvement, syndicates are assigned a 5% efficiency target over five years. The individual program targets and annual phasing are left to the discretion of syndicates. Where increased productivity requires initial investments, the corresponding requests are approved, provided they can be amortized over three years. The most frequent investment requests relate to micro-computers and local area networks.
- **Contingency:** To identify statistical programs from which resources can be liberated, by reducing content, coverage, frequency, levels of internal service, or by outright elimination of a component activity. Contingencies are the relatively lowest priority activities within the scope of a syndicate. Each syndicate is asked to identify every year contingencies representing 5% of its fully costed budget. By identifying contingencies, the planning process demands the explicit comparison of the relatively lowest priority programs which are currently carried, with the relatively highest priority programs which are currently carried, with the relatively highest priority programs proposed as "new initiatives". Syndicates may and do



also raise management or other cross-cutting issues which may have no direct resource implications but which require a policy decision.

Decision Making

Syndicate proposals are reviewed at a three-day planning meeting held in mid-January and, as in the summer gathering, attended by some thirty of the Agency's senior managers. At these meetings all recommended proposals are discussed, challenged, and further refined. This is designed to generate a shared understanding of all proposals, of the budgetary framework and its broad implications, and of corporate commitments and priorities. The feedback that managers receive at these meetings is crucial: these are the occasions to "put our money where our mouth is", i.e., to demonstrate through actions what the real corporate priorities are. This is also the occasion to show that innovative proposals are indeed favoured, that the identification of contingencies is expected to be realistic, that good corporate behaviour is expected and rewarded.

Many of the trappings of our planning process are there not just to ensure that the right allocations are made but also for a more subtle and in the longer term more important purpose. A process in which the evaluation of priorities and the reassignment of resources is the result of a collective effort develops a corporate mentality without which an integrated agency such as ours cannot work effectively. Our program will run the risk of fragmentation and suboptimization if our managers cannot maintain a corporate perspective at the time of planning review. For this reason, we deliberately foster means of inducing good corporate behaviour. When it is displayed, we try to find ways of rewarding it.

Following the plenary meeting, the Agency's top management carries out a final integrated assessment of proposals and make decisions on all of them before the start of the next fiscal year on April 1st. Decisions and their underlying reasons are communicated to all managers.

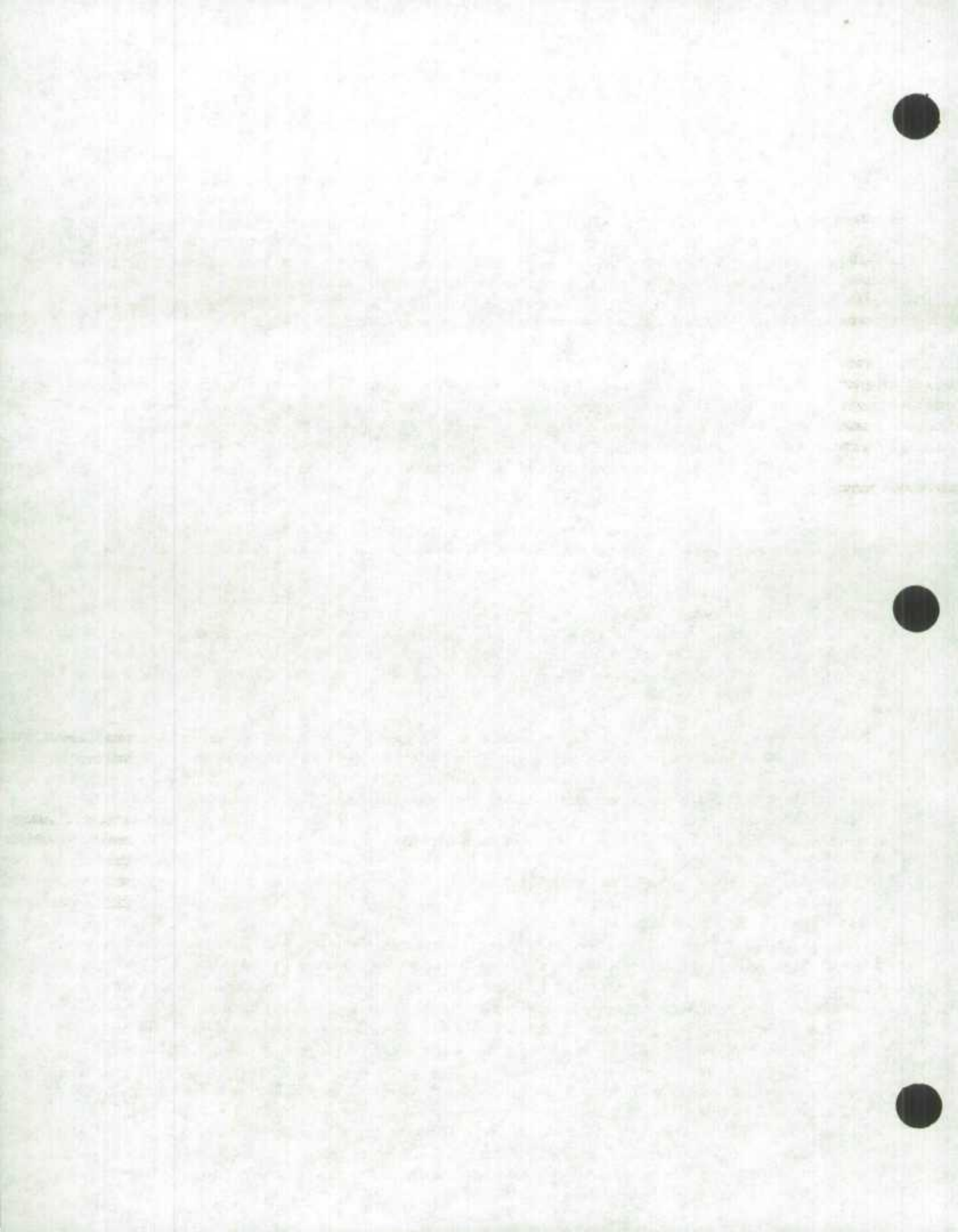
While this process is time consuming and involves considerable consultation, it results in corporate decisions which take into account the wide range of inputs and insights needed to achieve the needed balance in program and policy priorities. Each of the several initiatives encompassed by the planning process produces identifiable benefits, but it is their cumulative effect, particularly over time, which results in significant shifts - in programs, in values, in management style.

It is through this rigorous planning process that the Agency managed to get through a period of severe reductions - involving 486 person-years or some ten percent of its strength since 1985, on top of a twenty percent strength reduction in the late 1970s. Furthermore, we insisted that a certain level of resources must always be available for new initiatives. Therefore, efficiencies and contingencies had to yield sufficient resources to satisfy both of these requirements. Over a six-year period almost 700 person-years were made available, of which some 200 could be reallocated internally once the externally imposed reduction was accommodated.

Influencing the Budget Parameters

Not only does Statistics Canada maintain an awareness of issues and client needs to allocate resources within given budget parameters, we indeed influence these parameters. We engage in institutional marketing to highlight and publicize existing statistics relevant to policy issues and we identify missing statistical information and the type of analysis it would support. For these efforts the communication with decision makers which was outlined in Question 2 is critical, as is the maintenance of an image as a well-managed agency with a strong technical reputation at home and abroad. Having a good international reputation implies being an active participant in international work and hence being more aware and open to global issues.

Despite severe budgetary constraints the agency has managed to maintain most of its established survey coverage and has also been able to complement it with some new and improved components. A basic element of the strategy adopted to achieve these results was to significantly reinforce and emphasize a corporate-wide consciousness of the critical need to plan and manage operations efficiently, to stimulate productivity, and to adopt a more business-like approach to cost recovery. Some of the measures to ensure accountability and provide incentives and rewards for focusing on issues include:



- **Maximum delegation of authority** to managers for personnel, financial and administrative decisions, further to recommendations of a 1989 departmental task force on the removal of managerial impediments.
- **Full delegation of responsibility for operational budgets** to division directors including responsibility for management of all aspects of salary budgets and expenditures to give them an effective "running costs" operating environment where "a \$1 is a \$1" approach can be used at that level. To assist managers in making informed decisions with respect to potential salary costs, an automated salary forecasting system was developed. It has been made available to several other departments.
- Establishment of **explicit cost recovery objectives** for publications, products and services sold by the Agency to enhance managerial discipline in assessing and responding to user needs, including a comprehensive review of the publications program to ensure full recovery of costs related to compositions, printing, and distribution, and to ensure compliance with defined relevancy objectives.
- Introduction of full **internal cost recovery of EDP services**. The complete budget of the central data processing organization has been distributed to internal users of its services, whose managers decide on an on-going basis how to spend these resources: whether to buy data processing at all; and if so, which of the several services offered and in what quantity. Each manager is free to decide to use the budget he/she is responsible for in the way that is most cost/beneficial, even if this means withdrawing his/her custom.

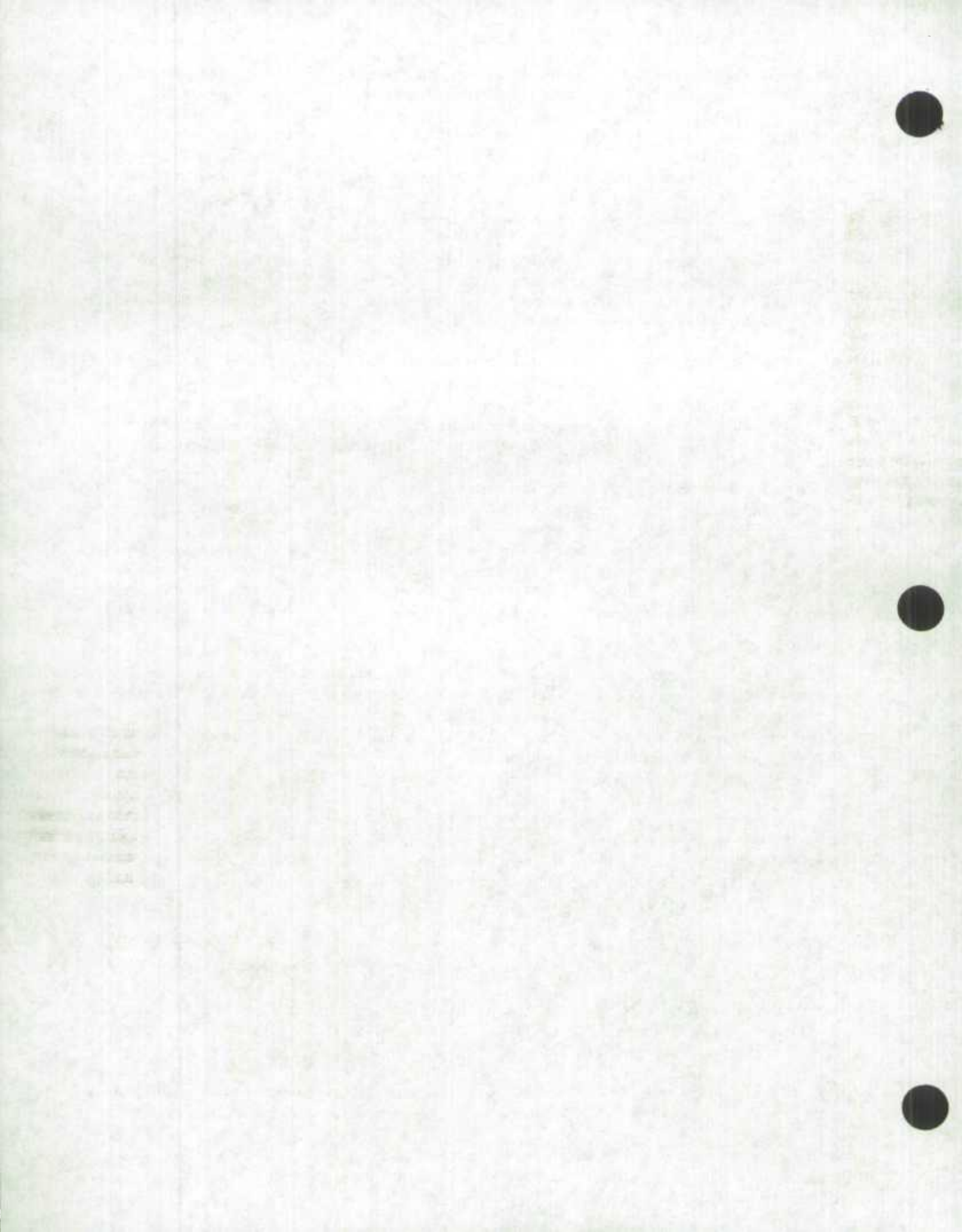
In this environment all managers are made responsible for the effective and efficient use of all of their resources, including those that were traditionally thought of as overhead. They are required to justify their choices in the normal context of their work up their own management chain, which means through business cases where there are usually several options from which to choose. This pressure leads them to emphasize the need to evaluate alternatives before they are irrevocably committed to significant expenses, thus minimizing the number of missed efficiencies. They in turn put pressure on the central data processing organization to ensure they receive consistent and reliable service.

The managers of the central data processing organization have to provide exactly the services that are required by the organization, in order to allow it to put into effect the most effective solutions as they have been chosen by the users. As they do so they have full freedom not only to introduce efficiencies into existing services, but also to use the resources they collect to increase the levels of those services which are in high demand, and to restrain those services which are not. This is all done in response to actual demand, paid for by real money from users' tight budgets and is, therefore, carefully monitored by the user, as would be the case in any market situation.

The present system minimizes unproductive friction, while concentrating the energies of the management and staff both of users and of the central supplier organization on seeking out solutions that are most cost/beneficial to the organization as a whole. This interplay of demands and options helps also to establish the best overall level at which to plan further development of information technology: it ensures that such plans including their capital requirements are meaningful and closely linked to the plans of the Agency.

- Initiation of **work design pilot projects** to encourage employees working on a survey to brainstorm about how it could be done more effectively, and to involve everybody in the unit in re-shaping the activity.
- Use of **internal audit** from the outset of the program as an instrument to identify and *eliminate constraints*, to compare approaches across the board to determine variations in practices and unit costs, thereby *highlighting* best practices.
- Organization of information sessions on **best management and operational practices and achievements** to make known and to stimulate the adoption of innovative approaches in all parts of the organization.

An organization-wide **Employee Recognition Program**, which features the distribution of awards for performance achievements, beneficial suggestions, and the establishment of a "Gallery of Achievement" featuring the recognized "heroes/heroines" in our history.



5. **a b c** **What kind of meaning does your organization give to the concept of leadership and how does it ensure that the concept is well-understood and consistently put into practice at several levels of the organization, not just among the top leaders?**

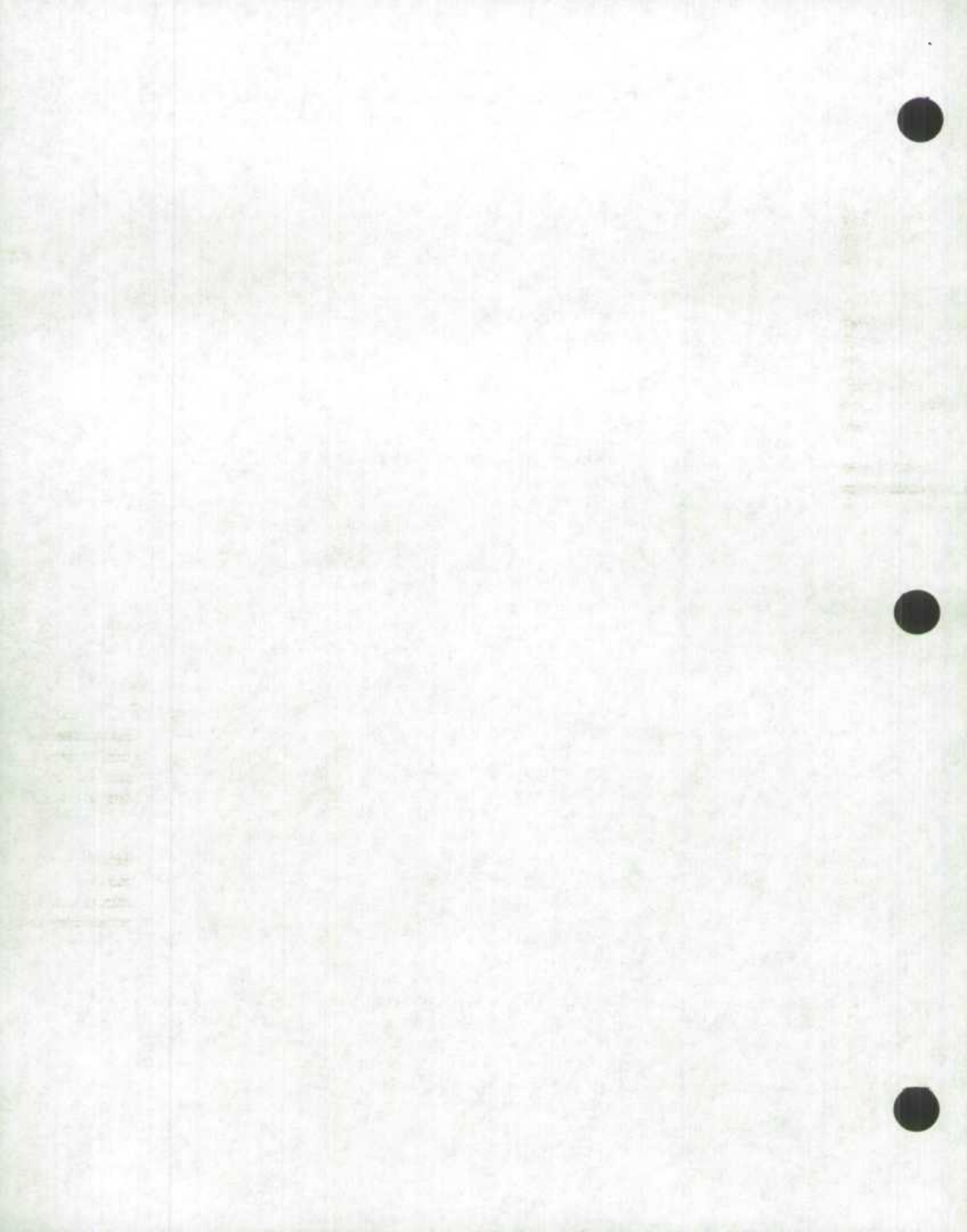
It is impossible to have a good reputation without a sound foundation, and at the base of the foundation must be strong leadership. The Statistics Act gives the Chief Statistician enormously strong levers in respect to the operations of Statistics Canada.

The Chief Statistician is personally responsible for protecting the confidentiality of individual respondent records: however, in all other respects the Chief Statistician operates formally under a designated Minister. The Minister cannot overrule the Chief Statistician with respect to confidentiality issues. By established practice, the Chief Statistician also has full authority for setting priorities for Statistics Canada's programs within a single overall budget. Needless to say, this is a very strong lever which contributes to a number of objectives.

For example, it permits the Chief Statistician to guide the evolution of the statistical system along a set of medium term priorities; it provides the flexibility to mobilize resources for priority objectives; it permits the elimination of duplication across the system and hence leads to substantial efficiencies; it gives him a substantial negotiating brief with other departments whether they are clients or suppliers of information; it permits the implementation of system-wide management initiatives, such as the application of strong leadership in the area of human resource development: and it represents a very important bulwark against politicization.

The authority of the Chief Statistician derives from several factors besides the formal legal mandate. A major source is the level of the position as Deputy Minister, within the government hierarchy. However, even within this non-political cadre, the Chief Statistician stands apart. While deputy ministers can and are regularly moved around among departments, the Chief Statistician, though appointed by the Prime Minister, is not: the position is regarded as one that requires special personal and professional competencies. As a result of this rank the Chief Statistician participates in regular (weekly) meetings of deputy ministers. Access to these meetings provides ongoing appreciation of the evolving plans and priorities of government. Membership in the club of senior officials gives the Chief Statistician both personal and official access to the highest levels of decision making which is invaluable in acquiring a full appreciation of evolving major issues and which in turn improves Statistics Canada's ability to maintain the relevance of its product line. It also provides opportunities to demonstrate the relevance of statistical information directly at the highest level of public service decision making. It is here, in this forum, that the Chief Statistician must play a personal missionary role in relation to other deputy ministers. This must be presented in terms of government policies whose development or monitoring is handicapped by inadequate statistical information. This is accomplished by personal information letters emphasizing highlights of newly released information, overview presentations about social and economic developments (underlining critical gaps in knowledge and explicit lobbying for investments in formation related to social and economic policy priorities).

By law, Statistics Canada operates under the direction of the minister responsible and, with the exception of confidentiality protection, the formal authority of the Chief Statistician as the minister's deputy. In practice, the minister's mandate derives from instructions received from the Prime Minister on the minister's appointment. During the last ten years the long-standing arms' length relationship between the minister responsible and the Chief Statistician has become codified: it is now an explicit instruction of the Prime Minister. But this does not trivialize the Minister's role, who represents the agency in Parliament and within Cabinet and has to initiate action in case of mismanagement or if the agency's activities violated public sensitivities in a serious manner. It is therefore important that the minister be a senior member of Cabinet, have other responsibilities in addition to statistics, and that the main portfolio be a substantive one so that the Minister can be expected to have an analytic interest. The Minister of Industry is responsible for Statistics Canada, however, Statistics Canada is not part of the Department of Industry, it only shares the same minister.



Besides legal and hierarchical considerations, the authority of the Chief Statistician derives from personal standing and public image. These are enhanced by speaking engagements designed to shed light on major public issues through statistical analysis and through proactive media relations. The Chief Statistician's personal standing is a matter of significance for the statistical system. The Chief Statistician must be ready to place the job on the line as an ultimate protection against the politicization of the statistical system. But the deterrent effect of this implicit threat clearly depends on the level of the Chief Statistician's public profile. The personal and hierarchical standings of the Chief Statistician determine the effectiveness of the management of the system. They also shape the character of all interactions with the outside world: as a conduct of information, as the main representative of the system, and as the chief protector of its non-political objectivity. There is a non-negligible personal leadership role for a Chief Statistician as:

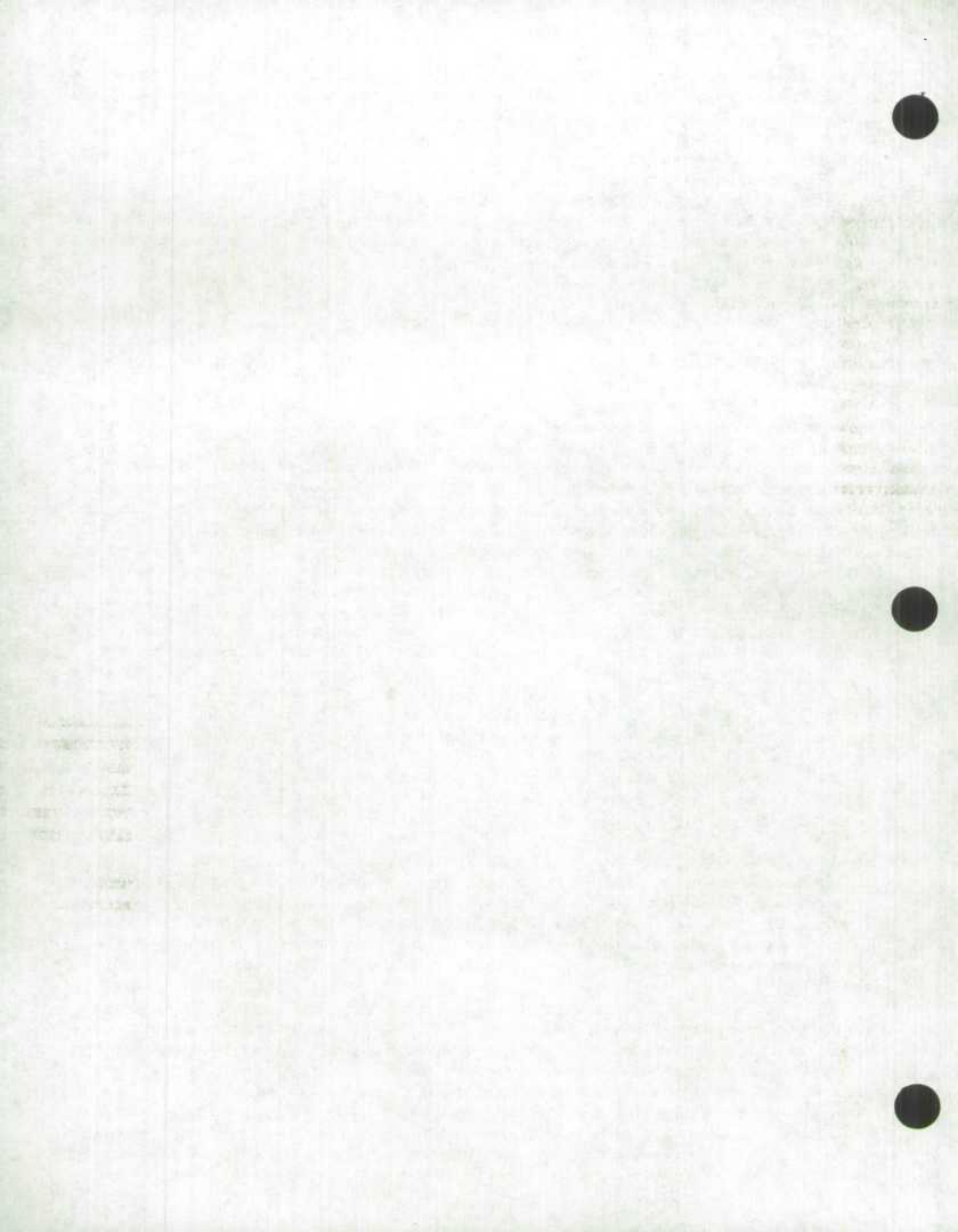
- guardian of core values
- focus of ultimate responsibility for preserving statistical confidentiality
- spokesperson for the statistical system
- final arbiter of statistical priorities
- orchestrator of system-wide initiatives
- ultimate lobbyist to articulate the implications for society of not having adequate statistical information required to address critical issues of public policy.

Having strong leadership at the top is critical, however, to earn a good reputation leadership qualities must also flow through the entire organization so that innovative management practices are developed and strengthened. In this vein, Statistics Canada has created a management committee structure in which all major functional programs benefit by a management committee of directors and directors general. Membership is rotated slowly. This device provides broad corporate guidance and feedback on an ongoing basis to the areas concerned; but, conversely, it contributes to the broadening of the horizons and skills of the managers concerned. Committees have now been in operation for the past 10 years for professional recruitment, training and development, redeployment, employment equity, and other major areas. Chairpersons report quarterly to the Policy Committee, composed of Assistant Chief Statisticians and the Chief Statistician, and account for their successes or failures. They receive credit for successes and take responsibility for areas in need of improvement.

The concept of leadership and corporate thinking is best instilled by example from the top. Managers are constantly being bombarded with competing demands. They must choose priorities. To detect what is really important, they must be able to observe what senior management does as opposed to what it says. This applies particularly to the Deputy Head. When managers are asked to take a broader corporate perspective and serve on a number of Agency-wide management committees, they immediately look to see what importance the Chief Statistician attaches to Public Service-wide issues and whether the Chief Statistician participates on the central committees.

Ownership and accountability are prime contributors to leadership skills. Hand in hand with this is maximum delegation of authority for personnel, financial and administrative decisions. While it is sometimes difficult to persuade an average manager/employee of the importance of corporate goals and initiatives we have made some progress in this area by initiating a Biennial Program Report where managers must account for their successes during the previous years. This report must now include efforts made in specific corporate goals such as employment equity and training and development. Innovative ideas and sensible risk-taking to achieve goals are encouraged.

Development of our human resources is a high priority; it makes sound business sense to maximize performance. Leadership in this general topic area is provided by an internal management committee, however more specific leadership of our employees is encouraged at two other levels in our organization. Our supervisors are encouraged through the Performance Review and Feedback Process, to lead, guide and develop their staff through assignments and training that will be fundamental in their development, so that they can acquire the broad skills and experience necessary to optimize their inherent career advancement potential. A skill and knowledge profile for different levels in major occupational groups has been developed, so that employees may benefit from having documentation about the skills needed to progress in their occupational group.



Skip-level meetings, held every two years with the supervisor's supervisor, encourage even broader leadership in developing careers. Skip-level meetings are a chance for the supervisors' supervisor to stimulate and challenge in a constructive way. These interviews involve discussions of divisional and corporate objectives and plans, and focus upon broad career development issues. They afford the opportunity for managers to demonstrate clear leadership and mentor-ship skills by helping employees see a more global overview of career opportunities and directions within the Agency.

Another area of leadership which should be discussed is international leadership. With a reputation as the world's leading statistical agency, Statistics Canada plays a pivotal role in making statistics more comparable. It is of the essence that statisticians from all countries gain an understanding of the concerns, constraints, institutional frameworks and technical consideration that make their counterparts act the way they do. One way to foster such an understanding is by running formal training programmes that are open to colleagues from other countries. Statistics Canada has provided technical assistance for many years to developing countries and countries in transition. We are now working to help design and build a statistical system appropriate for a market economy in countries such as China, and on a smaller scale for Columbia, Argentina, the Czech Republic, Georgia and Poland.

Sharing of common industrial classifications is critical for comparability. Statistics Canada, recognizing this need, has worked with the United States and Mexico to compile the first NAFTA statistical standard. The new standard owes much to Canada's contribution in the new areas of information computing and professional services. This new North American classification system represents an intellectual advance over the older system used in Europe. It is the intention to achieve complete harmonization between NAFTA members and the European union by harmonizing the data in the respective next revisions.

Statistics Canada plays a key leadership role in fostering collaboration among participating OECD governments and ensuring that studies, such as the International Adult Literacy Survey, can support reliable and valid international comparisons. It is a tremendous sign of the international statistical community's respect that Statistics Canada has been asked to co-ordinate this major undertaking.

- 6. a b c Describe the role of trust in the daily life of your organization. To what extent is trust in leaders (personal trust, professional trust...) important to your organization? How would you know whether it is there, and to what degree it is there? Also, how important is it in your organization that leaders and managers trust each other, as well as trust the employees? Are there limits to trust? If so, is it possible to define those limits within your organization?**

Trust is an essential element to achieving excellence within any organization. High levels of trust reduce employee stress, promote innovation, increase flexibility, and facilitate the management of change.

The building of trust begins with the example set by the leadership. The Chief Statistician is the guardian of our core values, who has the ultimate responsibility for preserving statistical confidentiality. The Chief Statistician is the final arbiter of statistical priorities and the orchestrator of system-wide initiatives. The image which the leader portrays as a respected deputy minister, well-thought of by other Deputy Ministers in terms of effective

Management practices, innovative initiatives, professional respect and international reputation contributes strongly to establishing trust within the Agency.

The leadership taken by the Chief Statistician in developing a culture based upon honesty and integrity serves the Agency well in terms of building external trust, i.e., maintaining the public confidence through our core values of confidentiality, privacy-related policies, publicly documented survey methodology, policy to disclose errors and quality limitations, and non-political objectivity. These values also serve the Agency well in terms of establishing trust with our employees.

The values of integrity and honesty must be seen to be in place throughout the organization, and they must be nurtured. Open relationships based on honesty, integrity and genuine concern for others have to be established. Members of the organization must feel safe in communicating honestly with colleagues and management. Management and employees must be fully aware of what is expected of each other, as well as be aware of their own responsibilities in creating a trusting environment.

Employees develop a sense of trust in an organization, not by listening to senior management espouse high-minded principles but rather by observing the actions and decisions of these managers. In particular they watch to see whether senior management keeps its promises even in the face of competing priorities. There are a number of key factors which have helped to build a sense of trust in Statistics Canada.

The reputation the Agency has gained as being the best statistical agency in the world has helped immensely in furthering our belief in ourselves. Management and employees are proud of the Agency's accomplishments, and strive to maintain our reputation and standing. The rating and achievement helps to motivate employees and leads them to integrate their personal values with those of the organization. The rating also reduces friction between disparate parts in the organization and serves as a catalyst to facilitate innovation and action.

One of the key agents in establishing trust within Statistics Canada is our no lay-off policy, which the Agency has maintained since 1979, and continues to maintain while absorbing budget reductions and program changes. Our no lay-off policy reduces stress and allows employees to focus their attention on their work at the Agency. A Corporate Redeployment Committee is responsible for leadership in redeployment initiatives. The approach taken in redeployment involves procedures tailored to specific employee groups and, as a general rule, the identification of clusters of vulnerable employees rather than individuals. Efforts focus upon the creation of employment demand through such measures as term reduction and creation of employee supply through various retraining initiatives.

Communication is another vital element in establishing trust. Employees need to be informed about the present operations and the future direction of their organization. They also need to hear the values, vision and culture goals expressed to them by their leader. Formal presentation once a year by the Chief Statistician of a "State of the Union" message to all employees and publication in SCAN (employee magazine) of an interview on accomplishments and goals, helps to develop our corporate culture. In conjunction, the Agency emphasizes free-flowing communication up and down the organization, and as much involvement as possible by staff in decisions which affect them. The management committee structure employed at Statistics Canada facilitates the communications process. For a detailed discussion of communication, refer to Question 2.

The Agency's broad human resources philosophy places a high priority on investing in our employees' personal development. Increasing individual effectiveness by enhancing personal development makes employees more versatile and enables us to offer high job security. We want to encourage employees to adapt to new circumstances. The average number of training days per indeterminate employee has risen to 6.3% in 1994/95.

The existence of comprehensive training and development programs, a Corporate Assignments Program and a performance review and feedback system are strong messages to our employees that upper management is quite concerned about the personal growth and development of our employees. (Refer to Question 2 for more information about Human Resources Initiatives at Statistics Canada).

The Committee structure employed at Statistics Canada as well as the project team structures used are key elements in communication: employee development through achieving employee participation in the decision making process. Consistently practicing an open and participative style of management and supporting innovative ideas and risk-taking because there is trust, can lead to improvements for the organization while being morale boosting for employees.

Recognizing the accomplishments of employees and teams is part of establishing trust. The annual December Awards Ceremony at Statistics Canada is a special day of ceremony and recognition for the incredible number of employees who have 'gone the extra mile' for Statistics Canada. Awards are given out for a long list of accomplishments including such notables as: the permanently established Gallery of Achievement which houses

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and recognizes the most prestigious awards of past years is an on-going reminder to our employees that we value their achievements and accomplishments. It is a constant reminder of the special individuals whose output has been instrumental in helping us achieve our international ranking.

Statistics Canada recognizes that work is only one of the facets of our employees' lives, and that they have commitments and concerns that may lead them to need alternative work arrangements such as flexible hours, part-time work, telework, leave for educational purposes. Our part-time work policy guarantees an indeterminate employee the right to a full-time position whenever they wish to resume full-time hours.

Other efforts put in place to recognize employees' needs include an on-site day care, and a fitness center.

Another new initiative put in place this past year was the Take our Kids to Work Day held last November. Some 75 Grade 9 students visited the Agency in the company of their parents. The Team which arranged the day demonstrated the pride which our employees take in their work at the Agency, and encouraged the students to examine the many career avenues in a Statistical agency. The esprit de corps felt in that process was tangible proof that our employees believe in and are prepared to promote the values and culture of our organization.

Alternative work arrangements, on-site day care and Take our Kids to Work are just part of a major focus on recognizing the diversity of our workforce and striving to build and maintain trust. Our Employment Equity Committee has an array of projects underway which may target the designated groups, employees with disabilities, Aboriginal Persons, visible minorities and women, while they improve the workplace for all employees. Some of these initiatives include diversity management training, a mentoring program, bridging programs, career development assistance for employees with disabilities, and a project to improve the retention of Aboriginal employees, to mention a few.

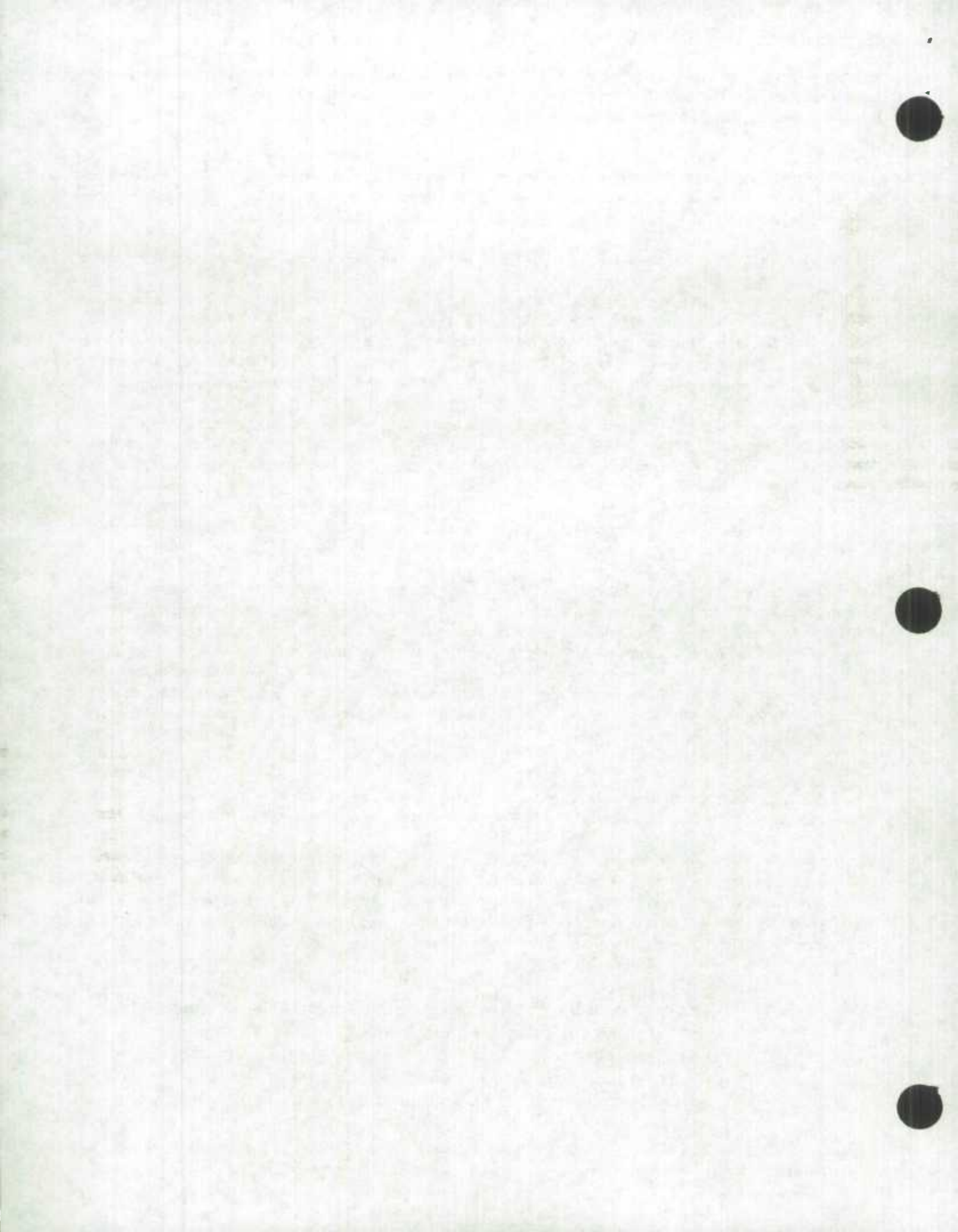
The Agency recognizes that trust, like our reputation is ever so fragile. To maintain this trust, we need to make sure it is there, and we must enhance it and find ways of augmenting it. To make sure it is there, we have used Employee Opinion Surveys, which serve as a catalyst for further communication - division by division - about the areas in need of improvement. It was most reassuring to note that in the 1995 Employee Opinion Survey (EOS) almost 85% of staff who responded indicated their overall satisfaction with working at Statistics Canada. This was a large increase over the already very satisfactory rate of 72% in 1992. It was also significant to note that almost 73% feel that our no lay-off policy makes their job secure, a rating which was up from 67% in 1992. These increases are truly noteworthy given the difficult developments in the public service since 1992, such as the salary freeze and major cut backs.

The 1995 EOS also demonstrated where we need to build trust, and to improve, particularly in providing opportunities to work in the official language of choice, and improving services for employees with disabilities.

Not only is trust fragile, there are definite limits to it. The direction the Agency heads must be consistent with the vision and cultural approach we have advocated, and there must be incentives rather than regulations to change. In addition, there must be clear responsibility with line management at the highest possible levels, for if responsibility is abdicated then trust will be lost. Without these three key elements of consistency, incentives and responsibility the trust which has so carefully been built will surely crumble.

7. **a b c** **How much attention has been paid to a broad-based understanding of the process of change in your organization? What is likely to happen - how are people likely to react - during periods of change? How do you ensure that change becomes the way of life in your organization and what do you do to ensure that your organization stays the course?**

To respond to the fast-changing environment in which we work it is critical for an organization to have a broad-based understanding of the process of change. At Statistics Canada, management committees play a critical role in this understanding.



Like so many initiatives taken in Statistics Canada, the development of a training programme has been entrusted to an internal 'management committee'. These committees are usually composed of divisional directors, with the secretary being somewhat more junior, and the chairperson typically more senior. The Training and Development Committee has two novel features. Its chairperson is not a senior officer drawn from the personnel community - in fact the person is in charge of one of the Agency's three programme areas - and the Director of Human Resources Development Division, whose responsibility area also includes training, is the committee's secretary. In other words, while it is expected from the agency's personnel services to be accountable for the logistics of a training programme, the content, scope and overall thrust of such a programme is entirely in the hands of the supervisors of its direct beneficiaries. Training like many other activities pursued by Statistics Canada is driven by demand.

The Training Committee is made up of a dozen divisional heads and represents all areas of Statistics Canada. It meets once every two months; reviews progress; and opens up new matters for definition and eventual policy formulation. It has an inner body of three members who meet more often to ensure that Committee decisions are complied with and work requested by the Committee is completed on schedule. It also ensures that more difficult matters are dealt with by Task Forces which are asked to report directly to the Committee. It is in this environment that measures designed to train managers were devised.

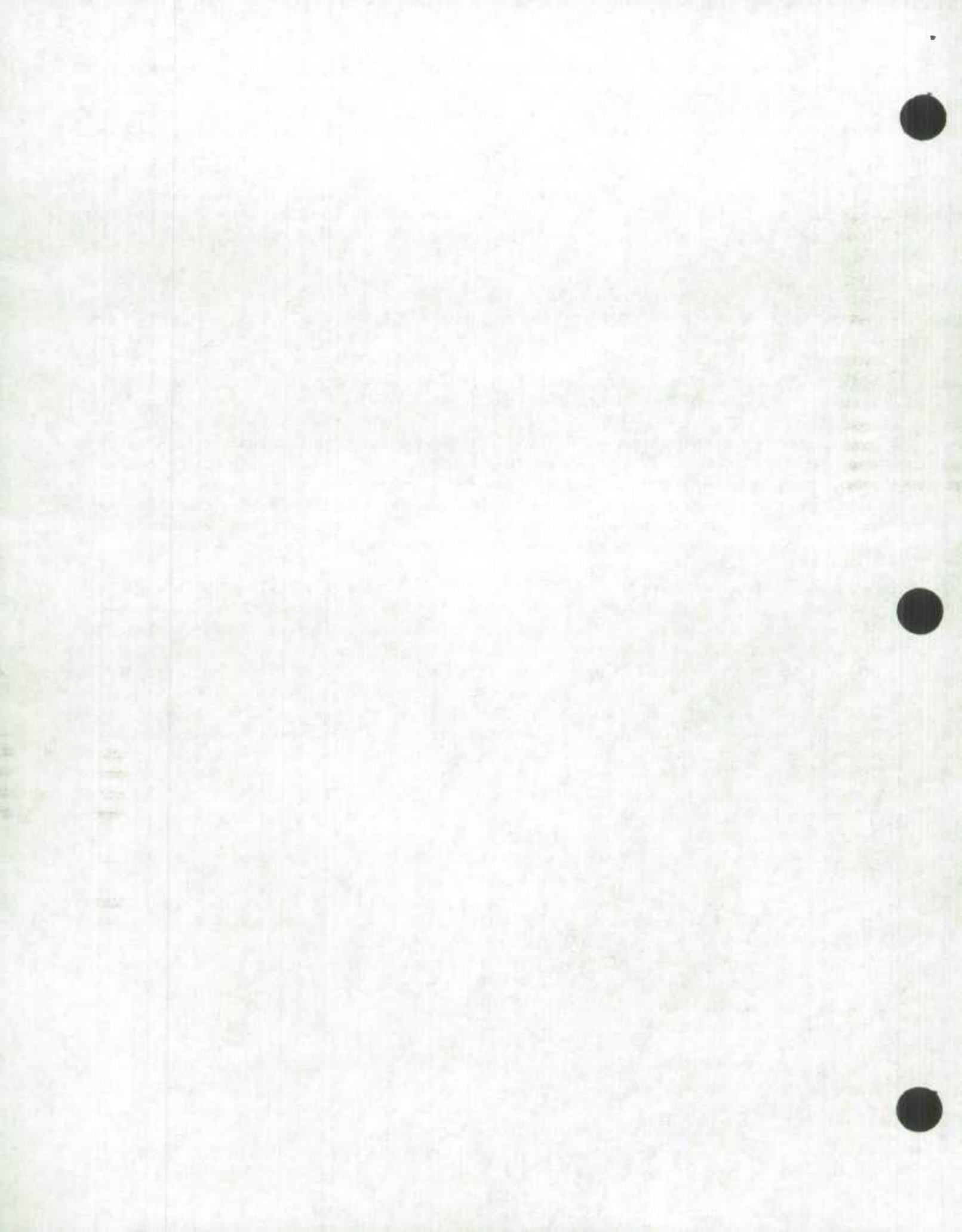
What is critical to note about this example of the Training and Development Committee, is that it is the grass roots level that can open up new matters in need of discussion and definition. The degree of empowerment of managers is high, and from this Statistics Canada gains, as proposals to change, develop and improve, have the direct input from the subjects and beneficiaries of the changes. To be close at hand to a situation facilitates a more "gut-wrenching" assessment of the costs and benefits of any proposal for change. The committee system enables this very input to be put forward and weighed in the context of any decision taken.

The overlap in committee participation furthers communication of problems and subjects identified for change and enables topics to be discussed in a somewhat different light. For example, the need expressed by the Employment Equity Committee for a bridging program to help clerical support, who are for the majority from the Employment Equity target group of women, to develop and further their potential by attaining a position as technical support can be further built upon through internal communication, with the Training and Development Committee. The T & D Committee can identify the potential for this bridging program to facilitate redeployment activities by making some employees more versatile and better able to participate in a range of technical programs while at the same time freeing up their current positions for those whose positions may no longer be required due to program changes. Thus the project grows, input increases, more concerns are raised and the resultant change is better for the corporation and the employees.

Communication is probably the most critical ingredient for understanding in the process of change. There must be communication upwards and downwards and sideways. From the results of Employee Opinion Surveys one could say that in reality there never seems to be enough communication of the right information. Recognizing this fact can go a long way to striving to ensure that there is communication about change.

The realization that trust is so fragile that a 'slight breeze' can crush it, is also important to the understanding of the process of change. At Statistics Canada we have established a number of dicta to build trust and demonstrate the caring attitude of the Agency, not the least of which is the no lay-off policy. In keeping with this notion of "job security" is the decision not to identify individuals for redeployment, but rather identify groups of positions with certain skills sets that can be employed by other areas or are in need of training to be more versatile within the Agency.

The Agency realizes that Rome was not built in a day, to change we need to know where we want to go, what is needed to get there and develop programs as the means of getting there. The Agency, in striving for excellence, has recognized the need for a number of flagship courses including the Survey Skills Development Course and its new sequel Survey Skills Enterprises, the Data Analysis and Interpretation Workshop, Survey Support Certificate Course, Computer Assistant Certificate Program, Middle Management Development Program. (Refer to Appendix I for information on Flagship Courses).



In addition to our flagship training courses, the Agency has implemented the so-called "four year rule". Employees who have been in their position four years may freely apply for an assignment in the Corporate Assignments Division, without the direct approval of their supervisor. The Agency realizes that supervisors may well be reluctant to lose their employees to developmental assignments, but at the same time recognizes the need for employee development. The "four year rule" offers a compromise.

Listening devices to obtain feedback are another method of understanding change. Feedback from the Middle Managers Conference is provided to the Chief Statistician. Management issues which middle managers feel should be addressed are brought forward, along with highlighted suggestions from the middle managers.

Statistics Canada is also using Employee Opinion Surveys (EOS) to understand change. One such EOS was held in 1992, and another in 1995. These surveys help us take the pulse of the organization and help us to realize how our employees are responding to the changes now in place, as well as showing us areas in need of improvement.

The Awards program is a direct measure in praising employees' response to change. We praise for innovation and risk-taking. Our Gallery of Achievements illustrates our pride in the successes of our employees.

Finally, rotation is another method of helping Agency personnel to understand the process change, and of ensuring that change becomes a way of life. Rotation involves primarily divisional Directors and their deputies. The latter are pooled and their rotation is regarded as a preparation for the rank above. Rotations take place at variable frequencies but in the case of Assistant Directors, three-year assignments are regarded as the norm. The relation between assignments is sought to be a logical one rather than one dictated by the happenstance of vacancies. For example, an assignment on basic statistics is sought to be complemented by one in the National Accounts; an assignment in one of the branches of social statistics by one in the Census of Population; and one in any programme area by one in either operations or marketing.

Rotations are not managed by specialized committees. Rather, the role is assumed by the most senior officers in the agency at one or several meetings presided over by the Chief Statistician. The merit of the procedure is that it is invested with a legitimacy and a finality that cannot be matched by decisions taken by any other committee within the agency. The occasion is also used as an opportunity to make senior managers look into the qualities and potential of their more junior managers.

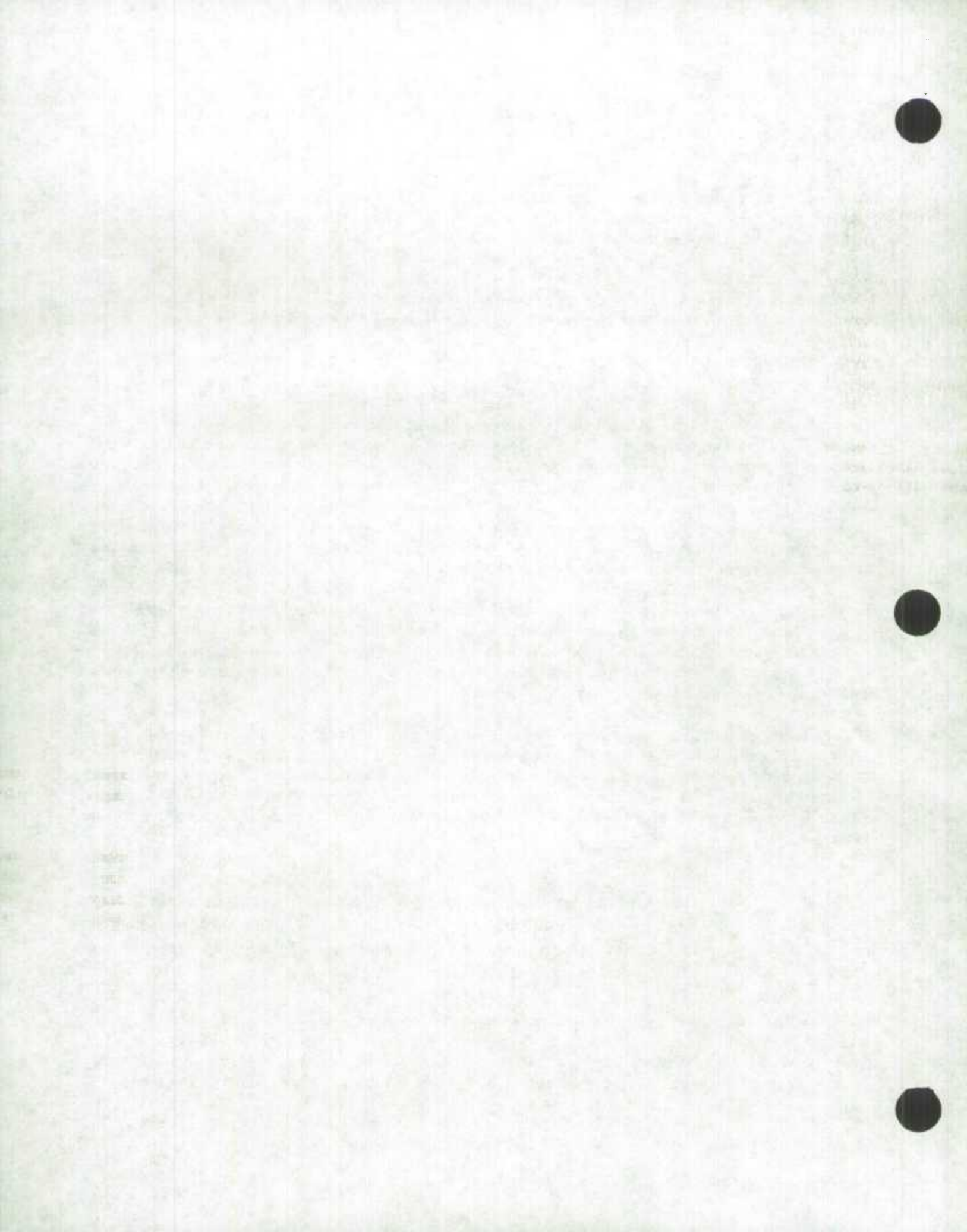
Rotation is not compulsory. If assistant directors oppose their new assignment nothing short of persuasion would be invoked to force them. They do not normally oppose a rotational assignment largely because it has become part of institutional behaviour and more importantly because it is understood to be a necessary step in career advancement. This is but one of the profound behavioural changes that have taken place within the Agency without the need of any legal or regulatory change but simply by building a proper system of incentives and deterrents.

8. a b c How would you describe your organization in terms of being transparent, open, sharing, committed to the truth and operating in a model of learning from its own experiences (good and bad) and from the experience of others?

The value of statistics directly depends on confidence in their producers. Since few users can replicate official statistics, their willingness to use them is ultimately a function of their confidence in the integrity and professionalism of official statisticians. Statistics Canada can therefore be viewed as highly motivated to being transparent, open, sharing, committed to the truth, and operating in a mode of learning from experience.

At the foundation of public confidence and belief in a statistical agency are the core values of truth, confidentiality, and protection of privacy, sound methodology and non-political activity.

Our efforts to reinforce professional objectivity include:



- A very transparent planning process. A strategic plan explicitly identifies for public scrutiny our longer-term areas of emphasis. Our annual planning activity invites all our line areas to put forward planning proposals. These, as well as their eventual disposition, are in the public domain.
- A policy of not releasing privileged information. Even custom tabulations or results from client-paid surveys are accessible to the public.
- All our methods are public; we say what we know about data quality.
- Special efforts are made to serve all Members of parliament and the research offices of all parties.
- All analytic output is subject to a two-stage review. The first is the customary peer review (often by outside researchers) and the second is an internal review to assure objectivity and the avoidance of policy advocacy.

Non-political objectivity is a culture and tradition that is emphasized through training, and cemented through practice. While a record of resistance to political pressure reinforces it, submitting to even occasional political pressure can gravely endanger it. These "values" are constantly reinforced. The rank and personal standing of the Chief Statistician who has full authority for priorities within the overall budget, and an explicit prime ministerial mandate to maintain an arm's length relationship means that choices are made free of political biases. Transparency is strengthened by the legal requirement and practice that no information is collected that is not actively placed into the public domain.

Statistics Canada gains insight from the experiences of others. Advisory committees have been established for all major subject fields. Committee members are selected on the basis of their personal standing and expertise and are appointed by the Chief Statistician. At the apex of the committee structure is the National Statistics Council whose members are drawn from a variety of areas including academic life, industry, labour and government, and are appointed by the Minister responsible for Statistics Canada.

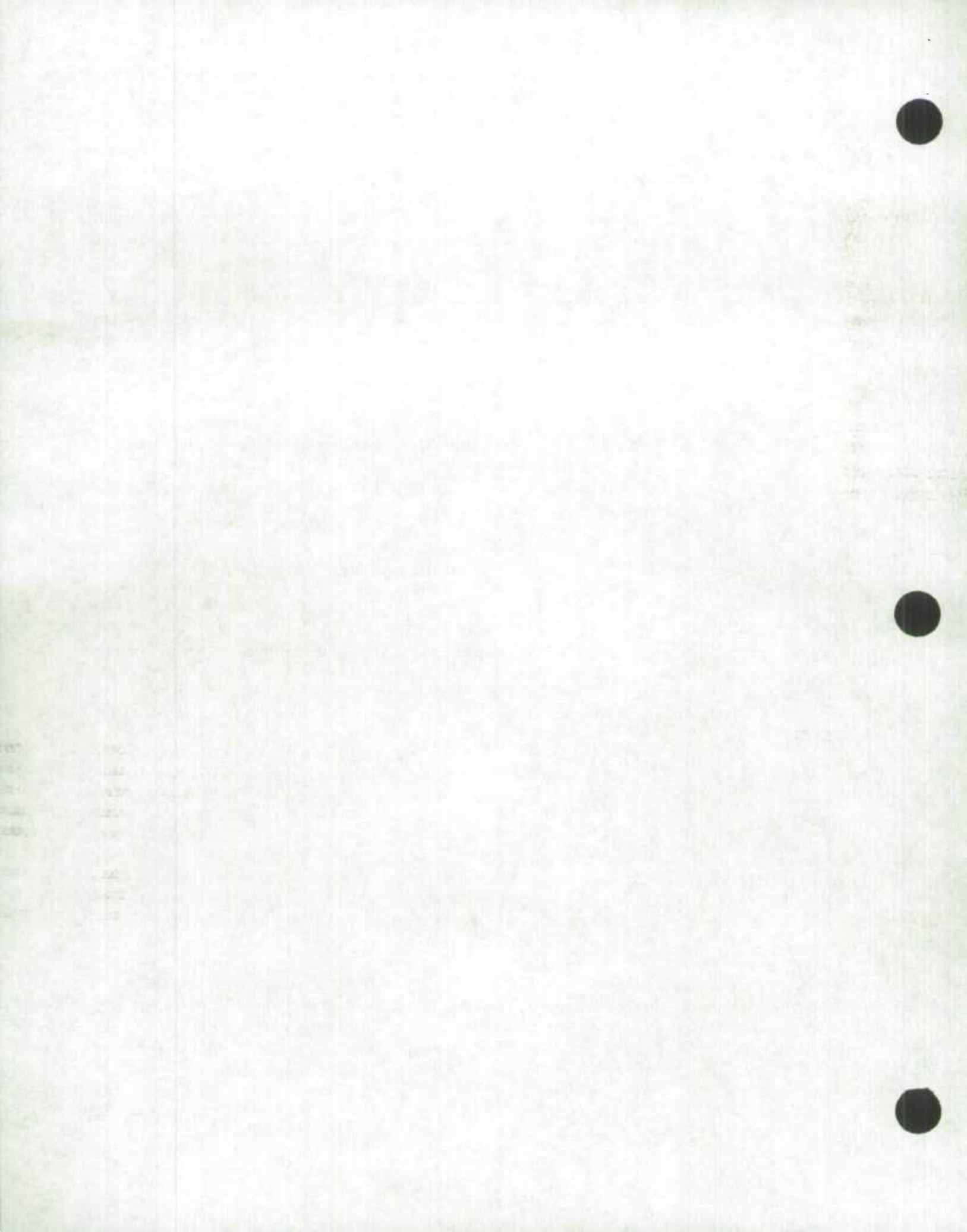
Our policy on release dates and times is critical to maintaining public confidence. Our analytical output on issues of clear importance even in the face of often controversial topics illustrates that the Agency is committed to the truth.

As most people obtain statistical information from the media we take pains to transmit information to the media and attempt to minimize the errors in retransmission. We have a policy of responding in writing to all erroneous media reports, misrepresentations and criticisms. We also impress upon media reporters that the source of information should be credited. In doing so we are creating an image of an Agency that is a source of truthful and reliable information.

Public confidence determines the usefulness of what we produce. It is a critical ingredient to win cooperation for our surveys, and this is a prerequisite for high quality statistics, which are ultimately the foundation of public confidence.

The Agency has derived some important lessons from our experience over the last decade - a period during which we coped continuously with severe budget reductions while succeeding, slowly but surely, in considerably strengthening Statistics Canada's reputation, at home and abroad, as an effective, efficient and well-managed organization which plays a fundamentally important role in informing public and private debate and decision-making in Canada.

One of the most important lessons relates to the vital need to preserve, indeed to strengthen, the basic infrastructure of the statistical office during a prolonged period of resource reductions. It is very tempting to try to preserve statistical products almost at all cost. Yet if this means allowing the infrastructure to rundown, it is a short-sighted policy. By infrastructure is meant the full range of technical and professional capacities of the Agency. The reasons are simple: surveys can be reinstated relatively easily (given financing); but the professional and technical capacity, if allowed to deteriorate, takes many years to rebuild. Furthermore, the capacity helps maintain flexibility in responding to user-funded requests - an important source of revenue. It also serves as the basis for realizing efficiencies which can be turned to pay for budget reductions and/or to fund new initiatives.



Another lesson was that budget reductions should not be occasions to cut back on staff training. On the contrary, the fewer people we had, the more we realized the importance of improving their productivity through more and better training. We have now revised and vastly expanded our training programs.

The third lesson was that it is essential to pay extra attention to maintaining a spirit of innovation during the "lean years". This means realizing sufficient savings from efficiencies and contingencies, over and above those required to satisfy the mandated budget reductions, to leave a margin of free resources. A proportion of these should be invested in small, innovative, often pilot projects. The results can often be used to encourage other departments to pay for special new surveys of particular interest to them. More importantly, simply continuing to do what one has been doing will, given sufficient time, lead to the statistical office becoming "brain dead".

The Agency's open commitment to truth and transparency to the public is extended into the organization's day-to-day workings. Great efforts are made to communicate with employees. The communication vehicles discussed in Question 2 go a long way to establishing an environment that is open, transparent and committed to the truth.

9. **a b c** **Some organizations tend to prefer one or two management tools quite universally (Total Quality Management, Re-engineering...), while other organizations tend to let their choice of management tools depend on a careful analysis of their current problems and needs. How would you describe your organization in this respect?**

Over the years Statistics Canada has worked very hard to establish an image as being one of the best managed agencies in government. This has involved the application of a series of innovative management techniques, particularly in the areas of planning, financial management, electronic data processing, human resources management and program evaluation. We have let the choice of management tool fit the need at hand rather than opt for one or two universal management tools.

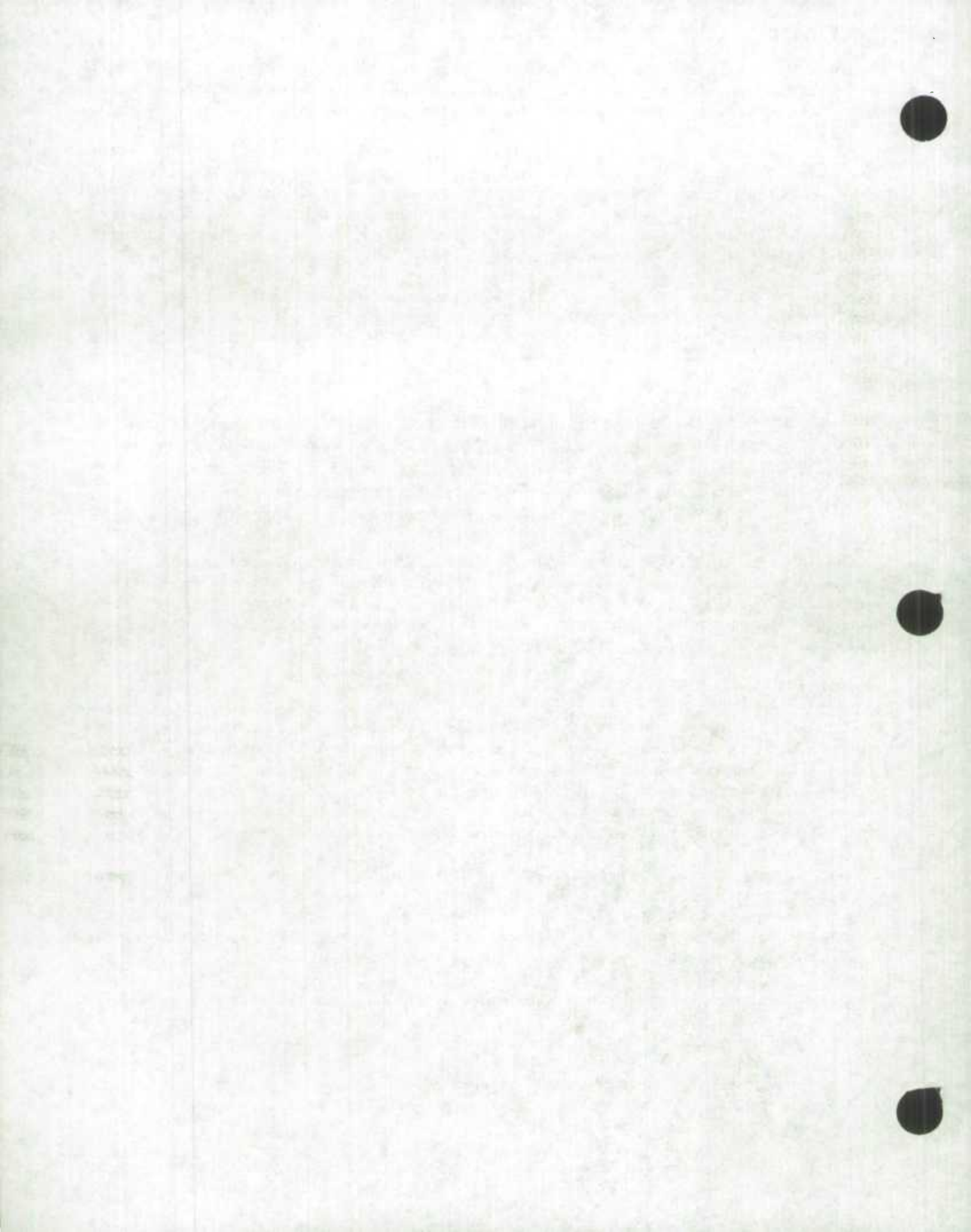
Planning Tools

It is of fundamental importance that the statistical office use its resources to meet the highest priority user needs, and that it have a transparent internal planning process to visibly ensure that it continues to do so. Our planning process is structured with top-down guidance and bottom-up proposals and employs an integrated assessment of user needs and available budget. The process is transparent: three levels of management provide joint review. Feedback is provided in written format for decisions, and oral format on assessments. There are explicit targets for efficiencies and contingencies. The process encourages innovations, developmental projects and pilots.

Statistics Canada's corporate planning process is the means by which the Agency assesses its programs and resources, adjusting them to changing client needs and priorities, while minimizing the negative impact of budget reductions when they occur. It is also a forum for surfacing and discussing cross-cutting issues, fostering efficiency improvements, and encouraging innovation by funding low-cost but promising proposals (e.g., small research studies, pilots, feasibility studies). It comprises five major steps:

- the preparation of Biennial Program Reports on each program's activities and performance for the previous year;
- the review and update of strategic long-term directions and priorities;
- the review and development of long-term (five-year) goals;
- the setting of medium term implementation plans to achieve the goals; and
- the examination and approval/rejection/postponement of specific resource allocation of policy/technical proposals.

A formal review of strategic priorities and directions is undertaken each summer and culminates in a Strategic Planning Conference in early September. Syndicates, with the support of their Planning and Review Teams



(PRTs) as required, examine the changing pressures and opportunities that affect their program, and confirm or adjust their strategic priorities and plans accordingly. These are presented to the Conference, the conclusions of which form the basis on which the Corporate Planning Committee sets the Corporate Strategic Priorities and Guidelines for that year's planning cycle.

By definition, strategic directions should be rather stable within a five-year planning horizon. They are therefore refined rather than fundamentally changed each year unless watershed circumstances call for major reorientations. Also, an issue ceases to be a strategic priority once program changes that satisfactorily address this issue have become operationally stable.

Guided by the strategic priorities, each Planning and Review Team and Syndicate reviews and updates the tactical plans for their own programs. On the basis of these reviews, specific proposals are prepared to identify any changes required to the resource requirements of those programs, with respect to their continued maintenance, their enrichment or their reduction.

Planning proposals are prepared under one of six categories:

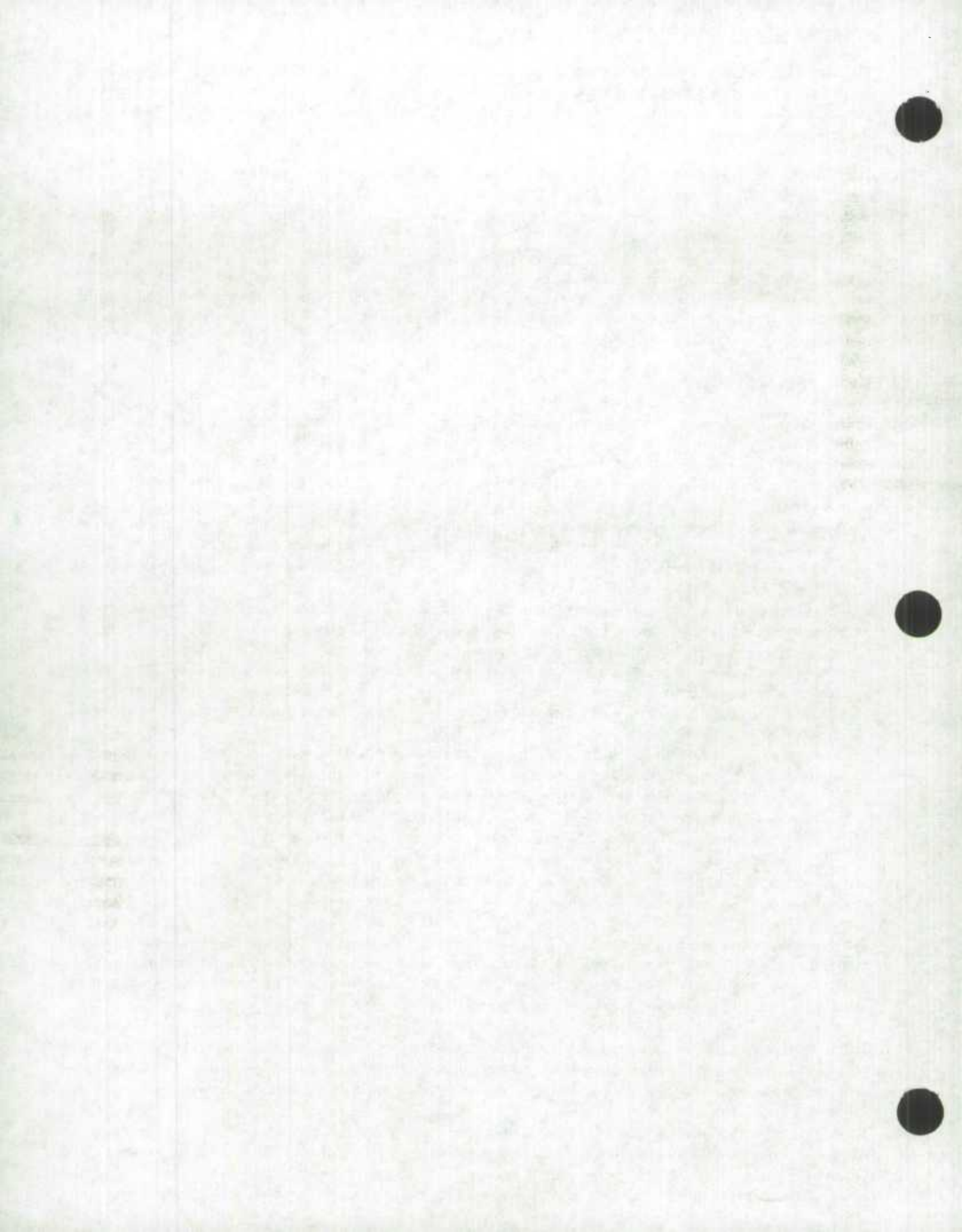
- **Adjustment:** To request a modification to a prior Corporate Planning Committee, decision, e.g., to increase or reduce an efficiency commitment.
- **Ongoing:** To seek the additional resources necessary to maintaining a program or service at its current frequency, level of detail, or quality. Workload increases should normally be absorbed within existing resources.
- **New initiative:** To propose improvements to an existing activity or to initiate a new activity and to seek the required resources. For major new initiatives, the proposal must include a description of the project management framework under which the activity will be carried out, to ensure that appropriate co-ordination will exist among all the areas involved in the activity.
- **Contracting out:** To propose the acquisition of a service or function currently performed internally from a commercial supplier, or through employee devolution (the latter consists in letting a group of employees establish a commercial operation from which the service is then acquired).
- **Efficiency:** To identify an activity that can be executed with fewer resources without diminishing the level of output. Such increased productivity may require an initial investment. Syndicates are assigned a 5% efficiency target over 5 years. They can achieve 1% each year or different percentages each year, provided they total 5% for the five years.
- **Contingency:** To identify areas from which resources can be liberated, by reducing content, coverage of frequency of a statistical program, reducing levels of service, or by eliminating an activity. Contingencies are generally the lowest priority program component which, realistically, can be reduced in scope or eliminated. Each Syndicate must identify, each year, contingencies representing 5% of its programs' budgets. Contingencies that are not implemented can be presented again in future years.

Syndicates can also raise management or technical issues in their reports. These may have no direct resource implications but may require a policy decision.

Syndicate proposals are reviewed at a 3-day plenary meeting of the Senior Management Group held in mid-January, at which all recommended proposals are discussed, challenged, and further refined. This ensures that a thorough understanding of all proposals, a common understanding of the expected fiscal framework, and the consistent articulation of corporate commitments and priorities is achieved.

Following the plenary meeting, the Corporate Planning Committee carries out a final integrated assessment of proposals and makes decisions on all proposals before the start of the fiscal year on April 1st. Full feedback of decisions made is given to all participants in the planning process, and communicated to all managers.

While this process is time-consuming and involves considerable consultation, both internally and externally, it results in corporate decisions that take into account the wide range of inputs and insights needed to achieve the required balance in the selection of the priority proposals. Each of the several initiatives encompassed by the planning process may produce separate benefits, but it is their integration over time that develops their value.



A planning system is an empty shell if management cannot carry out its conclusions. A variety of mechanisms are needed to encourage and facilitate the flexible and regular redeployment of staff - partly to assist them in their own personal development, partly to give effect to the changing mix of project priorities. Such personnel flexibility is advantageous from another point of view. It is typical for statistical offices to have a large part of their staff spend much of their career in one organizational unit. There is an apparent efficiency in this as the organization reaps the benefits of specialization and minimizes the job training costs. However, it can also lead to narrow perspectives, flagging motivation, a federation of little fiefdoms that may or may not work together harmoniously, and an inward-looking orientation. But our clients are increasingly interested in cross-cutting information designed to respond to their problems, and not in statistical releases narrowly based on individual surveys. Such demands cannot be satisfied by a traditional statistical office with overly focused, though highly competent staff.

The Corporate Assignments Division is one of our prime mechanisms employed to achieve development and redeployment of employees. By brokering the loan of employees to divisions and offering employees the opportunity to develop and become more versatile through on-the-job experience, CAD is instrumental in helping to ensure that Statistics Canada can maintain a no lay-off policy. A variety of mechanisms used by Statistics Canada to bring about the desirable level of personnel development and flexibility are described elsewhere (refer to Question 11). Here it will simply be noted that at any point in time about ten percent of our staff is working in a division other than their home base, in addition, as many people are working on project teams brought together for the duration of a large ad hoc project, often developmental in character. A well-developed training and development program is a critical element in ensuring employee versatility.

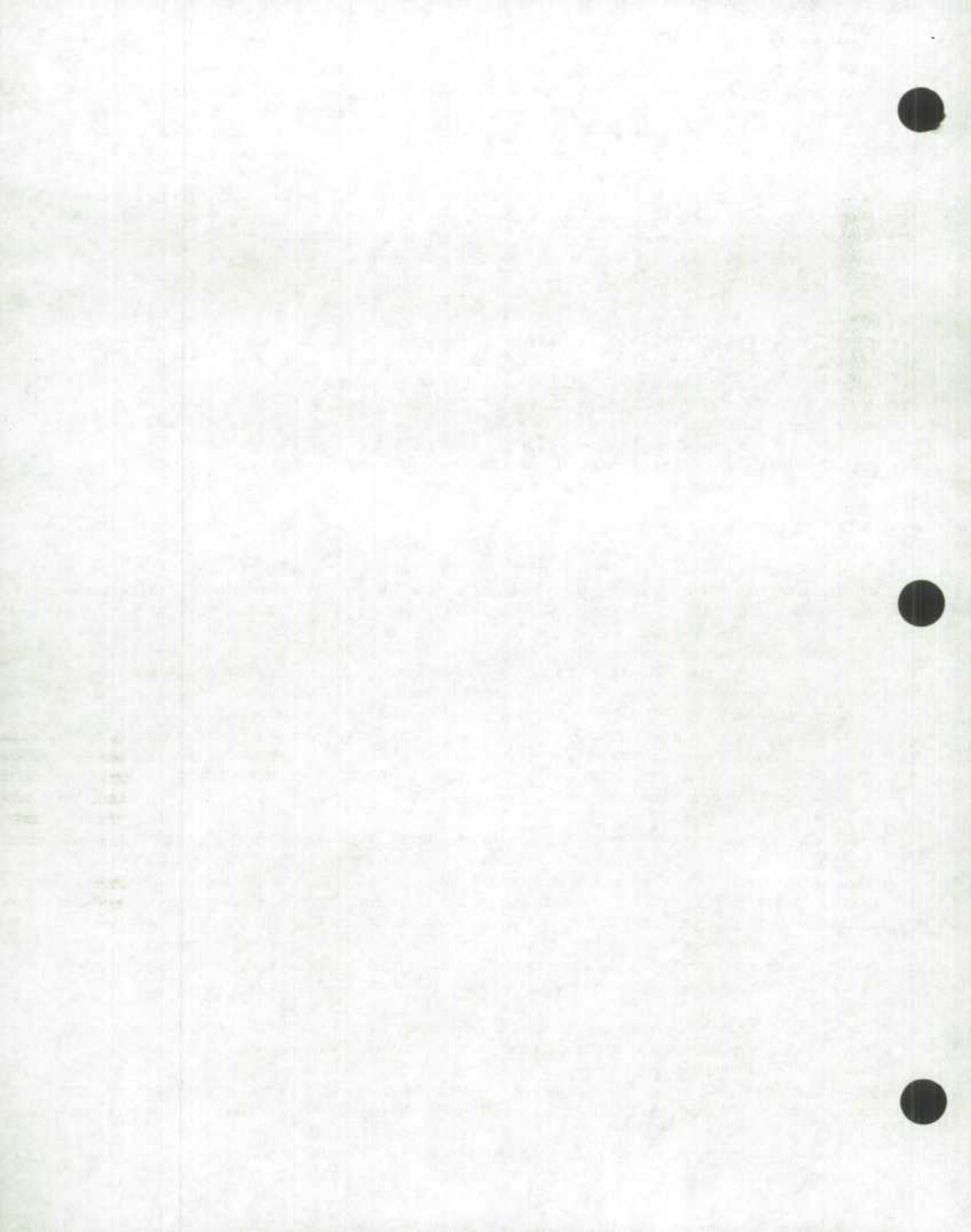
Tools for Human Resources Management

In implementing programs in professional recruitment, training and development and measures designed to enhance commitment and retention Statistics Canada adheres to the six cross-cutting principles which serve to focus our vision. These principles were previously discussed in Question 1.

Human Resources Programs are too important to be left to a series of ad hoc decisions. On the contrary, we believe in a systems approach for each of our major human resources programs. In professional recruitment, all our recruitment needs are "pooled" and one concerted effort is made by the department to attract the best recruits at the most advantageous time. Similarly, although we have tripled our investment in training to over 3.5% of our budget, this investment is channelled into very specific courses designed to benefit particular Statistics Canada programs and to enhance career development in certain desirable ways. Our use of generic competitions and rotational programs are designed to enhance career development for all middle managers and our no lay-off policy applies to all our employees without exception.

All of our major human resource programs are designed in such a way as to encourage participation through incentive rather than through regulation. For example, our new professional recruits come at a high cost for divisions because we factor in the cost of their special training. In spite of this, they are always in great demand because of the high quality and competence that they bring to their work. Our major survey courses are in high demand because employees know that successful completion of these courses will be a consideration in their future career advancement. Similarly, employees now want to be considered for rotation because the no lay-off policy provides a safety net in case something goes wrong and because they know that breadth of experience will be an important consideration in career potential.

Third, responsibility for the design and implementation of these programs rests, not with the Human Resources Branch but with line management at the highest possible levels. We make this a reality, not through urgings or procedures but by creating management committees, chaired by senior line managers and by holding these committees responsible for program successes or failures. Committees have now been in operation for the past ten years for professional recruitment, training and development, redeployment, employment equity and other major areas. The chairpersons now report quarterly to the Policy Committee on their successes and failures. They receive the credit for successes and take responsibility for areas in need of improvement.



The most potent way to ensure support for corporate initiatives is by **example from the top**. Employees and managers are more persuaded to follow corporate direction when they see senior management support the practice it preaches. We embrace wholeheartedly the concepts of **repetition, consistency, durability and tradition** for all our major human resource programs. Once we decide that a certain approach to human resource management is appropriate for Statistics Canada, we maintain this approach year after year regardless of pressures due to budget reductions of other competing priorities. We do not allow a "flavour of the month" approach. At times, it would have been very expedient to alter our "no lay-off policy" or to eliminate our annual investment in training or professional recruitment. This would have made it easier to deal with certain budget pressures or solve competing problems. Rather, we opt to adjust the amount of investment to adapt to current competing priorities, however, the basic commitment and program remains unchanged over the years. In the same way we believe in investing in the long-term development of our **career public servants**.

Many organizations feel that they can achieve greater efficiency and flexibility by having a small central core of permanent employees supported by casuals or contracts. Our view is that the efficiencies achieved in the short term by such an approach are more than offset by the loss of creativity, dedication and wisdom that gradually accumulates in a cadre of career public servants. Statistics Canada, therefore, believes in selecting only the very best for its work, but once on board, the department is committed to investing generously in the long-term career potential of each new employee.

At Statistics Canada, human resources management is not just a series of reactions to human resource issues; rather it is a concerted effort by the senior line management to optimize our use of resources within this framework.

Marketing Tools

Client orientation has always been part of the accepted culture of statistical offices. But, until a few years ago, it was an abstract concept: one "knew" what clients wanted, indeed "one knew better" than the clients. Improving client orientation has been the explicit preoccupation of Statistics Canada management for the last fifteen years and substantial progress was achieved in relation to federal and provincial departments. Attitudes to other clients changed significantly when we were allowed to keep revenues earned from the sale of products and services and could provide incentives designed to motivate our staff to be more client oriented.

Among other measures, we established net revenue targets for different line areas. These targets had as their broad objective to recover the full cost of dissemination and marketing activities. But net revenue can only be increased through increasing prices, reducing cost, or increasing sales. While price increases can give an important initial boost to net revenue, a continuing program of improvement must be based on the other two factors. Simultaneous attention to costs and sales volume quickly leads to a conscious effort to try to understand what products and services clients really need and are willing to pay for.

Specific revenue targets assigned to different line areas can also have a harmful side effect. They tend to incite rivalry for crediting sales and can lead to unhelpful attempts to undercut each other. We are trying to counteract these tendencies through a variety of measures: a central staff to provide overall guidance to marketing, a regional sales support organization which conducts proactive marketing on behalf of the entire agency, guidelines on the pricing of products and services, various revenue attribution and sharing policies and, last but not least, continuing senior attention.

The successful implementation of net revenue generation must be accompanied by a strong commitment to the public good component of our products and services. This follows directly from the mandate of statistical agencies, but it is also a prerequisite for the maintenance of public and political support. In Canada widely used information summaries are considered as public goods. Accordingly, our publications are available, free of charge, in a network of public libraries; we take special care to provide good analytic summaries to the media (where most people obtain their statistical information); we have a toll-free telephone answering service; we provide heavy discounts to educational institutions, etc. Conversely, private copies of publications, the right to access on-line services, and custom-designed packages are private goods for which we charge market prices.

The single most important marketing tool for client convenience is **the availability of one-stop shopping**. This concept implies not only a formal point of access, but also effective supporting metadata information. Speed of delivery (measured in terms of elapsed time between the receipt of a sales order to receipt of data by the client) is also vital. The needed technology exists. The key is good internal access to and good documentation of frequently used data collected elsewhere within the statistical system. The development of these metadata tools and the "fraction" of the long development of our on-line data base are specific priorities and challenges that we are currently addressing.

10. a b c To what extent does your organization see change as a way of life? To what extent is it willing to rethink everything it does in a fundamental way to improve its performance continually and/or adapt to significantly different circumstances?

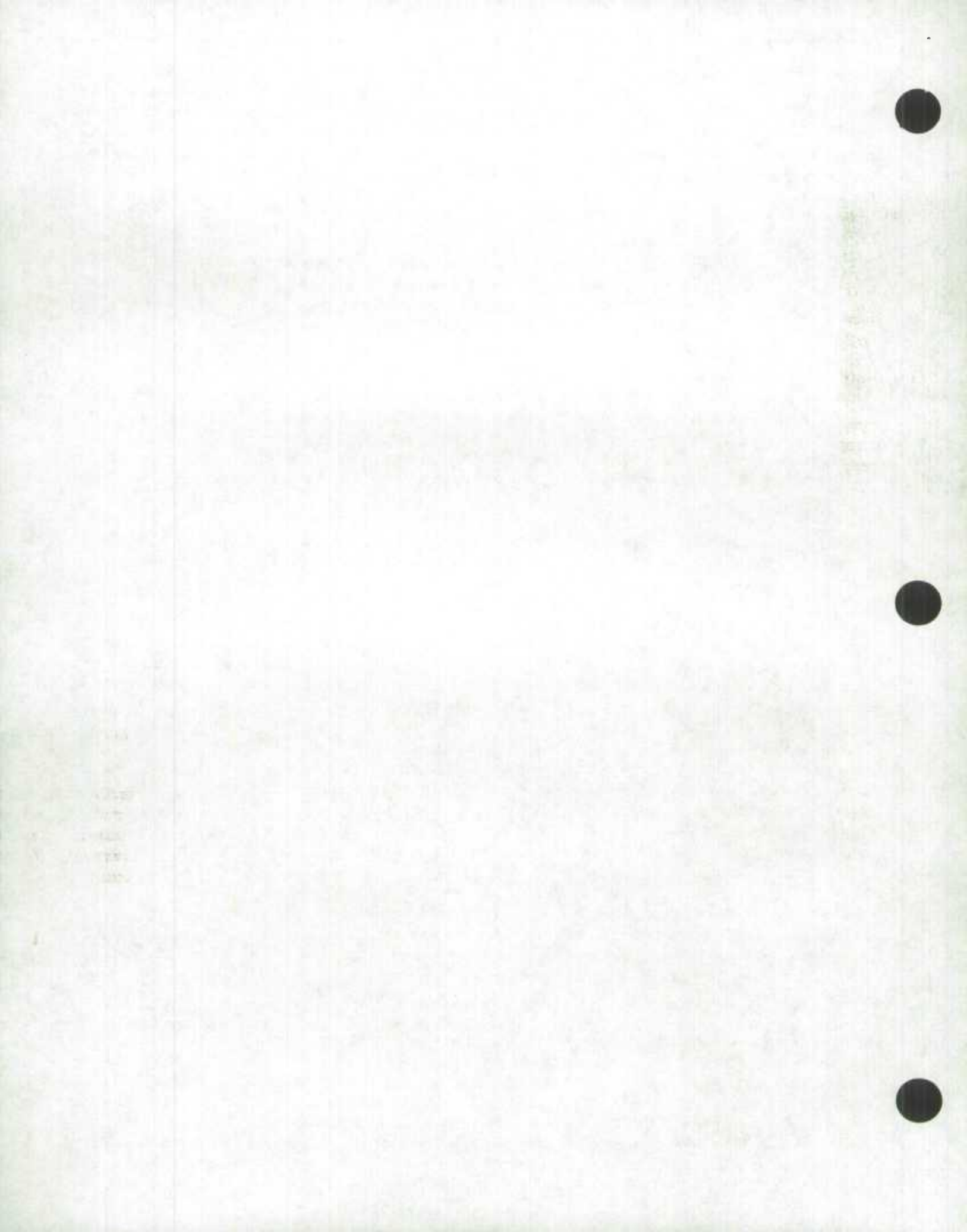
We have entered an era of profound change. For any organization to survive it must change to address the forces of change about it, headlong. To achieve excellence, an organization must be at the leading edge. One prerequisite for a statistical agency to be at the leading edge is to be able to reflect the priority information requirements, and to be able to maintain a very wide range of "listening devices". The actual "signals" from clients are typically particular cases of common underlying information gaps. It is paramount to have a planning system that provides for the identification of common recurring signals with long-term implications and brings these together with the proposed internal responses to them.

Statistics Canada has such a planning process in place (Refer to Question 9, Management Tools). This planning process has constantly evolved since its inception in the early eighties, and now integrates strategic, tactical and operational planning, and includes a formal accountability mechanism for program managers. Change is a way of life, but not erratic change determined by the management philosophy that is in current vogue. We do not proceed in a "flavor of the month" approach. Rather, the Agency embraces wholeheartedly the concepts of consistency and durability. We determine an approach and build on it, tapering and adjusting to achieve greater efficiency and flexibility and to resolve current competing priorities. Our approach is an identifiable thought process to improve, and develop while achieving efficiencies, not to change our course and direction just for the sake of change.

The last several years have witnessed a major transformation within Statistics Canada with respect to its approach to marketing. The approach represented a significant culture change from the preceding situation where publications were sold at nominal prices as public goods; where publishing costs were met from a central bureau fund; and where, consequently, the implicit incentive was to publish large amounts of data (there were always users who asked for more data at nominal prices), and there was limited awareness of, or even interest in, publishing costs and sales volumes. In retrospect the new approach can be termed an unqualified success, although its implementation required great care.

Preceding the implementation of the new approach, the Chief Statistician met personally each of some 50 program managers in order to ensure their necessary reorientation. The occasion was also used to make a preliminary assessment of what might be reasonable publication prices and cost-revenue balances for each area. The visible personal commitment of senior management was essential to overcome the many apprehensions and objections.

Even while introducing the new market orientation, it was also important to maintain a policy balance to preserve the notion that Statistics Canada's output serves as a public good. The approach adopted was based on the premise that even at the earlier nominal prices, few of the 9 million households or businesses in Canada purchased our publications: few of our publications sold more than 1,000 copies. Thus as a public good the information was acquired by the overwhelming proportion of Canadians through other means. These "other means" continue to be available free of charge to them. The most important among them is through the media to which not only is free access provided, but indeed preferential service; next, a network of public libraries designated by the government continues to receive our publications free of charge (but we are reimbursed, at a



discounted price, by the government department responsible for "sales" to these libraries); and all Canadians can phone Statistics Canada for information, using a toll-free line, and there is no charge for the first 15 minutes of telephone assistance. The basic data collection, processing and manuscript preparation continue to be met from the public purse; but anyone or any organization (including government departments) who wish to have their own copy of a publication, or want to use a customized service, must pay the incremental cost involved (including an appropriate overhead).

Senior management support and a defensible policy framework were important. But success also depended on learning to market. This was a very large undertaking. We created a central locus of marketing expertise, but we made it clear from the beginning that the main responsibility for marketing rests with each of our line areas. This was not only a practical necessity given our wide range of products, but even more fundamentally, it was designed to secure the major pay-off: reorienting our managers so that they would pay a great deal more attention to customer feedback. In addition to the basic discipline of having to meet specified cost-revenue balances, a variety of tools were used. Formal training and seminars in marketing were provided. Regional meetings with clients were arranged. An important mechanism was the establishment of a marketing management committee who had control of a marketing "line of credit" of \$350,000 per annum: all managers were encouraged to put forward to this committee requests for marketing funds accompanied by a business case. If the business case supported the likely recovery of at least the amount of marketing funds requested, these were granted. Marketing initiatives have involved cross-advertising within our own publication program, purchase of appropriate mailing lists and direct mailing of information pamphlets, seminars whose fees included subscriptions to some relevant publication (e.g., Canadian Social Trends), advertising in trade and learned journals, telephone follow-up of subscribers who failed to renew their subscriptions, etc.

In this marketing example, it can be seen that the leadership role of the Chief Statistician was critical. Having a Chief Statistician with the required power and influence to take such a system-wide priority decision was key, as were the channels through which the Agency kept informed about current and emerging user priorities.

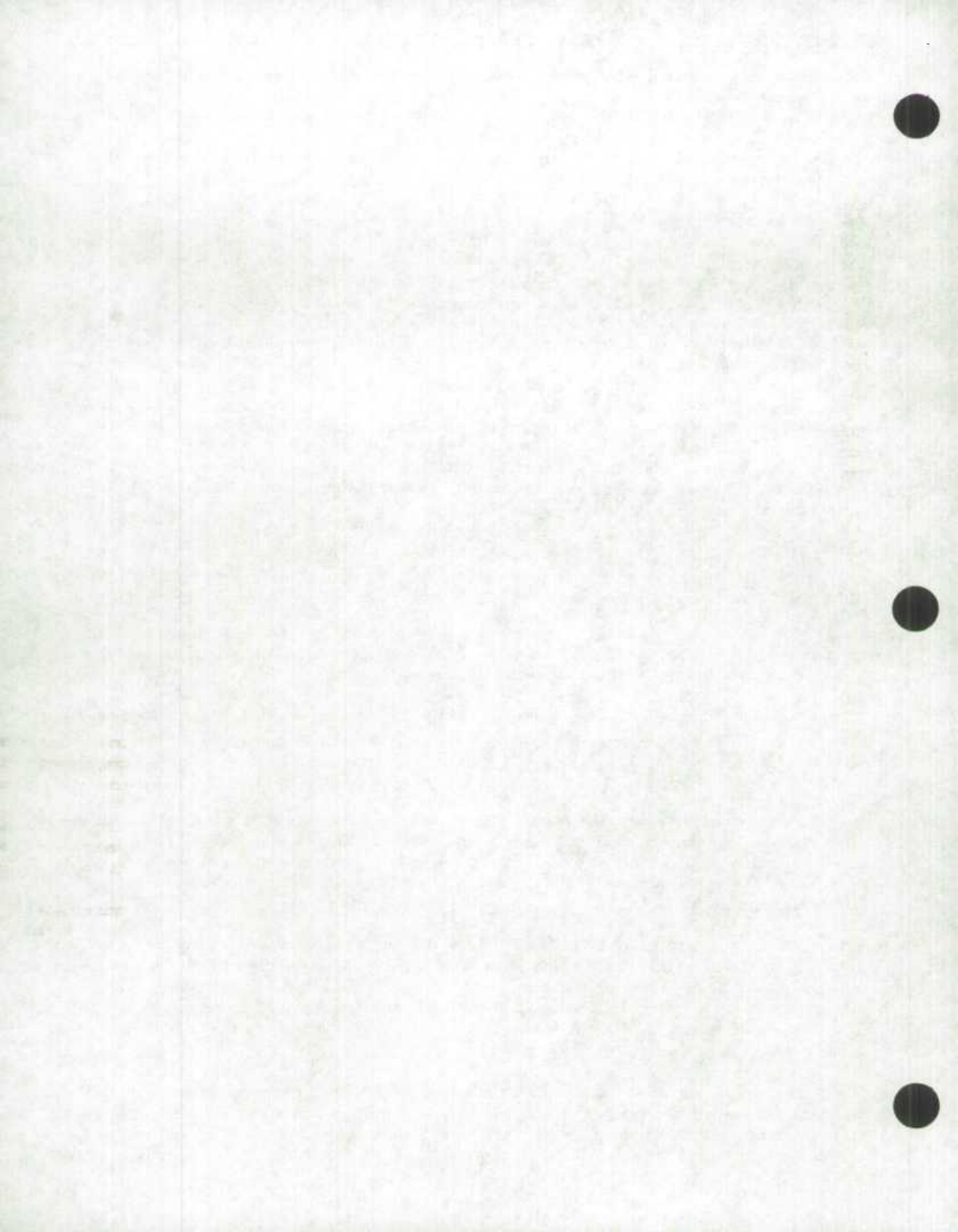
The Chief Statistician's personal commitment to meeting with program managers to discuss the new approach set the direction for a fundamental culture change that emphasizes client orientation, service team work and engagement to illuminate public policy issues without political partisanship.

State of the Union addresses by the Chief Statistician and subsequent printed interviews tabled in the employee magazine, SCAN, help to set a corporate culture and tone, which highly recommend flexibility and responsiveness.

The Agency well recognizes that in the future, winning organizations will be characterized by their ability to adapt their environment with considerable speed. Over the past decade we have been attempting to create this very flexibility within Statistics Canada. To achieve it we have set about making our employees as versatile as possible, and to do so we have created concrete mechanisms in the key areas of professional recruitment, career development, training and motivation (Refer to Question 2 for more comprehensive information on our Human Resources initiatives).

Maintaining a spirit of innovation is also essential. This is very difficult to achieve when the resources required to do so compete with needs of current statistical series, each having a vocal and supportive client group. Yet, the Agency safeguards a relatively small margin of resources needed for conceptual and developmental work, experimenting with new methodology, trying out new analytic and dissemination approaches, and implementing pilot surveys to demonstrate the workability and relative advantages of collecting new types of information. A failure to do so would guarantee longer term decline.

The Agency maintains a strong capacity for client sponsored and paid surveys, as these surveys, if well conducted and responsive to client needs, increase client satisfaction with its responsiveness. Furthermore, special client surveys in new areas regularly involve innovation and therefore contribute to an overall atmosphere of openness to new ideas. Over the years, some of the most innovative surveys of Statistics Canada have been pioneered through the special surveys activity.



In striving to achieve excellence, the Agency views change as a constant flow, a growth of ideas from a round of input. Change results from an identified need or from innovative developmental work. It is put in place because the Agency believes the approach will bring the Agency further along the road to excellence.

11. **a b c**

The phrase, "Our people are our most important resource" is probably one of the most frequently found 'slogans' in the world of organizations. However, in many organizations those words only resemble reality in a very tentative way. Some organizations seem to like the words better than the reality they are meant to describe; other organizations take such words very seriously and go to great lengths to ensure that their employees, at all times and under all circumstances (also in times of contraction), feel that they are the most important resource. How would you describe your organization in this area?

At Statistics Canada we see the need for sound human resources practices as critical for our survival as an effective institution. Many factors have increased the pressure upon our employees and, in consequence, on our need to be more effective in our human resources management. These pressures encompass:

- The challenge of succeeding in an increasingly competitive global economy and the complex demands on governments necessitate that employees do more with less.
- The challenge of absorbing budget cuts while proceeding with our priorities as normally as possible necessitates new systems and procedures, new organizational structures and new technologies. These are all changes to which employees must adapt.
- The aging of our existing workforce and the decrease on the pool of new recruits means that special interventions are required to ensure a robust workforce in the future.

The Agency views Human Resources Management with specific goals: getting the best people; training them to do their jobs; organizing them to make the best use of their talents and to encourage co-operation; promoting career broadening experiences to make the best use of their potential so as to prepare our future leaders; and creating a supportive work environment which will encourage best efforts and retention.

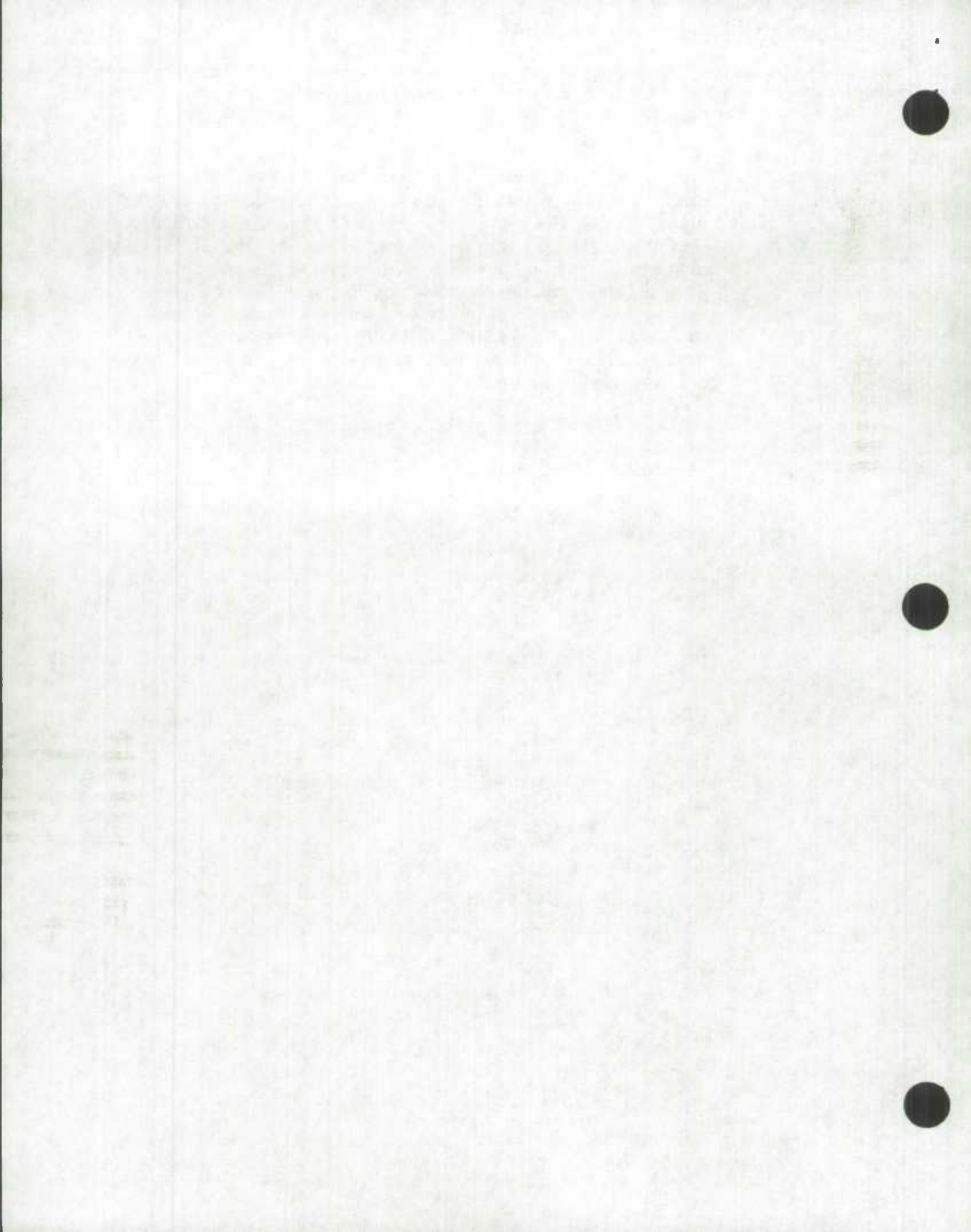
The Agency's basic philosophy is one of placing a high priority on these human resources functions, not only because they guide us towards an equitable and civilized way of treating people, but because this is the best way to obtain maximum performance and to strive for and achieve excellence.

We have concentrated our efforts on developing a large number of concrete, practical mechanisms to support each functional area, and to deliver a series of practical programs which are of benefit to our managers and employees.

The narrative which follows, provides an overview of the evolution and progress the Agency has made in the functional areas of Professional Recruitment, Training, Career Development, Employment Equity and Commitment and Retention.

PROFESSIONAL RECRUITMENT

The Agency feels strongly that its future effectiveness depends on the recruitment of the best new professionals currently available on the market. The intake of new professionals (economists, sociologists, demographers, mathematicians and computer specialists) is under a central management. Instead of making some one hundred managers make individual decisions each year regarding their needs, an agency-wide committee forecasts future



needs and engages in university recruitment at a time when it can attract the best and the brightest. The quality of recruits chosen in this fashion has been high and there has been a steady demand for their services.

Newly hired graduates are not immediately put into a regular position because it is critical for them to acquire a good exposure to the Agency. During their first two years, they rotate among several positions on assignments of six to eight months each in various parts of the organization, and take prescribed training, such as the Survey Skills Development Course, before they "graduate" to a regular position. The ES, MA and CS groups each have their own rotation and training plans. Assignments are geared to broaden experience and increase versatility, and also serve subliminally to emphasize that notwithstanding the difference in content, there should be a commonality of approaches adopted by the distinct parts of the agency. This notion of commonality is a value that must be inculcated at the onset, much like confidentiality, data quality and fostering of a service mentality.

TRAINING

Training in Statistics Canada is the consequence of an analysis of the Agency's vulnerabilities. This analysis revealed that budget reductions threaten to weaken the agency's capabilities through erosion of programs. It further revealed that the age structure of senior ranks might precipitate large scale retirement within a relatively short period. The response, the threat of loss of human capital, has been to make the remaining capital more versatile and to increase its potential performance. Like many initiatives undertaken within Statistics Canada, the development of a training program has been entrusted to an internal 'management committee'.

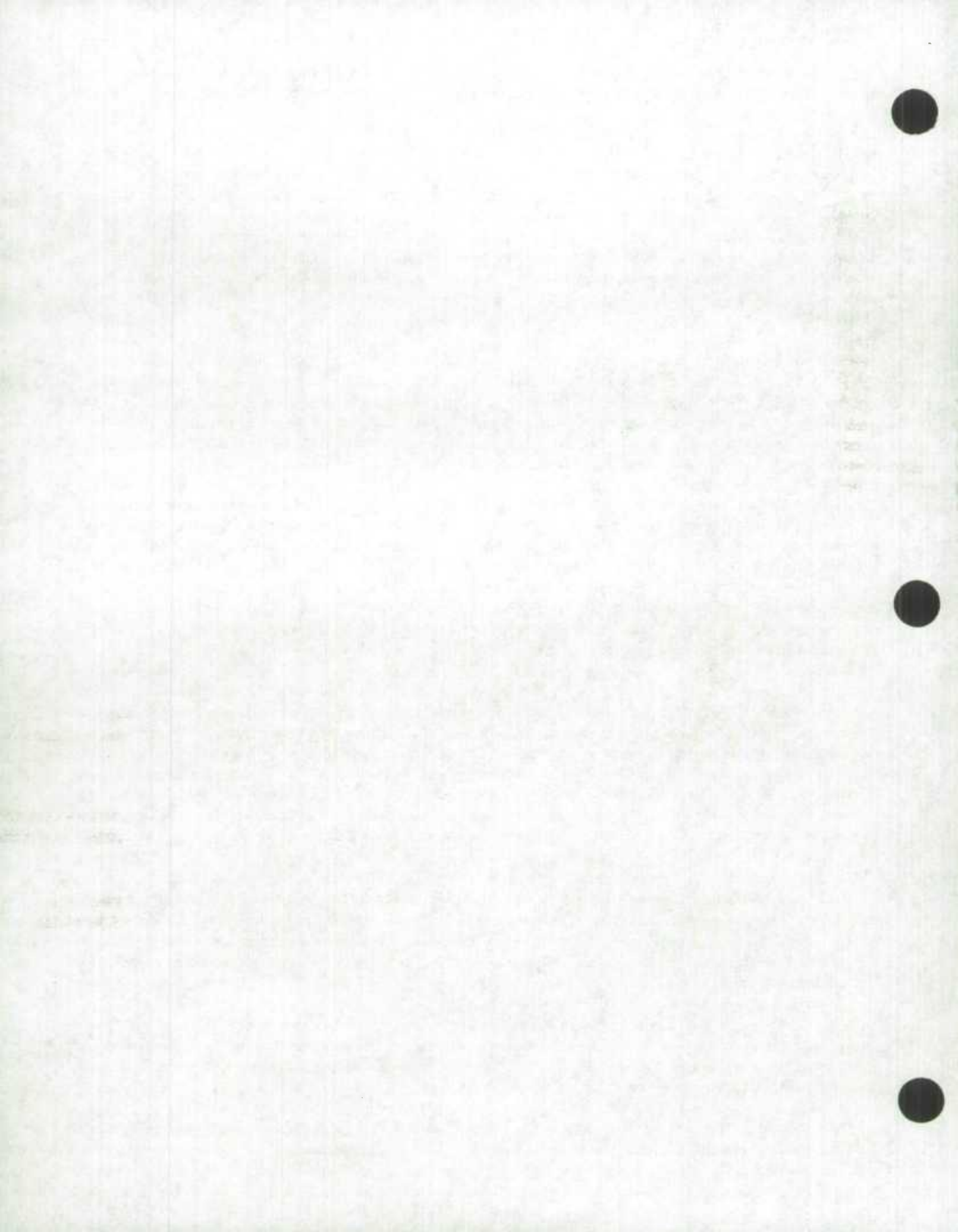
The Training and Development Committee, composed of a dozen divisional heads, represents all areas of Statistics Canada. It meets once every month to review progress and open new matters for definition and policy formulation. The chairperson is not a senior officer drawn from the personnel community - he is in fact, in charge of one of the agency's three programme areas. An inner body of three members meets more frequently to ensure that decisions are complied with, work completed on schedule, and difficult matters are dealt with by Steering Committees which report directly to the Committee. The entire curriculum content, scope, and overall thrust of training is entirely in the hands of its direct beneficiaries and a senior line Director General is designated as "Product Champion"; training is driven by demand.

Our training is driven by senior managers; our courses emphasize our business. Our efforts focus on our knowledge requirements for different career streams and for the various levels. We offer a full range of technical courses in statistical methods, computing and accounting. In addition we present overview courses such as national accounting, measurement of employment and unemployment, price measurement, income and poverty, and population censuses. Several major "flagship" courses were begun in 1992-93, including the Survey Support Certificate Program, a modified version of the Survey Skills Development Course, oriented toward current employees. The number of these professional training courses has expanded over the recent years; new courses are added to the curriculum and existing courses modified to meet current needs.

The department has been very successful over the past few years in increasing its investment in formal training. The average number of training days per indeterminate employee has risen from 2.7 in 1991/92 to 6.3 in 1994/95. This training includes that which is provided by Statistics Canada's instructors in the Statistics Canada Training Institute as well as training provided at each of the two local Universities, (some of which is jointly run by Statistics Canada and University staff instructors), and also training that is given in other venues or by specialized consultants.

The Agency's focus for the future lies in maintaining our momentum, expanding and refining our existing programs, and ensuring that we can provide adequate training for new program initiatives within the Agency (i.e., program gaps), evaluating the distribution and qualitative impact of training programs and finding ways of encouraging staff and manager commitment and participation.

Statistics Canada does not believe that its efforts to develop a training programme have been crowned by ultimate success and that the results reflect an equilibrium between the possible and the attained. In fact, we are well aware that there are still many gaps, however, there is also a framework which allows for systematic progress to be made. That framework is based on a number of very simple principles. For example, Statistics



Canada will only administer those training programs which are of direct benefit to the agency and which no one else is capable of administering more effectively. Neither will Statistics Canada administer training in those areas which do not lend themselves directly to quantification (with a decreasing number of exceptions), even when they are directly linked to the subject at hand. For example, the Agency will shy away from specific courses in "leadership" or in "management" but will stress such subjects as cost accounting and progress estimation and reporting. The former are considered matters that should be learned by doing.

In order to make statistics more comparable it is of the essence that statisticians from all countries gain an understanding of the concerns, constraints, institutional frameworks and technical considerations that make their counterparts act the way they do. One way to foster such an understanding is by running formal training programmes that are open to colleagues from other countries. Statistics Canada's approach to training is precisely that.

To increase individual effectiveness, as 80% of budget is salaries, and to enhance personal development and morale, it is critical to ensure that all employees and their supervisors are aware of the full spectrum of courses available, so that they may identify appropriate training opportunities. The Statistics Canada Training Institute Course Catalogue and Schedule of Courses are available in electronic format on the ICN (Internal Communications Network). The Schedule of Courses is produced annually in March. The Course Catalogue is also available in hard copy. A companion publication entitled Training and Development at Statistics Canada, outlines the Agency's philosophy and policy regarding training and development, details the responsibility and roles for training, and the organization of the training function, and, in addition outlines training available outside of the Agency and a range of educational leave options and entitlements. Of particular interest in this latter publication is the framework which presents a Profile of Common Training and Development Requirements displaying career levels, generic needs and the means of acquiring this knowledge and skills through continuous learning.

CAREER DEVELOPMENT

Statistics Canada views career management as an ongoing, collaborative process between employees seeking to develop their full potential and achieve their career aspirations and the organization seeking to ensure that the necessary human resources are available to meet its objectives. The Agency has initiated a number of measures to facilitate career development, including generic competition, rotation, corporate assignments, the Research Sabbatical Program, bridging, Performance Feedback and Review and skip-level interviews.

Generic Competitions

Generic competitions have been used to augment promotional opportunities, which have, in the past, been quite dependent upon the chance event of being in the right division when a vacancy occurred at a level immediately above.

While generic competitions are something well-known in a number of other countries, they are somewhat of a novelty at Statistics Canada. Previously, the merit principle for public service appointments was managed in the following way: vacancies were publicly announced and candidates were interviewed or examined by a carefully selected board which was expected to select the best candidate and whose decision was subject to appeal. This process was managed for individual vacancies without regard, in the vast majority of cases, for other positions at the same level or requiring the same combination of skills and experience.

For some time now, this pattern has been changing in favour of Agency-wide generic competitions aimed at filling vacancies that fall within the same category and require commonality of skills and experience. Generic competitions are now the norm for Director, Assistant Director, Section Chief, CS-4, CS-3, CS-2 and CS-1.

Generic competitions offer greater formality and transparency, thus largely overcoming the problem of "crown princes and princesses", as generic sections do not present an advantage to a few insiders. In addition, generic competitions offer employees the possibility of applying for competitions much more often. In the past, employees tended to wait for an opening within their own section. Vacancies often took years. If an employee

were not successful, when the opening finally occurred, he/she may have felt devastated that the opportunity had been missed. Now, with the generic process, employees can learn from the generic competition and try again the next time.

Rotation

Rotation is another tool used by Statistics Canada in career development. Rotation involves primarily divisional Directors and their deputies. The latter are pooled and their rotation is regarded as a preparation for the rank above. Rotations take place at variable frequencies but, in the case of Assistant Directors, three-year assignments are regarded as the norm. The relation between assignments is sought to be a logical one, rather than one dictated by the happenstance of vacancies. For example, an assignment on basic statistics is sought to be complemented by one in the National Accounts; an assignment in one of the branches of social statistics by one in the Census of Population; and one in any programme area by one in either operations or marketing.

Rotations are not managed by specialized committees. Rather, the role is assumed by the most senior officers in the agency at one or several meetings presided over by the Chief Statistician. The merit of the procedure is that it is invested with a legitimacy and a finality that cannot be matched by decisions taken by any other committee within the agency. The occasion is also used as an opportunity to make senior managers look into the qualities and potential of those more junior.

Rotation is by no means compulsory, rather assistant directors rotate largely because it has become part of institutional behaviour and more importantly because it is understood to be a necessary step in career advancement. This is but one of the profound behavioural changes that have taken place within the agency, without the need of any legal or regulatory change, by simply building a proper system of incentives and deterrents.

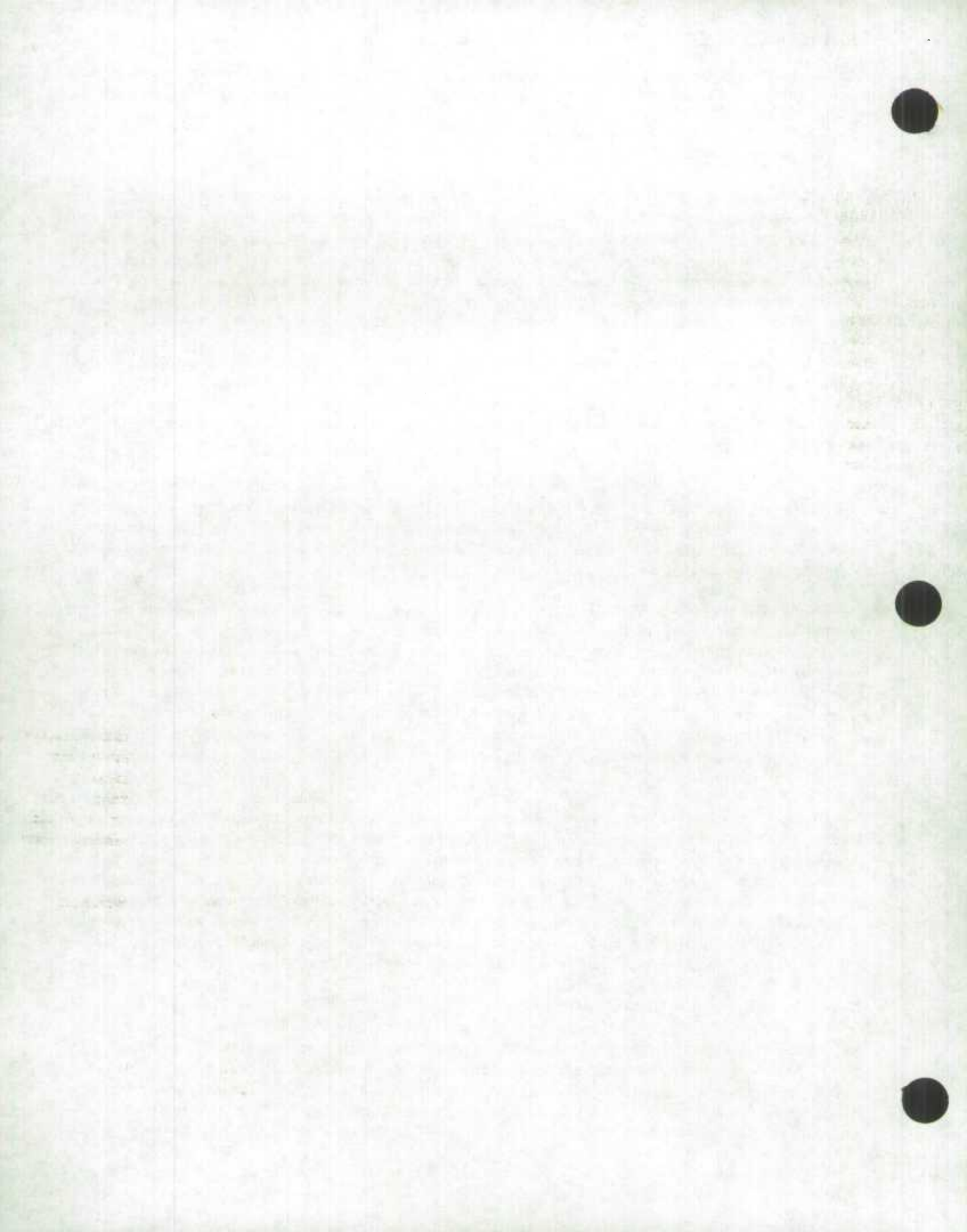
The scheme of rotation for divisional directors is designed to improve the performance of those who have the potential, will and experience to progress to positions of greater responsibility. The scheme is administered by an expanded policy committee of senior managers consisting of the Chief Statistician and the six Assistant Chief Statisticians together with the thirteen Directors General. This committee meets once a year and reviews the past performance of the agency's fifty divisional directors - their revealed strengths and weaknesses, their achievements over and above what should be expected from them in the normal exercise of their duties and so on. At the same time, the committee examines opportunities for rotation and particularly those opportunities that might result in an increase in versatility sufficiently important to offset the disruption that such moves inevitably cause.

The same scheme exists for the level immediately above that of divisional directors, the thirteen Directors-General. Their performance is reviewed in much the same way by the policy committee, and the final section concerns their mobility and potential to grow through new assignments. Recent examples of this type of rotation are those of a rotation in which the director general responsible for all household surveys was switched to the branch that includes statistics on international trade, prices, and manufacturing. The previous incumbent was named head of all computing services; the director general responsible for analytical studies was switched to the branch responsible for statistics on health and education and the previous incumbent moved to takeover household surveys. All these moves implied a complement to the experience amassed by the incumbents.

Corporate Assignments Division (CAD)

Corporation Assignments Division (CAD) is one of the most strategic career development tools employed by the Agency. The Corporate Assignments Division (CAD), brokers the loan of Statistics Canada employees to new jobs in the Agency or in other departments. Assignments are arranged through a consultative process involving the home manager, host manager and the assignee. Cancellation or modifications to the assignments require the concurrence of all three parties.

Every employee on CAD is guaranteed a return to their home position. Assignments can be in classified positions (vacant or not-vacant) or in unclassified assignments. The classified level of the position can be higher



than the level of the assignee. Match-ups are arranged on the basis of employee capabilities and job requirements. Acting pay is not permitted for CAD assignees, nor for replacements should they be on CAD. It may occur in some other replacements.

In most cases approval of the home manager is required in order to apply for a CAD. Employees with four years or more of seniority in their current position or level are exempted from this requirement. CAD is only open to indeterminate employees; terms are not eligible. CAD within STC is open to employees from other departments, however under current staffing restrictions and redeployment initiatives, a CAD into STC must fulfill a need we cannot supply and must be approved by the Field Gatekeeping Committee.

CAD is a voluntary approach to personal career development. By registering with CAD, an employee becomes part of a pool from which managers select individuals for specific assignments. The opportunity broadens knowledge, skills and experience and makes an employee more marketable and adaptable, which in turn makes them less vulnerable when a specific activity is discontinued. CAD also influences promotional opportunities; promotions among CAD assignees are significantly more frequent than among others.

The role of Corporate Assignments Division is evolving and expanding. It now includes brokering for part-time work assignments and administrative recording of requests and approvals of part-time work. In addition, CAD in the future will play a key role in our redeployment initiatives by brokering and matching employees with assignments and openings.

Research Sabbatical Program

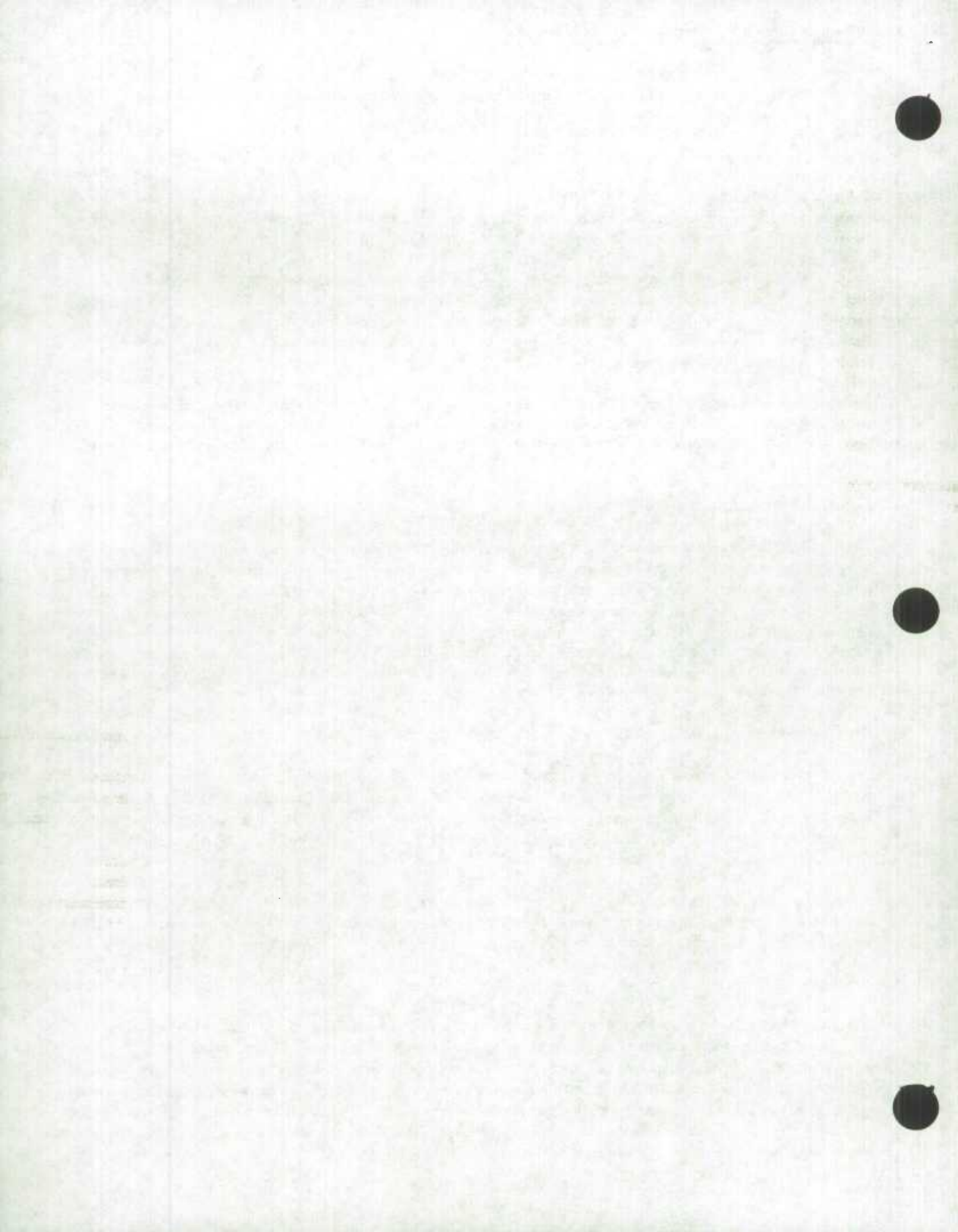
This Program offers another career development opportunity, this time for potential research statisticians to be temporarily exempted from their own duties in order that they may pursue concentrated full-time research on a topic of their own choosing. To continue our reputation as a world-class statistical agency, Statistics Canada must continue to advance in the area of research and analysis. As opportunities for imaginative research present themselves, the Agency encourages and nurtures them. The Research Sabbatical program allows employees to pursue rewarding careers as well as make meaningful contributions to Canadian society. The Program is open to those middle Agency employees who have sufficient experience and professional training to undertake a program of original research and analysis.

Briefing sessions are held annually to provide information and assistance to potential participants. Eligible employees are invited to submit proposals and, may do so with the assistance of research advisors who are made available for consultation. Evaluations are done in conjunction with specialists, from both within and outside the Agency, who judge the theoretical or conceptual merit of the proposal and its relationship to the Agency work. Proposals, must be of specific interest to the Agency, and may involve co-ordination or working in conjunction with current fellows or specialists within the Agency, or with the staff at universities or other institutions. The final results must be worthy of publication.

Research terms are from six months to one year on a full-time basis. Home positions are held for participants until the termination of their assignments. Arrangements are made to fill-in for the participant on a temporary basis. Participants are paid in accordance with the classification of their home positions.

Bridging

Bridging offers a method to address the change in the nature of our work at Statistics Canada which necessitates that the Agency provide increased emphasis upon informatics skills and project participation skills. To take advantage of the new technologies our support groups need a broader range of skills and abilities. Budget reductions coupled without low rate of attrition among indeterminate employees (currently under 2% per year) necessitate that we control hiring and that we maximize the skills of our workforce. Although the Agency expects to be able to meet our reduced budget, we will have to reassign and retrain employees to adapt our remaining resources to the evolving operational needs.



For redeployment on this scale to succeed, while retaining our no lay-off policy, we need to develop employees and to create incentives for employees to want to be redeployed and we need to create incentives for managers to take the redeployed employees. The Computer Assistants Certificate Program, one of Our Flagships Courses, allows employees who have the aptitude and interest to take computer skills courses, to develop and strengthen their skills base, thereby facilitating movement to more technically challenging positions.

The recent development of a second level Survey Support Certificate program focusing on project skills and providing employees with the means to be self-motivated and self-directed, and to take ownership and accountability for their learning will also serve a tool for bridging. Both these programs will make the employees more attractive to managers with vacancies.

Further efforts are underway to investigate concepts which will lead to a more formalized program of bridging between the CR and SI groups, using these two existing programs as a base. One such program is the Technical Support Development Program which is being designed to broaden the vision and skills of clerical staff and form a bridge across the gap from clerical to technical positions. The program is currently under study and will be the topic of discussion at Policy Committee in April of this year. The program will consist of work assignments to reinforce the hands-on learning of the training courses.

Performance Feedback and Review Process

The Performance Feedback and Review Process is focused on development and has an objective promoting and strengthening the communication between the supervisor and employee. At Statistics Canada we have added a step in the process by inviting employees to participate in a skip-level interview with their supervisor's supervisor. These interviews focus upon the employee's career aspirations and suggestions from the supervisor on the most appropriate means of obtaining them through on-the-job training, courses, seminars, conferences, assignments and other means. The meetings provide employees with a corporate perspective of occupational growth. One of the main themes of these interviews is encouraging versatility in employees through developmental opportunities.

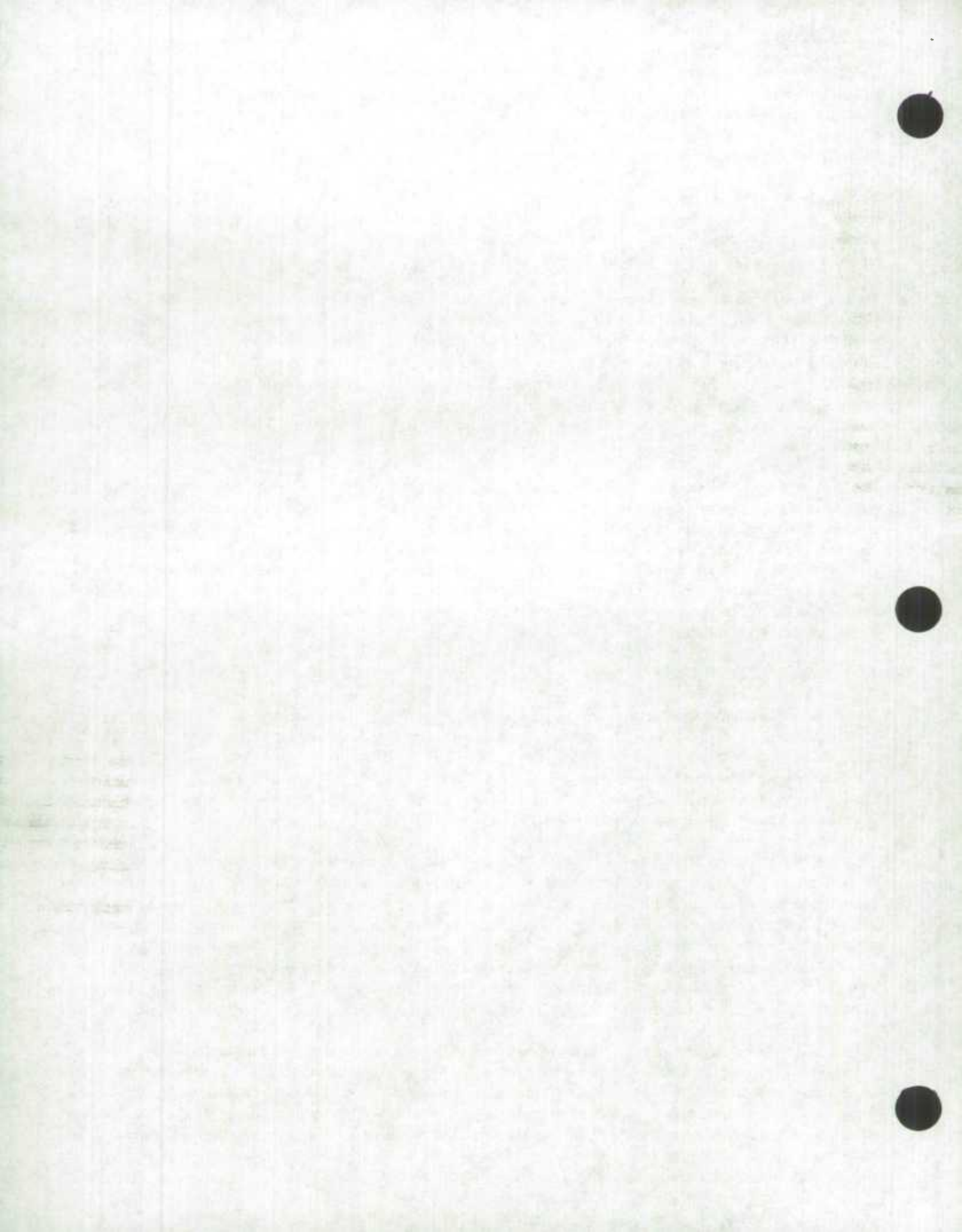
COMMITMENT AND RETENTION

The Agency has endeavoured to prepare our people for change, to help them understand the need for it, to assist them in adjusting to it, and to reinforce their sense of commitment to the Agency's missions.

To remove employee apprehensions over job security, Statistics Canada has had a commitment to employees in the form of a no lay-off policy since 1978. The Agency strives to encourage innovation, creative risk-taking, readiness to be redeployed; the opposite to an environment of fear.

This policy is quite a challenge to maintain during the current period of restraint and budget restrictions. To do so we have started well in advance to take action, by controlling new hiring from outside. This will allow us to accumulate the full impact of our attrition for the next three or four years. The Agency expects to be able to meet our new budget targets through this method. To accomplish this goal, we will have to retrain and reassign employees to adapt our remaining resources to evolving operational needs. Cooperation in redeployment and willingness to adjust to new job requirements are essential to continue our no lay-off policy. As long as the spirit of cooperation remains, the Agency is confident that we can maintain our no lay-off policy, and we will have no need of Early Retirement Incentive.

To maintain the no lay-off policy, a comprehensive **Redeployment Process** has had to be put in place. A recently reconstituted Corporate Redeployment Committee is responsible for leadership in the implementation of the program. In order to fully absorb budget reductions and program changes staffing controls have also been implemented. A new approach to corporate-wide redeployment involves procedures tailored to specific employee groups and, as a general rule, the identification of clusters of vulnerable employees rather than individuals. Efforts focus on the creation of employment demands through such measures as term reduction and the creation of employee supply through various retraining initiatives.



The **Employment Equity Program** is another commitment and retention initiative. The Employment Equity Program seeks to make available the widest possible pool of potential future employees and future leaders. Given the reduction in availability of new skilled employees and the growing population of designated groups, the promotion of Employment Equity principles is key to the continuing survival as an effective organization. Progress in this area is therefore a fundamental goal, certainly on ethical grounds and also for reasons of enlightened self-interest.

Statistics Canada's strategy in achieving Employment Equity involves incorporating equity principles into day-to-day operations, creating an environment that is conducive to employment and career opportunities for all employees, including those from the four target groups: women, Aboriginal peoples, persons with disabilities and visible minorities, so that all employees may contribute to their full potential.

Our major Employment Equity achievements lie in the progress achieved within three special projects undertaken under the Special Measures Innovation Fund, a fund jointly operated by the Public Service Commission and the Treasury Board Secretariat, for projects which address a unique problem or approach a problem from a unique perspective.

The Managing Diversity - Diversity Awareness Project sensitization is being presented to every Statistics Canada employee, and supervisors and managers are receiving training in **Managing in a Diverse Workforce**. Since the onset of the project in 1995-96, 1,684 participants have attended the 1/2 day **Working in a Diverse Workforce** session, and 644 participants have attended the 'Managing in a Diverse Workforce' session intended for managers and supervisors. Between April 1996 and June 1996, half-day sessions will be presented to a further 1,200 employees.

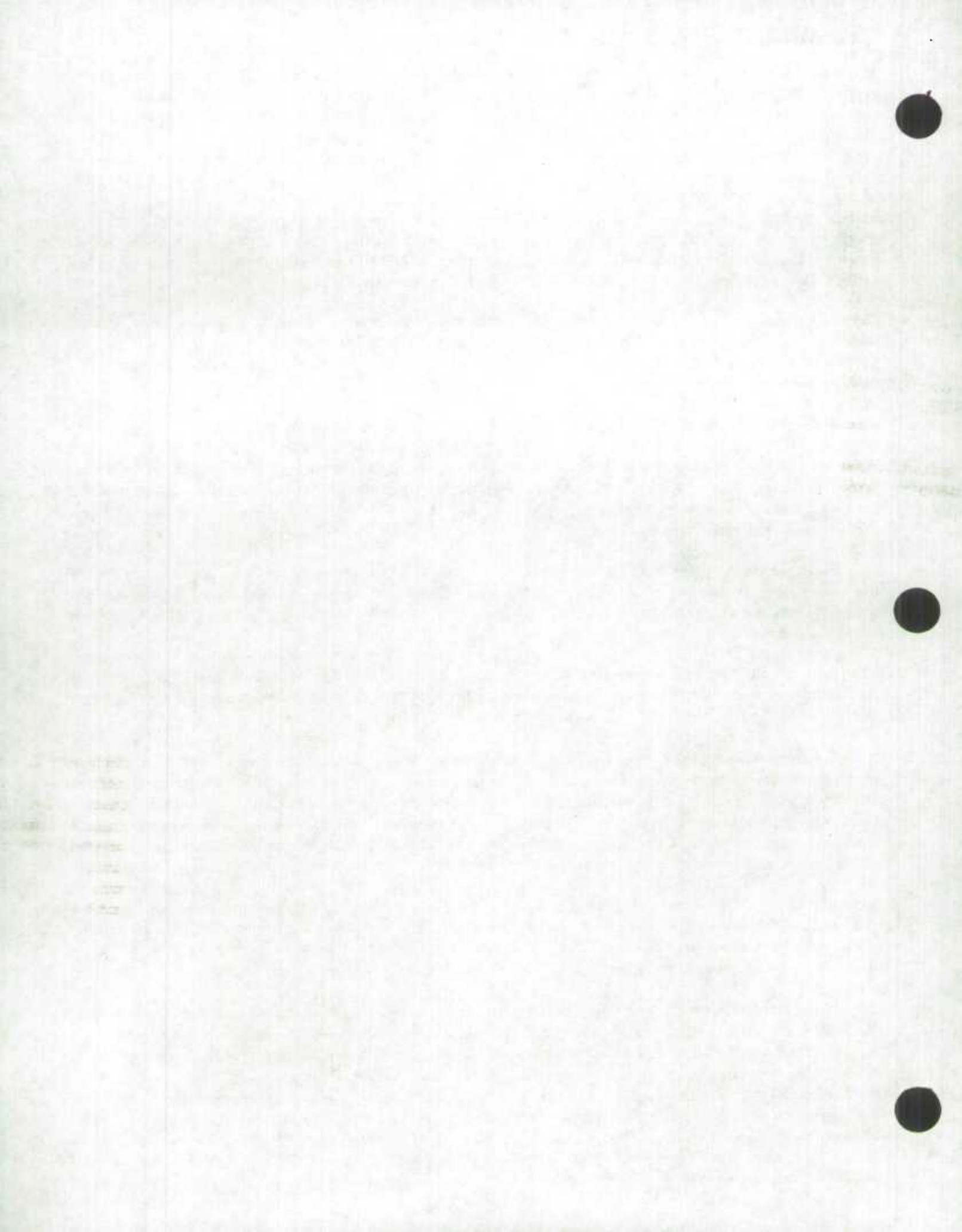
As a second phase of the Diversity Awareness, priority is being given to ensuring the impact of this initiative for the longer term, by focusing efforts on reinforcing reference material, developing modules for inclusion in ongoing courses, such as the Supervisors and Managers Courses and providing briefing material for Selection Board Members and for trainers.

A second project, **The Development of Strategies for Improving Aboriginal Recruitment, Retention and Advancement** is designed to assist managers involved in recruitment through making students aware of career opportunities at Statistics Canada and sensitizing managers to Aboriginal issues.

A third project, **Making the Corporate Assignment Program Work for Employees with Disabilities** is a high priority undertaking to promote the career development of employees with disabilities through retraining and redeployment through the Corporate Assignments Division. The project has produced an Employee Reference Guide and is now assisting employees with disabilities in securing CAD assignments. The program provides 'incentive funding' to encourage hiring an employee with a disability. Assignments range from 3 to 18 months duration. On average the incentive money has represented 38% of employee salary over a period of 9 months.

Incentives have ranged from 10% to 100%. The focus is now to develop the infrastructure to market employees and design rehabilitation plans for employees returning from disability leave, identify training and development plans and provide career development information and reference sources for the employees, while simultaneously sensitizing management and employees to the issues facing employees with disabilities.

The unique committee structure employed at Statistics Canada to encourage the commitment and involvement of management in human resources initiatives ensures that Employment Equity is integrated with other Human Resources programs. Grass root committees and working groups develop specific proposals and projects to address direct needs. The proposals are discussed at the **Employment Equity Committee** and subsequently developed and then forwarded up to the Human Resources Development Committee for approval. Examples of these grass roots programs include the Employee Resource Centre (E.R.C.), which opened in April 1995. This resource room, located within the library, contains a multitude of resource information for all employees, such as Job Alert, Staffing Practices, Employment Equity Committee Minutes, SCAN (our newsletter), Personnel Bulletins, Training Catalogue and Schedules, videos, books, internet access and will soon be a repository for enabling technologies.



Another example of a grass roots projects is booklet entitled, "Guide to Flexible Work Patterns". Developed by a working group, the Guide contains an array of information on alternative work options. Such information is not elsewhere available in such a comprehensive fashion.

A project on the Availability of Publications in Alternative Formats has led to the development of a departmental policy on alternative formats. The Daily will be available in alternative format while a 1-800 personalized service will be available for tabular material. An evaluation of the cost and demand for these services is part of the project.

A project on Enabling Technologies geared to improve search and retrieval of STC data using technologies which will provide alternative formats for employees with disabilities, is now underway. The project has received split funding from the Public Service Commission. Equipment for this project will be located in the E.R.C. The team is now researching technologies used at a number of centres, including universities, prior to purchasing the equipment.

The Employment Equity Committee also encourages and supports activities such as International Women's Day, National Access Awareness Week, International Day for the Elimination of Racial Discrimination and Aboriginal Awareness Week.

The Annual Employment Equity Report and Multi-year plan is readily available to employees in electronic format on the Internal Communications Network. This Report reports achievements and outlines activities and goals for the present and upcoming years. The EE Report further provides graphics illustrating recruitment and promotion of target groups, representation of target groups in various career groups as well as the representation of women by level over a nine-year period.

As previously mentioned in Question 6, the Agency recognizes that our employees may have commitment and concerns that lead them to need alternative work arrangements such as flexible hours, part-time work, or telework. Such options are readily available. We have in place a part-time work policy which guarantees an indeterminate employee, who may choose to work part-time, the right to a full-time position whenever they prefer to resume full-time hours. This particular initiative on part-time work was taken as a direct response to the 1995 Employees Opinion Survey which identified that 17% of our employees would reduce their paid working hours if part-time work were offered to them.

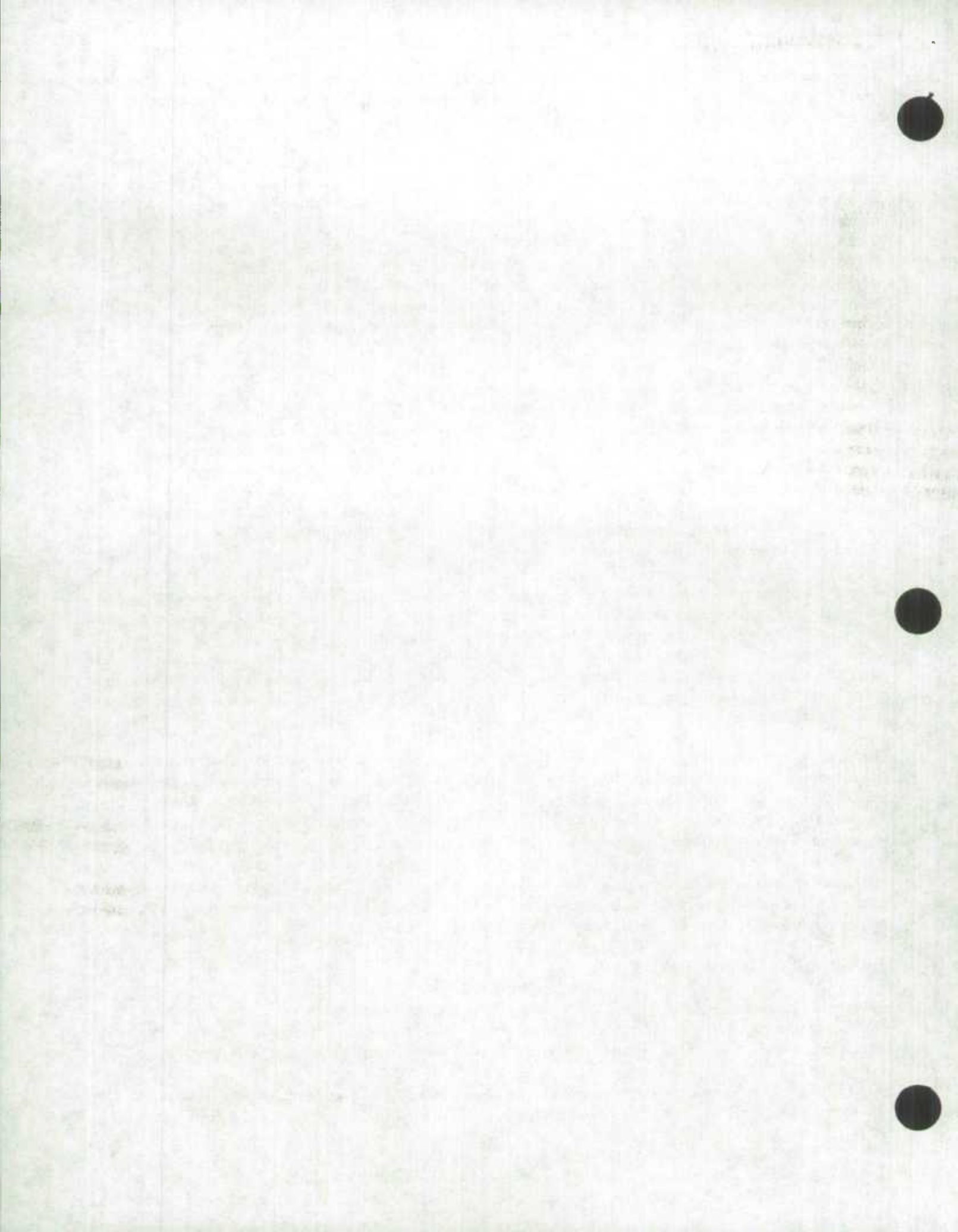
Budget cuts, low attrition, a no lay-off policy and the necessity of redeploying staff necessitate that the Agency have a motivated, flexible and well-trained staff all pulling in the same direction. Performance management is critical for poor performers are demotivating to all. The Agency has recently established a new **Working Group on Managing Performance**. The role of this Working Group is to develop a positive corporate approach to enhancing overall performance of employees, including those whose work does not routinely meet expectations. The Working Group is examining a number of approaches to the task of enhancing performance, including the design, development and implementation of a workshop aimed at more fully sensitizing managers to the various factors which affect performance, at encouraging them to consistently handle performance issues, and at providing them with the tools to effectively manage problem performers.

INTERNAL COMMUNICATIONS

Internal Communications is vital. The Agency strongly emphasizes and monitors the attainment of free-flowing communications up and down the organization, and encourages as much involvement as possible by staff in decisions which affect them. Applied measures have been presented in Question 8 of this document.

At this juncture is important to mention several distinctive Human Resource communication vehicles: Job Alert, the monthly Personnel Bulletin, the General Compensation Information System, and the ATRS (Automated Time Reporting System).

Job Alert, published every two weeks, informs employees of advertised competitive processes within the Agency. Job Alert is posted in key 'traffic' locations and is available on the Internal Communications Network.



The monthly Personnel Bulletin is currently delivered to every employee; it will soon be available electronically. The Bulletin alerts employees to changes in compensation rules, benefit changes, tax changes, informs them about Canada Savings Bonds, and generally informs employees about items of interest and concern in the human relations sphere. Information in the Bulletin translates the bureaucratic language used in central agency directives into clearer information that our employees can use to make informed decisions about options available to them.

The third vehicle, the General Compensation Information System is an electronic presentation on compensation. This presentation contains information on different subjects such as pay calculations, insurances, superannuation, benefits on termination of employment, overtime and leave. It can be accessed via the Internal Communications Network (ICN) under "Human Resources".

One other communications vehicle used is the ATRS leave module (Automated Time Reporting System). Paper leave requests have been eliminated with electronic requests. The ARTS leave provides managers with electronic information on leave requests and leave balances. In addition it provides general information about the pertinent clauses in each collective agreement, for each type of leave.

The main objective of the **1995 Employee Opinion Survey** was to provide employees with the opportunity to participate in the improvement of their work environment. The survey was designed to provide a comparison to 1992 figures in order to guide further management initiatives, to clarify some issues raised in 1992, to monitor initiatives which were implemented as a result of the first survey, and to investigate other issues which have arisen since 1992.

Questionnaires were distributed to employees in May 1995 and a second round of questionnaires was distributed four weeks later. Response rate was 76.7% for indeterminate and term employees combined, based on monthly counts before the survey and 66.1% for interviewers, based on quarterly counts before the survey. The combined indeterminate and term response rate was 2.9% higher than 1992, and the interviewer response rate was 10.3% higher.

Generally, the profile of Employee Opinion Survey respondents is quite close to that of the Statistics Canada population and, combined with a high response rate, the data from this survey should provide a sound basis for understanding the concerns of Statistics Canada employees.

Employee Opinion Surveys are a vital Human Resource Tool to help us understand how employees are coping with changes, and an excellent vehicle to help the Agency plan to address concerns raised by employees.

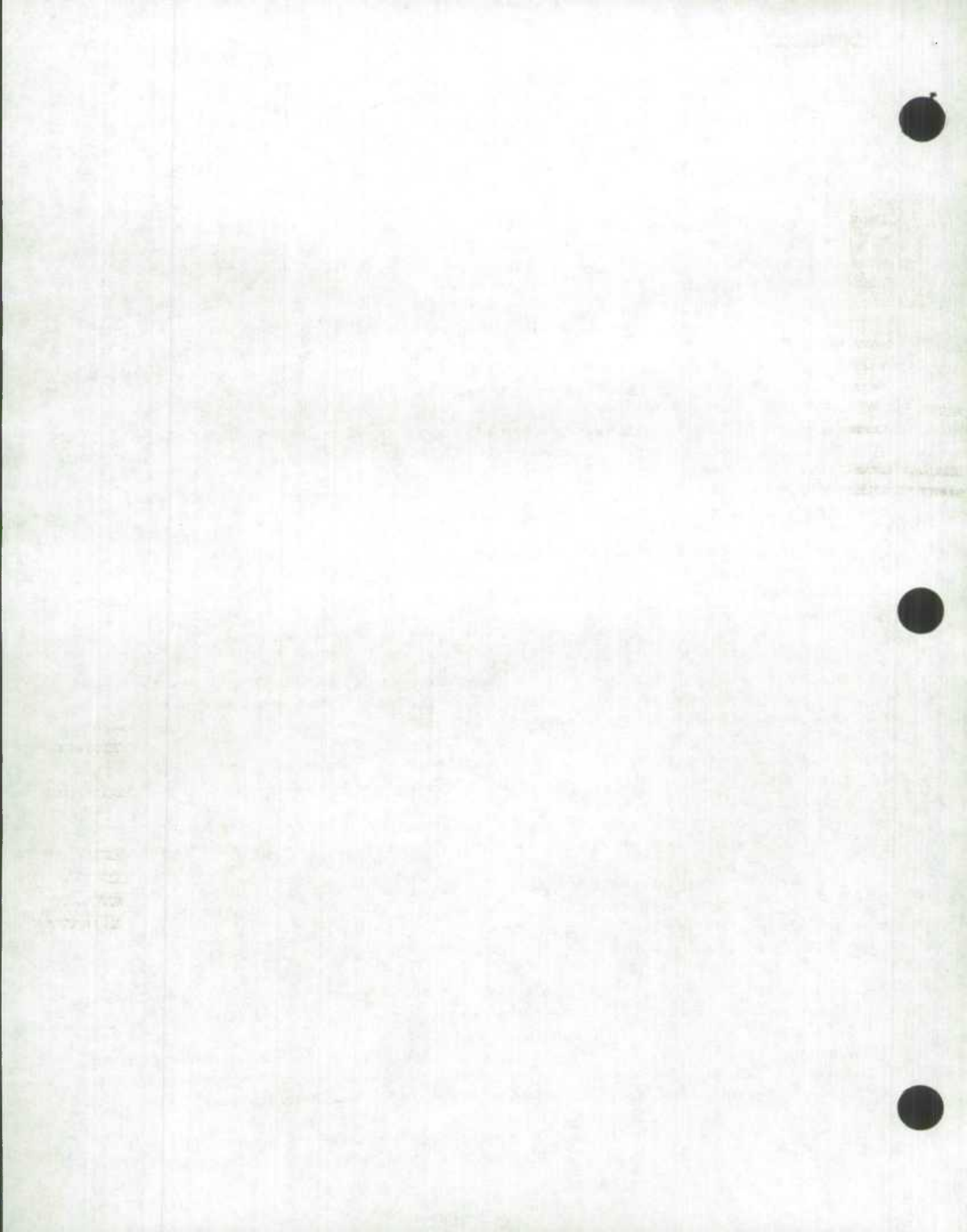
Our broad human resources philosophy is to place a high priority on investing in our employees' personal development. Increasing individual effectiveness makes good business sense, as 80% of budget is salaries.

Enhancing personal development makes employees more versatile and it boosts morale. It enables us to offer high job security. We want employees who can move from job to job to address changes in customer needs and budget reallocations. We want employees to see change as a way of life to adapt to new circumstances. We want to break down the barriers to communication and co-operation that exist between operational units.

Our experts and specialists must be able to understand and work effectively with each other. We want to develop a high level of motivation and belonging in all our employees.

We implement this Human Resource philosophy with specific programs in professional recruitment, training and development and measures designed to enhance employee commitment and retention. In implementing these programs we adhere to six cross-cutting principles, previously discussed in Questions 1 and 9.

We believe in a **systems** approach for each of our major human resources programs, whether it be for recruitment, training, career development or generic competition. In all of these initiatives **example is set from the top**.



present the proposed solution to the Policy Committee for approval. Topics have included Managing Performance, Service Standards and most recently, Managing Statistical Projects.

In this latter project, Managing Statistical Projects, the team has been requested to find the optimum way to train our resources about managing statistical projects. They are to design the content and model for a training program designed to teach employees about statistical projects using a hands-on approach, putting theory into actual practice.

The very existence of this project is a reflection that, despite teamwork being common practice, we have a need for a structured approach to training about managing projects. The fact that this project has been given as a learning tool for middle managers is an indication of the belief the Agency has in the innovative ideas that can come from middle managers in training and participating on a team.

Training experiences such as these teamwork projects which emphasize experience gained from actual on-the-project experience again clearly demonstrate the Agency's commitment to teamwork.

Another area where teams are used is in selection processes for generic competitions. Here the teams' broad background facilitates in the selection of candidates.

Some fields such as the EDP and methodology fields work extensively in project teams, use project charters and have steering committees. Their team structure is now concrete, their adherence to a project schedule more clearly enunciated. Other areas are moving more to this approach.

Over the years two major project teams have examined inter-disciplinary project development or the management of development projects. With the implementation of the proposal of the middle-management team now working on project management, we should see a more structured approach to teamwork throughout the Agency.

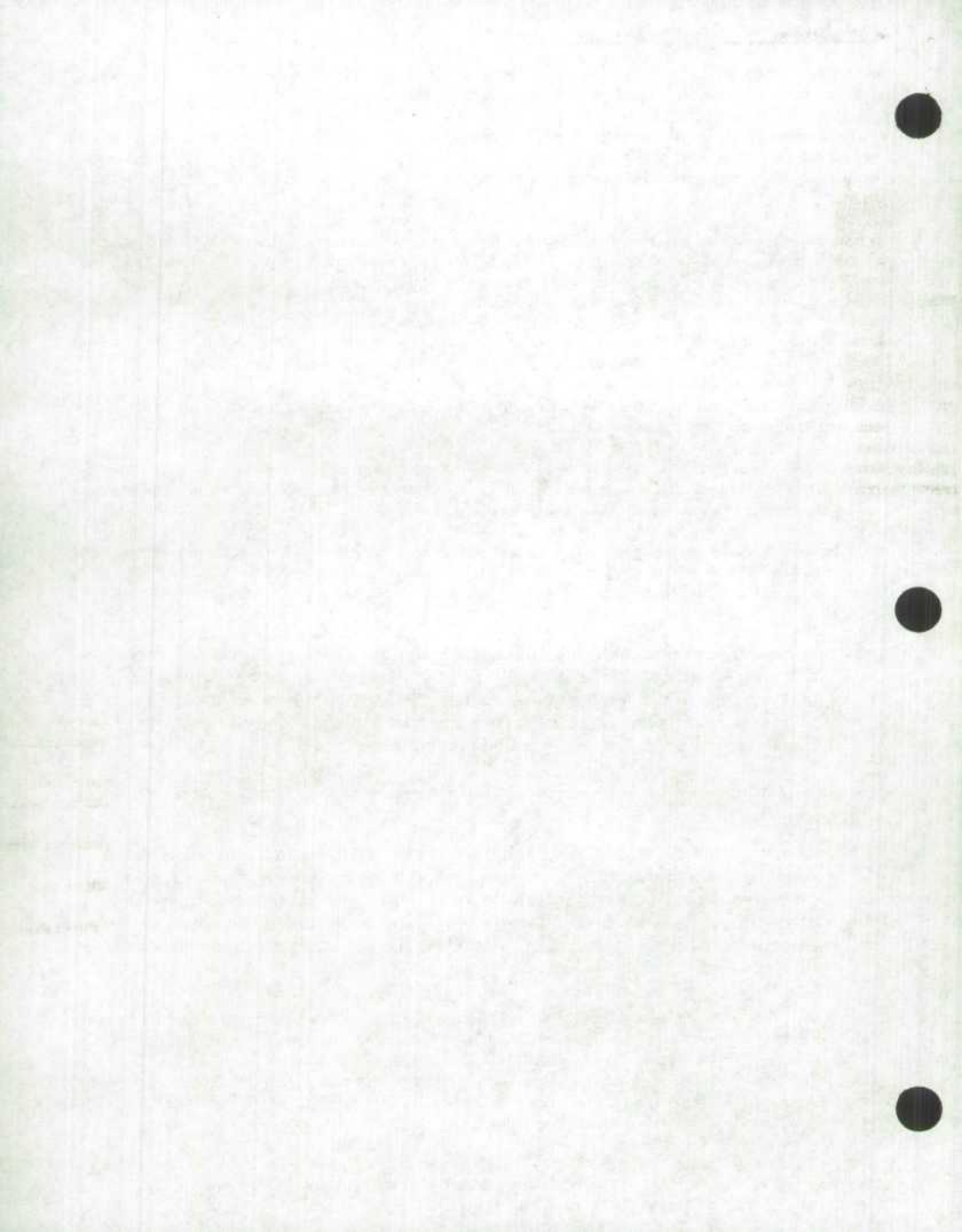
- 13. There may be other factors than those which naturally fit under one of the above, relatively broad categories that you never-the-less find significant enough to mention, perhaps since they have been particularly important to ensuring that your organization became and continues to be a sustained, well-performing public service organization. Please describe those factors.**

Discussion of "other factors" has been incorporated into other responses to which they may have directly applied.

- 14. Communicate the significance you have felt in belonging to a public service organization and describe, from your perspective, the nature of operating in the grey area between the political world and the world of administration. Is there anything else you would like to say about 'good public service, 'sustained, well-performing public service organizations', or 'The changeable public service organization'?**

Belonging to the public service and being a public service organization is beneficial to the successful operation of our statistical agency. While we are a public service organization, we stand somewhat apart from other departments. One reason for this is the Statistics Act. The strength of confidentiality protection assigned by the Act has not only provided a safeguard for respondents over the years, but has given the Agency a competitive edge. Similarly, the ability (but not the requirement!) to share information, unless respondents object, has been a powerful tool to help avoid duplication and fragmentation.

The rank of deputy minister within the government hierarchy affords the Chief Statistician the opportunity to participate in regular (weekly) meetings of deputy ministers which in turn provides a forum to obtain an on-going appreciation of evolving plans and priorities of government. This participation gives the Chief Statistician



both personal and official access to the highest levels of decision making which is invaluable in obtaining insight into evolving major issues. Information of this type can enhance the Agency's ability to maintain a relevant product line. Such meetings also provide opportunities to demonstrate the relevance of statistical information directly at the highest level of public service decision making.

Statistics Canada stands somewhat apart from other departments and agencies in terms of the relationship between the Minister and the Chief Statistician as the Minister's deputy. There has been, and continues to be a long-standing arm's length relationship between the Minister responsible and the Chief Statistician. This distance is an explicit instruction of the Prime Minister. This distance does not lessen the Minister's role, in representing the Agency in Parliament, within Cabinet and in initiating action in cases of mismanagement of the Agency or violation of public sensitivities. The Minister responsible is a senior member of Cabinet with additional portfolio responsibility over and above statistics. The Minister of Industry represents Statistics Canada, but the Agency is not part of Industry Canada, rather we simply share the same Minister.

The Chief Statistician also stands apart from other Deputy Ministers in terms of method of appointment and removal from office. The Auditor General and the Privacy Commissioner are appointed by Parliament directly, usually for a fixed term. By contrast, deputy ministers are typically appointed by the Prime Minister, from the ranks of the public service, and can be removed or rotated into other positions at the prerogative of the Prime Minister. The question has arisen on a number of occasions, as to whether it would be preferable for the Chief Statistician to be a parliamentary appointee. The trade-off is between belonging to the community of deputy ministers, or having the extra safeguard implied by a parliamentary appointment. The former is a vital ingredient of anticipatory planning based on involvement, as well as a source of personal access to the highest levels of government; the latter is an extra safeguard against political pressure. Our view is that the other elements of the position and its public standing provide ample powers to resist political pressure should it be necessary to do so.

The Chief Statistician's removal or resignation would be a major public and media event (note, once again, the importance of a high public profile as part of the defense against the politicization of the statistical system). But, there is no readily available mechanism to compensate for the loss of regular and direct involvement which would unavoidably be implied by a parliamentary appointment process. Accordingly, the Chief Statistician's position remains a Prime Ministerial rather than a Parliamentary appointment.

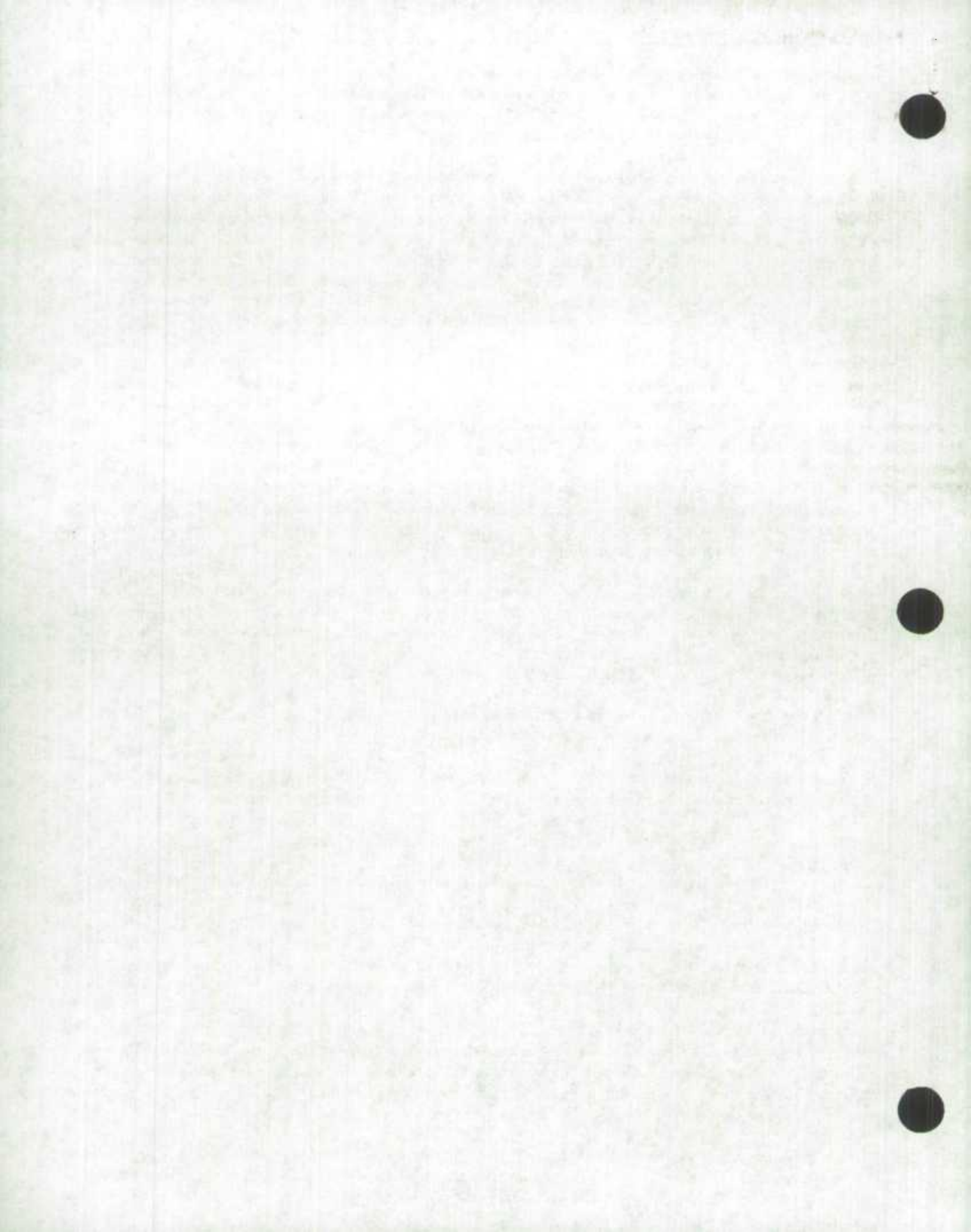
Statistical systems are complex entities whose sustained successful functioning requires a multiplicity of conditions to be satisfied. Three main indicators of success are:

- How effectively the system meets the priority information needs of its users? The underlying dynamic question is how adaptable is the system to adjusting its product line to evolving needs?
- How effective is the system in exploiting existing data to meet client needs?
- How credible is the system in terms of the statistical quality of its outputs and its non-political objectivity?

The fact that Statistics Canada is a public service organization goes a long way to facilitating the achievement of these measures. The personal and hierarchial standing of the Chief Statistician determines the effectiveness of the system and shapes the character of the leader's interactions with the outside world, as a conduit for information, main representative of the system and chief protector of its non-political objectivity.

The greatest substantive challenge of the system is to foster the evolution of its product line in response to the most pressing needs of society. The key operational determinants of success are effective interactions with a multiplicity of client groups, and a planning system that is capable of synthesizing these needs and mobilizing resources to meet them. Participation in the cadre of deputy ministers enables the Chief Statistician to know the pressing needs of society and to plan and mobilize our resources to meet them.

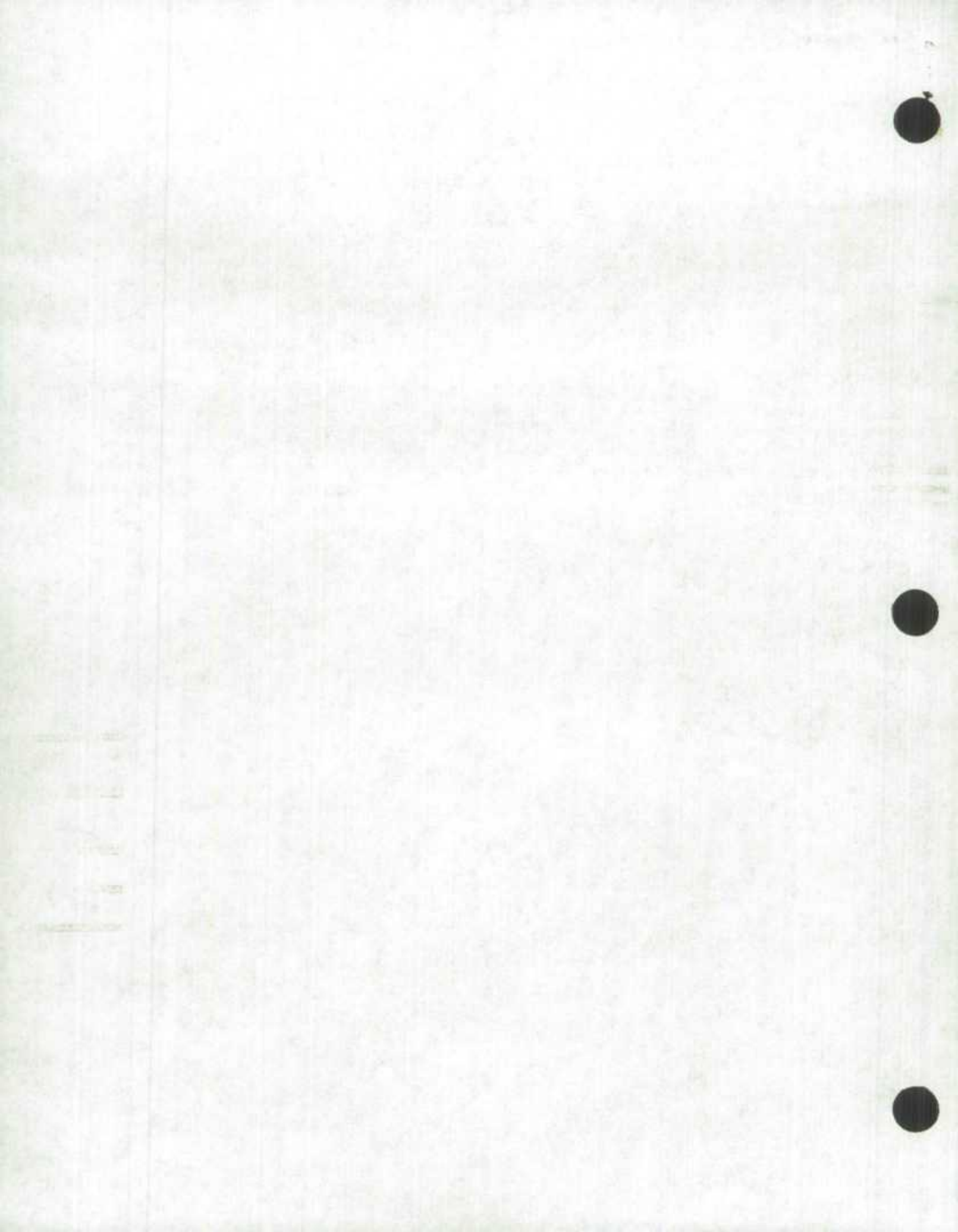
Adaptive systems place high emphasis on their intrinsic ability to evolve. This involves giving very high priority to developing and maintaining a strong analytic and research capacity, as well as a healthy operational capability to respond to client funded surveys and other opportunities. Our role as an agency within the public service



facilitates this strong analytic capacity, and yet it is through client funded surveys that much of the truly innovative work has come, and has subsequently led to improvements and efficiencies.

A high public profile for an organization is advantageous from many points of view: it contributes to a high level of awareness of statistical information and hence to their wider utilization as public goods, it helps in achieving high response rates and hence better data quality, it contributes to the effectiveness of productive feedback mechanisms with client groups, and last, but not least, it enhances the protection of the system from political interference. Effective public profile depends on name recognition achieved through repeated media references, the clear relevance of data and analytic outputs, the effectiveness of the Chief Statistician as spokesperson, and the extent to which media needs for statistical information are satisfied. Most certainly membership in the public service increases our public profile. It enables us to be at the leading edge as issues of national importance come to light, and to have statistical information available for the decision makers.

The decisive determinant of public support for any government program is a perception that it is important. Continuing relevance is therefore a necessary condition for a positive public perception of the statistical program. But relevance alone is not sufficient to guarantee that the public is aware and consequently supportive of the statistical system. Effective public information and name recognition is critical. Hardly a day passes without some major statistical release by Statistics Canada, accompanied by considerable media reporting. Daily mentions of the Agency's name in the context of important issues (such as inflation, economic growth, or unemployment, to mention just a few), undoubtedly contribute to a perception of usefulness. This advantage is predicated on the statistical office having departmental or self-standing agency status, so that the statistical releases identify the Agency, and not some other department of which it might be a part.



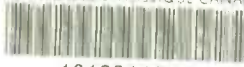
Acknowledgment

This paper is based upon a number of internal working documents to which senior management of Statistics Canada have contributed. In addition, parts of this paper draw heavily from the references listed below.

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